



ORDINARY COUNCIL MEETING

PUBLIC

MINUTES

19 December 2019

These minutes were confirmed by Council as a true and correct record of proceedings by the Ordinary Council Meeting held on 16/01/20

Presiding Member  Date: 16 January 2020

Disclaimer

The purpose of this Council Meeting is to discuss and, where possible, make resolutions about items appearing on the agenda.

Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.

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Shire of Brookton
Ordinary Meeting of Council held 19 December 2019
Commenced at 5.00 pm

TABLE OF CONTENT

1.12.19	USE OF COMMON SEAL.....	4
2.12.19	DELEGATED AUTHORITY – ACTIONS PERFORMED – NOVEMBER 2019	4
3.12.19	DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS	4
4.12.19	RECORD OF ATTENDANCE/APPOLOGIES/APPROVED LEAVE OF ABSENCE.....	4
5.12.19	RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE.....	5
6.12.19	PUBLIC QUESTION TIME	5
7.12.19	APPLICATIONS FOR LEAVE OF ABSENCE.....	5
8.12.19	PETITIONS/DEPUTATIONS/PRESENTATIONS	5
9.12.19	CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS.....	5
9.12.19.01	ORDINARY MEETING OF COUNCIL – 21 NOVEMBER 2019	6
9.12.19.02	AUDIT COMMITTEE	6
9.12.19.03	RECONFIRMATION OF OCTOBER ORDINARY MEETING OF COUNCIL MINUTES	6
10.12.19	ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION	6
11.12.19	DISCLOSURE OF INTERESTS	6
12.12.19	TECHNICAL & DEVELOPMENT SERVICES REPORTS.....	7
12.12.19.01	PROPOSED ROAD CLOSURE – PORTION OF SEWELL STREET, BROOKTON	7
12.12.19.02	REVIEW AND ADOPTION OF LOCAL PLANNING POLICIES.....	15
13.12.19	COMMUNITY SERVICES REPORTS	43
13.12.19.01	SPECIAL EVENT – 2020 BROOKTON OLD TIME MOTOR SHOW	43
14.12.19	FINANCE & ADMINISTRATION REPORT.....	49
14.12.19.01	AMENDMENT TO 2019/2020 SCHEDULE OF FEES AND CHARGES.....	49
14.12.19.02	LOCAL GOVERNMENT INSURANCE SCHEME – SURPLUS DISTRIBUTION 2019.....	54
14.12.19.03	CREATION OF NEW RESERVE FOR PROCEEDS OF SALE OF LOT 511 – KALKARNI & SADDLEBACK	63
14.12.19.04	STATUS REPORT & TRUST FUND	66
14.12.19.05	DRAFT ANNUAL BUDGET PREPARATION GUIDE	90
14.12.19.06	ANNUAL REPORT FOR 2018/2019.....	94
14.12.19.07	LIST OF ACCOUNTS FOR PAYMENT	98
14.12.19.08	STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 30 NOVEMBER 2019	100
14.12.19.09	REQUESTED BUDGET VARIATIONS.....	126

15.12.19 GOVERNANCE.....	130
15.12.19.01 ANNUAL REVIEW – SHIRE OF BROOKTON CODE OF CONDUCT – ELECTED MEMBERS....	130
15.12.19.02 ANNUAL REVIEW - SHIRE OF BROOKTON CODE OF CONDUCT – EMPLOYEES	147
15.12.19.03 DRAFT BUSINESS CONTINUITY PLAN AND DRAFT RISK MANAGEMENT PLAN	170
15.12.19.04 PROPOSED AMENDMENT TO POLICY 1.6 – TRAINING SESSIONS CONFERENCES MEETINGS SEMINARS – ELECTED MEMBERS	219
16.12.19 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN	223
17.12.19 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING	223
18.12.19 CONFIDENTIAL REPORTS	223
18.12.19.01 EMPLOYEE LONG SERVICE LEAVE REQUEST	223
18.12.19.02 DEFERMENT OF RENTAL INCOME	224
19.12.19 NEXT MEETING & CLOSURE	225

1.12.19 USE OF COMMON SEAL

The Table below details the Use of Common Seal under delegated authority for the month of November 2019.

Use of Common Seal Register		
File Ref:	Purpose	Date Granted
Nil.		

2.12.19 DELEGATED AUTHORITY – ACTIONS PERFORMED – NOVEMBER 2019

The Table below details the actions of Council performed under delegated authority for the month November 2019.

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

BUILDING			
Application No.	Lot & Street	Type of Building Work	Date Granted
07.19-20	Lot 4 McGrath Street	Shed	6/11/2019
08.19-20	Lot 1 Marsh Avenue	Patio	20/11/2019

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

PLANNING				
File Ref	Application Ref	Subject Land (incl. Scheme No.)	Purpose	Date Granted
Nil.				

3.12.19 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**Opening**

The Presiding Member opened the meeting at 5.00pm and welcomed Councillors and Staff.

Acknowledgement of Country

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 its life.

4.12.19 RECORD OF ATTENDANCE/APPOLOGIES/APPROVED LEAVE OF ABSENCEElected Members (Voting)

Cr KL Crute	(Shire President)
Cr NC Walker	(Deputy Shire President)
Cr RT Fancote	
Cr CE Hartl	
Cr MG Macnab	
Cr BK Watts	

Staff (Non-Voting)

Ian D'Arcy	Chief Executive Officer
Steve Thomson	Manager of Infrastructure and Regulatory Services
Danni Chard	Executive Governance Officer
Amy Eva	Community Liaison Officer

Leave of absence

Cr TD Lilly

Members of the Public

Nil.

5.12.19 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil.

6.12.19 PUBLIC QUESTION TIME

Nil.

7.12.19 APPLICATIONS FOR LEAVE OF ABSENCE

OCM 12.19-01

COUNCIL RESOLUTION

MOVED Cr Fancote SECONDED Cr Watts

That Cr Hartl be granted a leave of absence for the January 2020 Ordinary Meeting of Council.

CARRIED BY SIMPLE MAJORITY VOTE 6-0

8.12.19 PETITIONS/DEPUTATIONS/PRESENTATIONS

Nil.

9.12.19 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

The Shire President requested the respective minutes be moved en-bloc and called for a mover and seconder to item 9.12.19.01. 9.12.19.02 and 9.12.19.03.

OCM 12.19-02

COUNCIL RESOLUTION

MOVED Cr Walker SECONDED Cr Fancote

That Council agree to consider the following items 9.12.19.01, 9.12.19.02 and 9.12.19.03 on en-bloc.

CARRIED BY SIMPLE MAJORITY VOTE 6-0

OCM 12.19-03

COUNCIL RESOLUTION

MOVED Cr Hartl SECONDED Cr Fancote

That the minutes presented under:

- *Agenda Item 9.12.19.01 – Ordinary Meeting of Council, 21 November 2019 be received and confirmed as true and correct record of the proceedings.*
- *Agenda Item 9.12.19.02 – Audit Committee, 09 December 2019 be received.*
- *Agenda Item 9.12.19.03 – Reconfirmation of October Ordinary Meeting of Council Minutes*

CARRIED BY SIMPLE MAJORITY VOTE 6-0

9.12.19.01 ORDINARY MEETING OF COUNCIL – 21 NOVEMBER 2019

That the minutes of the Ordinary meeting of Council held in the Shire of Brookton Council Chambers, on 21 November 2019, be confirmed as a true and correct record of the proceedings.

9.12.19.02 AUDIT COMMITTEE

That the minutes of the Audit Committee meeting held in the Shire of Brookton Council Chambers, on 09 December 2019, be received by Council.

9.12.19.03 RECONFIRMATION OF OCTOBER ORDINARY MEETING OF COUNCIL MINUTES

That the minutes of the 17th October 2019 Ordinary Meeting be corrected due to an administrative error by amending item 12.10.19.04, Council minute OCM 10.10-05 from “Simple Majority Vote to “Absolute Majority Vote”.

10.12.19 ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION

Card sent on behalf of Council to Mr Neil White.

11.12.19 DISCLOSURE OF INTERESTS

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.

Financial, Proximity and Impartiality Interests

Item no.	Members/Officers	Type of Interest	Nature of Interest
13.12.19.01	Cr Katrina Crute	Financial	Executive Member of OTMS Committee
13.12.19.01	Cr Gail Macnab	Impartiality	Registrations Person for OTMS

12.12.19 TECHNICAL & DEVELOPMENT SERVICES REPORTS

12.12.19.01 PROPOSED ROAD CLOSURE – PORTION OF SEWELL STREET, BROOKTON

File No:	ADM0315 & RD104
Date of Meeting:	19 December 2019
Location/Address:	Sewell Street, Brookton
Name of Applicant:	Co-operative Bulk Handling Ltd (CBH Group)
Name of Owner:	State of Western Australia
Author/s:	Ian D'Arcy – Chief Executive Officer
Authorising Officer:	As above
Declaration of Interest:	The author does not have an interest in this item
Voting Requirements:	Simple Majority
Previous Report:	15 August 2019

Summary of Item:

For Council to consider a resolution to close a portion of Sewell Street road reserve, and amalgamate this land into the adjoining CBH Group properties.

A copy of the CBH letter of request is included as **Attachment 12.12.19.01A**.

Description of Proposal:

This proposal involves a request from the CBH Group to formal close a significant portion of the Sewell Street road reserve south of existing railway line spur to Yeo Road to be amalgamated with adjoining Lot 550, which is owned by CBH.

Figure 1 below illustrates the location while **Figure 2** provides a more detailed understanding of the portion of road requested to be closed.



Figure 1 – Location of proposed Road Closure – Sewell Street Brookton



Figure 2 – Portion of Sewell Street to be closed

Background:

Council at its August 2019 Ordinary Meeting considered and subsequently granted planning approval for expansion of the CBH Grain Receival Facility on Lot 550 Sewell Street. Included with the notice of planning approval was advice to the applicant that the Council is prepared to favourably entertain the closure of Sewell Street, as reflected in **Figure 3** below. This advice was provided to aid in safe and free movement of vehicles and heavy plant between the existing and new CBH grain receival facilities.

Similarly, consideration was also given to other measures to better manage and direct traffic around the CBH facility as illustrated in **Figure 4** below. This includes the proposed conversion of Bartram Street to a gravel formed dual use path with some shade tree planting, the termination of Lefroy Street (eastern end) as a no thru road, and the installation of swing barrier gates for emergency access/egress at the termination points of both Lefroy Street with Sewell Street (northern side of the railway line spur) – See **Figure 4** below. These works would be funded and performed by the Shire following Council accepted to proceed with the road closure following advertising with local residents and government utilities/agencies.



Figure 3 – Proposed Closure of Sewell Street and other associated works

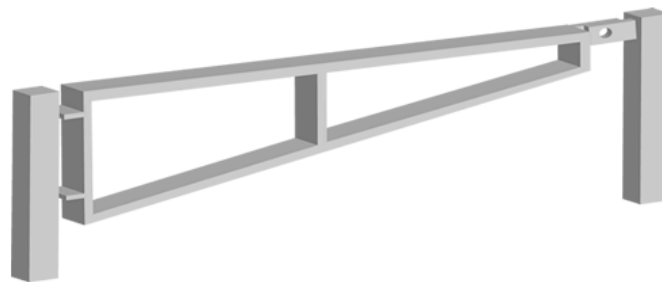


Figure 4 – Graphical illustration of typical swing gate

The process to permanently close a public (gazetted) road is detailed under Section 58 of the *Land Administration Act, 1997*. The legislation states that following a Council motion to initiate a road closure the proposal is to be advertised for a period of no less than 35 days seeking public and government agency comment, including Telstra, Western Power, Alinta Gas, Water Corporation. A letter would also be sent to CBH informing them of Council's decision to progress their request.

Consultation:

As mentioned above.

Statutory Environment:

Council is obliged to conduct a road closure process in accordance with Section 58 of the *Land Administration Act 1997*, which states:

58. Closing roads

- (1) *When a local government wishes a road in its district to be closed permanently, the local government may, subject to subsection (3), request the Minister to close the road.*
- (2) *When a local government resolves to make a request under subsection (1), the local government must in accordance with the regulations prepare and deliver the request to the Minister.*
- (3) *A local government must not resolve to make a request under subsection (1) until a period of 35 days has elapsed from the publication in a newspaper circulating in its district of notice of motion for that resolution, and the local government has considered any objections made to it within that period concerning the proposals set out in that notice.*

Relevant Plans and Policy:

There are no specific plans or policies that apply to this proposal.

Financial Implications:**Road Closure**

The costs applicable to this proposal is mainly in officer time and public notice by letter and advertising in the Brookton Telegraph, both of which are accommodated in the 2019/20 budget through staff wages and annual payment to Telegraph.

Other Works

The proposed conversion of Bartram Street and termination works for Sewell Street and Lefroy Streets with cul-de-sac construction, emergency barrier gates and no thru road signage will require budget consideration for the 2020-21 financial year. However, these works will ultimately be offset by:

- Sewell Street no longer requiring road maintenance and upgrade works in the future;
- Bartram Street being converted to a low key gravel path with minimal maintenance over the longer term;
- Lefroy Street being maintained to a higher standard with reduced maintenance due to reduced domestic traffic using this road.

Risk Assessment:

Given the CBH facility as a whole will generate significantly more haulage traffic, and the alignment of Sewell Street as a public road straddles the two storage sites, there is some concern in relation to public as well as internal safety in relation to traffic movement. By closing Sewell Street as a public thoroughfare and therefore allowing the two sites to operate contiguously, this will alleviate concern and afford opportunity for efficient operation across the two sites.

Similarly the conversion of Bartram Street to pedestrian/dual use and termination of Lefroy Street as a 'no thru road' will assist in managing/directing the traffic flow for the betterment of local residential amenity public safety.

However, should Sewell Street closure and other associated works not be entertained there remains a 'High' risk of vehicle conflict between the CBH operations, local residents and general public.

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 broadly aligns with the Shire of Brookton Corporate Business Plan Corporate Compendium in relation to:

Function 9: Infrastructure

Action 9.15: Review Asset Management Plan – Town-site road network conditions assessment and capital works

Function 19: Risk Management

Action 19.3 Implement risk mitigation measures

Comment

As already mentioned, the closure of Sewell Street and other associated works as proposed will deliver:

1. A heightened level of public safety around the CBH operations as a result of reduced conflict between the CBH facility and domestic/residential traffic;
2. The safe movement of vehicles and efficient operation of plant between the existing and new CBH grain loading and storage facilities on Lot 100 and Lot 550;
3. The limiting of local domestic traffic on Lefroy Street, with haulage traffic being compelled to use Yeo Road for access, thus improving amenity and reducing maintenance costs; and
4. The long term saving to the Shire on road maintenance and upgrade costs for Sewell, and Bartram Streets.

In light of these benefits it is recommended Council initiate the road closure process for Sewell Street, as requested in the application received from the CBH Group, and proceed with advertising the proposal in accordance with Section 58 of the *Land Administration Act, 1997*.

As to the other associated works in relation to Bartram Street, Lefroy Street and northern balance of Sewell Street it is suggested further consideration be given to funding these works in the coming 2020-2021 financial year, should Council proceed with the closure of Sewell Street following advertising.

OFFICER RECOMMENDATION

That Council:

1. Endorses the request received from the CBH Group to initiate the formal road closure process for the portion of Sewell Street, Brookton (as shown in Figure 1 of this report) and proceed with public consultation in accordance to Section 58(3) of the *Land Administration Act, 1997*.
2. Informs the CBH Group of Council's decision in relation point 1 above.

OCM 12.19-04

COUNCIL RESOLUTION

MOVED Cr Hartl SECONDED Cr Macnab

That Council:

1. ***Endorses the request received from the CBH Group to initiate the formal road closure process for the portion of Sewell Street, Brookton (as shown in Figure 1 of this report) and proceed with public consultation in accordance to Section 58(3) of the Land Administration Act, 1997.***
2. ***Informs the CBH Group of Council's decision in relation point 1 above.***

CARRIED BY SIMPLE MAJORITY VOTE 6-0

Attachments

Attachment 12.12.19.01A - CBH Application



OUR REF:
YOUR REF: Sewell St
ENC: Lee Nilan
DIRECT LINE: 9237 9740

Co-operative Bulk Handling Ltd
ABN 29 256 604 947
Level 6, 240 St Georges Terrace
Perth WA 6000 Australia
GPO Box L886
Perth WA 6842 Australia
Telephone
+61 8 9237 9600
Grower Service Centre
1800 199 083
cbh.com.au

3 December 2019

Chief Executive Officer
Shire of Brookton
PO Box 42
BROOKTON WA 6306

Dear Ian

BROOKTON – FORMAL ROAD CLOSURE REQUEST: SEWELL STREET

CBH writes regarding the road reserve known as Sewell Street, Brookton which adjoins CBH owned land (including CBH's Lot 100 and newly created Lot 550).

CBH wishes to formally request the Shire of Brookton to progress formal road closure procedures under Section 58 of the *Land Administration Act* for portion of Sewell Street; the extend being as hatched red on the attached plan comprising approximately 4979m².

It is the intention to formally close portion of Sewell Street to purchase and amalgamate the road reserve into CBH's adjoining freehold lot 550 to consolidate the Company's landholdings along Sewell Street and in line with the recent development application advice from Shire in terms of Shires would support closure of a section of Sewell St.

Closure of Sewell St will not leave any of CBH's or neighbouring freehold lots without road frontage as the adjoining lots either front Richardson Street or Lefroy Street.

Please do not hesitate to contact Lee Nilan on 9237 9740 (email lee.nilan@cbh.com.au) should you require any further information.

Yours Faithfully

A handwritten signature in blue ink, appearing to read "Lee Nilan", is written over a horizontal line.

Lee Nilan
Property & Land Specialist
CBH Group

Cc: Michael Munday / Christopher Ong – CBH

Annexure: Landgate overhead photo – extent of road closure

12.12.19.02	REVIEW AND ADOPTION OF LOCAL PLANNING POLICIES
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File No:	ADM 0486
Date of Meeting:	19 December 2019
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	N/A
Author/s:	Ian D'Arcy - CEO
Authorising Officer:	As above
Declaration of Interest:	The author has an interest as the officer responsible implementing Council Policy
Voting Requirements:	Simple Majority
Previous Report:	19 September 2019

Summary of Item:

This report relates to review and amendment of Council's Local Planning Policies 3.1 to 3.9 and presents for consideration of final adoption following public advertising.

A copy of the relevant Planning Policies is presented as **Attachment 12.12.19.02A** to this report.

Description of Proposal:

As above.

Background:

The Council on the 19th September 2019 performed a review of its Policy Manual, which included Part 3 being the Council's Local Planning Policies, as listed below:

- 3.1 Relocated Second Hand Buildings
- 3.2 Development Requirements for Rural Subdivision
- 3.3 Sewerage Connection for Subdivision of Land
- 3.4 Town Planning Fees Refund
- 3.5 Residential Development on Farming Zoned Lots/Locations without Frontage to Dedicated and Constructed Public Roads
- 3.6 Outbuildings
- 3.7 Tree Cropping
- 3.8 Signage within Zoned and/or Reserved Land
- 3.9 Developer Contributions for Road and Footpath Upgrading relating to Subdivision of Land

In accordance with the Planning and Development (Local Planning Schemes) Regulations, 2015 the Council moved a motion adopt amendments to the respective Planning (Development) Policies as listed above, and advertise these policies for a period of 21 days seeking public comment on the proposed wording changes to each policy.

Consultation:

Advertising of the amended policies immediately followed, with publication on the 26th September 2019 on the Shire Website and in the Brookton Telegraph on Wednesday 2nd October 2019. The submission period closed on Friday 25th October 2019, with no submissions being received.

Statutory Environment:

Local Planning Policies are reviewed in accordance with Schedule 2; Part 2; Division 2 Clause 4 and Clause 5 of the Planning and Development (Local Planning Schemes) Regulations, 2015.

Specifically Clause 4(3) and 4(4) states:

- (3) *After the expiry of the period within which submissions may be made, the local government must —*
 - (a) *review the proposed policy in the light of any submissions made; and*
 - (b) *resolve to —*
 - (i) *proceed with the policy without modification; or*
 - (ii) *proceed with the policy with modification; or*
 - (iii) *not to proceed with the policy.*
- (4) *If the local government resolves to proceed with the policy, the local government must publish notice of the policy in a newspaper circulating in the Scheme area.*

Relevant Plans and Policy:

There is no specific plan or policy that applies to this review process.

Financial Implications:

There is no specific financial implication involving the review and amendment of the Local Planning Policies.

Risk Assessment:

This report represents part of the statutory process that negates any risk.

Community & Strategic Objectives:

This proposal 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, this review of the Policy Manual aligns to the following Business Unit and Function:

- 1. Governance
 - 1.1 Review Policy Manual

Comment

Given the absence of any public submissions, it is recommended Council adopt policies 3.1 to 3.9 (as amended) and proceed to publish a notice to this effect in accordance with the Planning and Development (Local Planning Schemes) Regulations, 2015.

OFFICER RECOMMENDATION

That Council pursuant to Schedule 2; Part 2; Division 2; Clause 4(4) of the of the Planning and Development (Local Planning Schemes) Regulations, 2015 proceeds to adopt the amended Local Planning Policies 3.1 to 3.9 (as presented Attachment 12.12.19.02A to this report), and publish a notice to this effect on the Shire Website and in the Brookton Telegraph News.

OCM 12.19-05

COUNCIL RESOLUTION

MOVED Cr Walker SECONDED Cr Hartl

That Council pursuant to Schedule 2; Part 2; Division 2; Clause 4(4) of the of the Planning and Development (Local Planning Schemes) Regulations, 2015 proceeds to adopt amended Local Planning Policies 3.1 to 3.9 (as presented Attachment 12.12.19.02A to this report), and publish a notice to this effect on the Shire Website and in the Brookton Telegraph News.

CARRIED BY SIMPLE MAJORITY VOTE 6-0

3.1 Relocated Second Hand Buildings

Policy Owners: Directorate:	Chief Executive Officer Development			
Statutory Environment:	Planning and Development (Local Planning Schemes) Regulations 2015 Town Planning Scheme No. 3 Building Act 2011			
Council Adoption:	Date:		Resolution #:	
Last Amended:	Date:	Mar 2013 Aug 2017 Aug 2019	Resolution #:	
Review Date:	May 2019 June 2021			

Objective:

The primary objectives of this policy is to:

1. To ensure compliance with the relevant provisions of Council's Town Planning Scheme in a manner which is realistic and which ensures that the relocation of second-hand buildings is undertaken to an **approved acceptable standard** which pays regard to local amenity and aesthetics;
2. To provide clear standards as to what constitutes an acceptable type of relocated second-hand building to be used for residential purposes; and
3. To ensure the style, construction and design of relocated buildings is in keeping with the character of the surrounding buildings in particular and the locality in general.

Policy:

1. PRELIMINARY

1.1 Relationship of a Town Planning Scheme Policy to the Scheme

Any Town Planning Scheme Policy prepared under this part shall be consistent with the Scheme and if any inconsistency arises the Scheme shall prevail.

A Town Planning Scheme Policy is not part of the Scheme and shall not bind Council in any respect of any application for Planning Approval, but Council shall take into account the provisions of the Policy and the objectives that the Policy is designed to achieve.

2. APPLICATION OF THE POLICY

This policy applies to all proposals for the relocation of second-hand buildings (including repurposed buildings) on land situated within the Shire of Brookton.

This policy does not apply to new pre-fabricated buildings or other new transportable buildings built and re-fitted within an industrial area that have not been previously installed on any other location.

The placement of relocated second hand buildings ~~shall not be permitted on the following lots within the Brookton town site, or any subdivisions thereof: Lots 100 — 106, Brookton Highway (Koornong Estate)~~ shall be determined by Council based on visual, landscape and streetscape amenity considerations taking into account the standard of surrounding housing stock. All other locations will be assessed on merit against the objectives of this policy and may be determined by the CEO under delegation.

3. REQUIREMENT FOR PLANNING APPROVAL

3.1 Determination

Applications for the relocation of second-hand buildings on property within the Shire of Brookton require Council Planning Approval prior to a Building Permit being issued and relocation taking place. All applications for the relocation of second-hand buildings will be assessed against this policy prior to a decision being made under the provisions of the Scheme.

In determining the application, Council (or CEO under delegated authority) may approve the application with or without conditions. The Council may also refuse the application should the proposed development not accord with the objectives of this policy.

Planning approval is valid for a period of two (2) years from the date of approval, during which time a Building Permit must be issued and development substantially progressed or the approval will lapse.

3.2 Information to be supplied with Application

All applications for planning approval to relocate a second-hand building must be accompanied by the following prior to consideration:

- Signed and completed Application for Planning Approval Form;
- ~~Signed and completed Application for Inspection and Report Form~~;
- Photographs clearly showing the four elevations of the building;
- Site plan showing the proposed location of the building and distances from property boundaries, other buildings and any natural features on the property;
- Floor plans, elevations, cross sections, and specifications;
- Certification from a practicing structural engineer that the design and condition of the building is suitable for transportation and re-erection (where the building is a purpose-built transportable building, sufficient documentation proving this will suffice); ~~and~~
- Certification from a registered pest control company that the building is free from termites ~~if of a timber frame construction~~;
- ~~A statutory declaration that the building is free of hazardous material (including asbestos)~~
- ~~A Bushfire Attack Level (BAL) assessment if the Building is to be located within a designed Bushfire Prone Area as illustrated on the Department OF Fire and Emergency Services mapping website:~~

~~<https://www.dfes.wa.gov.au/regulationandcompliance/bushfireproneareas/Pages/default.aspx>~~

3.3 Need for a Building Permit

Notwithstanding that Council may grant Planning Approval, a Building Permit is generally required to be sought and issued prior to relocation ~~of the building~~ commencing.

3.4 Advertising

An application for a relocated second-hand building within the Brookton townsite may need to be advertised in accordance with Clause ~~7.2 of its Town Planning Scheme~~ 64 of the Planning and Development (Local Planning Scheme) Regulations, 2015 where surrounding properties and/or residences may be affected by the relocation of the building taking place.

3.5 Building Inspection

A suitably qualified person (ie Structural Engineer or Building Surveyor) is required to inspect the building prior to its relocation in order to ascertain its suitability for relocation. ~~The inspection will be reported on by completion of the Relocated Second Hand Building Inspection Report.~~

4. GENERAL PROVISIONS

4.1 Minimum Dwelling Standard

If the relocated second-hand building is to be used for residential purposes, the following minimum dwelling standard is required to be provided:

- At least one (1) bedroom separate from the other rooms in the dwelling;
- A lounge/dining area;
- A kitchen; and
- A separate toilet, bathroom & laundry facility.

To be used as a dwelling, the building will be assessed against and must comply with the requirements for Class 1 buildings under the Building Code of Australia.

Buildings that are not designed for predominant use as a dwelling and do not meet the above criteria will not be approved for use as a primary residence.

Mobile park homes will only be considered if the above criteria for minimum dwelling standard is met and the mobile home is consistent with all other relevant requirements of this policy, particularly Section 5.3 relating to amenity.

4.2 Non-Residential Building Standard

Relocated buildings to be used for non-residential purposes will be assessed based upon their suitability for the proposed use, the zone in which they are to be located and against all other relevant provisions of this policy relating to asbestos, amenity and design. If considered necessary, Council will prohibit the use of the building for residential purposes through a condition of approval.

If the relocated building is to be used as an outbuilding, the application will be assessed against the relevant provisions of Council's prevailing Outbuildings Policy.

4.3 ~~Asbestos-Hazardous Materials~~

Second-hand dwellings must have all ~~hazardous materials~~ (ie asbestos) materials removed prior to relocation taking place. Council will require documentation proving cement sheeting (walls and roof) is ~~asbestos hazardous~~ free where the age of the building indicates ~~asbestos hazardous materials~~ may have been utilised in construction.

4.4 Amenity

When giving consideration to an application for planning approval, Council may give consideration to:

- The building in its relocated position being rendered visually acceptable by the use of verandas, screening and / or landscaping;
- The design, scale and bulk of the proposed building being compatible with the type of buildings that exist in the locality in which it is to be located; and
- With respect to the relocation of second-hand buildings within the Brookton Town site, Council may not approve the relocation of non-brick buildings where the predominant building type in the locality in which it is proposed to be located is either brick and tile and / or brick and iron.

Council will not grant planning approval for relocating any building if it is considered to be in 'conflict' with the age and design of buildings in the immediate vicinity of the proposed new location.

4.5 Earthquakes

The Shire area is within the Zone 2 Seismic Zone. Consequently, all relocated structures must meet the appropriate standard of construction required by the Building Code of Australia.

4.6 Works to be carried out

Council ~~will~~ **may** place any conditions on its planning approval if deemed appropriate to ensure the relocated second-hand ~~dwelling building~~ meets the objectives of this policy, and preserves the amenity of the locality. These conditions may include the following if deemed appropriate by Council:

- The exterior of the building being painted in a manner that is consistent with the colours and styles of the surrounding buildings;
- The construction of verandas and / or alterations to the roof pitch and / or materials to ensure the relocated building is consistent with the design of surrounding buildings;
- Other conditions to ensure an individual building meets all relevant Council requirements and policies.

5. BOND

5.1 Payment

As a condition of planning approval for a relocated second-hand building a \$5,000 bond may be required. Bank or other guarantees are not acceptable. ~~This money will be refunded where the following requirements have been satisfied:~~

- ~~▪ Any other conditions on the planning approval having been addressed.~~

5.2 Return of Bond

A bond held in trust will be returned to the applicant once all conditions of the planning approval has been addressed within the 2 year statutory approval period to the satisfaction of the local government.

Should the applicant fail to satisfy the conditions of approval the local government may draw down on the bond to pay for the works to be performed under the direction of the local government to a satisfactory standard.

3.2 Development Requirements for Rural Subdivision

Policy Owners:	Chief Executive Officer Development			
Directorate:				
Policy Origin:				
Statutory Environment:	<i>Town Planning Scheme No. 3</i>			
Council Adoption:	Date:		Resolution #:	
Last Amended:	Date:	Aug 2017 Dec 2019	Resolution #:	
Review Date:	May 2019- June 2021			

Objective:

The purpose of this Policy is to outline Council's requirements for subdivision for rural/**farming** and rural-residential **use zoned land**. Council will from time to time require conditions be placed on a subdivision approval for certain works to be undertaken, particularly relating to road construction and the preparation of fire management plans. Other related matters include drainage, electricity supply and water supply.

Policy:

Road Construction

The following outlines the construction requirements for roads to either serve a subdivision **in the 'Farming' or 'Special Rural' Zones of rural/farming or rural-residential zoned land**, or to construct an unmade road reserve in the Shire of Brookton.

Road Types

There are five types of rural and rural residential road types that are identified in the Shire. These are:

- Rural Residential Road
- Major Rural Road
- Standard Rural Road
- Minor Rural Road Type A
- Minor Rural Road Type B

Rural Residential Road applies to new roads (either on an existing road reserve or a road reserve created as part of a subdivision) that are to be constructed to serve a Rural Residential development (Lot sizes normally 2ha – 5ha). Council will require the sealing of Rural Residential Roads serving lots of 5ha or less in area as a reflection of the relatively high traffic volumes that are created by this form of subdivision.

A **Major Rural Road** is a road that carries large volumes of traffic or connects significant areas of the shire to other rural areas or the town centre. Sealing of these roads may occur should traffic volumes or use by heavy vehicles warrant this. Existing examples of major rural roads in the Shire are Corberding Road, Brookton-Kweda Road and Copping Road between the Great Southern Highway and the BALCO plant.

A **Standard Rural Road** generally carries moderate volumes of traffic from major roads to farming areas. The majority of existing shire roads would be classified under this category.

A **Minor Rural Road Type A** is a road that has the potential to serve a maximum of 10 farming locations or lots (with lot sizes normally greater than 30-40ha) and is typically a no-through road.

A **Minor Rural Road Type B** is a road that has the potential to serve a maximum of 5 farming locations or lots (with lot sizes greater than 30-40ha) and is typically a no-through road.

Road Reserve Requirements

Where a new road reserve is proposed to serve a subdivision, a reserve width of 25 metres will normally be required, unless topography requires a greater width. In rural areas, lot truncations of 8m will be required for lots on road corners.

Road Construction Requirements

The following outlines the normal construction requirements for each road type. Council reserves the right to determine the standard of road required for each subdivision application or application for construction of an existing road reserve.

Rural Residential Roads:

- Road pavement to have a minimum 6.0m wide bitumen seal with 2.0m wide gravel shoulders.
- Seal to be two coat bitumen and aggregate.
- Road construction to be a minimum of 150mm compacted base-course and a minimum 150mm compacted sub-base.

Major Rural Roads

- Pavement width to be a minimum of 10.0m (7.0 roadway, 2 x 1.5m shoulders).
- Can be a gravel road unless otherwise required by Council due to envisaged traffic volumes or the use of the road by heavy vehicles.
- Pavement to be a minimum of 150mm compacted gravel.

Standard Rural Roads

- Pavement width to be a minimum of 8.0m (5.6m roadway, 2 x 1.2m shoulders).
- Pavement to be a minimum of 150mm compacted gravel.

Minor Rural Roads Type A

- Pavement width to be a minimum of 6.0m (4.0m roadway, 2 x 1.0m shoulders).
- Pavement to be a minimum of 150mm compacted gravel.

Minor Rural Roads Type B

- Pavement width to be a minimum of 6.0m (4.0m roadway, 2 x 1.0m shoulders).
- Pavement material to be natural (in situ) where suitable.
- Where gravel is required, pavement to be a minimum of 75mm compacted gravel.

All Roads

- A cross fall of 4% either side of the centreline crown.
- Through horizontal curves, one-way cross fall or super elevation shall be applied in accordance with Austroads publication 'Rural Road Design 1989'.
- Crossovers to be constructed to each property entrance to a design that avoids property access roads draining onto the Shire road.
- Crossovers to be located a minimum of 50m away from intersections and junctions and provide 300m clear sight distance in either direction.
- Piped crossovers to be a minimum width of 9.6m for rural properties and 7.6m for urban properties and to include headwalls.

- Roadside drains to be a minimum of 300mm – 500mm deep with batters having a minimum slope of 1 in 3.

Costs Associated with Road Construction

The construction of roads associated with a subdivision, either on new road reserves or those already existing but not constructed, will be at the cost of the subdivider. This requirement also relates to roads to be constructed for public road access to each new lot in a boundary realignment application (i.e. where no additional lots are created over that existing prior to the boundary realignment taking place).

The proponent may be required by Council to engage a Consulting Engineer to plan, design and supervise the road construction at their cost. The design may include a comprehensive water drainage plan.

A 3% maintenance retention amount is to be lodged with Council for a period of 12 months on roads subject to a subdivision application.

A 1.5% supervision loading is payable throughout the project on roads subject to a subdivision application.

Clearance of Subdivision Condition

Where the subdivider requests Council clear a condition of subdivision relating to road construction prior to the construction having taken place, Council may accept a cash bond that is equivalent to the full estimated construction cost of the road(s). The subdivider will be required to enter into a written agreement with Council for the operation of the bond.

The bond is to be paid to Council and held in trust and is to be used by Council to either:

- a) Design and construct the road(s) itself as a private work; or
- b) Pay a contractor engaged by the subdivider or the Shire to undertake the works to Council's specifications.

Should there be a residual amount remaining in trust at the completion of the construction, this is to be refunded to the subdivider. Should the trust amount not be sufficient to cover all costs associated with the design and construction of the road(s), the outstanding amount is to be provided by the subdivider.

Drainage

Open drains is permitted for new subdivisions. Stormwater is to be retained on site and not allowed to drain onto a Shire road.

Water

For **new** Rural-Residential subdivision ~~providing for~~ **with lot size** of 4ha or less in area, a reticulated potable water supply is required to be provided in accordance with Clause 5.3.2 of Statement of Planning Policy No.11 'Agricultural and Rural Land Use Planning'.

On lots greater than 4ha, an on-site potable water supply will suffice, in accordance with Clause 5.1.4 of the Shire of Brookton Town Planning Scheme No.3.

Electrical Power

Western Power sets the provision of power as a condition of subdivision. This authority will decide whether the supply is to be under ground or above ground.

Fire Management Plans

Council ~~may~~ require a Fire Management Plan be prepared and implemented for ~~all~~ subdivision of rural land ~~depending on the circumstances in each case~~. ~~This~~ As a requirement ~~is in accordance with the Shire generally adhere to the provisions of~~ WAPC Policy DC 3.7 'Fire Planning'. A notification is to be placed on the titles of each lot created informing each subsequent landowner of the existence of the Fire Management Plan ~~where applicable~~.

3.3 Sewerage Connection for Subdivision of Land

Policy Owners:	Chief Executive Officer Development		
Directorate:			
Policy Origin:			
Statutory Environment:	Town Planning Scheme No. 3 Health Act 1911 and WA Country Sewerage Policy		
Council Adoption:	Date:		Resolution #:
Last Amended:	Date:	Aug 2017 Dec 2019	Resolution #:
Review Date:	May 2019 June 2021		

Objective:

The purpose of this policy is to provide direction when conditioning subdivision approvals ~~in extent of 2,000 m² and less~~ in the Brookton Town site area ~~in line with the State Government Country Sewerage Policy~~.

Policy:

The following sewerage connection conditions apply to all approved applications for subdivision on any lots within the Brookton Town site boundary where the newly created lots will have a land area of 2,000 m² or less:

Prior to Council clearing the conditions imposed by the Western Australian Planning Commission the proponent of the subdivision must, at their cost –

- Provide an easement approved by Council on the Certificate of Title of each lot, as part of the subdivision process, for the future extension of the sewer main. The area required for the easement to be specified by Council in accordance with the requirements of the legislative provisions relating to sewerage scheme extensions.
- Lodge a memorial on the Certificate of Title of each of the newly created lots, notifying subsequent owners that connection to the sewer will only be available when Council deems it necessary or economically feasible to extend the existing sewerage scheme main to the lot.
- Provide written acceptance that future extension of the existing sewerage scheme to the newly created lots is not guaranteed.

3.4 Town Planning Fees Refund

Policy Owners:	Chief Executive Officer-Development			
Directorate:				
Policy Origin:				
Statutory Environment:	<i>Town Planning (Local Government Planning Fees) Regulations 2000</i> <i>Town Planning Scheme No. 3-Local Government Act, 1995 (Council adopted Schedule of Fees and Charges)</i>			
Council Adoption:	Date:		Resolution #:	
Last Amended:	Date:	Aug 2017 Dec 2019	Resolution #:	
Review Date:	May 2019 June 2021			

Objective:

To provide clear guidelines for the refund of Town Planning **Application** Fees.

Policy:

REFUND OF DEVELOPMENT APPLICATION FEES

Where Council has resolved to refuse to grant Planning Approval, any fees that have been paid to Council are not refundable. The applicant is to be made aware that the fee is for the determination of an application, not its approval.

Where a development application has been lodged and is subsequently withdrawn by an applicant or not been processed by the Shire within the statutory time frame, and a request for refund of the planning fees is made, the following refund guidelines will apply:

- Where ~~Council has determined an application~~ the application has been assessed and determined: no refund.
- Where an application has been assessed but not determined: 50% refund.
- Where an application has not assessed and determined: 100% refund.
- ~~Where a request for withdrawal is made within one (1) week of the Ordinary Council Meeting where the application will be determined: no refund.~~
- ~~At any stage prior to one (1) week before the Ordinary Council Meeting where the application will be determined: 50% refund.~~

OTHER MATTERS

Council will have regard to the *Town Planning (Local Government Planning Fees) Regulations 2000* and subsequent amendments for matters not covered by this Policy.

3.5 Residential Development on Farming Zoned Lots/Locations without Frontage to Dedicated and Constructed Public Roads

Policy Owners:	Chief Executive Officer-Development			
Directorate:				
Policy Origin:				
Statutory Environment:	Town Planning Scheme No. 3 - Cl. 8.7			
Council Adoption:	Date:		Resolution #:	10.03.09.04
Last Amended:	Date:	Jun 2013 Dec 2019	Resolution #:	10.06.13.03
Review Date:	May 2019 June 2021			

Objective:

~~This policy is made to ensure that occupants of a residential development are assured of reasonably safe and secure access to all services and amenities available to the wider community. This policy supersedes all other policies relating to~~ is to provide clarity around residential development on farming zoned lots/locations without frontage to dedicated and constructed public roads.

Policy:

~~Within the 'Farming' zone of the Shire of Brookton, Council will only give consideration to the approval of a Residential land use, including a dwelling, when the provisions of Clause 5.6 of the Shire of Brookton Town Planning Scheme No.3 and any other relevant provisions of that Scheme and the Shire of Brookton Local Planning Strategy have been complied with and/or have been paid proper regard, as determined by Council.~~

To comply with Clause 5.6(c) of the Shire of Brookton's Town Planning Scheme No 3, which states Council shall "require such other arrangements are made for permanent access as shall be to the satisfaction of the Council" the following are minimum acceptable access requirements:

1. Absence of a dedicated public road

~~Where there is no frontage to a dedicated public road reserve, the Council will support at the applicant's cost, a carriageway access easement being created, and registered and constructed on the neighbouring title(s) with the respective landowners consent for the purpose of providing permanent access to the subject property, to the satisfaction of the Shire of Brookton. Where no such formal access arrangement exists the Council will condition on a formal planning approval this requirement to be met on a 'land locked' parcel of land.~~

2. Use of an unconstructed dedicated public road

~~Where there is a dedicated yet unconstructed road frontage the Council will support at the applicant's cost minimal construction for vehicle access to a 2 wheel drive all weather standard. Such access will need to be compliant with legislative requirements and standards, and be applied for, assessed and approved by the Shire Administration prior to any construction.~~

ADVICE NOTE:

Compliance with this policy is not required where direct road frontage is achieved through the creation of a battle-axe lot via subdivision and amalgamation or access is provided through compliance with Clauses 5.6(a) and 5.6(b) of the Shire of Brookton's Town Planning Scheme No. 3

3.6 Outbuildings

Policy Owners:	Chief Executive Officer-Development			
Directorate:				
Policy Origin:				
Statutory Environment:	<i>Town Planning Scheme No. 3 - Cl. 8.7</i>			
Council Adoption:	Date:		Resolution #:	10.03.09.04
Last Amended:	Date:	December 2017 Dec 2019	Resolution #:	OCM.12.17.5
Review Date:	May 2019 June 2021			

Objective:

To provide a guide for the assessment and determination of applications for planning approval for outbuildings (sheds/garages) in all zones.

1. BACKGROUND

Under the Shire of Brookton's Town Planning Scheme No. 3 except where specifically exempt, Planning Approval is required for a shed (outbuilding) in all zones.

The Shire's Town Planning Scheme has no criteria under which an application for an outbuilding is to be determined. As such, the objective of this policy is to give clarity as to what the Council may approve.

2. OBJECTIVES OF THE POLICY

The primary objectives are to:

- 2.1 To limit the impact of outbuildings by specifying ~~such things as~~ maximum areas and height, location, material colour, landscaping and the like;
- 2.2 To ensure aesthetic and amenity impacts on neighbouring properties are considered when determining outbuilding proposals.

3. POLICY

- 3.1 Outbuildings that comply with all of the criteria corresponding to the relevant zone in Table 1 of this Policy may be approved, subject to compliance with other relevant clauses of this Policy, as set out below.
- 3.2 Outbuildings that do not comply with all of the criteria corresponding to the relevant zone in Table 1 of this Policy will be referred to Council. Such proposal is deemed an 'Oversize Outbuilding' for the purpose of lodging an application for planning approval.
- 3.3 Ablution facilities within outbuildings will only be approved in accordance with this policy for 'Farming' zoned allotments of 10 hectares or more in area to support on farm agricultural activities. In all other circumstances an application for planning approval is to be submitted with accompanying justification to be considered and determined by Council on merit.
- 3.4 Setbacks to lot boundaries shall be in accordance with the Shire of Brookton Town Planning Scheme No.3 and the *Residential Design Codes*, where applicable.

- 3.5 Under this policy “Sheds” are defined as outbuildings with a floor area greater than 10m². Outbuildings with a floor area of 10m² or less do not require a Planning Approval or Building Permit.
- 3.6 The construction of an outbuilding on vacant land within the Residential, ~~Rural Town site, Rural Residential and Rural Smallholdings zone~~ will not be permitted without an application for ~~the construction of~~ a residence having been approved and construction having commenced.
- 3.7 Sea containers shall ~~generally~~ only be approved as outbuildings ~~in the Farming zone. Where a sea container is proposed to be used as an outbuilding the onus is on for storage purposes~~ where the applicant ~~to~~ can demonstrate the ~~exterior finish~~ the sea container will not have a detrimental impact on the amenity of the property or surrounding area.
- 3.8 Within the Residential ~~zone and Rural Town site, Rural Residential and Rural Smallholding Zones, as well as~~ on lots of less than 2ha in ~~the Farming all other~~ Zones, outbuildings other than a carport or garage will not be permitted in the area between the house and the front boundary of the property. Front setbacks for carports and garages in the ‘Residential’ ~~and ‘Commercial’~~ zones will be subject to the *Residential Design Codes*.

CRITERIA					
Zone	Maximum Total area of all outbuildings on the lot (m²)	Maximum individual area of proposed outbuilding (m²)	Maximum Wall height (m)	Maximum Roof height (m)	Design / Location
Residential R10 and above	75	75	3.0	4.0	Where the outbuilding: (a) Is not a sea container; (b) Is not closer to the primary street alignment than 50% of the required setback for the relevant density coding specified in Table 1 of the R-Codes; (c) Walls and roofs are constructed of colorbond, masonry or the like (excludes zincalume); and (d) Is not constructed prior to the commencement of construction of a residence.
Residential below R10	100	75	3.0	4.0	
Rural Residential, Rural Town site & Rural Smallholding	200	150	3.0	4.0	Where the outbuilding: (a) Is not a sea container; (b) Walls and roofs are constructed of colorbond, masonry or the like (excludes zincalume); and (c) Is not constructed prior to the commencement of construction of a residence
Farming below 1 hectare	100	75	3.0	4.0	Where the outbuilding: (a) Is not a sea container; (b) Walls and roofs are constructed of colorbond, masonry or the like (excludes zincalume); and (c) Is not constructed prior to the commencement of construction of a residence
Farming between 1 – 10 hectares	200	150	3.0	4.0	Where the outbuilding: (a) Is not a sea container; (b) Walls and roofs are constructed of colorbond, masonry or the like (excludes zincalume)

3.7 Tree Cropping

Policy Owners:	Chief Executive Officer Development			
Directorate:				
Policy Origin:				
Statutory Environment:	<i>Planning and Development (Local Planning Schemes) Regulations 2015 Shire of Brookton Town Planning Scheme no. 3</i>			
Council Adoption:	Date:		Resolution #:	10.02.09.06
Last Amended:	Date:	Aug 2017 Dec 2019	Resolution #:	
Review Date:	May 2019 June 2021			

Objective:

The objective of this Local Planning Policy to:

- Achieve a consistent, efficient and equitable system for assessing and approving tree crop applications;
- To align the grant of planning approval by Council with industry guidelines and standards as specified in relevant codes of practice and other documents and ensure a consistent approach to the establishment of Tree Cropping as an acceptable land use;

This policy aims to be consistent and complementary with existing regulations and not to place additional undue burden on landowners and investors wishing to pursue tree crop development.

Policy:

1. Background

Tree crops have the potential to become an important land use in medium to low rainfall agricultural areas in Western Australia (WA). Landholders and private investors are looking to capitalise on emerging opportunities for farm forestry and carbon off set in these regions, diversify income streams and to gain the on-farm environmental benefits that integrated tree cops can provide. Given the increasing opportunities and interest in tree crop development, it is timely for local governments to ensure that these developments are adequately supported and addressed in local planning.

A body of legislation, policy and guidelines relevant to tree crops already exists and a range of government agencies and other stakeholders are involved in regulating and managing tree crop issues.

Additional background information relating to tree crops is provided in the report '*Opportunities and Issues Associated with Farm Forestry in the South East Avon Low Rainfall Region*'.

2. Definitions

Applicant

An Applicant is defined as the person or entity (e.g. company or organisation) responsible for management of the tree crop. The applicant does not have to be the owner of the trees or the land on which trees are planted (e.g. the Applicant could be a third party management agency). The applicant is responsible for ensuring adherence to this policy and other relevant legislation and regulations.

Tree crop

For the purpose of application of this policy a tree crop is defined as:

- Trees planted with the intent of producing commercial products **and carbon off set benefits**. Commercial products include all wood and non-wood products **and benefits** that can be sold to a third party. Wood products are produced when trees are harvested, such as woodchips or sawlogs, while non-wood products **and benefits** include products such as environmental services; and
- Trees under the management of one applicant with an aggregate area greater than 10 hectares in the Shire of Brookton

Landowner

A Landowner is defined as the person or entity that holds the title to the land.

Management Plan

Provides details of the way in which a tree crop will be developed and managed, and aims to demonstrate the means by which the principles of environmental care, cultural and fire management objectives are achieved.

A Management Plan includes the following components:

- Establishment plan;
- Plantation Management plan; and
- Fire Management plan.

Code of Practice

Code of Practice for Timber Plantations in Western Australia 2006, produced by Forest Industries Federation WA, Forest Products Commission Australian Forest Growers, or as revised.

Guidelines for Plantation Fire Protection

Guidelines for Plantation Fire Protection 2001, produced by the Fire and Emergency Services Authority WA, or as revised.

3. Areas of application

This policy applies to land zoned “Farming” in the Shire of Brookton Town Planning Scheme No.3.

4. Application and approval requirements

4.1. When is an application required?

A Tree Crop Development Application must be submitted and approved prior to the commencement of a tree crop development.

A Development Application is required when an applicant has an aggregate area of tree crops which is 10 hectares or greater.

A Tree Crop Development Application can cover multiple tree crop developments, which may be on different titles, provided they are under the management of one applicant.

4.2. Tree Crop Development Application requirements

In addition to Shire requirements for Development Applications, a Tree Crop Development Application is to contain the following three parts:

1) Registration, which must contain the following information:

- Title details of the subject land;
- Name of the Landowner(s);
- Name of the Applicant (tree crop manager);
- Address and contact details of the Applicant;
- Area (hectares) to be planted and species to be planted; and
- Signatures of the Applicant and the Landowner(s).

2) Management Plan:

- A checklist of information that should be included in a Management Plan is provided in Attachment 2. The checklist is based on the guidelines in the Code of Practice.
- The Management Plan must address the policy measures described in Section 6 of this Policy.

3) Map which should show the following:

- Location of tree crops;
- Access roads;
- Structures and buildings;
- Natural features including native vegetation and water courses; and
- Other relevant information such as hazards or significant features.

4.2.1. Modification to Tree Crop Development Application

An Applicant with an existing Tree Crop Development Application approval may modify the existing application, including the addition of new tree crops or expansion of existing tree crops. Additional areas of tree crops may therefore be managed under existing Management Plans, without the need for the Applicant to prepare a new Management Plan for every new tree crop development. However the Applicant must ensure that the management measures in an existing Management Plan are relevant to new tree crops and the sites on which they will be developed, and meet the requirements of this policy.

If this is not the case the Applicant is required to submit a modified or new Management Plan.

If an Applicant transfers management responsibilities to another organisation they are required to notify the Shire and provide details of the new managing entity.

4.3. Assessment of applications

Tree Crop Development Applications should be submitted to the Shire and will be assessed against the Shire of Brookton Town Planning Scheme No.3, this policy and the relevant industry standards and guidelines – refer to Policy Statement 4.2 above.

5. Additional policy measures

The following policy measures must be addressed in the Management Plan.

5.1. General tree crop management

The Shire encourages all tree crop developments to be undertaken with appropriate consideration to the specifications and guidelines in the Code of Practice and Guidelines for Plantation Fire Protection.

The Code of Practice provides management goals and operational guidelines to tree managers to “ensure tree crop operations in WA are conducted in a manner that is in accordance with accepted principles for good plantation management, while recognising that a primary aim of tree crops is to be economically competitive and sustainable”.

5.2. Access and roading

When planning tree crop developments, Applicant's should consider how tree crops will be accessed for management, harvesting and removal of products (if applicable). Potential access roads should be identified on a Map to be lodged with the Development Application.

The harvest and haulage of tree crop products results in 'wear and tear' of local roads and other transport infrastructure and the Shire is seeking to minimise adverse effects on local roads within its control, and therefore may impose a financial road contribution to be applied at the time of harvest as a condition of Development Approval.

5.3. Fire management

A fire management plan must be included as part of the overall Management Plan.

Any Fire Management Plan must be consistent with Guidelines for Plantation Fire Protection ~~2001~~ 2011, produced by the Fire and Emergency Services Authority of WA, or as revised. Should the Fire Management Plan not be consistent with the guidelines then the application for Development Approval may be refused.

5.4. Subdivision

Any established tree crop development ~~shall~~ will not be accepted as justification for an application for subdivision, nor any proposed tree cropping or an approved application for tree cropping on any land be deemed a precursor to subdivision of 'Farming' zoned land.

3.8 Signage within Zoned and/or Reserved Land

Policy Owners: Directorate:	Chief Executive Officer Development			
Policy Origin:				
Statutory Environment:	<i>Town Planning Scheme No. 3 – Cl. 6.2 – Control of Advertisements</i>			
Council Adoption:	Date:		Resolution #:	10.02.11.01
Last Amended:	Date:	Aug 2017 Dec 2019	Resolution #:	
Review Date:	May 2019 June 2021			

Objective:

To enhance the amenity and character of all areas within the Shire of Brookton through the provision of acceptable standards of development for advertisements.

Policy:

Signage is considered to have a major impact on the amenity of the Shire, particularly in relation to roadside advertising. Except where specifically exempt under the Shire of Brookton's Town Planning Scheme No. 3 (TPS 3) or lawfully erected prior to the gazettal of the Scheme, under Clause 6.2 of TPS 3, all advertisements within the Shire of Brookton require the prior approval of Council. This policy is to provide guidance for the location and desired standards when applications for planning approval are being considered.

1. This policy is for all signage that is visible from outside the property, complex or facility concerned, either from private land or from public places or streets.
2. Should the application be on or adjacent to a Main Road reserve, approval from Main Roads WA is also required.
3. Signs denoting property and/or owner name and/or property address do not require approval.
4. Exempted advertisements, as detailed in Appendix No. 6 of TPS 3 do not require Planning Approval.
5. Where an advertisement proposal requires approval, including those that form a component of a development application, the applicant shall complete and lodge a control of advertisements form contained in Appendix No. 5 of TPS 3 in addition to an application for Planning Approval.
6. All advertisements shall comply with the criteria contained in Table 1 of this policy.
7. Approval for the continuation of approved signage requires that a request shall be made to the Shire in writing, prior to planning approval expiring.
8. Temporary candidate signage associated with a local, state or federal election is exempt from this policy and the provisions of the Shire of Brookton Town Planning Scheme No.3.

Location	Sign Purpose	Maximum Allowable Signage
All Locations	All Advertising	• Signage must be complementary to its surroundings. • Any signage which in the opinion of Council is distracting to motorists will not be approved.
Within Main Roads Road	Local Government or	• Maximum surface of 4.5m². • Additional approval is required from MRWA.

Reserve	Community Organisation	Should the organisation cease to operate, all relevant signage must be removed.
	Commercial Advertising	Not supported
Adjacent to Main Roads Road Reserve	All Advertising	- Maximum surface of 4.5m². - All signage must comply with the setback requirements contained in Table 2 of TPS 3. - Consideration must be given to the grouping of signage. - Should the business cease to operate, all relevant signage must be removed by the applicant or landowner.
Road Reserve (Non Main Road)	Private and commercial advertising.	Signage must be specific to an event and time period. Ongoing approval shall not be granted.
	Local Government or Community Organisation	Signage must be specific to an event and/or time period.
Residential Zone	Home Business – Signage does not require approval if compliant with policy	- Flashing or illuminated signs shall not be approved. - Maximum surface of 1m². - Signage must relate to the business being conducted from the same property. - Should the business cease to operate, all relevant signage must be removed by the applicant or landowner.
	Domestic Advertising (Garage Sale Etc.) –	- Maximum surface of 1m². - Advertising must relate to the property upon which the signage is placed. - All signage approval shall be limited to a maximum of two months after which a new approval must be sought and granted.
Rural Residential Zone	All Advertising	- Flashing or illuminated signs shall not be approved. - Maximum surface of 4.5m². - Advertising must relate to the property upon which the signage is placed.
Rural Town site Zone	All Advertising	- Flashing or illuminated signs shall not be approved. - Maximum surface of 1m². - Advertising must relate to the property upon which the signage is placed. - Should the business cease to operate, all relevant signage must be removed by the applicant or landowner.
Farming Zone	All Advertising	- Maximum surface of 4.5m². - Consideration must be given to the grouping of signage.
Commercial Zone	All Advertising	- Maximum surface of free standing signs to be 5m². - Advertising must relate to the property upon which the signage is placed. - Consideration must be given to the grouping of signage.

		• All signage approval shall be limited to the business for which approval has been granted. For any change of business, a new approval must be sought and granted.
Industrial Zone	All Advertising	• Maximum individual surface of 6m². • Maximum total area of signage 15m². • Advertising must relate to the property upon which the signage is placed. • Consideration must be given to the grouping of signage. • All signage approval shall be limited to the business for which approval has been granted. For any change of business, a new approval must be sought and granted.

3.9 Developer Contributions for Road and Footpath Upgrading relating to Subdivision of Land

Policy Owners:	Chief Executive Officer-Development		
Directorate:			
Policy Origin:			
Statutory Environment:	<i>Planning and Development Act 2005. Planning and Development (Local Planning Schemes) Regulations 2015</i>		
Council Adoption:	Date:		Resolution #: 10.02.11.01
Last Amended:	Date:	Aug 2017 Dec 2019	Resolution #:
Review Date:	May 2019 June 2021		

Objective:

- To provide a basis for seeking financial contributions to the upgrading of the road and footpath network as a result of the subdivision process.
- To provide a basis for seeking financial contributions to the upgrading of the road and footpath network as a result of development proposals.
- To ensure consistency in the recommendations made to the Western Australian Planning Commission on subdivision applications.
- To provide clear and consistent advice to the community on the Shire's expectations for road and footpath upgrading.

Purpose

This policy sets the basis for seeking contributions for the upgrading of the Shire's road and footpath network as a result of the subdivision ~~or~~ and where possible development of the land. The policy will allow a consistent approach to be applied to all subdivisions and relevant and associated land development ~~and will provide guidance on Council's decision making. The policy will also provide certainty to the community in estimating the costs of the subdivision and development process.~~

Definitions

'Road' shall have the definition applied to it under the *Road Traffic Act 1974*, which includes any highway, road or street open to, or used by, the public and includes every carriageway, footpath, reservation, median strip and traffic island thereon.

'Footpath' shall mean any land or thoroughfare used by pedestrians and/or cyclists and shall include pathways, dual use paths and any other walkway designed for this use.

Statutory powers:

This Policy relates to determinations made by the Western Australian Planning Commission under the *Planning and Development Act 2005*. This Act gives the Commission the power to require developer contributions as part of the subdivision of land.

The objectives of the policy are:

- To promote the efficient and effective provision of public infrastructure and facilities to meet the demands arising from new growth and development;

- To ensure that development contributions are necessary and relevant to the development to be permitted and are charged equitably among those benefiting from the infrastructure and facilities to be provided through the subdivision of land;
- To ensure consistency and transparency in the system for apportioning, collecting and spending development contributions **in line with conditions of subdivision approval**; and
- To ensure ~~the~~ **a standard of** social **infrastructure and** well-being of communities arising from, or affected by **new subdivisional** development.

This Policy adopts and implements these principles for seeking developer contributions as part of the subdivision process.

Policy:

1. All applications for subdivision made within the Shire of Brookton, where there is an identified nexus between the requirements for a road and/or footpath upgrade, will be subject to the provisions of this policy. This policy does not supersede or influence any other requirement for developer contributions as part of the subdivision approval process toward other facilities or infrastructure, such as public open space, community facilities, etc.
2. In making recommendations to the Western Australian Planning Commission on applications for **residential, commercial or industrial** subdivision where at least two additional lots will be created from the parent lot/s, the Council will consider seeking a financial contribution to be made towards the upgrading of the ~~road and/or~~ footpath network.
3. **In making recommendations to the Western Australian Planning Commission on applications for residential, commercial or industrial subdivision where there is more than five additional lots to be created from the parent lot/s, the Council will consider seeking a financial contribution to be made towards the upgrading of the road and footpath network.**
4. Contributions towards the upgrading of the road and footpath network will be based on the standards contained in Table No 1 of this policy. The standards will be reviewed as part of Council's periodic review of the Shire of Brookton's Policy Manual. Thereby allowances can be made for changing community expectations.
5. The road and footpath upgrading contribution will be a pro-rata calculation of 50% of the road/footpath as contained in Table No 1, based on the per kilometre / per metre frontage of the parent lot/s to the road. Where a secondary street exists, the Council reserves the right to seek a contribution for the secondary street in addition to the primary street frontage, however the Council will take into account traffic movements and existing rights of entry.
6. If a subdivision requires that the created lots be provided with constructed road access that does not currently exist, this policy shall not supersede any requirements for the developer to pay the full construction costs to provide this road access.
7. Nothing in this policy shall prohibit Council from seeking the construction of a footpath network within a subdivision at the developer's expense.
8. In terms of the expenditure of the financial contributions made as part of the subdivision of land, the following principles shall apply:
 - a) The upgrading of the road network shall comply with the Shire's Works Program; and
 - b) The upgrading of any footpath network shall occur within three (3) years following the completion of all subdivisions affecting a particular area, or prior to this date as determined by Council.
9. The Council may vary the requirements of this policy, where it is considered that full compliance with the policy is impractical or such variation is warranted in the circumstances of the subdivision.
10. This Policy does not apply to **roads under the care and control of Main Roads WA.**

TABLE NO. 1		Standard		
Zone	Minimum Road Width Pavement (metres)	Road Surface	Kerbing/ Drainage	Comment
Residential R5 and above	6	Prime and seal	Yes	The sealing coat will be laid one year after the laying of the prime coat
Residential R2.5 and below	6	Prime and seal	No kerbing – open spoon drains	The sealing coat will be laid one year after the laying of the prime coat
Rural Town site	6	Prime and seal	No kerbing – open spoon drains	The sealing coat will be laid one year after the laying of the prime coat
Commercial	As appropriate	Asphalt	Yes	
Industrial	7	Asphalt	Yes	Kerbing to be provided if appropriate
Rural Residential	7	Prime and seal	Yes	Kerbing to be provided if appropriate
Farming	9.6	Gravel – Standard Roads 150mm thick Heavy Routes 300mm thick	No kerbing – open spoon drains	A sealed road standard may be required in specific circumstances.
Footpaths where identified in strategy or structure plan	1.6	Brick Paving Concrete – 75mm Road Base Hot Mix – 100mm Road Base		

All construction shall be to Austroads standards or in compliance with drawings submitted by an appropriately qualified engineer and approved by the Shire.

13.12.19 COMMUNITY SERVICES REPORTS

Cr Crute (Shire President) declared a financial interest in Item 13.12.19.01 and left the meeting at 5.05pm.

Cr Walker (Deputy Shire President) took the chair to preside over the meeting.

Cr Macnab declared an impartiality interest in Item 13.11.19.01 and remained in the meeting.

13.12.19.01 SPECIAL EVENT – 2020 BROOKTON OLD TIME MOTOR SHOW

File No:	ADM0080
Date of Meeting:	19 December 2019
Location/Address:	Lot 510 (Reserve 43158) Brookton Highway Brookton
Name of Applicant:	Brookton Old Time Motor Show (OTMS) Committee
Name of Owner:	Shire of Brookton
Author/s:	Ian D’Arcy - CEO
Authorising Officer:	As above
Declaration of Interest:	The author has no interest in this item
Voting Requirements:	Simple Majority – Officer Recommendation 1 Absolute Majority – Officer Recommendation 2
Previous Report:	17 December 2017

Summary of Item:

Council is in receipt of an application for the 2020 Brookton Old Time Motor Show (OTMS) to be held on the Saturday 28th March 2020 at the Brookton Town Oval and using the WB Eva Pavilion and Town Hall.

Whilst Planning Approval is no longer required for this type of public event (refer to Statutory Section below), Council as the Management Authority for the Brookton Oval Reserve is required to consent to the proposed use of the land, and may set any conditions it deems reasonable in ensuring the event is conducted in a professional and safe manner.

Description of Proposal:

This proposal involves the public display and demonstration of vintage motor vehicles and other associated activities to be held on Saturday 28th March 2020 at the Town Oval and WB Eva Pavilion.

On site preparation of the event is scheduled to commence on Thursday 26th March with the packing up of support infrastructure on Sunday 29th March 2020. A copy of the event application, including a layout site plan is provided at **Attachment 13.12.19.01A**.

Background:

As stated in the application, the OTMS has been in operation since 1979 on a biannual basis, and has predominantly been staged at the WB Eva Pavilion and on the Brookton Town Oval, with use of other facilities at the Town Hall. In all, the event is conducted by approximately 182 volunteers, with its increased success largely attributed to a dedicated Committee and broad pool of volunteers. The event is also supported by generous corporate sponsorship coupled with significant contribution (cash and in kind) from Council.

Further, it is understood from the application that the OTMS over the years has grown in popularity with an average of 3,500 to 4,500 people (consisting of exhibitors, stallholders and visitors) visiting the show

every two years.

Notably the application details an array of requirements that has been or is currently being addressed, listed as follows:

- Provision of food stalls in consideration of the *Food Act, 2008*;
- Supply and use of temporary marquees and other structures that accord with the Public Building regulations;
- Compliance with the electrical safety standards by a licenced electrician, with a Form 5 submitted on Friday 27th March 2020 to the Shire;
- Provision of dedicated public and exhibitor parking areas and the need for parking attendants on the day;
- Supply and location of additional 24 public (hired) ablution facilities strategically placed around the oval area;
- Inclusion of children rides and entertainment through Airborn Amusements;
- Supply and sale of alcohol from a licenced area at the WB Eva pavilion;
- Supply of additional lighting around the event area using loaned generators;
- Provision of the fire management measures, including evacuation plan and two evacuation muster points, fire blankets and fire extinguishers strategically placed around the event site, and restricted use to gas BBQ's associated with on-site camping (no open fires), and notification to relevant emergency services agencies 6 weeks prior to the event;
- Implementation of noise management with a curfew on event activities, such as the live entertainment concluding at 10.30pm;
- Adequate insurance cover with Countrywide Insurance Brokers to be provided to the Shire prior to the event;
- Provision of additional camping (caravans) to the east to south east portion of the event site;
- A qualified Traffic Management Plan with the primary public vehicle entrance and exit points on to Brody Street that allows sufficient access and egress with minimal passing traffic;
- Provision of on-site first aid through the presence of St John Ambulance Brookton;
- Delineated vehicle parade areas (two of) using existing tracks, limited speed limits, parade marshalls all within dedicated areas of the event site;
- Delineated static vehicle display areas strategically located to park up vehicles involved in parades, and easily accessible to members of the public;
- Provision of additional drinking water for public consumption during the event;
- Site clean-up on Sunday 29th March immediately following the event with assistance from volunteers and Shire grounds staff.

An Event Layout Plan and Traffic Management Plan is also included in the application.

Consultation:

Some preliminary consultation has occurred with the President and Secretary, mainly in relation to the Risk Management Plan – see Risk Assessment below.

Statutory Environment:

The previous OTMS event in 2018 was granted approval by Council as the Brookton Oval Reserve 43158 is fundamentally Crown Land vested in the Shire for the primary purpose of recreational pursuits and activities under the *Land Administration Act, 1997*. Council is therefore required pursuant to Section 46(7) of this legislation, together with the assigned Management Order for the Reserve, to determine the type of activities and set conditions should they sit outside of typical recreational use.

It is for this reason the event application is presented to Council for consideration.

Relevant Plans and Policy:

There are no Policy implications relative to this application.

Financial Implications:

Council has previously approved a Community Chest Grant allocation of \$10,000 in the 2018/19 financial year toward the event, and additionally:

- Ensues the hired facilities are prepared in readiness for the event;
- Receives a financial return from caravan park bookings in relation to the event; and
- Received a payment of \$500 from the OTMS Committee for overflow camping associated.

Risk Assessment:

In consideration of risk the application, including the previous Risk Management Plan for the event, was forwarded to the Shire's Insurers (LGIS) for review. This culminated in a request for a revised Risk Management Plan being prepared and submitted that accords to the Australia Standards for these types of community events.

Email correspondence has been received from the OTMS Secretary confirming that the company Reliance Risk has been engaged to prepare a new Risk Management Plan by the 20th December 2019, thus ensuring the OTMS Committee and the Shire has met its legal obligation with appropriate measures put in place to manage identified risks.

This matter is paramount to the Council's own risk framework, where upon assessment the risk in relation to the OTMS activities is deemed to be 'Severe' without the required measures being implemented.

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 event application accords with the Shire of Brookton Corporate Compendium, with particular reference to:

Business Function 24: Community

Action 24.1: Support seniors, youth, cultural, sport and recreation group activities

Comment

It is acknowledged that the OTMS event in previous years has been well organised and proven extremely successful without incident. However, the event does present a range of matters and risks that Council needs to be satisfied can be adequately addressed/managed prior to the event proceeding.

To this end, it is recommended that such consent should be conditional upon the respective actions detailed in the OTMS application being fulfilled. This includes all of the actions underlined in the Background and the Risk Assessment Sections of this report, the submitted event layout plan and the Risk Management Plan.

Additionally, it is promoted a debrief of the event be conducted with Council staff within 6 months following the event to further analyse what (if any) improvements can be achieved for the 2022 OTMS, should the event continue.

OFFICER'S RECOMMENDATION 1

That Council pursuant to Section 46(7) of the Land Administration Act, 1997 grant consent to the Brookton Old Time Motor Show Committee to use of the Brookton Oval Reserve 43158 (Lot 456 Brookton Highway) for the 2020 Old Time Motor Show (2020 OTMS) to be conducted on Saturday 28th March 2020, inclusive of overnight camping on the Brookton Oval for the Saturday night, subject to the following requirements being met:

1. The following being submitted prior to the 2020 OTMS event being conducted:
 - a) A letter indemnifying the Shire of Brookton against all liability and any claim arising from the event;
 - b) The relevant insurance policy(s) applicable to the whole event, including the setting up and pack up periods;
 - c) The Risk Management Plan prepared by Reliance Risk and accepted by the Shire's Insurers.

2. All measures and actions detailed in the application for the 2020 Old Time Motor Show being

Shire of Brookton, PUBLIC, Minutes Ordinary Meeting of Council, 19 December 2019

adhered to and fulfilled. This includes, but is not limited to:

- a) The event being set up/laid out in accordance with the event site layout plan within the Risk Management Plan and in consultation with the Shire of Brookton CEO (or delegate);
- b) The traffic management for the event being conducted in accordance with the submitted plan that shall involve the erection of temporary directional signage for guidance of patrons to the satisfaction of the Shire of Brookton CEO (or delegate);
- c) All food stalls shall conform to the provisions of the provisions of Food Act, 2008;
- d) All external electrical works applicable to the event be performed by a licenced electrician, as required under the Health (Public Building) Regulations 1992;
- e) All temporary marquees and other structures being erected in accordance with the standards prescribed under the Building Code of Australia (BCA), if applicable;
- f) The dedicated alcohol area being licenced under the Liquor Licencing Act, 1988 and the designated area being clearly delineated by a coloured rope or similar;
- g) There being additional 24 public (male/female) ablution facilities with adequate toilet paper, hand washing soaps and hand towels to serve a maximum of 4,500 visitors to be supplied and maintained by the event organizer for/during the event to the satisfaction of the Local Government;
- h) There being additional rubbish bin receptacles placed around the event site at the direction of the Shire of Brookton CEO (or delegate);
- i) There being no lighting of open fires during the period of the event, including overnight camping;
- j) There being suitable supervision and marshalling associated with set-up, vehicle parades, static displays and public parking associated with the event;
- k) The live entertainment to conclude by 10.30pm on the night of the event;
- l) The clean-up and restoring the oval to initial condition, including responsibility for any repairs to the oval reticulation and grassed surface.

OFFICER'S RECOMMENDATION 2

That Council in accordance with Section 6.2(b) of the Local Government Act, 1995 grant a financial concession to the overnight camping fee, from \$22.00 for an unpowered site to a fixed upfront payment of \$500 (incl. GST) for use of the Brookton Oval (including use of the Caravan Park and Pavilion shower and ablution facilities) up to 200 people calculated on \$5.00 per person, with such payment being made prior to the 2020 Old Time Motor Show Event.

OCM 12.19-06

COUNCIL RESOLUTION

MOVED Cr Watts

SECONDED Cr Fancote

That Council pursuant to Section 46(7) of the Land Administration Act, 1997 grant consent to the Brookton Old Time Motor Show Committee to use of the Brookton Oval Reserve 43158 (Lot 456 Brookton Highway) for the 2020 Old Time Motor Show (2020 OTMS) to be conducted on Saturday 28th March 2020, inclusive of overnight camping on the Brookton Oval for the Saturday night, subject to the following requirements being met:

1. The following being submitted prior to the 2020 OTMS event being conducted:

- a) A letter indemnifying the Shire of Brookton against all liability and any claim arising from the event;***
- b) The relevant insurance policy(s) applicable to the whole event, including the setting up and pack up periods;***

c) The Risk Management Plan prepared by Reliance Risk and accepted by the Shire's Insurers.

2. All measures and actions detailed in the application for the 2020 Old Time Motor Show being adhered to and fulfilled. This includes, but is not limited to:

- a) The event being set up/laid out in accordance with the event site layout plan within the Risk Management Plan and in consultation with the Shire of Brookton CEO (or delegate);*
- b) The traffic management for the event being conducted in accordance with the submitted plan that shall involve the erection of temporary directional signage for guidance of patrons to the satisfaction of the Shire of Brookton CEO (or delegate);*
- c) All food stalls shall conform to the provisions of the provisions of Food Act, 2008;*
- d) All external electrical works applicable to the event be performed by a licenced electrician, as required under the Health (Public Building) Regulations 1992;*
- e) All temporary marquees and other structures being erected in accordance with the standards prescribed under the Building Code of Australia (BCA), if applicable;*
- f) The dedicated alcohol area being licenced under the Liquor Licencing Act, 1988 and the designated area being clearly delineated by a coloured rope or similar;*
- g) There being additional 24 public (male/female) ablution facilities with adequate toilet paper, hand washing soaps and hand towels to serve a maximum of 4,500 visitors to be supplied and maintained by the event organizer for/during the event to the satisfaction of the Local Government;*
- h) There being additional rubbish bin receptacles placed around the event site at the direction of the Shire of Brookton CEO (or delegate);*
- i) There being no lighting of open fires during the period of the event, including overnight camping;*
- j) There being suitable supervision and marshalling associated with set-up, vehicle parades, static displays and public parking associated with the event;*
- k) The live entertainment to conclude by 10.30pm on the night of the event;*
- l) The clean-up and restoring the oval to initial condition, including responsibility for any repairs to the oval reticulation and grassed surface.*

CARRIED BY SIMPLE MAJORITY VOTE 5-0

OCM 12.19-07

COUNCIL RESOLUTION

MOVED Cr Watts

SECONDED Cr Hartl

That Council in accordance with Section 6.2(b) of the Local Government Act, 1995 grant a financial concession to the overnight camping fee, from \$22.00 for an unpowered site to a fixed upfront payment of \$500 (incl. GST) for use of the Brookton Oval (including use of the Caravan Park and Pavilion shower and ablution facilities) up to 200 people calculated on \$5.00 per person, with such payment being made prior to the 2020 Old Time Motor Show Event.

CARRIED BY ABSOLUTE MAJORITY VOTE 5-0

Cr Crute returned to the meeting at 5.08pm, Cr Walker vacated the chair and Cr Crute resumed the chair.

14.12.19	FINANCE & ADMINISTRATION REPORT
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14.12.19.01	AMENDMENT TO 2019/2020 SCHEDULE OF FEES AND CHARGES
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File No:	N/A
Date of Meeting:	19 December 2019
Location/Address:	N/A
Name of Applicant:	Shire of Brookton
Name of Owner:	N/A
Author/s:	Ian D'Arcy – Chief Executive Officer
Authorising Officer:	As above
Declaration of Interest:	The Author does not have an interest in this matter
Voting Requirements:	Absolute Majority
Previous Report:	18 July 2019

Summary of Item:

This report recommends that Council amend its Schedule of Fees and Charges for the 2019/20 financial year to:

1. Accommodate increased support to members of the community through introduction of a pensioner discount for the purchase of potable water.
2. Correct the Schedule pertinent to the building fees by removing the minimum charge of \$97.70 which is contrary to the Building Regulations, 2012.

Description of Proposal:

As above.

Background:

In accordance with Section 6.16 of the *Local Government Act, 1995*(the Act), a Local Government may impose and recover a fee or charge for any goods or service it provides or proposes to provide. Fees and charges are to be imposed (generally) when adopting the budget and must be resolved by an absolute majority.

The fees and charges Schedule identifies charges for, but is not limited to:

- User charges for hiring & use of facilities
- Access to information
- Lodging of statutory forms and applications (e.g. dog rego / building permits)
- Bonds or deposits

But does not include:

- Rates levied
- Service charges (ie sewerage)
- Rubbish charges
- Leases or other licenses that are negotiated individually
- Independent Living Units that fall under the Tenancy Agreement Act

In determining the amount of a fee or charge for a service or goods a Local Government is required to take into account the following factors under Section 6.17 of the Act:

- The cost to the local government of providing the service or goods;
- The importance of the service or goods to the community; and
- The price at which the service or goods could be provided by an alternative provider.

Fees and charges can be imposed or amended during the year but only by an absolute majority decision of Council.

With this in mind a number of Councillors have been approached over the past few months in regard to a pensioner discount with this report specific to potable water fees and charges at the request from Mayenclan Contracting through an email dated Wednesday 4th December 2020 requesting the Council adopt a pensioner rate. The email states:

"As part of our contracting business we cart potable water within the Shire of Wandering and Brookton, in the Brookton Shire we currently only cart on a regular basis to two pensioners in the town of Aldersyde (Arthur and Linda two separate customers) we have over the years tried to keep our prices at a minimum only covering costs due to potable water being a necessity and both customers being pensioners.

This extra increase is putting an extra charge that we have to on charge to the customers which we know they will struggle with so we are asking if the Shire would consider changing the rate to a lower price, we currently are only just covering costs to deliver to these customers so are unable to absorb any extra water costs."

Of note, the current Schedule of Fees and Charges does incorporate concessions rates for services such as the Caravan Park, Gym, and Swimming Pool, but not the purchase of potable water which is a critical need.

Further, there appears to have been oversight/error with a minimum building fee being set for permits, approvals and licences at \$97.70, which is not applicable and where the correct fee of \$105.00 is applied under Schedule 2, Division 1 of the Building Regulations 2012.

Consultation:

There has not been any consultation on this matter.

Statutory Environment:

Section 6.16 of the *Local Government Act 1995* states:

6.16. Imposition of fees and charges -

(1) A local government may impose and recover a fee or charge for any goods or service it provides or proposes to provide, other than a service for which a service charge is imposed.*

** Absolute majority required.*

(2) A fee or charge may be imposed for the following –

(a) providing the use of, or allowing admission to, any property or facility wholly or partly owned, controlled, managed or maintained by the local government;

- (b) *supplying a service or carrying out work at the request of a person;*
- (c) *subject to section 5.94, providing information from local government records;*
- (d) *receiving an application for approval, granting an approval, making an inspection and issuing a licence, permit, authorisation or certificate;*
- (e) *supplying goods;*
- (f) *such other service as may be prescribed.*

(3) *Fees and charges are to be imposed when adopting the annual budget, but may be —*

- (a) *imposed* during a financial year; and*
- (b) *amended* from time to time during a financial year.*

** Absolute majority required.*

Further, the statutory structure for the Council's building fees defaults to the Building Regulations 2012.

Relevant Plans and Policy:

There is no specific Policy in relation to this matter.

Financial Implications:

A detailed financial analysis in this matter has not been performed as it is anticipated the number of people that will benefit from a reduced rate applied to the purchase of potable water does not warrant such an exercise, nor will it have insignificant effect or impact on the Council's overall financial position as there is limited number of property owners reliant on this service. With this said, the following **Table 1** affords understanding of the cost increase for water from the Shire standpipe over the past 3 financial years:

	2017-18 Budget	2018-19 Budget	2019-20 Budget
Cost per kilolitre (1,000 ltrs)	\$5.00	\$5.00	\$8.35
Administration invoice charge	\$28	\$28	\$30

Table 1 – Potable Standpipe Water Budget Comparison

This recent increase in cost presents as significant and is primarily directed at commercial users, but unfortunately has also impacted those landowners reliant of purchasing potable water for domestic use, irrespective of their concessional status or not.

Therefore, from an officer perspective it is viewed that a reduced/subsidised rate of approx. 30% of the Water Corp charge should apply. This reduction is based on a comparison with the domestic water rates charged for scheme water in Brookton, as reflected in **Table 2** below, acknowledging Council pays \$8.35 per kilolitre for this water. By applying a 30% reduction the cost for potable water from the Shire standpipe for domestic use will be set \$5.85, as opposed to the fixed commercial rate of \$8.35.

Volume	Price
up to 538 kL	\$1.8270/kL
up to 900 kL	\$2.4340/kL
up to 1500 kL	\$5.4020/kL
over 2938 kL	\$9.2890/kL

Table 2 – Water Corp Res. Water Supply Charges

The amendment of building fees is minor and deemed a statutory formality.

Risk Assessment:

The risk in relation to these matters is not assessed to be significant to the Shire. Rather the suggested reduction in the standpipe potable water is deemed relatively insignificant, although important to those people who rely on the access to and delivery of the potable water.

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 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 request broadly aligns with the following function under the Shire's Corporate Compendium:

24. *Community Support*

Comment

As mentioned, water is an essential need for landowners and on assessment of this matter a reduction in the standpipe charge will not impact the Shire's operational or financial performance, but does present an opportunity to ease the burden on residents who heavily rely on this service.

The comparative cost of potable water to residents in Brookton, as charged by Water Corp, is deemed sufficient justification for a new line item to be inserted into the Schedule of Fees and Charges offering a new rate for potable standpipe water for domestic use.

OFFICER RECOMMENDATION

That Council in accordance with Section 6.16 of the Local Government Act, 1995:

1. Adopts and incorporates an additional line item in its 2019-20 Schedule of Fees and Charges, as follows, to take effect on 1st January 2020;

STANDPIPE WATER						
Description	Measurement	Statutory Application	GST Status	Fee/Charge	Admin. Invoice Fee	GL Account
Standpipe Water – Domestic	Per Kilometre	Council	Free	\$5.85	\$30	I136010.127

2. Adopts amendment by removing all reference to the Minimum Fee of \$97.70 under the Building Fees section of the Schedule of Fees
3. Resolves to advertise the above amendments to its Schedule of Fees and Charges on the Shire Website and in the Brookton Telegraph.

OCM 12.19-08**COUNCIL RESOLUTION**

MOVED Cr Fancote

SECONDED Cr Macnab

That Council in accordance with Section 6.16 of the Local Government Act, 1995:

1. *Adopts and incorporates an additional line item in its 2019-20 Schedule of Fees and Charges, as follows, to take effect on 1st January 2020;*

STANDPIPE WATER						
Description	Measurement	Statutory Application	GST Status	Fee/Charge	Admin. Invoice Fee	GL Account
Standpipe Water – Domestic	Per Kilolitre	Council	Free	\$5.85	\$30	I136010.127

2. *Adopts amendment by removing all reference to the Minimum Fee of \$97.70 under the Building Fees section of the Schedule of Fees.*
3. *Resolves to advertise the above amendments to its Schedule of Fees and Charges on the Shire Website and in the Brookton Telegraph.*

CARRIED BY ABSOLUTE MAJORITY VOTE 6-0

14.12.19.02 LOCAL GOVERNMENT INSURANCE SCHEME – SURPLUS DISTRIBUTION 2019

File No:	N/A
Date of Meeting:	19 December 2019
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	N/A
Author/s:	Ian D’Arcy – Chief Executive Officer
Authorising Officer:	As above
Declaration of Interest:	The Author does not have an interest in this matter
Voting Requirements:	Simple Majority
Previous Report:	N/A

Summary of Item:

Each year the Local Government Insurance Scheme (LGIS) calculates and distributes surplus funds (profit) raised from the previous financial year’s insurance activities to its local government members. This year LGIS is requesting that Local Government Councils determine how they would like their portion of funds returned/applied, with the following options offered:

- a. Returning the surplus funds to the individual Local Government to spend as it wishes; or
- b. Reinvesting the surplus funds with LGIS, thus offsetting costs Risk Management; or
- c. Reinvesting the surplus funds with LGIS to offset costs in relation to insurance premiums for the coming financial year.

Accordingly, this report requires the Council to determine the allocation of \$16,331 presented as surplus funds.

Description of Proposal:

As above.

Background:

LGIS is largely made up of all but two Local Governments in Western Australia as members, and falls under the auspice of the Western Australia Local Government Association (WALGA). Its charter is to provide a broad range of competitive insurance products and cover tailored to Local Government needs, and broadly aspires to provide a high level of service and support, as well return a financial profit resulting in the surplus funds being returned to members.

To better understand the investment and service delivery to this organisation, a pamphlet of the Insurance Scheme for the past financial year is presented at **Attachment 14.12.19.02A**. A hard copy of this document can also be provided to Councillors on request.

Consultation:

A discussion on this matter was entertained with Councillors at the November 2019 Corporate Briefing Forum (CBF) and has also occurred between the CEO, Shire President and two senior LGIS representatives. The outcome of the CBF discussion was general consensus the subject funds should be used to offset the Shire insurance premiums for next year.

Statutory Environment:

Local Government is afforded the ability to receive income under Section 6.15 of the *Local Government Act, 1995* as outlined below:

6.15. Local government's ability to receive revenue and income

(1) A local government may receive revenue or income —

(a) from —

- (i) rates; or
- (ii) service charges; or
- (iii) fees and charges; or
- (iv) borrowings; or
- (v) investments; or
- (vi) any other source,

authorised by or under this Act or another written law;

Relevant Plans and Policy:

There is no specific Policy in relation to this matter.

Financial Implications:

The implication for Council's finances is positive the receipt \$16,331 which has not be budgeted for this financial year.

Risk Assessment:

The risk in relation to this matter

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 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 request aligns with the following function and action under the Shire's Corporate Compendium:

25. *Community Support*

25.1 *Support seniors, youth, cultural, sport/ recreation group activities*

Comment

With reference to the surplus funds the Shire Administration had requested in previous years that this money be retained by LGIS to offset annual premiums, an approach consistent with broad view of Councillors at the November 2019 CBF.

OFFICER RECOMMENDATION

That Council acknowledge the excellent performance of the Local Government Insurance Scheme (LGIS) and request the Shire of Brookton Surplus Share 2019 funds of \$16,331 be retained and offset against the Shire's annual insurance premium for the 2020-21 financial year.

OCM 12.19-09**COUNCIL RESOLUTION**

MOVED Cr Walker SECONDED Cr Hartl

That Council acknowledge the excellent performance of the Local Government Insurance Scheme (LGIS) and request the Shire of Brookton Surplus Share 2019 funds of \$16,331 be retained and offset against the Shire's annual insurance premium for the 2020-21 financial year.

CARRIED BY SIMPLE MAJORITY VOTE 6-0

Attachments

14.12.19.02 – LGIS Shire of Brookton



Shire of Brookton

Local governments working together



Your surplus share 2019
\$16,331



2018 Surplus share
(received as 2019/20 contribution credit)

\$10,531



Your total Scheme surplus share to date

\$98,872



Your LGIS Scheme members equity

\$176,780

excludes GST

100%
of WALGA
Members are
LGIS Members

Over the past few years a number local governments have sought to test the value of the LGIS WA Scheme. It's a testament to the enduring value of the mutual model that the City of Kalamunda, Shire of Wiluna and Shire of Coolgardie have returned, and those who went to tender have remained with the Scheme.



Returning members: City of Kalamunda, Shire of Wiluna and Shire of Coolgardie



100% of WALGA members are LGIS members

LGIS performance in 2018/19

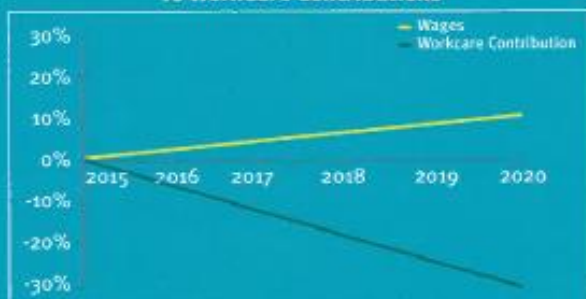
The financial performance of the Scheme remained robust this year, despite competitive pressures in the market where commercial insurers offered unsustainable, discounted premiums to achieve growth in the short term. LGIS membership was strong in 2018/19 and continues to be in 2019/20, demonstrating that WA local governments understand that the mutual Scheme remains the best option for sustainable, long term and appropriate cover for the WA sector.

The surplus for 2019 is well in excess of budget and, combined with the previous year's allocation, has allowed the Scheme Board to declare a distribution of \$6 M to members.

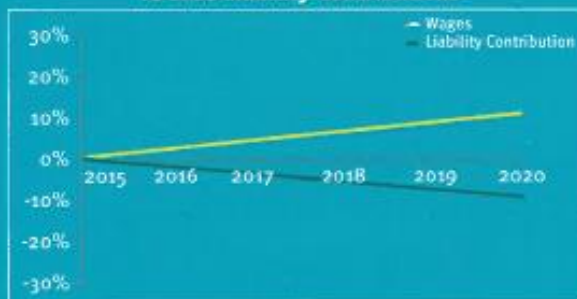
Our solid financial year performance can be attributed to a number of factors - our proactive and collaborative approach to risk management which contributed significantly to containing claims; and solid returns on our investments.

The graphs below demonstrate that member contributions have remained stable even with local government risk profiles evolving.

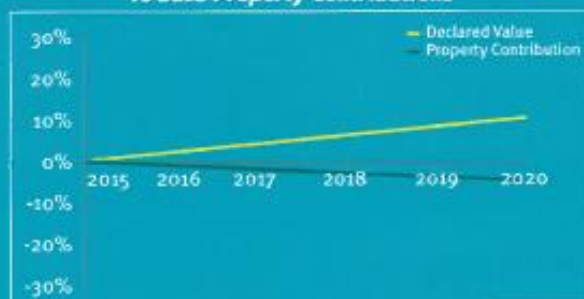
5 Year Trend – Members Declared Wages vs WorkCare Contributions



5 Year Trend – Members Declared Wages vs LGIS Liability Contributions



5 Year Trend – Members Declared Assets vs LGIS Property Contributions



LGIS WA Annual Report

The LGISWA Annual Report is now available in the members' centre of the LGISWA website for more information on the performance of your Scheme in 2018/19.

Health and wellbeing services

The LGIS Health and Wellbeing Program is another popular Scheme benefit; it's designed to improve the health awareness and outcomes of WA local government workers through:



Providing education and awareness raising sessions to improve the health and wellbeing of staff and prevent or delay the onset of illness, disease and injury.



Providing screening programs that assist to identify risk factors that may require further health management.

Healthy workers are reported to be more productive than unhealthy workers, record fewer injuries, sick days, and work-related injury claims. Improving the health and wellbeing of workers can also lead to:

- Increased worker engagement and morale
- Improved safety performance
- Decreased musculoskeletal injury
- Increased worker retention
- Decreased absenteeism and presenteeism

Making the most of your membership

2018/19 Shire of Brookton health and wellbeing benefits taken

Corporate massage	-
Exercise program	-
Flu vaccinations	-
Health assessment (basic/short)	✓
Health assessment (long/executive)	-
Injury prevention	-
Health seminars	-
Health lifestyle challenge	-
Hearing tests	-
Online mental health tool	-
Skin screens	✓

Your 2019/20 health & wellbeing funding balance: \$2,990.35

Cover tailored to local government

LGIS membership provides the best cover which meets the needs of modern progressive local governments. In 2018/19 our members benefited from unique cover tailored to local government needs which allowed them to get on with delivering valued community services.

Building cladding



No exclusions in to Liability arising from your building surveyors, planning and cladding risks. This is a significant benefit in the current environment and in particular where buildings have been identified within a local government's area in the state wide cladding audit.

Flood damage



Assets are automatically covered for flood damage under LGIS Property, not an optional extra for additional cost. We believe protection for the community's assets against flood risk is essential for 'local government with exposure'.

Molestation



No sexual abuse and molestation exclusion.

Catastrophic events



Appropriate limits of protection for local government, as modelled by actuarial consultants, that are necessary if a catastrophic events occur.

Unique cover



Unique local government covers such as costs to run evacuation centres, upgrade green assets and dilapidation.

Appropriate liability



Appropriate limits of \$600M for local government liability exposures, as modelled by actuarial consultants, that is available without sublimit on significant risks such as bushfire liability.

Nil deductible



Nil deductible on all public liability claims. This removes member's burden of responsibility to seek their own legal advice and defence, including legal fees and settlement amounts.

Cover simplified



Liability protection is provided under a broad-form policy to prevent the inevitable complications arising from competing insurers (e.g. where a claim could trigger both public liability and professional indemnity covers).

Stable workers' comp



Members of the Scheme are not subject to the ongoing instability and increases of the WorkCover WA gazetted rate which has increased 42% over the past two years.

Liability

Causation hotspots past 5 years (all members)



Proactive on liability

Looking for ways to reduce local government's liability exposure? Claims analysis highlights four key areas which need focus across LGIS members:

-  **Trees.** Review lists of recommended trees for verges and public places selecting breeds with non-invasive roots. Review complaint handling process to make sure appropriate action is taken.
-  **Footpaths.** Audit/review and action to footpaths and areas which attract large amount of footfall to be repaired or section of area replaced. Lack of lighting is also an issue and planning around this is paramount.
-  **Roadworks.** Make sure that pre and post inspections are carried out and documented ensuring that there is evidence that the inspection has occurred. Also make sure that correct signage is used.
-  **Mowing equipment.** Make sure signage is clear and the area is free of pedestrians.

Property

Causation hotspots past 5 years (all members)



Simple steps on property protection

-  **Controls.** Investigate the benefits of passive controls such as CCTV, vegetation management, lighting which would increase the risk of an offender being sighted.
-  **Maintenance.** Improved housekeeping within and around buildings and ensure preventative maintenance is completed on schedule – simple things such as ensuring bins are secured/ gutters are regularly cleaned, no dense foliage encroaching on property.
-  **Contractors.** Ensure contractors are appropriately managed and apply your local governments hot works arrangements.
-  **Windows.** Consider the value of using window treatments such as plastic microfilm to reinforce glass.

Unique member benefits – managing local government risk together

As the protection partner of choice for WA local governments, we understand the complexity of the sector like no other – we know that cover is only the beginning.

That's why membership of LGIS delivers more than 'insurance' to your local government.

Scheme membership provides an abundance of risk services which align with the priorities of local governments.

In 2018/19 LGIS members received a range of risk and governance services as part of their membership which reduced the number of claims and contained the costs of cover. Of the services offered the '3 Steps to Safety' program (22%) which supports members in creating safe workplaces was the most utilised, closely followed by the general risk program (20%) which assists members in anticipating, identifying and managing their liability and property risk exposures.

Risk services delivered directly to members in 2018/19



Making the most of your membership

2018/19 Shire of Brookton benefits taken

Injury management program	✓	General risk management	✓
HR Risk and preventative stress management	✓	Injury prevention training	-
Emergency risk management	-	OSH '3 steps to Safety' and advisory program	-

Protecting members and your community

The true value of your protection is only realised in times of adversity and we've helped our members back on their feet after some significant losses. We consider the sector when handling claims and always look to defend local government members from future issues.

The reductions in contribution enjoyed by our members in recent times are not a one year 'special'. They are the result of prudential management of the Scheme and a strategic decision by the Board to re-distribute surpluses to members.

Your Scheme by the numbers – 2018/19



1,721 New liability and property claims managed by LGIS



\$7M Property claims incurred in 2018/19



17,000 Bushfire volunteers covered (including significant expansion of benefits)



\$13.7M in Workers' Compensation claims incurred in 2018/19

Receiving your surplus share

Following last year's surplus allocation, all members were informed of a contribution credit plan, whereby members would share in credits in the order of \$4.5 M each year until 2021 to contain their membership costs. Your share of \$4.5 M was duly credited off your 2019/20 Scheme membership costs.

This year, as well as the increased surplus amount each member will be given a choice to take their share of the surplus as a credit off next years membership renewal contributions, as a dividend payment or held in trust for funding risk management initiatives.

How is my share of the surplus calculated?

Each member's share of the surplus is assessed on a formula which reflects their respective contributions and incurred claims costs over a four year time horizon.



How do I know that LGIS has 'enough in the pot' to cover claims?

The 'pot' (i.e. prudential reserves) is determined considering development factors. 'Development factors' is an insurance term for 'things that are likely to happen given previous trends'. We engage PwC actuaries to independently model and assess our reserves, which determines how much needs to be collected in contributions.

Locally managed claims

LGIS handled 2,473 claims across the property, liability, WorkCare and bushfire volunteer personal accident portfolios in 2018/19. Each claim was handled by the member's dedicated specialist claims consultant who managed the process from beginning to end.

Claims hotspots



Over the past five years we've seen some consistent trends in claims from our local government members.

WorkCare

Causation hotspots last 5 years (all members)



Mental stress catching up



Although not in the top five claims areas mental stress isn't far behind. Claims costs for mental stress are increasing, making it an area to watch for the WA local government sector.

Proactive on workers' compensation

Looking for ways to reduce the number of workers' compensation claims for your local government? Claims analysis highlights four key areas which need focus across LGIS members:



Fit for purpose. Employ people who are right for the role, ensure that employees are physically capable of fulfilling the responsibilities of the job.



HR Process. Review your HR practices and make sure that managers are trained and supported.



Aging workforce. Over 50% of claims are from the 40-60 age group of local government workers. Review tasks and physical requirements; make sure the individual is able to work within their capacity.



Manual handling and job dictionaries. Job dictionaries document the physical requirements of a role; coupled with manual handling training and guidelines they help to match an individual to a role and work within their capacity to reduce injury.

What you told us

At the beginning of 2019 we asked our members – elected members, CEO's, executives and operational staff – what we were doing well and where we can improve.

What you think about us

You gave us a score out of 5 for the following:



4/5 service quality (79% of respondents)



4/5 for success achieved (71% of respondents)



4.5/5 for trust (90% of respondents)

The importance of risk services



of CEO's agreed that complimentary risk services support better practices, reducing claims, ensuring sustainability of their Scheme



were satisfied that LGIS provides the right complimentary risk services to meet their requirements



of elected members rated risk management programs and services to protect their local government organisation, its people and the community as important.

Our focus to improve in 2019/20

- Increase communication with elected members
- Focus on high quality member services
- More regular visits to smaller members
- Present at more council meetings.

We help our members build better communities by containing costs, providing the best cover and helping them manage risks, through a member-owned mutual insurance model

LGIS is local governments working together:

- We make sure that our members have the best cover and if disaster strikes we get the member, and their community, back on their feet as soon as possible.
- We understand local government and we're here for the long term to share knowledge and tailor services to minimise the total cost of risk for our membership.

Contact Details

Please feel free to contact us if you have any further questions about your membership.

Jordan Reid
Account Chair
LGIS
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jordan.reid@lgiswv.com.au

Leo Pezzotta
Account Manager
LGIS
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2018/19 LGISWA Annual Report



Now available in the website Member Centre at lgiswv.com.au or contact your Account Manager for a hard copy.

14.12.19.03	CREATION OF NEW RESERVE FOR PROCEEDS OF SALE OF LOT 511 – KALKARNI & SADDLEBACK
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File No:	ADM 0657
Date of Meeting:	19 December 2019
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	Shire of Brookton
Author/s:	Vicki Morris – Manager Corporate and Community
Authorising Officer:	Ian D’Arcy – Chief Executive Officer
Declaration of Interest:	The author and authorising officer have no interest in this item
Voting Requirements:	Absolute Majority
Previous Report:	N/A

Summary of Item:

Council will soon be in receipt of a large sum of money from the sale of Lot 511 (also known as Kalkarni) and before receipting this money, it is recommended that a separate cashed back reserve be created to initially deposit the funds into, while the future use and purpose of these funds is discussed by Council and promoted with the community.

Reserve funds are typically created as long-term savings plans for a future major expenditure, which cannot be managed within a single budgetary year, but may also be required for other purposes on a short term basis, such as in this instance. Generally, Reserve funds negate or minimise the need for loan borrowings for expenditure and are a tool that facilitates sound financial management practice. It is anticipated that this Reserve fund will be only needed short term, potentially to 30 June 2020, to ensure the moneys from the sale of Lot 511 are separated from the annual municipal funds and other sources of trust and reserves currently held by the Shire.

Description of Proposal:

This proposal is to create a new cashed back reserve titled **Capital Investment Reserve**, with the following purpose;

The purpose of this reserve is to hold the proceeds realised from the sale of Lot 511 Whittington Street Brookton (known as Kalkarni Residential Aged Care and Saddleback Medical Centre). These funds will be held in this Reserve until Council resolves to determine the future allocation and/or use of these funds. This Reserve has been set up for this purpose only.

Background:

Initially when the sale of Lot 511 was discussed, the legislation required Council to initially give some indication on how the proceeds may be allocated and/or spent. This prompted Council to consider allocating the funds received across three streams, as promoted in the Business Plan, being:

1. **Asset Preservation and Replacement Fund** – This fund is to accommodate a percentage of the proceeds from the sale of Lot 511, with the interest generated (through investment) being placed in existing ‘cashed back’ reserves set up for the purpose of maintaining, repairing and replacing Shire assets in accordance with the Council’s Asset Management Framework.
2. **Innovations Fund** – This fund is to support and complement the Shire’s Integrated Planning and Reporting (IPR) Framework that consists of the Community’s Strategic Community Plan and Council’s Corporate Business Plan, inclusive of the ‘Innovations Pathway’ and various other integrated plans of the Shire. The funding will notionally be used as investigative, seed and/or

leverage funding for initiatives and projects endorsed by Council and subsequently listed in the Corporate Business Plan.

3. **Future Fund** – The Future Fund is primarily set aside for investment using some funds realised from the sale Lot 511 for future benefit. It is anticipated this fund will take the form of a trust account (or similar) with the initial amount allocated being preserved in perpetuity and the interest earned compounding and being re-invested. The fund will be managed by independent trustees appointed by Council.

Until the sale has been finalised and further discussions have taken place of the future allocation, the use of the money is yet to be finalised. However, in order to keep the money separate from the Shires other accounts, the creation of a Capital Investment Reserve just for this money will ensure that there is transparency and accountability with respect to receipting the funds.

Consultation:

Consultation has taken place with the CEO, and the Shire's Finance Team.

Statutory Environment:

Upon receipt of the proceeds from the sale of Lot 511, Council will need to account for the receipt of the funds into a reserve accordance with Section 6.11 of the *Local Government Act 1995*.

Relevant Plans and Policy:

No relevant plans or policy applicable to this matter.

Financial Implications:

There are no financial implications specifically – this is just to ensure that the funds from the sale of Lot 511 are separate from other accounts held by the Shire for accountability and transparency purposes.

Risk Assessment:

As mentioned, there is risk (assessed as medium) that should Council not establish Reserve Fund as a 'holding account' that moneys received from the sale of Lot 511 will be allocated to generic municipal account raising the possibility of losing accountability for the funding.

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 aligns with the Corporate Compendium under the Function of Financial Management.

Comment

Given there were concerns raised by some members of the Community that Council will not act responsibly in managing/allocating the proceeds from the sale of Lot 511, it would be prudent from Council to endorse the Officer Recommendation to create a **Capital Investment Reserve** upon which the funds can be deposited in to as a temporary holding account.

OFFICER'S RECOMMENDATION

That Council pursuant to Section 6.11 of the Local Government Act, 1995 establishes a new Reserve titled 'Capital Investment Reserve' with the designated purpose to be:

"The purpose of this reserve is to hold the proceeds realised from the sale of Lot 511 Whittington Street Brookton (known as Kalkarni Residential Aged Care and Saddleback Medical Centre). These funds will be held in this Reserve until Council resolves to determine the future allocation and/or use of these funds. This Reserve has been set up for this purpose only."

OCM 12.19-10

COUNCIL RESOLUTION

MOVED Cr Fancote SECONDED Cr Walker

That Council pursuant to Section 6.11 of the Local Government Act, 1995 establishes a new Reserve titled 'Capital Investment Reserve' with the designated purpose to be:

"The purpose of this reserve is to hold the proceeds realised from the sale of Lot 511 Whittington Street Brookton (known as Kalkarni Residential Aged Care and Saddleback Medical Centre). These funds will be held in this Reserve until Council resolves to determine the future allocation and/or use of these funds. This Reserve has been set up for this purpose only."

CARRIED BY ABSOLUTE MAJORITY VOTE 6-0

14.12.19.04 STATUS REPORT & TRUST FUND

File No:	ADM 0117
Date of Meeting:	19 December 2019
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	N/A
Author/s:	Vicki Morris – Manager Corporate & Community
Authorising Officer:	Ian D’Arcy – CEO
Declaration of Interest:	The author and the authorising officer have no interest in this item
Voting Requirements:	Absolute Majority
Previous Report:	Audit and Risk Committee Meeting 05 & 09 December 2019

Summary of Item:

This report is to highlight to the Audit and Risk Committee and the Council the actions and the status of items since the last Committee meeting. It also:

- Highlights any issues that are for the information of the Committee and Council that may have been actioned or changed since the last Audit and Risk Committee meeting.
- Includes updates from the interim and final management letters as presented to the Shire by the Auditors.

Of particular notation are the changes to the Trust fund process and the removal of the Gnulla Childcare and Wildflower Display trust fund amounts of \$3,073.00 and \$1,240.30 respectively. Both these issues have been raised in the Auditor’s final management letter.

The Status report table and the draft management letters (interim and final) are attached as **Attachments 14.12.19.04A, 14.12.19.04B & 14.12.19.04C.**

Description of Proposal:

As above.

Background:**Audit Process**

The Status Report is the listing of actions as identified by the Shire’s Auditors. Generally this information is drawn from issues raised by the Auditors when they are on site or in the management letters that the Auditors issue at both the interim and final audits.

The process of auditing by the OAG is slightly different to that of what occurred in Local Government in the past. The management letters that are issued to the organisation highlight the auditor’s initial (or interim) and final findings. These are for the use of the staff, the Audit and Risk Committee and Council to assess progress on items, or to correct accounting anomalies that may occur from time to time.

The issues that are raised are not always related directly to the financial matters under audit, but may include other matters that might generally fall under the heading of performance auditing or good governance of the Shire. Such audits have included subjects such as compliance with the *State Records Act, 2000* (record keeping), building approvals and verifying employee identity and credentials.

The financial management letters include management comment to ensure that a process of continuous
Shire of Brookton, PUBLIC, Minutes Ordinary Meeting of Council, 19 December 2019

improvements is undertaken to address the matters raised by the Auditors. The management letters are not used for external purposes.

The Auditors generally talk to the Audit Committee members with an exit meeting summary and answer any questions about the audit or the findings from the financial year figures. They may also answer any questions in relation to the process they have undertaken with the auditing process, and may highlight what they see as future trends or issues that are of interest in general.

Once this meeting has happened, the Auditors will then issue an opinion (as the audit process is now considered final) and a management representation letter. This letter is generally the culmination of all the matters that have been raised and the intended future actions (if any). This letter needs to be signed by the Administration.

Once the Audit Committee has approved the financials for the year ending, then the Council needs to sign the financial statements. All of this documentation is then sent back to the auditors who will then finalise and issue the management letter and deferred pensioner's certification.

The report on the findings of the Shire's audit are then reported to State Parliament. As an example, the Audit results from the 2017/2018 financial year for the Shire of Brookton are contained in a report from the Office of the Auditor General entitled "Audit Results Report – Annual 2017-18 Financial Audits of Local Government Entities". This report is available on the Office of the Auditor General (OAG) website.

Other performance reports for the Local Government sector are also available on the OAG website and are recommended reading.

Gnulla Child Care Trust

The following funds have been identified as being held for over 10 years with no prospect of being returned to the original parties:

- Trust # T3 - Gnulla Child Care Trust
- Trust # T6 - Wildflower Display Trust

The Gnulla Child Care Trust relates to a grant received prior to the 1996/1997 financial year. An extensive search of the computer records and hard copy records have not provided sufficient information to ascertain the exact details of the grant.

A copy of a letter sent to the Seabrook Aboriginal Corporation on the 28 November 2000, in response to a letter received from Seabrook Aboriginal Corporation 27 November 2000 has been located within the computer records, but the original letter from Seabrook was not located.

The Shire recently wrote to Seabrook advising of the intent to dissolve the trust and move the funds to the municipal account, and requested if Seabrook can provide documents in support of the ownership of the funds. Seabrook have replied to the correspondence and advised that they cannot locate any documentation to indicate the funds belong to Seabrook specifically. The Gnulla Child Care trust balance is \$3,073.00.

Wildflower Display Trust

The Wildflower Display Committee operated in Brookton until sometime in 1997. An extensive search of the computer records and hard copy records demonstrates that this Committee had the final display in September 1997.

The Shire's Annual Financial Report indicates the receipt of \$777.36 from the Wildflower Display Committee. Antidotal evidence would suggest that the group was unable to form a committee and passed the funds to the Shire for safe keeping until the group was able to get the numbers to form a committee.

No correspondence or information has been located other than the Annual Financial Report 1997/98. The Shire had the trust funds invested in an interest bearing account up until 2006/2007 financial year.

Subsequently, the funds were transferred and held in a non-interest bearing account, and presently the Wildflower Display Trust balance is \$1,240.30.

Legislative Requirements – Trusts and Bonds

It should be noted the *Local Government Act, 1995* Part 6 Division 4 s. 6.9(4) Trust Fund states:

“Where money has been held in the trust fund for 10 years it may be transferred by the local government to the municipal fund but the local government is required to repay the money, together with any interest earned from its investment, from that fund to a person claiming and establishing a right to the repayment.”

The movement of the trust funds to the municipal account is an unbudgeted item. The transfer will result in a combined total of \$4,313.30 being paid into the municipal account.

With the Auditors flagging Council trust funds as being non-compliant, a review of the trust system was carried out which identified the two trust accounts as being held for in excess of 10 years with no prospect of being paid to the original persons. A thorough investigation was conducted with very little information being found. Therefore, it is recommended that the funds be transferred to the municipal account as general revenue.

In addition to the above dollar amounts currently sitting in the Shire's Trust fund, the Auditors have also highlighted a significant non-compliance with respect to the way in which the Shire treats bonds. The OAG have issued a report (*Accounting for work bonds, building bonds and hire bonds* – issued 1 July 2019) on the treatment of bond money, however, in the final management letter the auditors have indicated that the Shire needs to resolve this matter.

This relates to money taken by the Shire for gym key bonds or bond for the hire of premises as examples, and as such generally small amounts refunded to individuals after an action has taken place or an event held. At the moment the monies are held in the Shire's Trust fund. Advice from the auditors has recommended that such money should be held in the Municipal Fund. This creates issues for Shire staff as the funds are generally held on a short term basis and the money is not the Shires. If the funds were held in the Municipal Fund the Shire must refund any money, including any interest earned for the time held by the Shire, back to the originator.

Calculating interest and allowing for this on a gym key bond of \$60 becomes time consuming and an unnecessary administrative burden. The solution that is proposed is to open a non-interest bearing bank account where the money can be deposited on a fixed monthly fee basis, with ease of access to transfer the funds quickly and efficiently from this account.

Staff have undertaken research into this matter and are working to change the process for these payments in the 2019/2020 financial year. It is recommended that there be a line item created as a budget amendment for the amount of \$3,000.00 to receipt and refund bond monies taken, as the income received and refunded given must now be treated as income and expenditure into the Municipal

Fund and not the Trust Fund. However it will sit as a non-compliance matter in the 2018/2019 financial year.

Consultation:

Chief Executive Officer, Finance Team, Auditors, other staff, Seabrook Aboriginal Corporation AND Audit and Risk Committee.

Statutory Environment:

The Local Government Act 1995

The Local Government (Financial Regulations) 1996

Australian Accounting Standards

Relevant Plans and Policy:

2.16 Significant Accounting Policies

2.19 Financial Reserves Policy

Financial Implications:

Refer to Background Section of this report.

Risk Assessment:

If Council does not approve and adopt the financial 2018/2019 financial statements and accept the auditors final option, then the Shire risks not complying with the requirements contained within the *Local Government Act, 1995* to adopt the financials by 31 December 2019.

The Auditors have also flagged the trust account as being a significant non-compliance even though this is being addressed through this report to Council.

Community & Strategic Objectives:

This report aligns with the Corporate Compendium – Financial Management.

Comment

This report is to inform the Council of the findings of the annual and interim audits conducted by the Officer of the Auditor General. The report also highlights the dissolving of two trust funds that have been held for in excess of 10 years.

Furthermore, the Auditors assessment and discussion with the Audit and Risk Committee has indicated the Shire is moving in the right direction with a sound financial position and performance for the 2018-19 financial year.

AUDIT AND RISK COMMITTEE RECOMMENDATION

That Council;

1. Dissolves trust # T3 Gnulla Child Care Trust and trust # T6 Wildflower Display Trust and transfers the funds to the Shire's municipal account as general revenue.
2. Approves a budget amendment for the following chart of accounts for the receipt and refund of bonds. This amendment will have no impact on the financial position of the Shire.
 - a. E042020 ADMIN General Operating \$3,000
 - b. I042010 Administration Fees & Charges (\$3,000)
3. Notes the updated actions and progress on the Audit Committee Status Report; and
4. Endorses the actions to be taken to resolve the process for the receipt of and payment of bond monies.

COUNCIL RESOLUTION

MOVED Cr Macnab

SECONDED Cr Hartl

That Council;

- 1. Dissolves trust # T3 Gnulla Child Care Trust and trust # T6 Wildflower Display Trust and transfers the funds to the Shire's municipal account as general revenue.***
- 2. Approves a budget amendment for the following chart of accounts for the receipt and refund of bonds. This amendment will have no impact on the financial position of the Shire.***
 - a. E042020 ADMIN General Operating \$3,000***
 - b. I042010 Administration Fees & Charges (\$3,000)***
- 3. Notes the updated actions and progress on the Audit Committee Status Report; and***
- 4. Endorses the actions to be taken to resolve the process for the receipt of and payment of bond monies.***

CARRIED BY ABSOLUTE MAJORITY VOTE 6-0

Attachments

14.12.19.04A - Status Table

14.12.19.04B – Interim Management letter

14.12.19.04C – Final Management letter

AUDIT & RISK COMMITTEE ACTIONS

Black – No changes from previous reports

Yellow – Updates from previous report

Blue – Additions from latest Audit & Risk Committee meetings

Date of Meeting	No	Item Title	OAG Finding	Officers Status Update	Assigned to	Estimated Due Date	Complete
30 June 2019	1	Caravan park Collection of money	Collection of money is taken after hours or on weekends with no authority for park bookings.	Action completed with new secure box at caravan park	CEO	28 Oct 2019 5 Dec 2019	100%
20 June 2019	2	Purchasing Policies & Procedures	No documented procedures over the authorisation & payments of accounts.	Completed – New purchasing policy adopted by Council November 2018	DCEO	6 Nov 2019 Completed	100%
20 June 2019	3	Review of Risk Register	Review of the Risk Register and Risk Management Plan – report to Audit & Risk Committee December 2019	Discussed & progressed	Senior Mgt Team	Dec 2019 April 2020	85%
20 June 2019	4	Asset Management Plan Review	Noted the review of the asset management plan	Currently being updated	MIRS/CEO	30 Dec 2019 February 2020	75%
20 June 2019	5	Review of Financial management systems	No Regulation 5 review done – report written for Council January 2020 following review of risk Management Plan.	Regulation 5 relates to the Shire being satisfied that its financial processes are reviewed in line with its risk register.	DCEO	30 Dec 2019 February 2020	95%
20 June 2019	6	Unsupported Software	Unsupported IT software – new IT provider contracted in October 2019 , November 2019 after a tender process. Software and allied services to be rolled out over the next 3 months including server upgrade.	Tender for IT Management is out in the marketplace for consideration	CEO/DCEO	October 2019 February 2020	95%
20 June 2019	7	User Access Management	No logging in process for reviews of system changes. Completed and reviewed on a monthly basis.	All reviewed except for front counter	DCEO	December 2019	100%
20 June 2019	8	IT Security Policy	Lack of an IT security policy – in development with IT provider to interface.	Policy for IT security developed and adopted by Council 16/8/2018. Must interface with IT Management.	DCEO	January 2020 February 2020	75%

20 June 2019	9	Business Continuity management	The Shire does not have a business continuity plan. For consideration at this meeting	Part of the Risk management plan & IT Tender Plan (samples reviewed)		5 December 2019 February 2020	80%
20 June 2019	10	Management of Third party IT services	IT requires upgrading to support Shire software. New IT provider contracted in November 2019 after a tender process. Software and allied services to be rolled out over the next 3 months.	Tender for IT Management out in the marketplace includes upgrades for software.	CEO/DCEO	October 2019 February 2020	95%
20 June 2019	11	Management of Issued infringements	No process and no register of infringements issued by the Shire. No process to follow up on infringements in place.	Register developed – admin procedures to be updated for front desk	DCEO	February 2020	75%
13 December 2018	12	Cash & Cheque Collections	Process for cash collection and checking needs review	Completed – process reviewed	DCEO	Completed	100%
13 December 2018	12	Physical Security of Cash	Process for security of cash and cash float (Front desk)	Completed	DCEO	Completed	100%
13 December 2018	14	Finance Procedures documented & updated	Major finance procedures documented and updated. Payroll and Rates process currently undergoing review.	Completed	DCEO	Completed	100%

ATTACHMENT

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

INDEX OF FINDINGS	RATING		
	Significant	Moderate	Minor
1. Caravan park collection		✓	

Prior Year Issues

2. Purchasing policies and procedures		✓	
3. Review of risk register		✓	
4. Asset management plan review		✓	
5. Review of financial management systems		✓	
6. Unsupported software		✓	
7. User access management		✓	
8. Information technology security policy		✓	
9. Business continuity management		✓	
10. Management of third-party IT services		✓	
11. Management of issued infringements		✓	

KEY TO RATINGS

The Ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We give consideration to these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

- Significant** - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating could indicate the need for a modified audit opinion in the current year, or in a subsequent reporting period if not addressed. However even if the issue is not likely to impact the audit opinion, it should be addressed promptly.
- Moderate** - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.
- Minor** - Those findings that are not of primary concern but still warrant action being taken.

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

1. Caravan Park Collection

Finding

We noted that a volunteer caretaker collects money for bookings made after work hours or on weekends at the Shire's caravan park. This volunteer has no delegation to collect monies for the Shire and the arrangement is based on a verbal arrangement between the Shire and the caretaker, whereby the caretaker receives free accommodation at the caravan park in exchange for performing caretaker duties.

Rating: Moderate

Implication

The obligations which exist between the Shire and the caretaker in their arrangement are unclear and may be problematic to enforce with no documentation of the agreement. This may result in people being charged inappropriately, or the Shire not receiving all monies it is entitled to.

Recommendation

The Shire should formalise its arrangement with the caretaker, appointing them as a formal collector of money and ensuring they are aware of their obligations as a caretaker of the caravan park to collect money and issue receipts to guests.

Management Comment

Deposit box for cash payments installed at Caravan Park 28th of October 2019. Online booking system created. Caretaker no longer handles any monies on behalf of the Shire.

Responsible Person: CEO

Completion Date: 28th of October 2019.

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

Issues arising from previous audits

2. Purchasing Policies and Procedures

Finding 2019

The Shire has not yet developed documented procedures over the authorisation and payment of accounts. However, we did not note any instances where payments were authorised by a staff member outside of their delegation limit.

Finding 2018

We noted instances where payroll and contractual payments were authorised by a staff member outside of their purchasing delegation limit.

We note that these payments were in line with contracts which were initially approved by Council or the Chief Executive Officer, and therefore appear to be for a valid purpose. However, the approval of the payment to be made from the Shire's bank account, exceeded the officer's threshold in the Shire's delegations.

In addition, we noted that the Shire does not have documented procedures over the authorisation and the payment of accounts. Procedures are largely undocumented and communicated to new staff verbally.

Rating: Moderate**Implication**

Without documented procedures relating to the authorisation and processing of payments, staff may be unclear as to how purchases and payments should be made. This could lead to inappropriate purchases being made, or good practice not being followed.

Recommendation

The Shire should review its purchasing policies and procedures with a view to providing greater guidance over the authorisation of payments and the payment of accounts. This guidance should include the items mentioned in regulation 11 of the *Local Government (Financial Management) Regulations 1996*.

Management Comment

Shire Purchasing Policy updated and reviewed by Council in October 2019. Creditor's process for payments documented including procedures for processing of timely payments. Policy also includes Financial limits and procedures for purchasing in line with policy. New staff are encouraged to undertake the WALGA on line purchasing training (e-learning) when they start at the Shire.

Responsible Person: DCEO & Corporate Business Officer – Finance

Completion Date: 6th November 2019

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

3. Review of Risk Register

Finding 2019

We noted that the review of the Shire's risk register is still in progress.

Finding 2018

We noted that the Shire has not reviewed its risk management register since it implemented its new risk management framework in October 2016. The due dates for some treatment actions have passed and it is unclear whether these actions were performed. We also noted that some actions do not have due dates.

In addition, there is no process in place for the audit committee to regularly review the risk register and the progress made in completing required treatment actions.

Rating: Moderate

Implication

Without an up-to-date risk register, the Shire might not have appropriate or effective processes in place to sufficiently mitigate risks to its operations or to take advantage of opportunities.

In addition, current risk treatment plans may no longer be consistent with the Shire's goals, strategies or objectives.

Recommendation

We recommend that the Shire review and update its risk management register. As part of this review, the Shire should ensure that the items under 5(1) *Local Government (Financial Management) Regulations 1996* are considered.

The results of this review and any changes made should be endorsed by the audit committee. In addition, the Shire should consider providing a regular report to the audit committee on the status of the risk management register and associated actions.

Management Comment

Risk Register and Risk Management Framework have both been updated. Draft versions are currently with CEO for review.

Responsible Person: Process & Compliance Officer

Completion Date: December 2019

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

4. Asset Management Plan Review**Finding 2019**

We noted that whilst the Shire is in the process of reviewing the contents of their asset management plan, a revised plan is unlikely to be endorsed by year-end.

Finding 2018

We noted that the 'asset renewal funding ratio' disclosed by the Shire has been calculated using nine years of planned capital renewal and expenditure figures from the existing 2016/17 asset management plan, with a final year having to be extrapolated from the first nine years as it is not covered by the existing plan.

Rating: Moderate

Implication

Without an annually reviewed and updated asset management plan, the Shire's reported asset renewal funding ratio may potentially not reflect the Shire's future plans and requirements for the renewal of its assets.

Recommendation

We recommend that the Shire consider updating their asset management plan annually, or alternatively additional years are endorsed separately by management to ensure that the asset renewal funding ratio is consistent with management's future intentions.

Management Comment

The Asset Management Plan is currently in progress. Consultants have been working on the AM Plan and this in conjunction with the LTFP will include the review of asset renewals and depreciation ratio's.

Responsible Person: MIRS & DCEO

Completion Date: February 2020.

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

5. Review of Financial Management Systems

Finding 2019

We noted that the Shire has not yet completed their Regulation 5 review.

Finding 2018

We were unable to identify when the appropriateness and effectiveness of financial management systems and procedures was last reviewed.

Regulation 5 of the *Local Government (Financial Management) Regulations 1996* requires the Chief Executive Officer to perform a review and report the results to council every 4 years.

Rating: Moderate

Implication

We were unable to confirm that the Shire has complied with Regulation 5.

Recommendation

We recommend that the Shire review the appropriateness and effectiveness of its financial management systems and report the results of the review to Council.

Management Comment

Proposed report to February Audit Committee Meeting upon review of Risk Management Plan and framework.

Responsible Person: DCEO

Completion Date: February 2020.

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

6. Unsupported Software

Finding 2019

We noted that the Shire's upgrade plans have not yet eventuated as the Shire is currently in a 'request for quotation' process for an IT service provider.

Finding 2018

We noted that the Shire is currently using Microsoft Exchange Server 2007 as its mail server software. Microsoft ended support for Exchange 2007 on 11 April 2017 and no longer provides bug or security fixes for new vulnerabilities which are discovered for this software.

Rating: Moderate

Implication

Running end of support software increases the risk of the Shire's operations being compromised by bugs which may impact the stability and usability of its email server, or security breaches occurring as a result of unpatched software vulnerabilities.

Recommendation

We recommend the Shire consider updating its software to one which is still supported by its vendor.

Management Comment

An IT provider has been engaged by the Shire. Upgrading software forms part of the 3 year IT contract.

Responsible Person: CEO

Completion Date: IT provider contracted from October 2019 for a 3 year period.

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

7. User Access Management

Finding 2019

We noted that whilst logging has been enabled on rate changes made by finance employee accounts, there is still no review of these logs.

However, we found that the Shire has removed access to the creditor and debtor module from the shared account for Synergy.

Finding 2018

We observed that an account for the Shire's financial management system (Synergy) is shared among personnel in the Shire Office. This account gives access to the creditors and debtor's module within Synergy - allowing access to modify creditor and debtor details as well as fees charged to clients.

We also noted that individual accounts for finance employees have the ability to make modifications to rates charged for fees and charges. Currently, the Shire does not have a logging process to review changes made to fees and other charges within the Synergy system.

Rating: Moderate

Implication

Without independent reviews performed of system changes, there is an increased risk of financial loss to the Shire or incorrect fees being charged to customers due to erroneous or fraudulent data entry.

Recommendation

The Shire should implement a regular review of changes made to fees and master files against approved fees and charges listings or other corroborating information. The review should be performed by more than one officer and variances noted from this review should be investigated by management so that appropriate action can be taken in a timely manner.

Management Comment

Access Logs are created and checked monthly. Process to be developed for reviewing the changes made to fees and charges within Synergy.

Responsible Person: DCEO & Corporate Business Officer – HR & Rates

Completion Date: December

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

8. Information Technology Security Policy

Finding 2019

We noted that this issue remains unresolved.

Finding 2018

We noted that the Shire does not have any policies or procedures governing the use of its Information Technology (IT) assets and resources. There is no guidance or documentation provided to staff defining information security requirements and objectives, nor the responsibilities required of staff to meet these objectives.

Rating: Moderate

Implication

A lack of IT security policy may result in inconsistent or inappropriate approaches to IT security being adopted by staff or contractors.

This may increase the risk of unauthorised use of IT assets or compromise the integrity and/or confidentiality of information recorded within IT systems (e.g. transactions in the financial management system, customer banking information stored electronically, contract documentation with suppliers). Breaches in IT security may also result in losses to the Shire due to unavailability of systems and the cost of restoring systems to a pre-breach state.

Recommendation

We recommend that the Shire develops and implements appropriate security policies covering its IT systems.

The policies should cover the following points:

- objectives and scope
- specific goals
- responsibilities for compliance and actions to be taken in the event of noncompliance.

Obligations under the information security policy should be communicated to users of the Shire's IT systems.

When drafting a policy, the following standards and guidelines may be helpful guidance:

ISO/IEC 27000 - Information Security Management Systems - Requirements

ISO/IEC 27001 - Code of Practice for Information Security Management

NIST Cybersecurity Framework

ASD - Information Security Manual

COBIT5 for Information Security

Management Comment

Information Technology Security Policy at early research stage.

Responsible Person: Process & Compliance Officer

Completion Date: January 2020

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

9. Business Continuity Management

Finding 2019

We noted that this issue remains unresolved.

Finding 2018

We noted that the Shire does not have a business continuity plan.

Rating: Moderate

Implication

Without a business continuity plan, the Shire may not have the ability to recover from an incident or crisis in a timely and effective manner.

Recommendation

The Shire should develop a business continuity plan based on an evaluation of risks which may disrupt critical business functions. The evaluation should identify critical systems, minimum resources and response times needed to assure/resume operations.

An incident response plan - containing the information needed to respond to an incident (e.g. emergency contact lists, evacuation plan) and a disaster recovery plan - detailing the steps to be taken to recover operations, should be developed based on the business continuity plan.

Plans should be communicated to staff and tested on a periodic basis to ensure that staff are familiar with their responsibilities and the Shire has the actual capability to action their plans adequately and within desired recovery timeframes. This should also include testing of IT system backups.

Management Comment

Draft Business Continuity Plan created. Currently with CEO for review.

Responsible Person: Process & Compliance Officer

Completion Date: December 2019

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

10. Management of third-party IT services

Finding 2019

We noted the issue still has not been resolved. The Shire is currently in a 'request for quote' process for an IT service provider.

Finding 2018

We noted that the contract with a third-party provider, responsible for managing the Shire's IT infrastructure, including the management of its network and network devices, firewall, anti-malware software, backups and software patching, has expired.

Rating: Moderate

Implication

Without a service contract/service level agreement, there is a risk that the minimum service requirements required by the Shire will not be provided.

This may result in the Shire's IT processes not being sufficient to adequately safeguard its IT environment, or alternatively the Shire may end up paying for services it does not require.

Recommendation

We recommend that the Shire enter into a service contract for its IT services. A service level agreement should be developed which details the obligations and expectations of the arrangement. Terms of the agreement should be consistent and help facilitate the Shire's IT security policies, business continuity plans and relevant key business risks.

Management Comment

An IT provider has been engaged by the Shire. Network, and network devices and other associated IT services forms part of the 3 year IT contract.

Responsible Person: CEO

Completion Date: IT provider contracted from October 2019 for a 3 year period.

SHIRE OF BROOKTON
PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019
FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

11. Management of issued Infringements

Finding 2019

This issue has not been resolved.

Finding 2018

We noted that there is no register of infringements issued by the Shire and there are no processes to track or follow up on infringements issued. In addition, we observed that the mail is only opened by one person and if cash and cheques are received for infringements, there is a greater risk of misappropriation.

We acknowledge that the monetary value of infringements issued is not likely to be material.

Rating: Moderate

Implication

Without a process to review and follow up on infringements issued, there is a risk of infringements being unenforced and uncollected or funds from fines being fraudulently misappropriated.

This will also diminish the effectiveness of infringements as a deterrent for non-compliance with the Shire's laws and regulations.

Recommendation

We recommend the Shire review its processes for recording and following up on issued infringements with a view to ensuring all issued infringements are appropriately recorded and there is a follow up process for the collection of unpaid infringements.

Management Comment

Fines Enforcement information and research has been carried out. Decision to be made on implementing this process. With so few infringements issued in any year and of such a low monetary value, the Shire considers this matter minor.

Responsible Person: MIRS & DCEO

Completion Date: February 2020

ATTACHMENT

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

INDEX OF FINDINGS	RATING		
	Significant	Moderate	Minor
1. Trust Funds	✓		
2. Depreciation Policy		✓	
3. Valuation Methodology for Plant and Equipment		✓	
Prior year issues			
4. Expense Accruals		✓	

KEY TO RATINGS

The Ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We give consideration to these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

- Significant** - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating could indicate the need for a modified audit opinion in the current year, or in a subsequent reporting period if not addressed. However even if the issue is not likely to impact the audit opinion, it should be addressed promptly.
- Moderate** - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.
- Minor** - Those findings that are not of primary concern but still warrant action being taken.

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

1. Trust Funds

Finding

We noted that the Shire is holding money in its trust fund for the Gnulla Child Care Facility and Wildflower Show Funds. However, we were unable to ascertain if requirements exist for these moneys to be held in trust.

We also noted that the Shire has included housing and other bonds as trust moneys in its annual financial report. This is inconsistent with the OAG position paper on 'Accounting for Work Bonds, Building Bonds and Hire Bonds'. An advantage of having bonds included within the Municipal Fund is that the Shire is able to earn interest on the bonds.

Rating: Significant**Implication**

If there is no requirement for money or assets to be credited to the trust fund in accordance with s6.9(1) of the *Local Government Act 1995*, they should not be held in the Shire's trust fund.

In addition, as these moneys are not in the Shire's Municipal Fund, assets and liabilities for the Shire are understated.

Recommendation

We recommend that any money not required to be held in trust is transferred to the Shire's Municipal Fund. These funds should be recognised as assets in the Statement of Financial Position, with a corresponding liability to recognise the moneys that are owed.

Where agreements exist requiring moneys to be held in trust, the Shire should retain records of the agreements to ensure that these moneys are correctly accounted for and are used for the correct purpose.

Management Comment

The Child Centre and Wildflower show monies are to be transferred to the Community Chest Fund as the current investigations show the Shire holding this money for an extended period of time (more than 20 years in one instance) and the owners of the monies cannot be identified. Investigation into a non interest earning bank account for the deposit of "bonds" and other monies held for another person is currently under investigation. Putting the money into the Muni Fund will create issues with interest earned and the calculation and red tape for processing such small amounts. The proposed action will resolve the matter of money in the trust fund that should not be there and satisfy the OAG position paper matters.

Responsible Person: DCEO & Corporate Business Officer – Compliance & Corporate Business Officer HR & Rates.

Completion Date: January 2020.

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

2. Depreciation Policy**Finding**

We noted that the useful lives of assets in the Shire's depreciation policy appear excessive and may not reflect the actual useful lives allocated in the asset register.

Rating: Moderate

Implication

If the useful lives of assets in the Shire's depreciation policy are incorrect, there is a greater risk of errors in the annual financial report.

Recommendation

The Shire should review the depreciation policy to ensure that the useful lives are consistent with the actual useful lives of assets in the asset register.

Management Comment

This matter (and in conjunction with the asset ratio) will be picked up as part of the AM and LTFP plans scheduled to be presented to Council in February 2020. The policy shall be reviewed as part of the Policy review each year.

Responsible Person: DCEO & MIRS

Completion Date: February 2020

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

3. Valuation Methodology for Plant and Equipment**Finding**

We noted that independent valuation of plant and equipment assets does not fully comply with the requirements of Australian Accounting Standards. This is because the valuation is based on advertised or listed prices of plant and equipment, and not the price which would be received to sell an asset (the exit price).

We have considered the impact of this error on the annual financial report and determined it to be immaterial.

Rating: Moderate

Implication

Valuing plant and equipment using advertised/listed prices may result in asset balances being overstated as it is unlikely that the advertised/listed price would be received by the Shire.

Recommendation

The Shire should review the instructions given to valuers, and the valuations performed, to ensure that they comply with the requirements of Australian Accounting Standards.

Management Comment

DCEO has written to the valuer advising them of the matters raised by OAG. The valuers are also on the WALGA Panel and the Shire has advised WALGA of this from a tender panel perspective. As noted this is not a significant issue and is noted as immaterial. No further action is required.

Responsible Person: DCEO

Completion Date: November 2019.

SHIRE OF BROOKTON

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2019

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

Prior year issues

4. Expense Accruals

Finding

2019

We noted that this issue remains unresolved.

2018

We noted that although the Shire has identified and accounted for its significant expense accruals at year end, there is no process in place to review and identify other general year end accruals of lesser value - such as for materials, contracts and utilities expenses.

Rating: Moderate**Implication**

Without a process to review transactions at or after year end to determine if an accrual should be recognised, the financial report may not reflect the correct state of the Shire's results of operations and financial position at year end.

Recommendation

The Shire should implement a process to review and accrue for transactions so that expenditure is allocated to the correct reporting period.

Management Comment

Noted. However the issues of accrual for the end of Financial year for the Shire usually relate to utilities and small amounts (as noted by the OAG) and the like. Impact on financial position at the end of the year is unlikely to be significant given the small amounts. The Shire considers this minor.

While we note the concerns of the Auditors, we will develop a process for review of smaller expense amounts accrued at end of year.

Responsible Person: DCEO & all CBO's.**Completion Date:** February 2020

14.12.19.05 DRAFT ANNUAL BUDGET PREPARATION GUIDE

File No:	N/A
Date of Meeting:	19 December 2019
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	Shire of Brookton
Author/s:	Ian D'Arcy – Chief Executive Officer
Authorising Officer:	As above
Declaration of Interest:	The author has an operational interest in this matter
Voting Requirements:	Simple Majority
Previous Report:	Audit and Risk Committee Meeting 05 & 09 December 2019

Summary of Item:

This item relates to a draft program for preparation of the annual budget, that if supported will be converted to a formal procedure that aligns to Council Policy 2.16 – Significant Accounting Policies.

A copy of draft program is offered in the body of this report for the Audit and Risk Committee's review.

Description of Proposal:

As above.

Background:

This matter has arisen due to a lack of clarity in previous years over the methodology in preparing the annual budget being well understood. In light of this, the Shire President requested a procedure be prepared that depicts the process to be followed, for consideration by the Audit and Risk Committee and Council.

Accordingly, this report presents an indicative and fluid process to preparing the annual.

Consultation:

Consultation has only occurred on this matter between the Senior Corporate Business Officer, the Shire President and Chief Executive Officer, and the Audit and Risk Committee.

Statutory Environment:

This matter relates to Part 6; Division 2; Section 6.2 (Local Government to Prepare Annual Budget) of the *Local Government Act, 1995*.

Relevant Plans and Policy:

This policy has been prepared in consideration of Council Policy 2.16 – Significant Accounting Policies.

Financial Implications:

There is no direct financial implication as this matter involves staff and Councillor's time already accounted for in the current municipal budget through the allocation of salary and wages, and elected member sitting fees.

Risk Assessment:

The risk of no documented methodology is assessed as 'High' against the Risk Matrix Table below. In the past it has become evident that items for consideration have been either over looked or omitted at an officer level due to poor understanding of the process, which in turn has led to a level inefficiency. Similarly, it is reasonable for Councillors to have a sound understanding of the process given the onus placed on elected members to be fiscally responsible with public funds.

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:

That matter aligns to the Corporate Business Plan Corporate Compendium under:

Business Function 18: Financial Control

Action 18.1: Prepare annual budget/conduct statutory budget reviews

Comment

The following is an indicative understanding of the time frame, functions and responsible persons involved in the annual budget preparation to be incorporated into a more detailed procedure. Of note is:

- The time frame is somewhat fluid and subject to 'slippage', with the final date for adoption being 31st August each year in accordance with the provisions of Section 6.2 of the *Local Government Act, 1995*.
- The procedure will need to be amended from time to time as the Council's Integrated Planning and Reporting framework is progress to include the Asset Management Plan, Workforce Plan and Long Term Financial Plan, all of which are informing documents to the annual budget preparation.

Annual Budget Preparation Guide

Month	Function	Week	Responsibility
February	• Salaries and wages	Week 1 - 2	CEO/Managers
	• Review depreciation	Week 2	SCBO
	• Review plant allocations	Week 2	SCBO
	• Review ABC allocations	Week 3	SCBO
	• Budget requests	Week 2 - 4	Staff/Councillors
March	• Create budget workbook	Week 1	SCBO
	• Commence data input	Week 1 - 4	SCBO
	• Review fees and charges	Week 2 - 3	SCBO
	• Review financial reserves	Week 3 - 4	SCBO
	• Review capital items	Week 4	CEO/Managers
April	• Data input (Con't)	Week 1 - 4	SCBO
	• Review capital items (Con't)	Week 1 - 2	CEO/Managers/SCBO
	• Workshop – Fees & charges	Week 2	Staff/Councillors
	- Set increase – rates	Week 2	
	- Set increase – rubbish & sewerage	Week 2	
May	• Model rates	Week 3	CBOF
	• Data input (Con't)	Week 1 - 4	SCBO
	• Workshop – First review of draft	Week 1	Staff/Councillors
June	• Data input (Con't)	Week 1 – 4	SCBO
	• Confirmation of grants income	Week 1	SCBO
	• Consolidate carry forward position	Week 4	SCBO
	• Workshop – Second review of draft	Week 4	Staff/Councillors
July	• Council Meeting – Budget adoption	Week 3	Staff/Councillors
August	• Budget notification to LG Dept.	Week 1	SCBO

CEO means Chief Executive Officer

Managers means Manager of Infrastructure and Emergency; Manager Corporate and Community

SCBO means Senior Corporate Business Officer

CBOF means Corporate Business Officer – Finance

AUDIT AND RISK COMMITTEE RECOMMENDATION

That Council endorses the Annual Budget Preparation Guide as presented in the body of this report and requests a formal procedure be prepared that reflects this guide and aligns to Council Policy 2.16 – Significant Accounting Policies.

OCM 12.19-12

COUNCIL RESOLUTION

MOVED Cr Walker SECONDED Cr Watts

That Council endorses the Annual Budget Preparation Guide as presented in the body of this report and requests a formal procedure be prepared that reflects this guide and aligns to Council Policy 2.16 – Significant Accounting Policies.

CARRIED BY SIMPLE MAJORITY VOTE 6-0

14.12.19.06 ANNUAL REPORT FOR 2018/2019

File No:	ADM 0117
Date of Meeting:	19 December 2019
Location/Address:	Not Applicable
Name of Applicant:	Shire of Brookton
Name of Owner:	Shire of Brookton
Author/s:	Kelly D'Arcy –Corporate Business Officer Compliance & Finance
Authorising Officer:	Vicki Morris – Manager Corporate and Community
Declaration of Interest:	The author and authorizing officer have no interest in this item.
Voting Requirements:	Absolute Majority
Previous Report:	Audit and Risk Committee Meeting 05 & 09 December 2019

Summary of Item:

The 2018/19 Annual Report outlines the Shire's achievements against its Strategic Community Plan, financial performance and notes key activities contained within the Corporate Business Plan. This item seeks the Council's resolve to adopt the 2018/19 Annual Report (including the 2018/2019 audited Financials) and to recommend the date for the annual general meeting of electors.

The Annual Report is presented in **Attachment 14.12.19.06A** provided under separate cover.

Description of Proposal:

The Audit & Risk Committee recommends to Council that the 2018/2019 Annual Report be endorsed and adopted.

Background:

The Annual Report contains information as required under section 5.53 of the *Local Government Act, 1995* including (but not limited to) the following:

- A report from the President
- A report from the Chief Executive Officer
- An overview of the plan for the future of the Shire (in accordance with Section 5.56 of the *Local Government Act 1995*)
- The financial report for the relevant financial year
- A report made under section 29 (2) of the *Disability Services Act 1993*
- Details of entries made under section 5.121, in the register of complaints
- The auditor's report for the financial year

The on-site audit was conducted by the Office of the Auditor General (OAG) from 23 September to 26 September 2019 and again from 7 October to 10 October 2019. The Annual Financial Report was then finalised by staff and submitted to the Auditors on Wednesday 25 October 2019. Following post audit adjustments, the Audited Annual Financial Report was received on Thursday 28 November 2019.

Should the 2018/19 Annual Report be endorsed, it is intended that local public notice be published advising the availability of the 2018/19 Annual Report and of the Annual Electors Meeting.

Consultation:

Consultation was undertaken with the Shires Auditors – the OAG, Shire President, Chief Executive Officer, Manager of Corporate and Community, Finance Department and the Audit and Risk Committee.

Statutory Environment:

Section 5.53 of the *Local Government Act 1995* (the Act) outlines the minimum requirements of an
Shire of Brookton, PUBLIC, Minutes Ordinary Meeting of Council, 19 December 2019

Annual Report. Section 5.54 states that a local government must accept an annual report by 31 December of each year by absolute majority.

The Annual Financial Report is prepared in accordance with Australian Accounting Standards, the *Local Government Act 1995*, and the *Local Government (Financial Management) Regulations 1996*.

Sections 5.27 and 5.29 of the Act outline the procedure for convening an electors meeting, including holding the meeting no more than 56 days from when the Annual Report was adopted.

Relevant Plans and Policy:

There are no Council Policy implications that are relevant to this item.

Financial Implications:

The availability of the Annual Report and the date for the Annual General Meeting of Electors will be advertised in the Brookton Telegraph Notes. There will be no cost associated with this.

A limited number of hard copy annual reports will be printed and funded under the existing printing and stationery budget.

Risk Assessment:

There is a risk that should the Annual Report not be adopted within the timeframes outlined, Council may be in breach of the *Local Government Act, 1995* and relevant subsidiary legislation.

On account of this, the risk is 'high' as assessed against the Matrix Table below.

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 matter 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 adoption of the Annual Report 2018/2019 aligns to:

Business Function 1. – Governance

Action – 1.7 Prepare annual report

Comment:

The Office of the Auditor General (AOG) tabled an exit brief (summary of the audit) and management letter for the final audit at the Audit and Risk Committee meeting, and provided commentary on both to members of the Committee on 9th December 2019.

The implication of this is that in the auditor's opinion the Shire's financial report is in accordance with the *Local Government Act 1995* and the Local Government (Financial Management) Regulations 1996, and:

- a) gives a true and fair view of the Shire's financial position as at 30 June 2019 and of its financial performance and its cash flows for the year ended on that date.
- b) complies with the Australian Accounting Standards as required by the *Local Government Act, 1995* and regulations.

AUDIT AND RISK COMMITTEE RECOMMENDATION

That Council:

1. In accordance with Sections 5.53 and 5.54 of the Local Government Act, 1995, endorses and accepts the Shire of Brookton Annual Report 2018/2019 for the 2018/2019 financial year;
2. That the Chief Executive Officer be authorised to give public notice of the availability of the Annual Report in accordance with Section 5.55 of the Local Government Act, 1995;
3. Receives the Management Report from the Office of the Auditor General for the Year Ended 30 June 2019; and

4. Proceeds to advertise the Annual General Meeting of Electors to be held on Thursday 13th February 2020 commencing at 6.00pm, at the Shire Administration Office, 14 White Street Brookton in the Council Chambers.

OCM 12.19-13

COUNCIL RESOLUTION

MOVED Cr Walker

SECONDED Cr Fancote

That Council:

1. *In accordance with Sections 5.53 and 5.54 of the Local Government Act, 1995, endorses and accepts the Shire of Brookton Annual Report 2018/2019 for the 2018/2019 financial year;*
2. *That the Chief Executive Officer be authorised to give public notice of the availability of the Annual Report in accordance with Section 5.55 of the Local Government Act, 1995;*
3. *Receives the Management Report from the Office of the Auditor General for the Year Ended 30 June 2019; and*
4. *Proceeds to advertise the Annual General Meeting of Electors to be held on Thursday 13th February 2020 commencing at 6.00pm, at the Shire Administration Office, 14 White Street Brookton in the Council Chambers.*

CARRIED BY ABSOLUTE MAJORITY VOTE 6-0

Attachments

Attachment 14.12.19.06A – 2018/2019 Annual Report (provided under separate cover)

14.12.19.07 LIST OF ACCOUNTS FOR PAYMENT

File No:	N/A
Date of Meeting:	19 December 2019
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	N/A
Author/s:	Lois Salkilld – Corporate Business Officer - Finance
Authorising Officer:	Ian D’Arcy – Chief Executive Officer
Declaration of Interest:	The author has no financial interest in this matter.
Voting Requirements:	Simple Majority
Previous Report:	21 November 2019

Summary of Item:

The list of accounts for payment to 30th November 2019 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 authorized 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 Councillors 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 30th November 2019

Municipal Account

Direct Debits	\$105,106.69
EFT	\$610,043.38
Cheques	\$1447.27

Trust Account \$929.14

OFFICER'S 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 30th November 2019

To 30th November 2019

Municipal Account

Direct Debits	\$105,106.69
EFT	\$610,043.38
Cheques	\$1447.27

Trust Account \$929.14

OCM 12.19-14***COUNCIL RESOLUTION***

MOVED Cr Hartl SECONDED Cr Macnab

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 30th November 2019

To 30th November 2019

Municipal Account

Direct Debits	\$105,106.69
EFT	\$610,043.38
Cheques	\$1447.27

Trust Account \$929.14

CARRIED BY SIMPLE MAJORITY VOTE 6-0

Attachments

Attachment 14.12.19.07A

Members of the public can obtain the schedule from the Shire Administration Office.

14.12.19.08 STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 30 NOVEMBER 2019

File No:	N/A
Date of Meeting:	19 December 2019
Location/Address:	N/A
Name of Applicant:	Shire of Brookton
Name of Owner:	Shire of Brookton
Author:	Lois Salkilld – Corporate Business Officer (Finance)
Authorising Officer:	Vicki Morris – Deputy Chief Executive Officer
Declaration of Interest:	The authors have no financial interest in this matter
Voting Requirements:	Simple Majority
Previous Report:	There is no previous meeting reference

Summary of Item:

The Statement of Financial Activity for the period ended 30th November 2019 is presented to Council.

Description of Proposal:

That Council receives the Statement of Financial Activity for the period ended 30th November 2019 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, Deputy CEO, Corporate Business Officer (Compliance & Finance). 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'S RECOMMENDATION

That Council

1. Receives the Monthly Statements of Financial Activity for the period ending 30th November 2019 as presented in Attachment 14.12.19.08A.

OCM 12.19-15**COUNCIL RESOLUTION****MOVED Cr Watts****SECONDED Cr Hartl**

That Council

1. *Receives the Monthly Statements of Financial Activity for the period ending 30th November 2019 as presented in Attachment 14.12.19.08A.*

CARRIED BY SIMPLE MAJORITY VOTE 6-0

Attachments

Attachment 14.12.19.08A

Statement of Financial Activity by Function & Activity

Statement of Financial Activity by Nature & Type

Note 1 - Major Variances

Note 2 - Graphical Representation of Statement of Financial Activity

Note 3 - Net Current Funding Position

Note 4 - Receivables

Note 5 - Cash Backed Reserves

Note 6 - Capital Disposals and Acquisitions

Note 7 - Information on Borrowings

Note 8 - Cash and Investments

Note 9 - Budget Amendments

Note 10 - Trust Fund

Note 11 - Kalkarni Financial Report

Note 12 - WB Eva Pavilion and Gymnasium Operating Statement

Note 13 - Sewerage Operating Statement

Note 14 - Brookton Caravan Park & Acquatic Centre Financial Reports

Note 15 - Road Program

Note 16 - Capital Works Program

Note 17 - Grants Register

**Shire of Brookton
Monthly Reporting Model
Base Input Data**

General User Input

Local Government Name
Last Year (-2)
Last Year (-1)
Current Year
Current Reporting Period
Start of Current Financial Year
End of Financial Year

Data to appear in the Report

Shire of Brookton
2017-18
2018-19
2019-20
For the Period Ended 30th November 2019
01-Jul-19
30-Jun-20

Material Threshold

Material Amount Income
Material Amount Expenditure
Material Percentage Income
Material Percentage Expenditure

\$10,000
\$10,000
10.00%
10.00%

Material Variances Symbol

Above Budget Expectations
Below Budget Expectations

▲
▼

**Shire of Brookton
Monthly Reporting Model
Graph Input Data**

Statement of Financial Activity

Month	Operating Expenses		Operating Revenue		Capital Expenses		Capital Revenue	
	Budget 2019-20	Actual 2019-20	Budget 2019-20	Actual 2019-20	Budget 2019-20	Actual 2019-20	Budget 2019-20	Actual 2019-20
Jul	935,182	806,784	483,459	376,336	275,701	36,222	85,148	0
Aug	1,862,509	1,656,425	1,241,739	1,318,414	538,069	56,364	170,296	0
Sep	2,856,977	2,500,171	1,741,427	1,695,346	807,104	82,664	256,869	5,700
Oct	3,728,194	3,406,789	2,230,129	2,051,246	1,076,138	213,118	342,492	5,700
Nov	4,724,692	4,117,136	2,968,800	2,585,039	1,345,173	242,287	428,115	-277,496
Dec								
Jan								
Feb								
Mar								
Apr								
May								
Jun								

**Shire of Brookton
Monthly Reporting Model
Graph Input Data (Cont.)**

Note 3 - Net Funding Current Position

Month	Actual 2017-18 \$('000s)	Actual 2018-19 \$('000s)	Actual 2019-20 \$('000s)
Jul	907,333	1,207,105	864,554
Aug	2,381,438	2,781,753	3,557,512
Sep	3,637,304	3,520,526	3,316,579
Oct	2,372,296	2,805,542	2,874,238
Nov	2,381,438	2,781,753	2,620,852
Dec	2,034,219	2,887,488	
Jan	1,808,505	2,133,457	
Feb	1,794,385	2,086,564	
Mar	2,034,219	1,810,439	
Apr	2,034,219	1,383,009	
May	2,034,219	1,251,832	
Jun	2,034,219	1,133,017	

**Shire of Brookton
Monthly Reporting Model
Graph Input Data (Cont.)**

Note 4 - Rates and Rubbish Collection History

Month	Last Year 2018-19 %	This Year 2019-20 %
Jul	0.25	0.00
Aug	0.83	4
Sep	28	68
Oct	78	72
Nov	83	76
Dec	84	
Jan	91	
Feb	92	
Mar	96	
Apr	97	
May	97	
Jun	97	

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
(Statutory Reporting Program)
For the Period Ended 30th November 2019

	Note	Adopted Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a) 9	Var. % (b)-(a)/(b) 9	Var.
Operating Revenues		\$	\$	\$	\$	%	
Governance		13,250	9,305	10,152	847	9.10%	
General Purpose Funding		1,188,844	558,829	294,580	(264,249)	(47.29%)	▼
Law, Order and Public Safety		29,743	14,456	22,469	8,013	55.43%	
Health		1,100	925	928	3	0.36%	
Education and Welfare		4,466,911	1,872,865	1,689,726	(183,139)	(9.78%)	
Housing		87,209	36,330	40,587	4,257	11.72%	
Community Amenities		414,478	172,685	386,902	214,217	124.05%	▲
Recreation and Culture		39,682	16,510	16,310	(200)	(1.21%)	
Transport		609,666	251,695	83,301	(168,394)	(66.90%)	▼
Economic Services		47,950	19,970	20,390	420	2.10%	
Other Property and Services		36,560	15,230	19,694	4,464	29.31%	
Total (Excluding Rates)		6,935,393	2,968,800	2,585,039	(383,761)	(12.93%)	
Operating Expense							
Governance		(577,418)	(258,927)	(198,804)	60,123	23.22%	▲
General Purpose Funding		(218,146)	(87,465)	(71,960)	15,505	17.73%	▲
Law, Order and Public Safety		(225,507)	(101,935)	(71,594)	30,341	29.77%	▲
Health		(74,104)	(31,284)	(21,056)	10,228	32.69%	▲
Education and Welfare		(4,559,009)	(1,931,489)	(1,675,469)	256,020	13.26%	▲
Housing		(207,571)	(87,929)	(66,215)	21,714	24.69%	▲
Community Amenities		(513,464)	(218,508)	(149,472)	69,036	31.59%	▲
Recreation and Culture		(998,079)	(426,608)	(360,411)	66,197	15.52%	▲
Transport		(3,450,540)	(1,458,662)	(1,389,298)	69,364	4.76%	
Economic Services		(188,441)	(82,569)	(65,537)	17,032	20.63%	▲
Other Property and Services		(22,729)	(39,316)	(47,320)	(8,004)	(20.36%)	
Total		(11,035,008)	(4,724,692)	(4,117,136)	607,556	12.86%	
Funding Balance Adjustment							
Add back Depreciation		2,910,437	1,212,682	1,236,340	23,658	1.95%	
Adjust (Profit)/Loss on Asset Disposal	6	86,449	72,041	0	(72,041)	(100.00%)	▼
Adjust (Profit)/Loss on Asset Revaluation		0	0	0	0		
Movement in Non Cash Provisions		0	0	0	0		
Net Operating (Ex. Rates)		(1,102,729)	(471,169)	(295,757)	175,412	(37.23%)	
Capital Revenues							
Proceeds from Disposal of Assets	6	5,700	2,375	5,700	3,325	(140.00%)	
Proceeds from New Debentures	5	0	0	0	0	0.00%	
Self-Supporting Loan Principal		21,296	8,873	0	(8,873)	(100.00%)	
Transfer from Reserves	5	1,000,479	416,866	(283,196)	(700,062)	(167.93%)	▼
Total		1,027,475	428,115	(277,496)	(705,610)		
Capital Expenses							
Land and Buildings	6	(201,000)	(83,750)	(27,642)	56,108	66.99%	▲
Plant and Equipment	6	(491,440)	(204,767)	(41,488)	163,278	79.74%	▲
Furniture and Equipment	6	(130,000)	(54,167)	(21,714)	32,453	59.91%	▲
Infrastructure Assets - Roads & Bridges	6	(1,043,471)	(434,780)	(189,667)	245,112	56.38%	▲
Infrastructure Assets - Sewerage	6	(32,000)	(13,333)	0	13,333	100.00%	▲
Infrastructure Assets - Parks	6	(30,000)	(12,500)	0	12,500	100.00%	▲
Repayment of Debentures	7	(94,529)	(39,387)	(217,802)	(178,415)	(452.98%)	▼
Transfer to Reserves	5	(1,205,975)	(502,490)	256,027	758,516	150.95%	▲
Total		(3,228,415)	(1,345,173)	(242,287)	1,102,886	(81.99%)	
Net Capital		(2,200,940)	(917,058)	(519,782)	397,276	(43.32%)	
Total Net Operating + Capital		(3,303,669)	(1,388,227)	(815,539)	572,689	41.25%	
Rate Revenue		2,325,818	2,317,003	2,303,375	(13,628)	(0.59%)	
Opening Funding Surplus(Deficit)		1,133,017	1,133,017	1,133,017	0	0.00%	
Closing Funding Surplus(Deficit)	3	155,166	2,061,793	2,620,853	559,060		

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
Program by Nature and Type
For the Period Ended 30th November 2019

NOTE	2019/20 Adopted Budget	2019/20 Projected Year End Actual	2019/20 YTD Budget	2019/20 YTD Actual	Variance YTD Budget vs YTD Actual
	\$	\$	\$	\$	\$
REVENUES FROM ORDINARY ACTIVITIES					
Rates	2,325,818	2,325,818	2,317,003	2,303,375	(13,628)
Operating Grants, Subsidies and Contributions	5,214,354	5,214,354	2,389,884	1,625,272	(764,612)
Fees and Charges	1,639,916	1,639,916	683,245	873,234	189,989
Interest Earnings	220,264	220,264	68,495	41,437	(27,058)
Other Revenue	79,643	79,643	45,960	45,096	(864)
	9,479,995	9,479,995	5,504,587	4,888,414	(616,173)
EXPENSES FROM ORDINARY ACTIVITIES					
Employee Costs	(1,707,032)	(1,654,787)	(714,076)	(605,588)	108,488
Materials and Contracts	(5,977,526)	(6,029,771)	(2,526,366)	(2,039,658)	486,708
Utilities	(174,264)	(174,264)	(65,274)	(51,949)	13,325
Depreciation	(2,910,437)	(2,910,437)	(1,212,610)	(1,236,340)	(23,730)
Interest Expenses	(91,715)	(91,715)	(44,032)	(23,143)	20,889
Insurance	(167,142)	(167,142)	(157,772)	(160,263)	(2,491)
Other Expenditure	(5,792)	(5,792)	(4,107)	(194)	3,913
	(11,033,908)	(11,033,908)	(4,724,237)	(4,117,136)	607,101
	(1,553,913)	(1,553,913)	780,350	771,278	(9,072)
Non-Operating Grants, Subsidies & Contributions	(218,784)	(218,784)	(218,784)	-	218,784
Profit on Asset Disposals	-	-	-	-	-
Loss on Asset Disposals	(1,100)	(1,100)	(455)	-	(455)
NET RESULT	(1,773,797)	(1,773,797)	561,111	771,278	209,257

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY (Excluding Kalkarni Residential Facility)
Program by Nature and Type
For the Period Ended 30th November 2019

	2019/20 Adopted Budget	2019/20 YTD Budget	2019/20 YTD Actual	Variance YTD Budget vs YTD Actual	Actuals as % of Total
	\$	\$	\$	\$	
REVENUES FROM ORDINARY ACTIVITIES					
Rates	2,325,818	2,317,003	2,303,375	(13,628)	68%
Operating Grants, Subsidies and Contributions	1,598,328	572,393	356,856	(215,537)	11%
Fees and Charges	878,909	366,159	646,370	280,211	19%
Interest Earnings	220,264	68,495	41,437	(27,058)	1%
Other Revenue	50,752	45,960	45,096	(864)	1%
	5,074,071	3,370,009	3,393,133	23,124	100%
EXPENSES FROM ORDINARY ACTIVITIES					
Employee Costs	(1,707,032)	(714,076)	(605,588)	108,488	24%
Materials and Contracts	(1,835,162)	(687,126)	(488,430)	198,696	20%
Utilities	(174,264)	(65,274)	(51,949)	13,325	2%
Depreciation	(2,803,758)	(1,123,783)	(1,186,313)	(62,530)	47%
Interest Expenses	(87,224)	(34,472)	(22,794)	11,678	1%
Insurance	(153,012)	(147,125)	(146,083)	1,042	6%
Other Expenditure	132,208	(95,262)	(126)	95,136	0%
	(6,628,244)	(2,867,118)	(2,501,283)	365,834	100%
	(1,554,173)	502,892	891,850	388,958	
Non-Operating Grants, Subsidies & Contributions	(218,784)	217,030	-	217,030	0%
Profit on Asset Disposals	-	-	-	-	0%
Loss on Asset Disposals	(1,100)	(455)	-	(455)	0%
NET RESULT	(1,774,057)	719,467	891,850	605,533	-36%

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30th November 2019

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**
GPC Grants Commission - Road - Not yet received
- 5 Law, Order and Public Safety**
Within variance threshold of \$10,000 or 10%
- 7 Health**
Within variance threshold of \$10,000 or 10%
- 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**
Budget profile calculated over 12 mths Refuse & Sewerage rates - will self correct over time
- 11 Recreation and Culture**
Within variance threshold of \$10,000 or 10%
- 12 Transport**
RRG & R2R Grants not yet received. MRWA Direct Grant received in full.
- 13 Economic Services**
Within variance threshold of \$10,000 or 10%
- 14 Other Property and Services**
Within variance threshold of \$10,000 or 10%

OPERATING EXPENSES

- 4 Governance**
Timing issue of employee costs - will self correct over time
- 3 General Purpose Funding**
Budget profiling calculated over 12 mths for 19/20 - will self correct over time
- 5 Law, Order and Public Safety**
Underspend to date, mainly, on Fire Prevention Expenses & Fire Admin Allocations
- 7 Health**
Saddleback - Contract Doctor has not yet invoiced for services
- 8 Education and Welfare**
Underspend to date on Kalc general operating and building maintenance expenses.
- 9 Housing**
Budget profiling calculated over 12 mths for 19/20 - will self correct over time
- 10 Community Amenities**
Underspend to date on Town Planning and general operating expenditure in general, with focus on Refuse and Sewerage - will self correct over time
- 11 Recreation and Culture**
Underspend to date in the area of Pool, Library, Parks & Reserves and General Recreation - will self correct over time
- 12 Transport**
Within variance threshold of \$10,000 or 10%
- 13 Economic Services**
Timing Issue - will self correct
- 14 Other Property and Services**
Within variance threshold of \$10,000 or 10%

CAPITAL REVENUE

- Proceeds from Disposal of Assets**
Within variance threshold of \$10,000 or 10%
- Self-Supporting Loan Principal**
Within variance threshold of \$10,000 or 10%
- Transfer from Reserves**
Reserve Transfers will be completed at maturity.

CAPITAL EXPENSES

Land and Buildings

Timing Issue - will self correct

Plant and Equipment

Timing Issue - will self correct

Furniture and Equipment

Timing Issue - will self correct

Infrastructure Assets - Roads & Bridges

Timing issue, work underway.

Infrastructure Assets - Sewerage

Timing Issue - will self correct

Infrastructure Assets - Parks

Timing Issue - will self correct

Repayment of Debentures

Early Payout of Loans

Transfer to Reserves

Reserve Transfers completed at maturity.

OTHER ITEMS

Rate Revenue

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

Opening Funding Surplus(Deficit)

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

Closing Funding Surplus (Deficit)

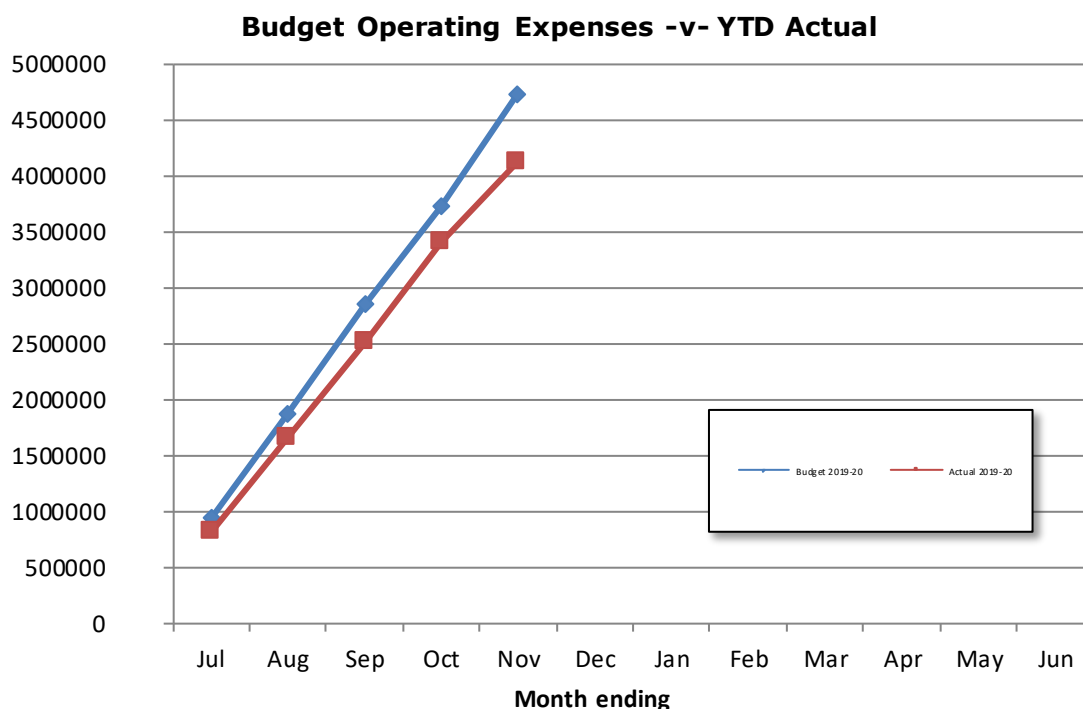
Within variance threshold of \$10,000 or 10%

Shire of Brookton

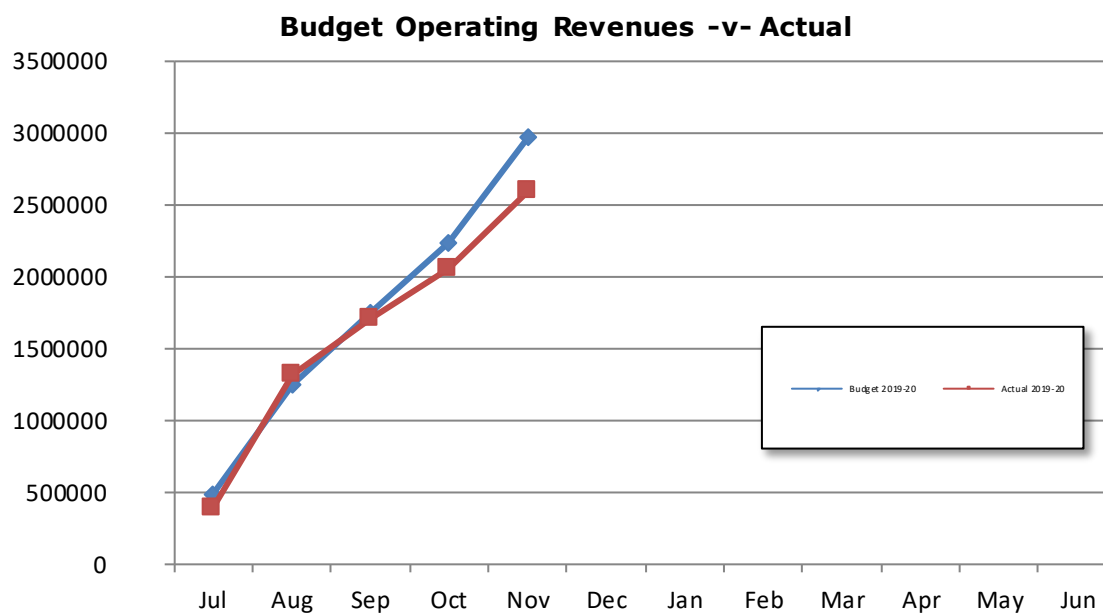
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

For the Period Ended 30th November 2019

Note 2 - Graphical Representation - Source Statement of Financial Activity



Comments/Notes - Operating Expenses

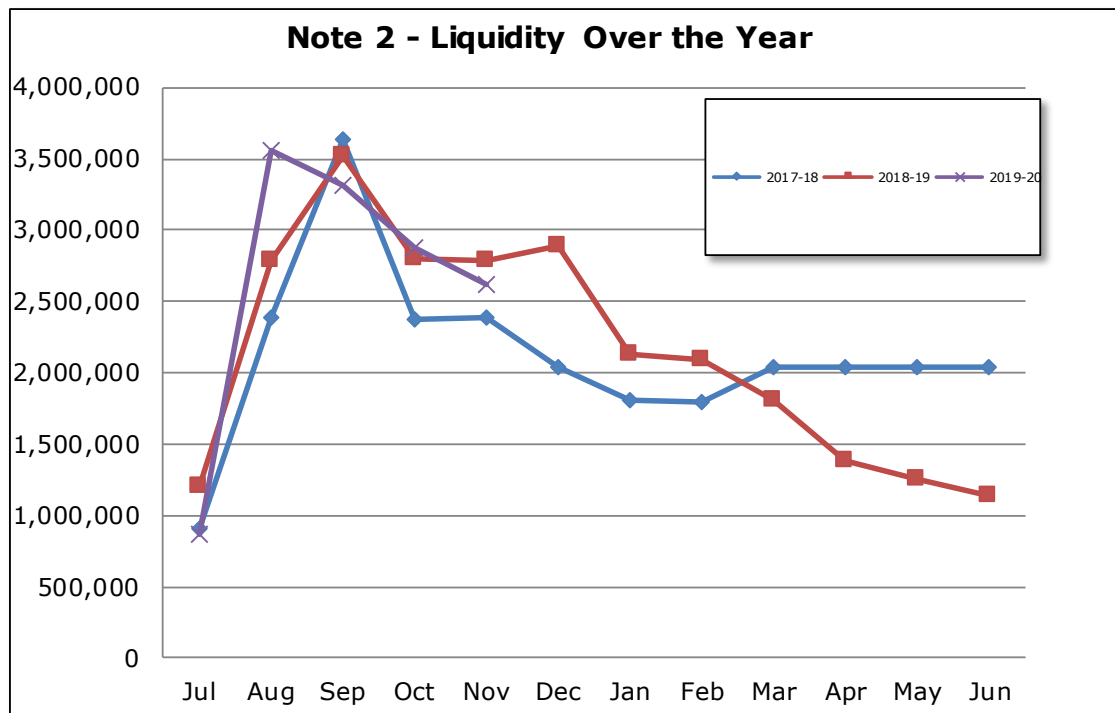


Comments/Notes - Operating Revenues

**Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30th November 2019**

Note 3: NET CURRENT FUNDING POSITION

Positive=Surplus (Negative=Deficit)				
2019-20				
Note	This Period	Same Period 2018/19	Same Period 2017/18	Surplus C/F 1 July 2019
	\$	\$	\$	\$
	NOV 2019	NOV 2018	NOV 2017	
Current Assets				
Cash Unrestricted	2,081,663	2,453,491	2,175,285	1,263,900
Cash Restricted	5,280,644	4,834,942	4,045,830	5,253,475
Receivables	4,232,820	4,545,121	3,690,422	4,146,803
Prepayments & Accruals	0	0	0	0
Inventories	39,798	27,168	17,193	16,487
	11,634,925	11,860,722	9,928,730	10,680,665
Less: Current Liabilities				
Payables and Provisions	(3,733,429)	(4,244,027)	(3,501,462)	(4,294,173)
	(3,733,429)	(4,244,027)	(3,501,462)	(4,294,173)
Less: Cash Restricted	(5,280,644)	(4,834,942)	(4,045,830)	(5,253,475)
Net Current Funding Position	2,620,852	2,781,753	2,381,438	1,133,017



Comments - Net Current Funding Position

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30th November 2019

Note 4: RECEIVABLES

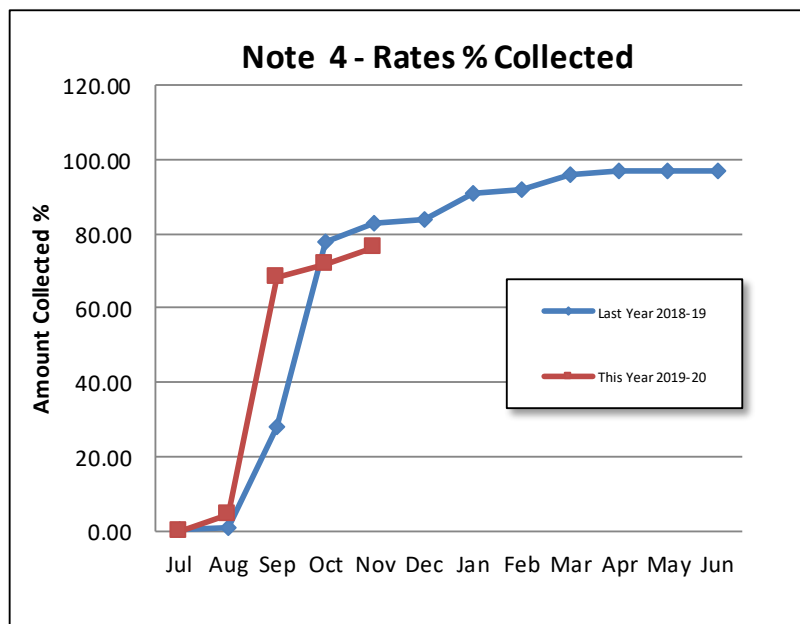
Receivables - Rates, Sewerage and Rubbish

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

Net Rates Collectable

% Collected

Current 2019-20	Previous Year 2018-19
\$ 86,273	\$ 53,825
2,639,434	2,643,920
(2,083,375)	(2,234,392)
642,332	463,353
642,332	463,353
76.43%	82.82%

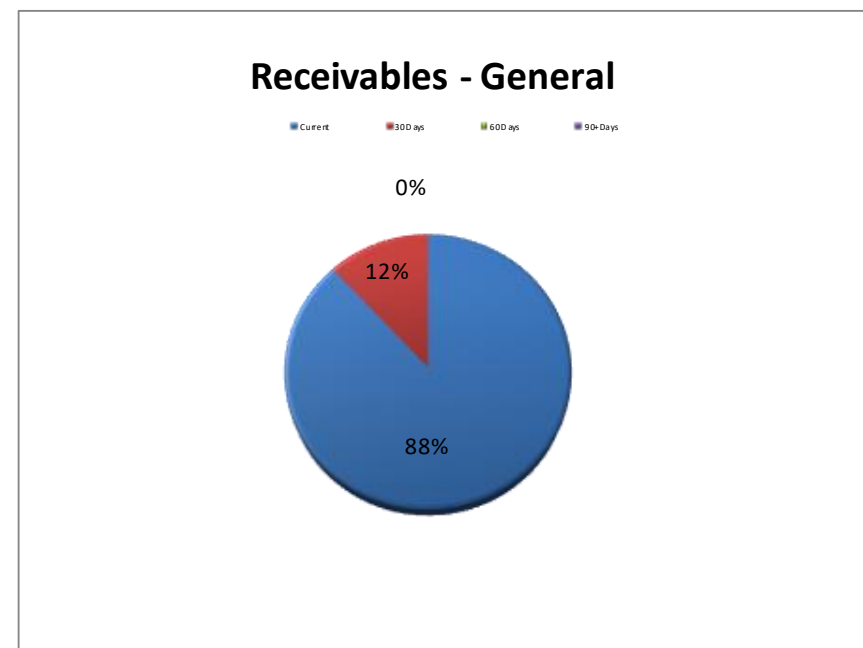


Comments/Notes - Receivables Rates, Sewerage and Rubbish

Receivables - General

Current	30 Days	60 Days	90+Days
\$ 3,355	\$ 453	\$ 0	\$ 0
Total Outstanding			3,808

Amounts shown above include GST (where applicable)



Comments/Notes - Receivables General

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30th November 2019

Note 5: Cash Backed Reserves

Name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Adopted Budget Transfers In (+)	Actual Transfers In (+)	Adopted Budget Transfers Out (-)	Actual Transfers Out (-)	Adopted Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Leave Reserve	116,698	2,180	606.49	20,000	0	0	0	138,878	117,304.49
Plant and Vehicle Reserve and Community Bus Reserve	972,025	14,220	5,051.70	302,506	(81,001)	(502,506)	81,001	786,245	977,076.70
Land & Housing Development Reserve/Independent Living Units	1,335,350	24,956	6,939.94	205,781	(146,640)	(174,381)	146,640	1,391,706	1,342,289.94
Furniture and Equipment Reserve	80,392	1,502	417.81	20,000	0	(45,000)	0	56,894	80,809.81
Municipal Buildings & Facilities Reserve	329,433	4,522	1,712.10	50,000	0	(55,000)	0	328,955	331,145.10
Townscape and Footpath Reserve	103,203	989	536.36	20,000	0	0	0	124,192	103,739.36
Land Development Reserve	0	0	0.00	0	0	0	0	0	0.00
Sewerage Scheme Reserve	368,937	6,895	1,917.40	55,000	0	0	0	430,832	370,854.40
Road and Bridge Infrastructure Reserve	399,046	8,267	2,073.87	220,000	0	0	0	627,313	401,119.87
Health & Wellbeing reserve	588,020	13,231	3,344.71	56,592	(55,554)	(100,000)	55,554	557,843	591,364.71
Sport & Recreation Reserve	26,206	490	136.20	5,000	0	0	0	31,696	26,342.20
Rehabilitation & Refuse Reserve	117,955	2,204	613.02	50,000	0	0	0	170,159	118,568.02
Saddleback Building Reserve	55,554	1,038	0.00	0	0	(56,592)	0	0	55,554.00
Caravan Park Reserve	141,635	2,647	736.08	10,000	0	0	0	154,282	142,371.08
Brookton Heritage/Museum Reserve	45,421	850	236.06	1,000	0	0	0	47,271	45,657.06
Kweda Hall Reserve	16,758	613	87.09	1,000	0	0	0	18,371	16,845.09
Aldersyde Hall Reserve	25,806	0	0.00	0	0	0	0	25,806	25,806.00
Railway Station Reserve	118,053	2,206	613.54	10,000	0	(35,000)	0	95,259	118,666.54
Madison Square Units Reserve	25,249	472	131.23	5,000	0	0	0	30,721	25,380.23
Cemetery Reserve	33,330	623	173.22	10,000	0	0	0	43,953	33,503.22
Water Harvesting Reserve	44,744	808	232.53	35,000	0	(32,000)	0	48,552	44,976.53
Developer Contribution	2,697	50	14.02	0	0	0	0	2,747	2,711.02
Cash Contingency Reserve	177,499	3,317	922.47	24,596	0	0	0	205,412	178,421.47
Brookton Aquatic Reserve	129,464	2,420	672.82	10,000	0	0	0	141,884	130,136.82
Saddleback Vehicle & Equipment Reserve	0	0	0	0	0	0	0	0	0.00
Staff Vehicle Reserve	0	0	0	0	0	0	0	0	0.00
Unspent Grants & Contributions	0	0	0	0	0	0	0	0	0.00
	5,253,475	94,500	27,168.66	1,111,475	(283,196)	(1,000,479)	283,196	5,458,971	5,280,643.66

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30th November 2019

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)
55,000	0	(55,000)	PL6 Cat Loader	\$ 55,000		\$ 0	(55,000)
24,293	0	(24,293)	PT13 Single Axle Truck	24,293		0	(24,293)
12,856	5,700	(7,156)	PM8 John Deere Mower	12,856		5,700	(7,156)
0	0	0		0		0	0
0	0	0		0		0	0
0	0	0		0		0	0
0	0	0		0		0	0
0	0	0		0		0	0
0	0	0		0		0	0
0	0	0		0		0	0
92,149	5,700	(86,449)		92,149		5,700	(86,449)

Comments - Capital Disposal

Summary Acquisitions				
	Budget	Current Budget	Actual	Variance
Property, Plant & Equipment	\$		\$	\$
Land and Buildings	201,000	201,000	27,642	173,358
Plant & Equipment	491,440	491,440	41,488	449,952
Furniture & Equipment	130,000	130,000	21,714	108,286
Infrastructure				
Roadworks & Bridge Works & Footpaths	1,043,471	1,043,471	189,667	853,804
Footpath Construction	30,000	30,000	0	30,000
Sewerage & Drainage	32,000	32,000	0	32,000
Totals	1,927,911	1,927,911	280,511	1,647,400

Comments - Capital Acquisitions

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30th November 2019

Note 7: INFORMATION ON BORROWINGS

					Principal 1-Jul-19 \$	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 78 Senior Citizen's Homes	Construction of Mokine Cottages	17/06/2024	15	6.74	89,416	-	103,756	89,416	(14,340)	82,931	(263)	6,485
*Loan 79 Multifunctional Family Centre	Purchase of the Building	1/08/2020	15	5.82	-	-	-	-	-	-	-	-
	Extension and Refurbishment of the Club House											
*Loan 82 Country Club		15/11/2027	20	6.95	237,124	-	10,466	21,296	226,658	219,260	6,135	17,864
Governance												
Loan 75 Administration	Shire Office Renovations	3/08/2026	25	6.46	47,061	-	56,133	47,061	(9,072)	43,754	260	3,307
Education & Welfare												
Loan 80 Kalkarni Residency	Kalkarni Residence	1/02/2026	25	5.63	72,291	-	4,284	8,689	68,007	67,800	349	4,491
Housing												
Loan 80 Staff Housing	Staff Housing	1/02/2026	25	5.63	119,280	-	7,069	14,337	112,211	111,871	575	7,409
Community Amenities												
Loan 80 Sewerage	Sewerage Extension	1/02/2026	25	5.63	50,604	-	2,999	6,082	47,605	47,460	244	3,144
Transport												
Loan 80 Grader	New Grader	1/02/2026	25	5.63	119,280	-	7,069	14,337	112,211	111,871	575	7,409
Recreation and Culture												
Loan 81 Sport & Recreation	Recreation Plan	1/11/2027	20	6.95	589,663	-	26,026	52,956	563,637	545,243	15,257	44,420
					1,324,719	-	217,802	254,174	1,106,917	1,230,190	23,132	94,529

(*) 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 30th November 2019

Note 8: CASH AND INVESTMENTS

	Interest Rate	Unrestricted \$	Restricted \$	Trust \$	Investments \$	Total Amount \$	Institution	Maturity Date
(a) Cash Deposits								
Municipal Cash at Bank - Operating Account	0.00%	60,956				60,956	Bendigo	
Municipal Cash at Bank - Cash Management Account	0.00%	2,000,943				2,000,943	Bendigo	
Municipal Cash at Bank - Independent Living Units	0.00%	19,765				19,765	Bendigo	
Trust Cash at Bank	0.00%			36,871		36,871	Bendigo	
(b) Term Deposits								
Reserves	1.65%		5,027,633			5,027,633	Bendigo	02/01/2020
Reserves	0.86%		253,012			253,012	WA Treasury	02/01/2020
(c) Investments								
Bendigo Bank Shares					10,000	10,000	Bendigo	
Total		2,081,663	5,280,644	36,871	10,000	7,409,178		

Comments/Notes - Investments

Investment Management Strategy for Kalkarni Bonds

The total bond/RAD amounts (\$3,829,288.22) as at 1/11/2019 are invested by Baptistcare with NAB for a term of 30 days at the rate of .85 %

Shire of Brookton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30th November 2019

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) Adju ▼	Increase in Available Cas ▼	Decrease in Available Cas ▼	Amended Budget Running Balance ▼
	Adopted Budget Net Asset Surplus 30 June 2019		Opening Surplus(Deficit)	\$	\$	\$	\$
							1,133,017
							1,133,017
	Closing Funding Surplus (Deficit)			0	0	0	1,133,017

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 30th November 2019

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 30th November 2019
	\$	\$	\$	\$
Housing Bonds	1,200	425	0	1,625
Other Bonds	12,960	8,362	(4,600)	16,722
Rates Incentive Prize	200	0	(200)	0
Staff AFL Tipping	0	0	0	0
Les McMullen Sporting Grants	0	0	0	0
Gnulla Child Care Facility	3,073	0	0	3,073
Wildflower Show Funds	1,240	0	0	1,240
Kalkarni Resident's Accounts	0	0	0	0
Public Open Space Contributions	13,820	0	0	13,820
Developer Road Contributions	(0.50)	0	0	(0.50)
Unclaimed Money	30	360	0	390
	32,523	9,148	(4,800)	36,871

1. Developer Road Contributions are:

T129 Allington - Grosser Street -\$1.00 Rounding

Road Contributions are required to be transferred out of Trust into Reserve/Muni for designated purpose.

2. Public Open Space Contribution:

T148 - Paul Webb \$13,820

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

It is to be investigated whether funds can be applied against POS projects such as the Robinson Street Development.

3. Gnulla Child Care Facility

This is an aged transaction. Consider transferring funds to Muni once a designated project has been identified.

4. Housing Bond

Bond is to either be refunded, expended or transferred to the Bonds Authority.

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
Kalkarni Aged Care Facility
For the Period Ended 30th November 2019

Note 11: Kalkarni Aged Care Facility

	Note	Adopted Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a) 9	Var. % (b)-(a)/(b) 9	Var.
Operating Revenue		\$	\$	\$	\$	%	
Fees & Charges		761,007	317,086	226,864	(90,222)	(28.45%)	
Other Income		20,000	8,333	20,115	11,782	141.38%	
Reimbursement Received		8,891	3,705	0	(3,705)	(100.00%)	
Grants & Subsidies		3,316,026	1,381,678	1,268,416	(113,261)	(8.20%)	
Total Revenue		4,105,924	1,710,802	1,515,395	(195,406)	(11.42%)	
Operating Expenses							
General Operating Expenses - Admin		(38,000)	(15,833)	0	15,833	(100.00%)	
General Operating Expenses		(100,000)	(41,667)	(7,691)	33,976	(81.54%)	
Interest Expenses		(4,491)	(1,871)	(349)	1,523	(81.37%)	
Insurance Expenses		(14,130)	(5,888)	(14,180)	(8,293)	140.85%	
Building Maintenance		(62,490)	(26,038)	(4,868)	21,169	(81.30%)	
Loss on Sale of Asset		0	0	0	0	0.00%	
Depreciation	**	(106,679)	(44,450)	(50,027)	(5,578)	12.55%	
ABC Administration Expenses		(56,662)	(23,609)	(20,276)	3,333	(14.12%)	
Contract Expenses		(4,023,212)	(1,676,338)	(1,504,385)	171,953	(10.26%)	▼
Total Expenses		(4,405,664)	(1,835,693)	(1,601,777)	233,917	12.74%	
Operating Surplus (Deficit)		(299,740)	(124,892)	(86,381)	38,511	31%	▼
Excluding Non Cash Adjustments							
Add back Depreciation	**	106,679	44,450	50,027	5,578	12.55%	▼
Adjust (Profit)/Loss on Asset Disposal		0	0	0	0	0.00%	
Net Operating Surplus (Deficit)		(193,061)	(80,442)	(36,354)	44,088	(54.81%)	▼
Capital Revenues							
KBC Capital Income		300,000	125,000	147,848	22,848	18.28%	
Transfer from Reserves	5	100,000	41,667	(55,554)	(97,221)	(233.33%)	
Total		400,000	166,667	92,293	(74,373)	(2)	
Capital Expenses							
Land and Buildings		(90,000)	(37,500)	(14,200)	23,300	(62.13%)	
Plant and Equipment		0	0	0	0	0.00%	
Furniture and Equipment		(10,000)	(4,167)	0	4,167		
Repayment of Debentures	7	(8,689)	(3,620)	(4,284)	(664)	18.34%	
Transfer to Reserves	5	(69,823)	(29,093)	52,210	81,302	(279.46%)	
Total		(178,512)	(74,380)	33,725	108,105		
Net Capital		221,488	92,287	126,019	33,732	36.55%	
Closing Funding Surplus(Deficit)		28,427	11,845	89,665	77,820		
TOTAL OPERATING		\$ 260.00					

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
WB Eva Pavilion by Nature and Type
For the Period Ended 30th November 2019

Note 12 WB Eva Pavilion Operating Statement

NOTE	2019/20	2019/20	2019/20	Variance
	Adopted Budget	YTD Budget	YTD Actual	YTD Budget vs YTD Actual
	\$	\$	\$	\$
REVENUES FROM ORDINARY ACTIVITIES				
Hire Fees - WB Eva Pavilion	2,980	1,242	1,987	745
Sporting Club Fees	5,500	2,292	2,632	340
Gymnasium Income	11,060	4,608	3,000	(1,608)
	19,540	8,142	7,619	(523)
EXPENSES FROM ORDINARY ACTIVITIES				
Employee Costs	(3,230)	(1,346)	(362)	984
Materials and Contracts	(34,410)	(14,338)	(18,886)	(4,548)
Utilities	(3,750)	(1,563)	(982)	581
Interest Expenses	(44,420)	(18,508)	(15,257)	3,252
Insurance	(4,777)	(1,990)	(4,700)	(2,710)
General Operating Expenses	(5,277)	(2,199)	(429)	1,769
Gymnasium Operating	(16,220)	(6,755)	(1,376)	5,379
	(95,864)	(39,943)	(41,991)	(672)
	(76,324)	(31,802)	(34,373)	(1,195)
NET RESULT	(76,324)	(31,802)	(34,373)	(1,195)

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
Sewerage Programm by Nature and Type
For the Period Ended 30th November 2019

Note 13 Sewerage Operating Statement

NOTE	2019/20	2019/20	2019/20	Variance
	Adopted Budget	YTD Budget	YTD Actual	YTD Budget vs YTD Actual
	\$	\$	\$	\$
REVENUES FROM ORDINARY ACTIVITIES				
Sewerage Connection Fees and Charges	1,590	1,590	472	(1,118)
Annual Sewerage Rates	203,265	203,265	192,913	(10,352)
	204,855	204,855	193,385	(11,470)
EXPENSES FROM ORDINARY ACTIVITIES				
Employee Costs	(1,119)	(466)	(360)	106
Materials and Contracts	(60,100)	(25,042)	(5,287)	19,755
Utilities	(8,050)	(3,354)	(1,405)	1,949
Depreciation	(39,788)	(16,578)	(16,835)	(257)
Interest Expenses	(3,144)	(1,310)	(244)	1,066
Insurance	(243)	(101)	(244)	(143)
General Operating Expenses	(1,434)	(598)	(482)	116
Allocation of Administration Expense	(38,985)	(16,244)	(13,951)	2,293
	(152,863)	(63,693)	(38,808)	24,885
	51,992	141,162	154,577	13,415
Add Back Depreciation	39,788	16,578	16,835	257
Non-Operating Grants, Subsidies & Contributions	-	-	-	-
Profit on Asset Disposals	-	-	-	-
Loss on Asset Disposals	-	-	-	-
Transfer to Sewerage and Drainage Reserve	55,000	22,917	-	22,917
Transfer from Sewerage and Drainage Reserve	-	-	-	-
NET RESULT	146,780	180,657	171,412	36,588

The Shire's Asset Management Plan (adopted at the 2016 August OCM) details required renewal expenditure of \$1.482m over the ten year period 2016 - 2027. The Shire's Long Term Financial Plan includes the following planned renewal expenditure:

2016/17 - 47,680
2017/18 - 100,000
2018/19 - 100,000
2019/20 - 100,000
2020/21 - 100,000
2021/22 - 100,000
2022/23 - 100,000
2023/24 - 100,000
2024/25 - 100,000
2025/26 - 150,000
2026/27 - 400,000

Total - 1,397,680 or approx. \$140k per annum

The Sewerage Scheme should be self funding, that is, the capital replacement cost should be amortised over the life of the infrastructure, and funded from the annual sewerage rates. Council should consider a charging model that provides for an annual transfer to the Sewer Reserve, which is equivalent to the required annual renewal expenditure i.e. \$148k per annum. As a minimum, revenue from the Scheme should cover all operating expenditure including depreciation, meaning a minimum transfer to Reserve of \$88k.

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
Brookton Caravan Park and Brookton Aquatic Centre
For the Period Ended 30th November 2019

	Note	Adopted Annual Budget 2019/20	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a) 9	Var. % (b)-(a)/(b) 9
Note 14 (a): Brookton Caravan Park		\$	\$	\$	\$	%
Operating Revenue						
Caravan Park Fees		35,000	14,583	17,113	2,530	17.35%
Total Revenue		35,000	14,583	17,113	2,530	17.35%
Operating Expenses						
Brookton Caravan Park	CARAOP	(26,245)	(10,935)	(7,931)	3,004	(27.47%)
Brookton Caravan Park	MARKOP	(4,000)	(1,667)	0		
Caravan Park Depreciation		(1,042)	(434)	(437)	(3)	0.71%
Caravan Park Abc Administration Expenses		(41,822)	(17,426)	(14,966)	2,460	(14.12%)
Total		(73,109)	(30,462)	(23,334)	5,461	17.93%
Operating Surplus (Deficit)		(38,109)	(15,879)	(6,221)	7,991	50%
Excluding Non Cash Adjustments						
Add back Depreciation		1,042	434	437	3	0.71%
Net Operating Surplus (Deficit)		(37,067)	(15,445)	(5,784)	7,994	(51.76%)
Note 14 (b): Brookton Aquatic Centre						
Operating Revenue						
POOL FEES & CHARGES		10,500	4,375	6,303	1,928	44.06%
POOL GRANTS & SUBSIDIES		0	0	0	0	0.00%
Total Revenue		10,500	4,375	6,303	1,928	44.06%
Operating Expenses						
POOL EMPLOYEE COSTS		0	0	0	0	0.00%
POOL GENERAL OPERATING EXPENSES		(97,850)	(40,771)	(16,668)	24,103	(59.12%)
POOL BUILDING MAINTENANCE		(15,756)	(6,565)	(8,407)	(1,842)	28.05%
POOL Depreciation		(11,839)	(4,933)	(4,965)	(33)	0.66%
POOL Abc Administration Expenses		(32,411)	(13,505)	(11,598)	1,906	(14.12%)
Total		(157,856)	(65,773)	(41,638)	24,135	36.69%
Operating Surplus (Deficit)		(147,356)	(61,398)	(35,336)	26,063	42.45%
Excluding Non Cash Adjustments						
Add back Depreciation		11,839	4,933	4,965	33	0.66%
Net Operating Surplus (Deficit)		(135,517)	(56,465)	(30,370)	26,095	46.21%

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
Road Program
For the Period Ended 30th November 2019

Note 15

Description	Adopted Annual 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	213,058	90,089	42%									213,058
Rural Road Maintenance	568,329	191,177	34%									568,329
Bridge Maintenance	121,966	31,591	26%									121,966
R2R Work Schedule												
Brookton - Kweda Road	52,796	15	0%	\$218,633.00								-165,837
Brookton-Kweda Road	109,662	0	0%					\$83,201.00				26,461
Other Construction												
Brookton - Kweda Road	124,035	0	0%									124,035
King Street	29,030	0	0%									29,030
Reynolds Street	173,000	5,455	3%									173,000
Boyagarra Road	110,294	86,087	78%									110,294
Noack Street	10,188	0	0%									10,188
RRG Approved Projects												
York - Williams Road	434,466	98,110	23%			\$302,247.00						132,219
					\$5,585.00							-5,585
	1,946,824	502,525	26%	218,633	5,585	302,247	0	83,201	0	0	0	1,337,158

Note 16

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
Capital Works Program
For the Period Ended 30th November 2019

Description	Adopted Annual Budget	Amended Budget	YTD Actual	% Completed	Capital Funding				
					Muni	Grants	Reserves	Sale of Assets	Total Funding
	\$	\$	\$		\$	\$	\$	\$	\$
Admin Reception Remodel	55,000	55,000	0	0%			55,000		55,000
Weld Crack Kitchen Floor	10,000	10,000	14,200	142%			10,000		10,000
Railway Barrier Fence	35,000	35,000	0	0%			35,000		35,000
Cemetery New Niche Wall And Shelter	10,000	10,000	6,790	68%	10,000				10,000
Aquatic Centre Masonary Repair	11,000	11,000	6,652	60%	11,000				11,000
Upgrade Air Conditioning System	80,000	80,000	0	0%			80,000		80,000
Curtains Passageways and Activities area	10,000	10,000	0	0%			10,000		10,000
Admin Synergy Records Module	35,000	35,000	0	0%	35,000				35,000
Admin Server Upgrade	45,000	45,000	0	0%			45,000		45,000
Back-up Generator and Installation	30,000	30,000	21,714	72%	30,000				30,000
Chairs for Pavillion	10,000	10,000	0	0%	10,000				10,000
Crew Cab 3 Tonne Truck	70,000	70,000	0	0%			70,000		70,000
Loader	290,000	290,000	0	0%			290,000		290,000
Skid Mounted Fibreglass Water Tank	27,000	27,000	8,500	31%	27,000				27,000
Truck mounted Vacuum Mulcher	18,000	18,000	0	0%	18,000				18,000
Road Broom	50,000	50,000	0	0%			50,000		50,000
3" Diesel Pump	0	0	1,539	0%	0		0		0
62" Zero Turn Mower	25,000	25,000	24,195	97%	25,000				25,000
Metro Traffic Counters	11,440	11,440	7,255	63%	11,440				11,440
York-Williams Road	434,466	434,466	98,110	23%					0
Brookton-Kweda Road	52,796	52,796	15	0%					0
Brookton-Kweda Road	109,662	109,662	0	0%					0
Noack Street	10,188	10,188	0	0%					0
Brookton-Kweda Road	124,035	124,035	0	0%					0
King Street	29,030	29,030	0	0%					0
Reynolds Street	173,000	173,000	5,455	3%					0
Boyagarra Road	110,294	110,294	86,087	78%	278,766	464,705	300,000		1,043,471
Richardson Street	30,000	30,000	0	0%	30,000				30,000
Happy Valley Bore Field	32,000	32,000	0	0%			32,000		32,000
	1,927,911	1,927,911	280,511	256%	486,206	464,705	977,000	0	1,927,911

\$280,511.27

\$0.00

1,927,911 Budget Capex Schedule

1,441,705 Variance - Grants & Reserves Funding - Sale of Assets

486,206 Muni Funding

1,927,911

Note 17

Shire of Brookton
STATEMENT OF FINANCIAL ACTIVITY
Grants, Subsidies and Contributions Register
For the Period Ended 30th November 2019

Funding Provider	Project	Operating/Non-Operating	Adopted Annual Budget	Amended Budget OCM	Amount Applied For	Amount Approved	Amount Invoiced/Received	% Received
			\$	\$	\$	\$	\$	
Federal Government	KBC Grants & Subsidies	Subsidy	(3,316,026)	(3,316,026)	Recurrent	(3,316,026)	(1,268,416)	38%
Main Roads WA	Regional Road Group	Non Operating	(302,247)	(302,247)	Recurrent	(302,247)	-	0%
Federal Government	Roads to Recovery	Non Operating	(218,633)	(218,633)	Recurrent	(218,633)	-	0%
WA Grants Commission	GPG Grants Commission - General	Operating	(668,176)	(668,176)	Recurrent	(668,176)	(253,143)	38%
WA Grants Commission	GPG Grants Commission - Roads	Operating	(382,494)	(382,494)	Recurrent	(382,494)	-	0%
WA Grants Commission	GPG Grants Commission - Bridges	Operating	-	-	-	-	-	0%
DFES	ESL Grant - Emergency Services Levy - Operating	Operating	(24,793)	(24,793)	Recurrent	(24,793)	(20,512)	83%
Main Roads WA	Direct Grant	Operating	(83,201)	(83,201)	Recurrent	(83,201)	(83,201)	100%
			(4,995,570)	(4,995,570)		(4,995,570)	(1,625,272)	33%

14.12.19.09	REQUESTED BUDGET VARIATIONS
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File No:	ADM 0175
Date of Meeting:	19 December 2019
Location/Address:	Whole of Shire
Name of Applicant:	Shire of Brookton
Name of Owner:	Shire of Brookton
Author/s:	Kelly D’Arcy - Senior Corporate Business Officer
Authorising Officer:	Vicki Morris – Manager Corporate and Community
Declaration of Interest:	Nil
Voting Requirements:	Absolute Majority
Previous Report:	Nil

Summary of Item:

The purpose of this report is to obtain approval of Council to vary the 2019/2020 Shire of Brookton adopted Annual Budget. It is recommended that Council resolve to approve the budget variations to support operational requirements.

Description of Proposal:

As above.

Background:

Since the budget was adopted by Council 15 August 2019, officers have identified areas within the budget that require variations to address operational requirements.

In context, it is deemed good management practice and a legislative requirement to revise the adopted budget when it is known that circumstances have changed. In keeping with this practice budgets are reviewed on a three monthly basis through a Responsible Officer Reporting Framework and associated internal meetings. It has been identified that over the past five months there are several items that need to be adjusted.

Accordingly, there has been a need for further engineering assessments and reports for the railway station and memorial hall which were not fully accommodated in the adopted annual 2019/20 budget. The further cost to upgrade the IT has led to an understanding of the need to for re-cabling of the office and upgrade from desk top computers to lap tops with the Microsoft 365 across the board to deliver parity and efficiency. These changes are viewed as integral, but require financial alterations to the budget as presented in **Attachment 14.12.19.09A**.

Therefore, in summary there are three variations detailed in the attached listing that have a nil effect on the budget surplus as these adjustments are reliant on transfers from reserves, or where expenses can be reallocated within the budget to meet the revised needs.

Therefore, should the attached listed adjustments be endorsed by Council, the budget surplus will remain unchanged at \$0.

Consultation:

Consultation has been undertaken with Responsible Officers and CEO in the preparation of this report.

Statutory Environment:

Section 6.8(1) of the *Local Government Act 1995* states:

6.8. Expenditure from municipal fund not included in annual budget

- (1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —
- (2)
- (a) *is incurred in a financial year before the adoption of the annual budget by the local government; or*
- (b) is authorised in advance by resolution*; or
- (c) *is authorised in advance by the mayor or president in an emergency.*

* Absolute majority required.

Relevant Plans and Policy:

There are no relevant plans or policies applicable to this matter.

Financial Implications:

The financial implications are detailed in **Attachment 14.12.19.09A** and as mentioned will have a nil effect on the budget.

Risk Assessment:

Much of the budget requests are for works already 'in train' with additional funds required to complete the tasks to an appropriate and contemporary standard. By not endorsing the officer's report there is variable 'medium – high' risk respective works will not prove satisfactory.

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 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 requested budget variations align to:

Function 18 Financial Control

Action 18.1 – Prepare annual budget / conduct statutory budget reviews

Comment

The Schedule of Budget Variations listed in **Attachment 14.12.19.09A** is being presented to ensure works can effectively be completed this financial year, whilst maintaining integrity of the current Budget through a proper and accountable approval process.

OFFICER'S RECOMMENDATION

That Council pursuant to section 6.8 of the Local Government Act 1995, authorise the Schedule of Variations to the 2019/20 Budget, as presented in Attachment 14.12.19.09A to this report.

OCM 12.19-16

COUNCIL RESOLUTION

MOVED Cr Fancote SECONDED Cr Macnab

That Council pursuant to section 6.8 of the Local Government Act 1995, authorise the Schedule of Variations to the 2019/20 Budget, as presented in Attachment 14.12.19.09A to this report.

CARRIED BY ABSOLUTE MAJORITY VOTE 6-0

Attachments

Attachment 14.12.19.09A - Schedule of Variations to 2019/2020 Adopted Budget

Budget Variations

GL Codes	Job Codes	IE Code		Original 19/20 Budget	Amended 19/20 Budget	Changes in Net Assets	
E111010	MAHALLOP	379	HALLS MEMORIAL HALL	\$0.00	\$10,400.00	\$10,400.00	Budget Increase - Additional inspections and rectification works report. Additional budget to allow for the engineer to do a presentation to Council
E115010	RWSTOP	379	OTH-CULT RAILWAY STATION	\$20,000.00	\$22,500.00	\$2,500.00	
OLO1661		230	TRANSFER TO MUNI - MUNICIPAL BUILDINGS GEN	(\$55,000.00)	(\$67,900.00)	(\$12,900.00)	Transfer from Municipal Buildings Reserve to allow for the additional expenditure for the engineering inspections.
E113521		501	WB EVA FURNITURE & EQUIPMENT PURCHASES GEN	\$10,000.00	\$20,000.00	\$10,000.00	Budget Increase - Recommended Replacement Chairs for the WB Eva Pavilion are of a higher quality and will wear better over the years.
I104010		129	TPB Fees & Ch	(\$4,200.00)	(\$14,200.00)	(\$10,000.00)	Large Development application received early in year not accounted for in adopted budget.
E042520	SERVCAP	500	ADMIN SERVER UPGRADE	\$45,000.00	\$55,000.00	\$10,000.00	Budget Increase - to bring organisation's IT up to date. New laptops and new cabling through out the office
E042020		335	ADMIN GENERAL OPERATING EXPENSES GEN	\$88,750.00	\$93,750.00	\$5,000.00	
OLO1641		230	TRANSFER TO MUNI - FURNITURE & EQUIPMENT GEN	(\$45,000.00)	(\$60,000.00)	(\$15,000.00)	Transfer from Furniture and Equipment reserve to allow for the additional expenditure to upgrade the serve and provided for recabling of the administration centre.

 \$0.00

15.12.19 GOVERNANCE**15.12.19.01 ANNUAL REVIEW – SHIRE OF BROOKTON CODE OF CONDUCT – ELECTED MEMBERS**

File No:	ADM 0284
Date of Meeting:	19 December 2019
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	N/A
Author/s:	Ian D'Arcy - CEO
Authorising Officer:	Ian D'Arcy - CEO
Declaration of Interest:	The author has an interest in this matter as an affected employee
Voting Requirements:	Simple Majority
Previous Report:	N/A

Summary of Item:

This report relates to a review of the Shire of Brookton's, Code of Conduct as required by legislation, with the document being re-worded to remove all reference to Employees and assigned contractors, acknowledging:

- A separate Code of Conduct is now required for employees – See Agenda Item 15.12.19.02.
- A new model draft Code of Conduct for Elected Members industry wide has been prepared and is presently the subject of a consultation process.

Description of Proposal:

To review, amend and adopt the current Code of Conduct specific to elected members.

Background:

It is a requirement of the *Local Government Act, 1995* that each local government review its Code of Conduct within the twelve (12) month period post each ordinary election.

The Shire of Brookton Code of Conduct was last reviewed in 2015.

Consultation:

Consultation has not been entertained in relation to this matter.

Statutory Environment:

As mentioned, the Code of Conduct needs to be refined and re-affirmed in accordance with Section 5.103(2) of the Local Government Act (1995), and Regulation 34B and 34C of the Local Government (Administration) Regulations (1996) acknowledging Councillors are bound by the Local Government (Rules of Conduct) Regulations, 2007.

Relevant Plans and Policy:

The Policy review carries relevance to the following documents:

- Shire of Brookton - *Social Media Policy 1.14*.
- Shire of Brookton - *Draft Employee Code of Conduct (December 2019)*.
- Department of Local Government, Sport and Cultural Industries - *Draft Mandatory Code of Conduct for Council members, Committee Members and Candidates*.

Financial Implications:

There are no financial implications evident.

Risk Assessment:

Proposed change to the current Shire of Brookton's, Code of Conduct stems from assent of the *Local Government Legislation Amendment Act, 2019* where there is a requirement for employees to be covered by a separate Code of Conduct, while the new legislation also introduces a mandatory Code of Conduct for Council Members, Committee Members and Local Government election candidates.

Although the new mandatory Code is presently in draft form for industry consultation, once finalised, it will instill a high standard of behaviour to be applied on a consistent basis across all local governments, as well as seek to address increasing community expectations on transparency and accountability applied to Councillors duly elected to represent the Community's interests.

Therefore, in light of the above there is a need to amend and adopt the current Shire of Brookton Code of Conduct as an interim arrangement with the removal of all reference to employees and contractors. Failure to do this will result in the Council being neglectful in its duty.

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 generally aligns with the Shire of Brookton Corporate Business Plan Corporate Compendium in relation to:

Business Function 1: Governance

Action 1.15: Conduct elected member inductions

Comment

A copy of the revised Shire of Brookton Code of Conduct for Elected Members and Committee Members is provided at **Attachment 15.12.19.01A** to this report.

Council will note the changes (as highlighted in red text) mainly refers to employees and contractors, without diminishing the responsibilities of a Councillor for the betterment of the Brookton Community.

OFFICER RECOMMENDATION

That Council pursuant to Section 5.103 of the Local Government Act 1995, endorse the Shire of Brookton Code of Conduct for Elected Members and Committee Members, as presented in Attachment 15.12.19.01A whilst acknowledging:

- a) A separate Code of Conduct will now apply employees and contractors;
- b) A new mandatory Code of Conduct for Council Members, Committee Members and Candidates will be introduced by the Department of Local Government, Sport and Cultural Industries in 2020.

OCM 12.19-17

COUNCIL RESOLUTION

MOVED Cr Fancote SECONDED Cr Hartl

That Council pursuant to Section 5.103 of the Local Government Act 1995, endorse the Shire of Brookton Code of Conduct for Elected Members and Committee Members, as presented in Attachment 15.12.19.01A whilst acknowledging:

- a) A separate Code of Conduct will now apply employees and contractors;***
- b) A new mandatory Code of Conduct for Council Members, Committee Members and Candidates will be introduced by the Department of Local Government, Sport and Cultural Industries in 2020.***

CARRIED BY SIMPLE MAJORITY VOTE 6-0

Attachments

15.12.19.01A – Shire of Brookton Code of Conduct for Elected Members

Shire of Brookton Code of Conduct **for** **Elected Members**

Reviewed: ~~November 2017~~ December 2019



CONTENTS

Contents

CODE OF CONDUCT FOR ELECTED MEMBERS STAFF AND CONTRACTORS	3
1. ROLES	4
1.1 Role of Council Member	4
1.2 Role of Staff	4
1.3 Role of Council	5
1.4 Relationships between Council Members, Staff and Contractors	5
2. CONFLICT AND DISCLOSURE OF INTEREST	6
2.1 Conflict of Interest	6
2.2 Financial Interest	6
2.3 Disclosure of Interest	6
3. PERSONAL BENEFIT	8
3.1 Use of Confidential Information	8
3.2 Intellectual Property	8
3.3 Improper or Undue Influence	8
3.4 Gifts	8
4. CONDUCT OF COUNCIL MEMBERS AND COMMITTEE MEMBERS AND STAFF	10
4.1 Personal Behaviour	10
4.2 Honesty and Integrity	10
4.3 Performance of Duties	10
4.4 Compliance with Lawful Orders	11
4.5 Administrative and Management Practices	11
4.6 Corporate Obligations	11
4.7 Appointments to Committees	13
5. DEALING WITH COUNCIL PROPERTY	14
5.1 Use of Local Government Resources	14
5.2 Travelling and Sustenance Expenses	14
5.3 Access to Information	14
5.4 Council's Own Activities	14

PREAMBLE

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

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

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

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

STATUTORY ENVIRONMENT

This Model Code of Conduct observes statutory requirements of the *Local Government Act 1995* (S 5.103 – Codes of Conduct) and Local Government (Administration) Regulations 1996 (Regs 34B and 34C).

RULES OF CONDUCT

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

1. ROLES

1.1 Role of Council Member

The primary role of a Council Member is to represent the community, and the effective translation of the community's needs and aspirations into a direction and future for the Local Government will be the focus of the Council Member's public life.

The Role of Council Members as set out in S 2.10 of the Local Government Act 1995 follows:

"A Councillor —

- (a) represents the interests of electors, ratepayers and residents of the district;*
- (b) provides leadership and guidance to the community in the district;*
- (c) facilitates communication between the community and the council;*
- (d) participates in the local government's decision-making processes at council and committee meetings; and*
- (e) performs such other functions as are given to a Councillor by this Act or any other written law."*

A Council Member is part of the team in which the community has placed its trust to make decisions on its behalf and the community is therefore entitled to expect high standards of conduct from its elected representatives. In fulfilling the various roles, Council Members' activities will focus on:

- achieving a balance in the diversity of community views to develop an overall strategy for the future of the community;
- achieving sound financial management and accountability in relation to the Local Government's finances;
- ensuring that appropriate mechanisms are in place to deal with the prompt handling of residents' concerns;
- working with other governments and organisations to achieve benefits for the community at both a local and regional level;
- having an awareness of the statutory obligations imposed on Council Members and on Local Governments.

In carrying out its functions a local government is to use its best endeavours to meet the needs of current and future generations through integration of environmental protection, social advancement and economic prosperity.

1.2 Role of Staff

~~The role of staff is determined by the functions of the CEO as set out in S 5.41 of the Local Government Act 1995:—~~

~~"The CEO's functions are to —~~

- ~~(a) advise the council in relation to the functions of a local government under this Act and other written laws;~~
- ~~(b) ensure that advice and information is available to the council so that informed decisions can be made;~~
- ~~(c) cause council decisions to be implemented;~~
- ~~(d) manage the day-to-day operations of the local government;~~
- ~~(e) liaise with the mayor or president on the local government's affairs and the performance of the local government's functions;~~
- ~~(f) speak on behalf of the local government if the mayor or president agrees;~~
- ~~(g) be responsible for the employment, management supervision, direction and dismissal of other employees (subject to S 5.37(2) in relation to senior employees);~~
- ~~(h) ensure that records and documents of the local government are properly kept for the purposes of this Act and any other written law; and~~

Page 4 of 14

[G:\AA KEYWORD STRUCTURE\GOVERNANCE\Code of Conduct for Elected Members \(Dec19\).docx](#)

~~(i) perform any other function specified or delegated by the local government or imposed under this Act or any other written law as a function to be performed by the CEO."~~

1.3 Role of Council

The Role of the Council is in accordance with S 2.7 of the Local Government Act 1995:

"(1) The council —

- (a) directs and controls the local government's affairs; and*
- (b) is responsible for the performance of the local government's functions.*
- (2) without limiting subsection (1), the council is to —*
 - (a) oversee the allocation of the local government's finances and resources; and*
 - (b) determine the local government's policies."*

1.4 Relationships between Council Members, Staff and Contractors

An effective Councillor will work as part of the Council team with the Chief Executive Officer and other members of staff and contractors. That teamwork will only occur if Council Members, staff and contractors have a mutual respect and co-operate with each other to achieve the Council's corporate goals and implement the Council's strategies. To achieve that position, Council Members need to observe their statutory obligations which include, but are not limited to, the following:

- accept that their role is a leadership, not a management or administrative one;
- acknowledge that they have no capacity to individually direct members of staff and contractors to carry out particular functions;
- refrain from publicly criticising staff and contractors in a way that casts aspersions on their professional competence and credibility

2. CONFLICT AND DISCLOSURE OF INTEREST

2.1 Conflict of Interest

- (a) Council Members and Committee Members ~~staff and contractors~~ will ensure that there is no actual (or perceived) conflict of interest between their personal interests and the impartial fulfilment of their professional duties.
- ~~(b) Staff will not engage in private work with or for any person or body with an interest in a proposed or current contract or other business with the Local Government, without first making disclosure to the Chief Executive Officer. In this respect, it does not matter whether advantage is in fact obtained, as any appearance that private dealings could conflict with performance of duties must be scrupulously avoided.~~
- (c) Council Members and Committee Members ~~and staff~~ will lodge written notice with the Chief Executive Officer describing an intention to undertake a dealing in land within the local government area or which may otherwise be in conflict with the Council's functions (other than purchasing the principal place of residence).
- (d) Council Members and Committee Members ~~and staff~~ who exercise a ~~recruitment or other~~ discretionary function will make disclosure before dealing with relatives or close friends and will disqualify themselves from dealing with those persons.
- ~~(e) Staff will refrain from partisan political activities which could cast doubt on their neutrality and impartiality in acting in their professional capacity. An individual's rights to maintain their own political convictions are not impinged upon by this clause. It is recognised that such convictions cannot be a basis for discrimination and this is supported by anti-discriminatory legislation.~~
- (f) A person contracting to the Local Government shall make a disclosure in regard to dealings with other bodies, entities, companies or persons also involved in dealings with the local Government where there is a real or perceived conflict of interest.

2.2 Financial Interest

Council Members and Committee Members ~~and staff~~ will adopt the principles of disclosure of financial interest as contained within the Local Government Act.

2.3 Disclosure of Interest

Definition:

In this clause, and in accordance with Regulation 34C of the Local Government (Administration) Regulations 1996 –

"interest" means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest and includes an interest arising from kinship, friendship or membership of an association.

- (a) A person who is an employee and who has an interest in any matter to be discussed at a council or committee meeting attended by the person is required to disclose the nature of the interest -

- (i) in a written notice given to the CEO before the meeting; or
 - (ii) at the meeting immediately before the matter is discussed.
- (b) A person who is an employee and who has given, or will give, advice in respect of any matter to be discussed at a council or committee meeting not attended by the person is required to disclose the nature of any interest the person has in the matter-
 - (i) in a written notice given to the CEO before the meeting; or
 - (ii) at the time the advice is given.
- (c) A requirement described under items (a) and (b) excludes an interest referred to in S 5.60 of the Local Government Act 1995.
- (d) A person is excused from a requirement made under items (a) or (b) to disclose the nature of an interest if -
 - (i) the person's failure to disclose occurs because the person did not know he or she had an interest in the matter; or
 - (ii) the person's failure to disclose occurs because the person did not know the matter in which he or she had an interest would be discussed at the meeting and the person discloses the nature of the interest as soon as possible after becoming aware of the discussion of a matter of that kind.
- (e) If a person who is an employee makes a disclosure in a written notice given to the CEO before a meeting to comply with requirements of items (a) or (b), then –
 - (i) before the meeting the CEO is to cause the notice to be given to the person who is to preside at the meeting; and
 - (ii) immediately before a matter to which the disclosure relates is discussed at the meeting the person presiding is to bring the notice and its contents to the attention of the persons present.
- (g) If -
 - (i) to comply with a requirement made under item (a), the nature of a person's interest in a matter is disclosed at a meeting; or
 - (ii) a disclosure is made as described in item (d)(ii) at a meeting; or
 - (iii) to comply with a requirement made under item (e)(ii), a notice disclosing the nature of a person's interest in a matter is brought to the attention of the persons present at a meeting, the nature of the interest is to be recorded in the minutes of the meeting.

3. PERSONAL BENEFIT

3.1 Use of Confidential Information

Council Members and Committee Members, ~~staff and contractors~~ will not use confidential information to gain improper advantage for themselves or for any other person or body, in ways which are inconsistent with their obligation to act impartially and in good faith, or to improperly cause harm or detriment to any person or organisation.

3.2 Intellectual Property

The title to Intellectual Property in all duties relating to contracts of employment will be assigned to the Local Government upon its creation, unless otherwise agreed by separate contract.

3.3 Improper or Undue Influence

Council Members ~~staff and contractors~~ will not take advantage of their position to improperly influence other Council Members or staff in the performance of their duties or functions, in order to gain undue or improper (direct or indirect) advantage or gain for themselves or for any other person or body.

3.4 Gifts

Definitions:

In this clause, and in accordance with Regulation 34B of the Local Government (Administration) Regulations 1996 -

“activity involving a local government discretion” means an activity -

- (a) that cannot be undertaken without an authorisation from the local government; or*
- (b) by way of a commercial dealing with the local government;*

“gift” has the meaning given to that term in S 5.82(4) except that it does not include -

- (a) a gift from a relative as defined in S 5.74(1); or*
- (b) a gift that must be disclosed under Regulation 30B of the Local Government (Elections) Regulations 1997; or*
- (c) a gift from a statutory authority, government instrumentality or non-profit association for professional training;*

“notifiable gift”, in relation to a person who is an employee, means -

- (a) a gift worth between \$50 and \$300; or*
- (b) a gift that is one of 2 or more gifts given to the employee by the same person within a period of 6 months that are in total worth between \$50 and \$300;*

“prohibited gift”, in relation to a person who is an employee, means -

- (a) a gift worth \$300 or more; or*
- (b) a gift that is one of 2 or more gifts given to the employee by the same person within a period of 6 months that are in total worth \$300 or more.*

~~(a) A person who is an employee is to refrain from accepting a prohibited gift from a person who:~~

- ~~(i) is undertaking or seeking to undertake an activity involving a local government discretion; or~~
~~(ii) it is reasonable to believe is intending to undertake an activity involving a local government discretion.~~
- ~~(b) A person who is an employee and who accepts a notifiable gift from a person who:~~
- ~~(i) is undertaking or seeking to undertake an activity involving a local government discretion; or~~
~~(ii) it is reasonable to believe is intending to undertake an activity involving a local government discretion, must notify the CEO, in accordance with item (c) and within 10 days of accepting the gift, of the acceptance.~~
- (c) The notification of the acceptance of a notifiable gift must be in writing and include:
- (i) the name of the person who gave the gift; and
 - (ii) the date on which the gift was accepted; and
 - (iii) a description, and the estimated value, of the gift; and
 - (iv) the nature of the relationship between the person who is an employee and the person who gave the gift; and
 - (v) if the gift is a notifiable gift under paragraph (b) of the definition of "notifiable gift" (whether or not it is also a notifiable gift under paragraph (a) of that definition):
 - (1) a description; and
 - (2) the estimated value; and
 - (3) the date of acceptance,
- of each other gift accepted within the 6 month period.
- (d) The CEO is to maintain a register of notifiable gifts and record in it details of notifications given to comply with a requirement made under item (c).
- (e) This clause does not apply to gifts received from a relative (as defined in S 5.74(1) of the Local Government Act) or an electoral gift (to which other disclosure provisions apply).
- (f) This clause does not prevent the acceptance of a gift on behalf of the local government in the course of performing professional or ceremonial duties in circumstances where the gift is presented in whole to the CEO, entered into the Register of Notifiable Gifts and used or retained exclusively for the benefit of the local government.

4. CONDUCT OF COUNCIL MEMBERS AND COMMITTEE MEMBERS ~~AND STAFF~~

4.1 Personal Behaviour

- (a) Council Members and Committee Members ~~, staff and contractors~~ will:
- (i) act, and be seen to act, properly and in accordance with the requirements of the law and the terms of this Code;
 - (ii) perform their duties impartially and in the best interests of the Local Government uninfluenced by fear or favour;
 - (iii) act in good faith (i.e. honestly, for the proper purpose, and without exceeding their powers) in the interests of the Local Government and the community;
 - (iv) make no allegations which are improper or derogatory (unless true and in the public interest) and refrain from any form of conduct, in the performance of their official or professional duties, which may cause any reasonable person unwarranted offence or embarrassment; and
 - (v) always act in accordance with their obligation of fidelity to the Local Government.
- (b) Council Members will represent and promote the interests of the Local Government, while recognising their special duty to their own constituents.

4.2 Honesty and Integrity

Council Members and Committee Members ~~, staff and contractors~~ will:

- (a) observe the highest standards of honesty and integrity, and avoid conduct which might suggest any departure from these standards;
- (b) bring to the notice of the President any dishonesty or possible dishonesty on the part of any other member ~~, and in the case of an employee or contractor to the Chief Executive Officer.~~
- (c) be frank and honest in their official dealing with each other.

4.3 Performance of Duties

- ~~(a) While on duty, staff and contractors will give their whole time and attention to the Local Government's business and ensure that their work is carried out efficiently, economically and effectively, and that their standard of work reflects favourably both on them and on the Local Government.~~
- (b) Council Members and Committee Members will at all times exercise reasonable care and diligence in the performance of their duties, being consistent in their decision making but treating all matters on individual merits. Council Members and Committee Members will be as informed as possible about the functions of the Council, and treat all members of the community honestly and fairly.

4.4 Compliance with Lawful Orders

- (a) Council Members and Committee Members, ~~staff and contractors~~ will comply with any lawful order given by any person having authority to make or give such an order, with any doubts as to the propriety of any such order being taken up with the superior of the person who gave the order and, if resolution cannot be achieved, with the Chief Executive Officer.
- (b) Council Members and Committee Members, ~~staff and contractors~~ will give effect to the lawful policies of the Local Government, whether or not they agree with or approve of them.

4.5 Administrative and Management Practices

Council Members and Committee Members, ~~staff and contractors~~ will ensure compliance with proper and reasonable administrative practices and conduct, and professional and responsible management practices.

4.6 Corporate Obligations

(a) Standard of Dress

Council Members and Committee Members, ~~staff and contractors~~ are expected to comply with neat and responsible dress standards at all times. Accordingly,

- (i) Council Members and Committee Members will dress in a manner appropriate to their position, in particular when attending meetings or representing the Local Government in an official capacity.
- ~~(ii) Management reserves the right to adopt policies relating to corporate dress and to raise the issue of dress with individual staff and contractors.~~

(b) Communication and Public Relations

- (i) It is the role of the President to communicate with the media for and on behalf of the Council, in accordance with 2.8(d) of the Act. The CEO may communicate with the media when delegated to do so in accordance with 5.41(f) of the Act. Councillors are entitled to express their own view provided they clearly make it known that they are not speaking for, or on behalf of, the Council. Whilst expressing their personal views, Councillors must not reflect on any Council decisions, including the decision making process of other Councillors or Staff.

~~Staff and contractors, are not permitted to communicate with, or present information to the media, unless authorised to do so under the provisions of this code or the Act.~~

- ~~(ii) All aspects of communication by staff (including verbal, written or personal), involving Local Government's activities should reflect the status and objectives of that Local Government. Communications should be accurate, polite and professional at all times.~~

- (iii) As a representative of the community, Council Members need to be not only responsive to community views, but to adequately communicate the attitudes and decisions of the Council. In doing so Council Members need to acknowledge that:

- as a member of the Council there is respect for the decision making processes of the Council, which is based on a decision of the majority of the Council;

Page 11 of 14

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- information of a confidential nature ~~ought~~ must not be communicated until it is no longer treated as confidential;
 - information relating to decisions of the Council on approvals and permits are only be communicated in an official capacity by a designated officer of the Council;
 - information concerning adopted policies, procedures and decisions of the Council ~~is~~ are to be conveyed accurately.
- (iv) Committee Members must accept and acknowledge it is their responsibility to observe any direction the Local Government may adopt in terms of advancing and promoting the objectives of the Committee to which they have been appointed.
- (c) Use of Social Media
- (i) Use of the Shire's Social Media shall be limited to:
- An authorised Shire Representative (Councillor, staff member, contractor) as determined by the Chief Executive Officer in writing.
 - The dissemination of information only, unless otherwise approved by the Shire President or the Chief Executive Officer.
 - Information from the Shire of Brookton or from another agency or organisation where the information relates to the response and recovery processes applicable to a natural event or an emergency.
- (ii) An authorised Shire Representative may only disclose publicly available information (excludes confidential, proprietary, private or legal matters) on Social Media, and must not cite, post or reference material from a third party, although applicable to the Shire, without approval from that third party and the CEO.
- (iii) A Shire Representative must not publicly disclose any internal information via social media that may adversely affect the Shire's customer relations or public/corporate image.
- (iv) A Shire Representative when using Social Media shall at all times be accurate and factual, respectful and courteous, and mindful of:
- Their obligation of fidelity to the Shire;
 - The Council's Social Media Policy 1.14;
 - Possible implications under other legislation and common law (ie not illegal, libelous, discriminatory, defamatory, abusive or obscene); and
 - Not bringing Council's integrity into disrepute or harm the operations or reputation of the organisation.
- (v) Council Members ~~and~~ Committee Members, ~~staff and contractors~~ in using Social Media in their own personal time must not refer to or comment on local government business, activities or other Shire Representatives without first having obtained authorisation from the Shire President or Chief Executive Officer.

4.7 Appointments to Committees

As part of their representative role Council Members are often asked to represent the Council on external organisations. Importantly, Council Members need to:

- (a) clearly understand the basis of their appointment; and
- (b) provide regular reports on the activities of the organisation.

5. DEALING WITH COUNCIL PROPERTY

5.1 Use of Local Government Resources

Council Members, ~~staff and contractors~~ will:

- (a) be scrupulously honest in their use of the Local Government's resources and shall not misuse them or permit their misuse (or the appearance of misuse) by any other person or body;
- (b) use the Local Government resources entrusted to them effectively and economically in the course of their duties; and
- (c) not use the Local Government's resources (including the services of Council staff) for private purposes (other than when supplied as part of a contract of employment), unless properly authorised to do so, and appropriate payments are made (as determined by the Chief Executive Officer).

5.2 Travelling and Sustenance Expenses

Council Members ~~and~~ Committee Members ~~and staff~~ may only claim or accept travelling and sustenance expenses arising out of travel-related matters which have a direct bearing on the services, policies or business of the Local Government in accordance with Local Government policy and the provisions of the Local Government Act.

5.3 Access to Information

- (a) ~~Staff must ensure that~~ Council Members are ~~to be~~ given access to all information necessary for them to properly perform their functions and comply with their responsibilities.
- (b) Council Members must ensure that information provided will be used properly and to assist in the process of making reasonable and informed decisions on matters before the Council.

5.4 Council's Own Activities

Councillors ~~and Staff~~ must ensure that Council impartially and properly assesses its own applications (ie planning, building and subdivision) consistent with the scope and standard of the normal assessment applied to private proposals or applications.

15.12.19.02 ANNUAL REVIEW - SHIRE OF BROOKTON CODE OF CONDUCT – EMPLOYEES

File No:	ADM 0283
Date of Meeting:	19 December 2019
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	N/A
Author/s:	Vicki Morris – Manager Corporate and Community Ian D’Arcy – Chief Executive Officer
Authorising Officer:	Ian D’Arcy – Chief Executive Officer
Declaration of Interest:	The authors have interests in this item as employees of the Shire.
Voting Requirements:	Simple Majority
Previous Report:	N/A

Summary of Item:

The *Local Government Legislation Amendment Act 2019* was assented to in July 2019 and introduced a range of Local Government Act amendments, including the provision of a mandatory Code of Conduct for Council Members, Committee Members and Election Candidates.

In the past, all local governments were required to have a Code of Conduct that included both employees and elected members. Generally the Code included how complaints were made and has expectations of behaviours for all local government employees and elected members.

In September 2019, the Department of Local Government, Sport and Cultural Industries (the Department) sought industry feedback on a mandatory code for Elected Members through industry consultation.

The Code of Conduct for Council Members, Committee Members and Election Candidates clearly seeks to separate the general principles that govern the standards of behaviours by Council members as opposed to employees in general.

This report is noting the development of a mandatory Code of Conduct for Elected Members and also notes that the Shire of Brookton needs to have a separate Code of Conduct for employees of the Shire independent of the Code for Elected Members – see Agenda Item 15.12.19.01.

A copy of the Draft Employees Code of Conduct is attached as **Attachment 15.12.19.02A** to this report.

Description of Proposal:

Under the *Local Government Act, 1995* all Local Governments are required to prepare or to adopt a Code of Conduct to be observed by elected members, committee members and employees. The Council has adopted a Code of Conduct for all the parties as named, however the Department of Local Government is currently developing a mandatory code for Elected Members only, which is expected to be adopted by all Local Governments in 2020. This means that the Code of Conduct for Elected Members will be a separate document, while there will need to be another Code of Conduct just for Employees and Contractors.

As a result of the anticipated new mandatory Elected Member’s Code, the Shire has developed a Draft Code of Conduct for Employees and Contractors that forms the basis of this report.

Background:

As above.

Consultation:

Consultation has been conducted at an executive management level of the Shire.

Statutory Environment:

The following legislation applies in the preparation and adoption of a Code of Conduct for Employees:

- *Public Sector Commission Guidelines – Developing a Code of Conduct for Local Government.*
- *Local Government Act, 1995 (specifically section 5.103(2))*
- *Local Government (Administration) Regulations, 1996 - 34B & 34C*

Relevant Plans and Policy:

The Code of Conduct for Employees relates to the following policy documents of Council:

- The Shire of Brookton Code of Conduct – Elected Members
- Shire of Brookton – Social Media Policy 1.14

Financial Implications:

There are no financial implications applicable to this matter.

Risk Assessment:

With the recent assent of the *Local Government Legislation Amendment Act, 2019* there is now a requirement for employees to be covered by a separate Code of Conduct. In failing to not adopt a separate Code to that of Elected Members the Council will be in breach of Section 5.103 of the *Local Government Act, 1995* and Regulation 34 B and C of the *Local Government (Administration) Regulations, 1996* as well as also not have a set of standards upon which employee behaviour is measured. Accordingly, the risk in relation to this matter is assessed a 'High' as reflected in the Matrix Table below.

Consequence	Insignificant	Minor	Moderate	Major	
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 generally aligns with the Shire of Brookton Corporate Compendium – Governance Function 1. – Action 1.12 – Conduct/Public Sector Commission and FOI duties.

Comment

Notwithstanding a Code of Conduct for Employees is a mandatory requirement under the legislation, it is also necessary as a tool that clearly and consistently articulates the standards upon which all employees agree to abide by in the performance of their duties and their conduct toward others. It is also a very important measure for performance and basis upon which disciplinary action is applied in a fair and reasonable manner.

So acknowledging that employees are the most important resource to this organisation in performing its functions of good governance for the district and delivery of service for members of the community, it is paramount that a Code of Conduct for Employees:

- Sets minimum standards of performance as expected by Council;
- Is clear and concise in its wording to be easily understood by each employee; and
- Is acknowledged and adhered to by all employees in their individual performance and conduct towards others.

OFFICER'S RECOMMENDATION

That Council pursuant to Section 5.103 of the Local Government Act, 1995 endorses the Shire of Brookton Code of Conduct for Employees 2019, presented as Attachment 15.12.19.02A to this report.

OCM 12.19-18**COUNCIL RESOLUTION****MOVED Cr Watts****SECONDED Cr Walker**

That Council pursuant to Section 5.103 of the Local Government Act, 1995 endorses the Shire of Brookton Code of Conduct for Employees 2019, presented as Attachment 15.12.19.02A to this report.

CARRIED BY SIMPLE MAJORITY VOTE 6-0

Attachments

Attachment 15.12.19.02A – Shire of Brookton Draft Code of Conduct for Employees 2019



**Code of Conduct -
Employees**

DRAFT

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TABLE OF CONTENT

1.0	PRELIMINARY	4
1.1	TITLE	4
1.2	COMMENCEMENT	4
1.3	DEFINITIONS	4
1.4	APPLICATION	4
1.5	REQUIREMENT FOR THIS CODE	4
1.6	PREVIOUS CODE	5
2.0	OBLIGATIONS OF EMPLOYEE	5
2.1	GENERAL PRINCIPLES	5
2.2	GUIDING VALUES	5
2.3	DEMONSTRATING LEADERSHIP	6
2.4	SERVING THE PUBLIC INTEREST	7
2.5	PERSONAL BEHAVIOUR	7
2.6	HONESTY AND INTEGRITY	7
2.7	PERFORMANCE OF DUTIES	7
2.8	OUTSIDE EMPLOYMENT	8
2.9	COMPLIANCE WITH LAWFUL ORDERS AND POLICIES	8
2.10	STANDARD OF DRESS	8
2.11	ADMINISTRATIVE AND MANAGEMENT PRACTICES	8
2.12	CONFLICT OF INTEREST	8
2.13	DISCLOSURE OF INTERESTS AFFECTING IMPARTIALITY	9
2.14	SECURING PERSONAL ADVANTAGE OR DISADVANTAGING OTHERS	10
2.15	COMMUNICATIONS AND PUBLIC RELATIONS	10
2.16	RELATIONSHIP BETWEEN EMPLOYEES, COMMITTEE MEMBERS AND ELECTED MEMBERS	11
2.17	USE OF THE SHIRE'S RESOURCES	11
2.18	GIFTS	11
2.19	TRAVEL AND SUSTENANCE EXPENSES	13
2.20	RECORD KEEPING	13
2.21	ACCESS TO INFORMATION	13
2.22	CONFIDENTIAL INFORMATION	13
2.23	FREEDOM OF INFORMATION ACT 1992	14

2.24	HARASSMENT AND DISCRIMINATION.....	14
2.25	BULLYING.....	14
2.26	CORRUPTION, CRIME AND MISCONDUCT ACT 2003	14
2.27	PUBLIC INTEREST DISCLOSURE ACT 2003	15
2.28	DRUGS AND ALCOHOL.....	15
2.29	INTELLECTUAL PROPERTY.....	15
3.0	MATTERS NOT DEALT WITH BY THIS CODE	15
3.1	THE ACT	15
4.0	CONTRAVENTION OF THIS CODE	15
4.1	COMPLAINT OF CONTRAVENTION	15
4.2	COMPLAINTS MADE FOR AN IMPROPER PURPOSE	16
4.3	PROCEDURE FOR DEALING WITH COMPLAINT	16
ATTACHMENT A ROLES OF COUNCIL, CEO AND EMPLOYEES.....		17
ATTACHMENT B CODE OF CONDUCT COMPLAINT FORM		19

1.0 PRELIMINARY

1.1 TITLE

This is the *Shire of Brookton Code of Conduct for Employees 2019*.

1.2 COMMENCEMENT

This Code comes into operation on 19th December 2019.

1.3 DEFINITIONS

In this Code, unless the contrary intention appears:

“Act” means Local Government Act 1995;

“Bullying” means, without limitation, repeated unreasonable or inappropriate behaviour directed towards a person or a group of persons and that creates a risk to physical or psychological health and safety.

Bullying covers a range of behaviours which can be physical, verbal, written or online and can involve range of different behaviours over a period of time. Bullying is covered by legislation and Shire definition;

“Shire” means Shire of Brookton;

“CEO” means the Chief Executive Officer of the Shire;

“committee” means a committee established by the Council under the Act;

“committee member” means a member of a committee who is appointed by the Shire under the Act;

“Council” means the Council of the Shire;

“elected member” has the same meaning as “member” in the Act;

“employee” means a person employed by the Shire under section 5.36 of the Act.

“policy” means any policy or approved operating practice of the Shire.

1.4 APPLICATION

- (1) This Code applies to employees.
- (2) This Code does not apply to any elected member or to any member of a committee who is not an employee.

1.5 REQUIREMENT FOR THIS CODE

This Code is prepared by the Shire as required by section 5.103 of the Act.

1.6 PREVIOUS CODE

The Code of Conduct for both Elected Member and Employees adopted by the Council on 17th November 2017 and in operation immediately prior to this Code is replaced by this Code for Employees only. There are now two Codes of Conduct – Elected members and Shire of Brookton Employees as required by the Act.

2.0 OBLIGATIONS OF EMPLOYEE

2.1 GENERAL PRINCIPLES

The local community and the public in general are entitled to expect that the following general principles should be used to guide employees in their behaviours:

- (a) act with reasonable care and diligence;
- (b) act with honesty and integrity;
- (c) act lawfully;
- (d) avoid damage to the reputation of the Shire of Brookton;
- (e) be open and accountable to the public;
- (f) base decisions on relevant and factually correct information;
- (g) treat others with respect and fairness; and
- (h) not be impaired by mind affecting substances

2.2 GUIDING VALUES

Conduct and behaviour will be consistent with the Shire's vision statement and guiding values as adopted by the Council from time to time:

Note: The Shire's vision statement and guiding values are set out below:

Vision Statement

BROOKTON is
a well-recognised business and agricultural hub,
a flourishing stop-over destination, and
a celebrated place to live.

Mission

To Sustain the Balance of BROOKTON+
To Build a Bigger Better BROOKTON

Values

Courage

Determined to make a difference through questioning, challenging and building resilience:

- Inspire others through our actions.
- Believe in what we do and how we can make a difference.
- Lead by example and uphold our values.
- Speak up, ask questions and be open to other people's ideas.
- Having the ability to adapt to current and future circumstances.

Connected

Engaging the community through collaboration, understanding and inclusiveness:

- Work together to create better outcomes for the community.
- Listen, value and understand each other.
- Foster strong relationships with our colleagues and the community.
- Striving to be inclusive and to continually understand what the community needs.

Innovative

Embracing ideas and opportunities to shape an inspiring, diverse and dynamic community:

- Adaptable and welcome change.
- Make informed decisions that move our community forward.
- Encourage the sharing of ideas.
- Strive to find new and better ways to serve the community.

Integrity

Upholding and protecting our community through honesty, fairness and empathy:

- Act ethically, honestly and responsibly to engender trust.
- Honour our commitments and responsibilities.
- Protect our community, environment, lifestyle and history.
- Stay true to the community and our unique identity.

Excellence

Striving to deliver on our individual roles to make a difference in our Community Services and Infrastructure Projects.

- We are accountable for all our actions
- Work together to achieve common goals
- Reflect, learn and improve upon our achievements
- Striving to provide exceptional levels of service
- Using the resources available for the benefit of the community as a whole

2.3 DEMONSTRATING LEADERSHIP

Employees will observe the Shire of Brookton's values and apply them in all that they do and promote these values to others. All Shire staff should be familiar with the Community Strategic Plan and the broader Integrated Planning and Reporting (IPR) process.

2.4 SERVING THE PUBLIC INTEREST

An employee will take action and make decisions to serve the interests of the community without any benefit or perceived benefit to themselves.

Applying this principle means:

- a) checking for any conflicts of interest;
- b) assessing any conflicts of interest;
- c) making it known when there is a conflict of interest; and
- d) disengaging from any action or decision making where you have an actual or perceived conflict of interest.

2.5 PERSONAL BEHAVIOUR

An employee will:

- a) Act, and be seen to act, properly and in accordance with the requirements of the law and the terms of this Code;
- b) Perform his or her duties impartially and in the best interests of the Shire;
- c) Act in good faith and fidelity in the interests of the Shire and the community;
- d) Make no allegations which are improper or derogatory (unless true and in the public interest) and refrain from any form of conduct, in the performance of the employee's role, which may cause any reasonable person unwarranted offence or embarrassment;
- e) Always act in accordance with the employee's obligation of fidelity and loyalty to the Shire and not publicly reflect adversely upon any decision of the Council or the Shire's management;
- f) Not publicly reflect adversely upon any decision of the Council or the Shire's management; and
- g) Represent and promote the interests of the Shire.

2.6 HONESTY AND INTEGRITY

An employee will:

- a) Observe the highest standards of honesty and integrity, and avoid conduct which might suggest any departure from these standards;
- b) Be frank and honest in the employee's dealings with other employees, elected members and committee members; and
- c) Endeavour to resolve conflict through initial discussions.

2.7 PERFORMANCE OF DUTIES

An employee will:

- a) Strive to ensure that his or her standard of work reflects favourably both on the employee and the Shire's business;
- b) Strive to ensure that his or her standard of work is in accordance with the intent of any Service Delivery Standards;

- c) While on duty, give their whole time and attention to Shire business and ensure that their work is carried out efficiently, economically and effectively; and
- d) Observe the respective roles of the Council, CEO and employees as set out in Attachment A.

2.8 OUTSIDE EMPLOYMENT

An employee will:

- a) Outside employment refers to a situation where a person works for the Shire but also engages in paid or unpaid work for another organisation (private or public) or voluntary work. It includes operating a private business and providing paid consultancy services as well as partnerships and directorships of companies. Refer also to **Policy no. XXXX**
- b) Carefully consider whether their employment with an organisation offering them outside employment may adversely affect the performance of their Shire duties and responsibilities, the reputation of the Shire or may give rise to a conflict of interest.
- c) Prior to engaging in any outside employment or other professional activity an employee will seek advice from his/her Manager, and if considered necessary the approval of the CEO.

2.9 COMPLIANCE WITH LAWFUL ORDERS AND POLICIES

An employee will:

- a) Comply with any lawful order given by any person having authority to make or give the order, with any doubts as to the propriety of the order being taken up with the superior of the person who gave the order.
- b) Give effect to the lawful policies and procedures of the Shire, whether or not the employee agrees with or approves of them.

2.10 STANDARD OF DRESS

An employee is to adhere to neat, responsible and culturally sensitive dress standards at all times and will dress in a manner appropriate to his or her position in particular when attending meetings or representing the Shire in an official capacity.

Similarly, an employee where necessary under the requirements of Occupational Health and Safety where appropriate protective clothing in the performance of their duties.

2.11 ADMINISTRATIVE AND MANAGEMENT PRACTICES

An employee will ensure compliance with proper and reasonable administrative practices and conduct, and professional and responsible management practices, and adhere to the lawful direction given by their supervisor, direct line manager and/or the CEO.

2.12 CONFLICT OF INTEREST

An employee will:

- a) Where practical, ensure that there is no actual (or perceived) conflict of interest between their personal interests and the impartial fulfilment of their professional duties for the benefit of the Shire.
- b) Make appropriate disclosures before dealing with relatives and close friends or others where there may be a perception that there is bias in the decision making.
- c) In the exercise of a recruitment function or a function involving the exercise of discretion will make disclosure before dealing with any relative or any friend and the employee is to disqualify himself or herself from dealing with that person to avoid the perception of bias in the decision making process.
- d) Not engage in private work with or for any person or body with an interest in a proposed or current contract with the Local Government, without first making a disclosure in line with the adopted procedure. In this respect, it does not matter whether advantage is in fact obtained, as any appearance that private dealings could conflict with performance of duties must be scrupulously avoided.
- e) Refrain from partisan political activities which could cast doubt on their neutrality and impartiality in acting in their professional capacity. An individual's rights to maintain their own political convictions are not impinged upon by this clause. It is recognised that such convictions cannot be a basis for discrimination and this is supported by anti-discriminatory legislation.
- f) Comply with the Local Government (Functions and General) Regulations 1996, in any instance where they are involved in any manner with tendering for a Council contract. In this respect, it does not matter whether advantage is in fact obtained, as any appearance that private dealings could conflict with performance of public duties must be scrupulously avoided.
- g) Advise their Manager if a conflict of interest is likely to occur in the performance of their duties on a specific task. Once an interest is declared, discussions will be held to determine if it is appropriate for the employee to continue in the role and take necessary steps to avoid a conflict of interest.
- h) In having an interest, whether financial or not, in a matter before the Shire or a matter which they have reason to believe will be brought before the Shire:
 - i. Disclose their interests in the matter when seeking information and seek the information by written request;
 - ii. Not seek to obtain access to documents or to use the resources of the Local Government directly or indirectly;
 - iii. Not seek direct access to an employee dealing with the matter in a manner that would not be available to members of the public; and
 - iv. Not seek to influence other employees in dealing with this matter.

2.13 DISCLOSURE OF INTERESTS AFFECTING IMPARTIALITY

- 1) In this clause "interest" means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest and includes an interest arising from kinship, friendship or membership of an association.
- 2) A person who is an employee and who has an interest in any matter to be discussed at a Council or Committee meeting attended by the person will disclose the nature of the interest:
 - a) In a written notice given to the CEO before the meeting; or
 - b) At the meeting immediately before the matter is discussed.

- 3) A person who is an employee and who has given, or will give, advice in respect of any matter to be discussed at a Council or Committee meeting not attended by the person must disclose the nature of any interest the person has in the matter:
 - a) In a written notice given to the CEO before the meeting; or
 - b) At the time the advice is given.
- 4) Subclauses (2) and (3) do not apply to an interest referred to in Section 5.60 of the Act.
- 5) A person is not required under subclauses (2) or (3) to disclose the nature of an interest if:
 - a) The person's failure to disclose occurs because the person did not know he or she had an interest in the matter; or
 - b) The person's failure to disclose occurs because the person did not know the matter in which he or she had an interest would be discussed at the meeting and the person discloses the nature of the interest as soon as possible after becoming aware of the discussion of a matter of that kind.
- 6) If, to comply with a requirement made under subclauses (2) or (3), a person who is an employee makes a disclosure in a written notice given to the CEO before a meeting then:
 - a) Before the meeting the CEO is to cause the notice to be given to the person who is to preside at the meeting; and
 - b) Immediately before a matter to which the disclosure relates is discussed at the meeting the person presiding is to bring the notice and its contents to the attention of the persons present.
- 7) If, to comply with a requirement made under subclauses (2) or (3), a person who is an employee makes a disclosure in a written notice given to the CEO before a meeting then:
 - a) To comply with a requirement made under subclause (2), the nature of a person's interest in a matter is disclosed at a meeting; or
 - b) A disclosure is made as described in subclause (5) (b) at a meeting; or
 - c) To comply with a requirement made under subclause (6) (b), a notice disclosing the nature of a person's interest in a matter is brought to the attention of the persons present at a meeting, the nature of the interest is to be recorded in the minutes of the meeting.

2.14 SECURING PERSONAL ADVANTAGE OR DISADVANTAGING OTHERS

An Employee will not make improper use of the employee's office, including assigned equipment (ie computer, digital devise, motor vehicle, etc):

- a) To gain directly or indirectly an advantage for the employee or any other person; or
- b) To cause detriment to the Shire or any other person.

2.15 COMMUNICATIONS AND PUBLIC RELATIONS

- 1) Employees acknowledge that, unless otherwise authorized, statements to the media on behalf of the Shire are only to be made by the Shire President unless delegated to another person within the organization (ie CEO).
- 2) All aspects of communications by employees involving the Shire's activities should be accurate, polite and professional and must reflect the status and objectives of the Shire.
- 3) Employees acknowledge that the Shire is committed to the principle of building a sustainable and successful partnership with the Community, of which community consultation is an integral component.

2.16 RELATIONSHIP BETWEEN EMPLOYEES, COMMITTEE MEMBERS AND ELECTED MEMBERS

- 1) Wherever possible employees must demonstrate professionalism and cooperate with other employees, elected members and committee members to achieve the Shire's corporate goals and implement the Shire's strategies.
- 2) Employees will recognize that committee members and elected member's views and opinions reflect viewpoints that should be considered in conjunction with professional opinion. Employees will therefore make every effort to assist committee members and elected members in the performance of their role, and to achieve the satisfactory resolution of issues that members may raise in the performance of their official role.
- 3) Employees should refrain from publicly criticizing elected members, committee members or employees in a way that casts aspersions on their professional competence and credibility.
- 4) It is appropriate for elected members to direct requests for information to the CEO, Directors of the Business Unit Manager. Employees are justified in requesting Elected Members to adhere to this process.

2.17 USE OF THE SHIRE'S RESOURCES

An employee will:

- a) Be honest in his or her use of the Shire resources and must not misuse them or permit their misuse;
- b) Not use the Shire resources (including the services of the Shire's Employees) for private purposes, unless properly authorized to do so, and appropriate payments are made (as determined by the CEO or other Senior Officer); and
- c) Ensure that all communication aids and support equipment provided to them by the Shire of be utilized in accordance with the Shire policies.

Nothing in subclause (1) (a), (b) or (c) precludes employees from reasonable personal use of their Shire supplied telephone and email system.

2.18 GIFTS

- 1) In this clause:

"Activity involving a local government discretion" means an activity:

 - a) that cannot be undertaken without an authorisation from the Shire; or
 - b) by way of a commercial dealing with the Shire;

"Gift" has the meaning given to that term in section 5.82(4) of the Act except that it does not include:

 - a) a gift from a relative, a relative being defined in section 5.74(1) of the Act; or
 - b) a gift that must be disclosed under regulation 30B of the *Local Government (Elections)*

Page | 11

Regulations 1997;

- c) a gift from a statutory authority, government instrumentality or nonprofit association for professional training;

"Notifiable gift", in relation to a person who is an employee, means:

- a) a gift worth between \$50 and \$300; or
- b) a gift that is one of 2 or more gifts given to the employee by the same person within a period of 6 months that are in total worth between \$50 and \$300;

"Prohibited gift", in relation to a person who is an employee, means:

- a) a gift worth \$300 or more; or
- b) a gift that is one of 2 or more gifts given to the employee by the same person within a period of 6 months that are in total worth \$300 or more.

- 2) A person who is an employee must not accept a prohibited gift from a person who:
 - a) is undertaking or seeking to undertake an activity involving a local government discretion; or
 - b) it is reasonable to believe is intending to undertake an activity involving a local government discretion.
- 3) A person who is an employee and who accepts a notifiable gift from a person who:
 - a) is undertaking or seeking to undertake an activity involving a local government discretion; or
 - b) it is reasonable to believe is intending to undertake an activity involving a local government discretion.will within 10 days of accepting the gift notify the CEO of the acceptance in accordance with subclause (4)
- 4) Registration of a notifiable gift is to be in writing and include:
 - a) the name of the person who gave the gift;
 - b) the date on which the gift was accepted;
 - c) a description, and the estimated value, of the gift;
 - d) the nature of the relationship between the person who is an Employee and the person who gave the gift; and
 - e) if the gift is a notifiable gift under paragraph (b) of the definition of "notifiable gift" in subclause (1) (whether or not it is also a notifiable gift under paragraph (a) of that definition):
 - i. a description; and
 - ii. the estimated value; and
 - iii. the date of acceptance,of each other gift accepted within the 6 month period.
- 5) Employees acknowledge that the details registered with CEO in accordance with subclause (4) will be entered on the register of notifiable gifts which is maintained by the CEO.
- 6) Employees will not solicit (either directly or indirectly) any immediate or future gift, reward, donation, hospitality or benefit for themselves or for any other person or body as a result of their employment with the Shire.
- 7) Employees will;
 - a) always exercise sound judgment when deciding whether or not to accept a gift or other benefit;

Page | 12

- b) never create the impression that the Shire or any of its officers is being influenced by any person or organisation;
 - c) never accept any gift of money or items easily converted to cash.
- 8) Employees acknowledge that accepting gifts can undermine the Shire's impartiality which may affect the public's perception of the integrity and independence of the Shire and its employees.
- 9) Employees must take all reasonable steps to ensure that gifts or benefits that give rise to the appearance of being an attempt to secure favourable treatment are not received by their immediate family members or by any other person that may create an impression of an attempt to influence the employee's judgement. Ordinarily immediate family members include parents, spouses, de facto partners, children and siblings who are living with the employee.

2.19 TRAVEL AND SUSTENANCE EXPENSES

Employees will only claim or accept travel and sustenance expenses arising out of travel-related matters which have a direct bearing on the services, policies or business of the Shire in accordance with Shire policies and the provisions of the Act.

2.20 RECORD KEEPING

- 1) Employees will use all reasonable efforts to ensure that file notes are drafted and placed on record following discussions on issues of substance.
- 2) Employees will ensure all decisions made and actions taken as officers of the Shire are transparent and capable of review. All official records created by employees are to be registered, stored and disposed of in accordance with record-keeping legislation and policy as may be in force from time to time.
- 3) In particular Employees are expected to;
 - a. Record their actions and decisions to ensure transparency;
 - b. Ensure the secure storage of sensitive or confidential information;
 - c. Understand their recordkeeping responsibilities;
 - d. Understand records management procedures;
 - e. Be familiar with and follow the Shire's record keeping principles and practices;
 - f. Be aware of and follow the Shire's electronic recordkeeping advice; and
 - g. Understand that records may only be disposed of in accordance with approval disposal authorities and may not be removed from records systems or altered without authority.

2.21 ACCESS TO INFORMATION

Employees will assist elected members and committee members in obtaining access to information necessary for them to properly perform their functions and comply with their responsibilities.

2.22 CONFIDENTIAL INFORMATION

During their employment and upon ceasing employment with the Shire, employees will not;

- a) Remove from the Shire's care and control the Shire's resources such as documents, materials, manuals or other information or equipment. These items remain the property of the Shire; or

- b) Disclose verbally or otherwise information gleaned during the course of their employment by the Shire, other than information which is publically available.

2.23 FREEDOM OF INFORMATION ACT 1992

Employees acknowledge that:

- a) The *Freedom of Information Act 1992* was introduced to facilitate public access to documents and an application can be made seeking access to any information held by the Shire;
- b) An object of the *Freedom of Information Act 1992* is to “make the persons and bodies that are responsible for State and Local Government more accountable to the public”; and
- c) An Employee will assist the Shire’s CEO and the Shire’s Freedom of Information officers in locating documents relevant to an application made under the *Freedom of Information Act 1992*.

Note: Information provided by the Public Sector Commission concerning public interest disclosures is available on their website www.publicsector.wa.gov.au.

2.24 HARASSMENT AND DISCRIMINATION

An employee will not harass, discriminate against (within the meaning of relevant legislation), or support others who harass and discriminate against colleagues or members of the public.

2.25 BULLYING

An employee will not engage in any conduct which amounts to bullying against an employee, elected member or committee member.

2.26 CORRUPTION, CRIME AND MISCONDUCT ACT 2003

Employees acknowledge that;

- 1) a main purpose of the *Corruption, Crime and Misconduct Act 2003* is “to continuously improve the integrity of, and reduce the incidence of misconduct in, public authorities”;
- 2) the *Corruption, Crime and Misconduct Act 2003* gives the Public Sector Commissioner two main areas of responsibility:
 - a. Firstly, misconduct prevention and education functions. Relevant provisions of the *Corruption, Crime and Misconduct Act 2003* gives the Commissioner a role to:
 - i. Help public authorities to prevent, and to identify and deal effectively and appropriately with misconduct, and
 - ii. Collect and analyse information gathered in relation to its broader functions.
 - b. Secondly, a role to oversight minor misconduct by public officers. This includes:
 - i. Receiving and assessing notifications from principal officers in public authorities about minor misconduct allegations and minor misconduct allegation reports from persons (individuals),
 - ii. Monitoring the management of minor misconduct matters by public authorities, and
 - iii. Potentially, to investigate cases of minor misconduct by public officers.

Page | 14

- 3) the CEO, as the “*principle officer of notifying authority*” has a statutory obligation, under the *Corruption, Crime and Misconduct Act 2003*, to report to the Commission any matter “which that person suspects on reasonable grounds concerns or may concern minor or serious misconduct”; and
- 4) it is an offence under the *Corruption, Crime and Misconduct Act 2003* to threaten, intimidate or harass or to do any act that is likely to be to the detriment of any person because the person gave evidence to, or helped, the Commission.

2.27 PUBLIC INTEREST DISCLOSURE ACT 2003

Employees acknowledge that;

- a) the *Public Interest Disclosure Act 2003* deals with the disclosure of public interest information;
- b) public interest information includes information that tends to show that, in relation to its performance of a public function, a public authority (including the Shire) is involved in (amongst other things), improper conduct or any act or omission that constitutes an offence under a written law;
- c) the *Public Information Disclosure Act 2003* provides persons who make disclosures of public interest information with certain immunities, protections and remedies, and imposes certain responsibilities;
- d) the CEO is to ensure that employees who make disclosures of public interest information are not in any way disadvantaged or victimized because of their actions.

Note: Information provided by the Public Sector Commission concerning public interest disclosures is available on their website www.publicsector.wa.qov.au.

2.28 DRUGS AND ALCOHOL

All employees will ensure that the consumption of alcohol or legally obtainable substances does not affect their work performance or working relationships, their personal safety or that of others, or impact on official conduct at any time.

2.29 INTELLECTUAL PROPERTY

The Shire owns rights, titles and interests in any intellectual capital or property development during the employee’s service with the Shire.

3.0 MATTERS NOT DEALT WITH BY THIS CODE

3.1 THE ACT

Certain conduct and actions by employees constitutes an offence under the Act and is not dealt with by this Code.

4.0 CONTRAVENTION OF THIS CODE

4.1 COMPLAINT OF CONTRAVENTION

A person who has reason to believe that an employee, elected member or committee member has contravened a provision of this Code may;

- a) report, and have the matter investigated, in accordance with Council's grievance policy; or
- b) complete Attachment C.

4.2 COMPLAINTS MADE FOR AN IMPROPER PURPOSE

Employees must not make a complaint or cause a complaint to be made under this code for an improper purpose.

For the purposes of clause 4.2, a complaint is made for an improper purpose where it is trivial, frivolous, vexatious or not made in good faith, or where it otherwise lacks merit and has been made substantially for an improper purpose.

4.3 PROCEDURE FOR DEALING WITH COMPLAINT

- 1) Where a completed complain form is received by the Deputy Chief Executive Officer, the matter will be notified to the CEO and/or Shire President.
- 2) The CEO and/or Shire President will be responsible for the investigation of allegations of breaches of the Code and must either:
 - a. Where deemed possible and appropriate by the CEO and/or Shire President try and resolve the issue through discussions with the parties;
 - b. Investigate the alleged breach; or
 - c. Engage an independent person to investigate the allegation.
- 3) Any investigation will follow the rules of procedural fairness. The investigator must:
 - a. Inform the person/s against who's interests a decision may be made of any allegations against them and the substance of any adverse comment in respect of them;
 - b. Provide the person/s with a reasonable opportunity to put their case;
 - c. Hear all parties to a matter and consider submissions;
 - d. Make reasonable enquiries before making a decision; and
 - e. Ensure that no person is involved in enquiries in which they have a direct interest.
- 4) Wherever reasonably practical parties will meet with the intent of resolving the issue.
- 5) Wherever reasonably practical investigations will be kept confidential.

ROLE OF COUNCIL

- 1) In accordance with applicable legislation, the role of the Council is to:
 - a. Administer the Shire in the best interest of its community; and
 - b. Provide open, responsive and accountable government.
- 2) The Council will undertake its duties honestly, fairly, impartiality and responsibly to the best of its ability, promoting justice, respect and care for the Community.

ROLE OF THE CHIEF EXECUTIVE OFFICER (CEO)

- 1) In accordance with applicable legislation, the role of the CEO is to:
 - a. Advise Council in relation to the functions of the Shire under the Act and other written laws;
 - b. Ensure that advice and information is available to the Council so that informed decisions can be made;
 - c. Implement Council decisions;
 - d. Manage the day to day operations of the Shire;
 - e. Liaise with the Shire President on the Shire's affairs and the performance of the Council's functions;
 - f. Speak on behalf of the Shire if the Shire President agrees;
 - g. Be responsible for the employment, management, direction and dismissal of Employees (subject to Council agreeing or rejecting the appointment or dismissal of Senior Employees);
 - h. Ensure that records and documents of the Shire are properly kept for the purposes of the Act and other written law; and
 - i. Perform any other function specified or delegated by the Council or imposed under the Act or any other written law as a function to be performed by the CEO.

ROLE OF EMPLOYEES

- 1) The primary role of an employee is to;
 - a. Undertake the administrative and operational functions of Council;
 - b. Implement policies and directives;
 - c. Provide professional advice and expertise;
 - d. Stimulate innovation and strive toward best practice in the delivery of service to the community;
 - e. Provide objective, reliable and high quality written reports containing sufficient information to assist elected members, committee members and Senior Officers to make informed decisions;
 - f. In the conduct of his or her duties, an employee is encouraged to develop networks within the Local Government industry, to support and assist their peers and to promote goodwill between Local Governments; and
 - g. Employees will at all times;
 - i. Accept and respect the rights and obligations vested in elected members;
 - ii. Conduct themselves professionally in all dealings with elected members;
 - iii. Ensure that all issues are addressed with the highest level of proficiency and loyalty to the organisation;
 - iv. Ensure that they operate within the limitations of the delegations and authorities vested in them;

- v. Refrain from criticising an elected member, committee member or other officer/s in a manner that may discredit that elected member, committee member or officer's professional competence and reputation; and
- vi. Conduct themselves in an honest, ethical and professional manner.

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ATTACHMENT B CODE OF CONDUCT COMPLAINT FORM

Note to Person making the complaint:

This form must be completed if you wish to complain about an Employee, Elected Member or Committee Member whom you allege has breached the Code of Conduct.

All information requested on the form must be provided before the complaint can be processed. After all information has been provided, sign and date the form and submit to the Deputy Chief Executive Officer. They will then ensure sufficient and relevant information has been collected to pass the complaint onto the Chief Executive Officer or the Shire President. They will then, together or independently, determine the complaint.

Note to the Person receiving the complaint form:

Any information provided on this form **MUST NOT** be sent or divulged in any way to the person who is the subject of the complaint.

All information requested below must be provided by the Person making the complaint.

1. What is the name of the Employee, Elected Member or Committee Member who you allege has breached the Code of Conduct?

2. What section of the Code of Conduct do you allege has been breached?

3. What date do you allege the breach occurred?

4. How do you allege the breach occurred? *(Additional sheets may be attached to the complaint form).*

5. Were there any witnesses to the alleged breach?

6. Are the witnesses willing to provide information to assist in resolving the complaint?

7. If so, what are the name(s) and contact details of witnesses?

Name: _____

Contact details: _____

Name: _____

Contact details: _____

8. Have you attached all relevant and additional information which may assist in resolving the complaint?

Signed: _____

Full Name: _____

Telephone Contact: _____

Date: _____

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15.12.19.03	DRAFT BUSINESS CONTINUITY PLAN AND DRAFT RISK MANAGEMENT PLAN
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File No:	N/A
Date of Meeting:	19 December 2019
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	Shire of Brookton
Author/s:	Sharyn Olsen – Process & Compliance Officer Ian D’Arcy – Chief Executive Officer
Authorising Officer:	Ian D’Arcy – Chief Executive Officer
Declaration of Interest:	The author and authorising officer has an operational interest in this matter
Voting Requirements:	Simple Majority
Previous Report:	Audit and Risk Committee Meeting 05 & 09 December 2019

Summary of Item:

In 2018 the Office of Auditor General Auditor (AOG) identified that the Shire did not have a Business Continuity Plan in place and that Shire’s Risk Register has not been reviewed since October 2016.

Accordingly, in line with the AOG’s recommendation a draft Business Continuity Plan and Risk Management Framework is presented in **Attachment 15.12.19.03A** and **Attachment.15.12.19.03B** respectively, for the Council’s endorsement having been reviewed by the Audit and Risk Committee.

Description of Proposal:

This proposal involves a draft Business Continuity Plan and Risk Management Framework that set direction in response to organizational risk.

Background:

As reflected above, the change in external auditing of the Shire operations to the AOG has resulted in a number of recommendations being presented to Council by the AOG auditors, with agreement that stated recommendations would be actioned within a reasonable period of time as part of the Shire’s continuous improvement to its governance framework. This has culminated in the preparation to two key documents, being:

1. Draft Business Continuity Plan. This Plan is to:
 - Provide direction for the safety and welfare of staff, contractors and visitors.
 - Define and prioritise critical business functions.
 - Detail the immediate response to a variety of potentially critical incidents.
 - Detail strategies and actions to be taken to enable business stability.
 - Ensure review and update of this plan occurs on a regular basis.
2. Draft Risk Management Framework. The purpose of this framework is to manage all risks that may affect the Shire, its customers, people, assets, functions, objectives, operations or members of the public, and form part of the strategic, operational, project and line management responsibilities and where possible, be incorporated within the Shire’s Integrated Planning Framework.

Consultation:

Consultation has been undertaken in house, with confirmation from various Officers regarding the Shire of Brookton, PUBLIC, Minutes Ordinary Meeting of Council, 19 December 2019

suitability and practical application of the Business Continuity Plan, Risk Management Framework and Risk Register.

As mentioned, review has also be performed by the Audit and Risk Committee.

Statutory Environment:

This matter relates to Regulation 17 of the Local Government (Administration) Regulations, 1996 which compels the Council to establish and implement Risk Management aa an integral part of its business operations.

Relevant Plans and Policy:

There are a number of plans and policies that align to the Business Continuity Plan and Risk Management Framework:

- Shire of Brookton Policy 2.2 Occupational Safety and Health
- Shire of Brookton Policy 2.8 Risk Management
- Shire of Brookton Policy 2.16 Significant Accounting Policies
- Shire of Brookton Policy 2.18 Use of Corporate Credit Cards
- Shire of Brookton Policy 2.19 Financial Reserves Policy
- Shire of Brookton Policy 2.29 Working from Home

Financial Implications:

Although there is no direct financial implications in relation to these two draft Plans, although most the actions contained within will require dedicated funding from current and/or future budgets for implementation.

Furthermore, from an emergency/business continuity perspective reserve funds are available in the Council's 'Cash Contingency Reserve', which presently has a balance of \$205,441. These funds can be accessed with Council's endorsement for operational matters, or authorization by the Shire President if deemed an emergency.

Risk Assessment:

As highlighted by the OAG Auditors, without an up to date Risk Management Framework and Risk Register the Shire may not have appropriate or effective processes in place to sufficiently mitigate risks or take advantage of opportunities. The Auditors have also highlighted a lack of a Business Continuity Planning that presents a significant risk for the Shire in not having the ability to recover from an incident or crisis in a timely and effective manner.

On assessment against the Risk Matrix table below, the risk in relation to not having these two documents and implementation of stated actions is considered 'Severe', with the likelihood of incidents occurring and the consequence being extreme. An example of this could be a major bushfire event (as currently being experienced in the Eastern States of Australia) having significant adverse impact on the Brookton Community and the Shire's inability to provide continued recovery support and services in a timely manner to local residents. Similarly, the risk of cyber-attack presents a very real threat to this organisation where a significant system failure or corruption and loss of data (as occurred to the Shire o Northam) can have a profound effect on use of Council's resources and its ability to serve the community. These are just two probable examples that highlight the 'Severe' risk through a lack of preparedness.

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:

Both of these frameworks create a foundation which embraces and advances several aspects of the Brookton Community Plan 2027 including 10. Strategy & Reporting, 12. Measurement, Learning & Knowledge and 15. Technology & Automation.

Furthermore, the respective Plans also align in the Corporate Business Plan Corporate Compendium to:

Business Function 19: Risk Management

Action 19.1: Review Risk Management Policy

Action 19.2: Perform risk assessment

Action 19.3: Implement risk mitigation measures

Comment

These documents are both fundamental and essential to a creating strong Risk and Incident Management Framework aimed at providing much needed guidance and structure to avoid potential incidents and minimise or assist in times of crisis. With an ever changing environment of external influences, be it natural events or political pressure and cost shifting bringing about increase burden, the Council continually needs to be on guard in seeking to identify and where practical mitigate its exposure or conversely manage such risks, particularly those deemed to be 'High' or 'Severe' in nature.

Accordingly, the information contained within both the draft Business Continuity Plan and draft Risk Management Framework has been broadly sourced and tailored to fit the organisational needs of the Shire of Brookton.

Of note the Audit and Risk Committee are satisfied with both draft Plans, only requiring amendment to

the Business Continuity Plan listing the Brookton Country Club premises as the second nominated venue for office accommodation (subject to the Country Club Committee's consent) should an event require this building to be needed.

AUDIT AND RISK COMMITTEE RECOMMENDATION

That Council adopts the following draft Plans, inclusive of the actions detailed within with funding being allocated in the current and future municipal budgets to achieve implementation of the risk mitigation and management measures:

- Draft Shire of Brookton Business Continuity Plan (as amended) - Attachment 15.12.19.03A to this report.
- Draft Shire of Brookton Risk Management Framework (as amended) - Attachment 15.12.19.03B to this report.

OCM 12.19-19

COUNCIL RESOLUTION

MOVED Cr Macnab SECONDED Cr Hartl

That Council adopts the following draft Plans, inclusive of the actions detailed within with funding being allocated in the current and future municipal budgets to achieve implementation of the risk mitigation and management measures:

- ***Draft Shire of Brookton Business Continuity Plan (as amended) - Attachment 15.12.19.03A to this report.***
- ***Draft Shire of Brookton Risk Management Framework (as amended) - Attachment 15.12.19.03B to this report.***

CARRIED BY SIMPLE MAJORITY VOTE 6-0

Attachments

Attachment 15.12.19.03A – Draft Business Continuity Plan

Attachment 15.12.19.03B – Draft Risk Management Framework



Business Continuity Plan

DRAFT

Contents

Version Control.....	3
Glossary.....	4
References and related documents.....	4
Section One – Procedure and Methodology.....	5
Introduction.....	5
Objectives.....	6
Risk Management Planning and Framework.....	7
People.....	8
Roles and Responsibilities.....	10
Communications & Information Technology.....	12
Finance.....	13
Contractors and Key Suppliers.....	14
Action: A list of contractors and suppliers with contact details be compiled for the	14
purchase of key goods and services, with this list to be appended to this Continuity	14
Plan and be reviewed/updated as required on an annual basis.....	14
Incident Management.....	14
Immediate Response.....	15
Establish a Recovery Location.....	16
Information Technology.....	17
Significant number Administration or Works Staff unavailable.....	17
Depot Loss.....	18
Loss of Essential Machinery.....	19
Rehearse, maintain and review.....	19
References.....	19
Section Two – Appendices.....	20
Appendix One – Event Log.....	21
Appendix Two – Immediate Response Checklist.....	22
Appendix Three – Incident Recovery Checklist.....	23
Appendix Four – Incident Recovery Plan.....	24
Appendix Five – Insurances.....	25
Appendix Six – Staff Contact List.....	26
Appendix Seven – Contact List (External).....	27
Appendix Eight – Emergency Pack.....	28
Appendix Nine – Parked Activity Listing.....	29

Distribution List

Position - Organisation	Number of Copies
Shire President - Shire of Brookton	1
Chief Executive Officer - Shire of Brookton	1
Manager Corporate and Community - Shire of Brookton	1
Manager Infrastructure and Emergency – Shire of Brookton	1
Shire Councillors - Shire of Brookton	6
Local Emergency Management Committee (LEMC) – Shire of Brookton	4
Officer in Charge – WAPOL, Brookton Station	1
Principal - Brookton District High School	1

Version Control

Version Number	Date	Amendment Details	Amended by
1	07/10/2019	Business Continuity Plan created	SPO

Glossary

Term	Definition
Business Continuity Planning	A process which documents a plan to manage the risks to a business, ensuring that it can operate to the extent required in the event of a crisis/disaster.
Business Continuity Plan (BCP)	A document containing all of the information required to ensure that a business is able to resume critical activities should a crisis/disaster occur.
Business Impact Analysis (BIA)	Process of gathering information to determine basic recovery requirements for core business activities in the event of a crisis/disaster.
Core business activities	Activities essential to delivering outputs and achievement of business objectives.
Recovery Time Objective (RTO)	Time from which you declare a crisis/disaster to the time that the critical business functions must be fully operational in order to avoid serious financial loss.
Resources	The means that support delivery of an identifiable output and/or result. Resources may be financial, physical assets or people.
Risk Management	Coordinated activities to direct and control an organisation with regard to risk.

References and related documents

Document Title	Document Location
Shire of Brookton Risk Management Framework	G:\AA KEYWORD STRUCTURE\RISK MANAGEMENT\PLANNING
Shire of Brookton Local Emergency Management Arrangements	G:\AA KEYWORD STRUCTURE\EMERGENCY SERVICES\PLANNING\EMERGENCY MANAGEMENT PLAN\ADM0158 - LOCAL EMERGENCY MANAGEMENT COMMITTEE (LEMC)
Shire of Brookton Emergency Plan	G:\AA KEYWORD STRUCTURE\OCCUPATIONAL SAFETY & HEALTH\EMERGENCY PLANS

Section One – Procedure and Methodology

Introduction

This Business Continuity Plan documents the Shire of Brookton's ('the Shire') management strategies and operational activities deemed necessary to respond to, and recover from, disruptive incidents potentially faced by the organisation.

In the event of an incident or disaster the Business Continuity Plan (BCP) aims to provide the tools and guidance which will allow the Crisis Management Team to:

- Manage threats to the health and welfare of people.
- Minimise detrimental impact on assets and infrastructure.
- Arrange for the organisation to deliver core business functions.
- Instigate and encourage the organisations recovery.
- Reduce the severity, scale and effects of disruption.

The Shire acknowledges that an event may exceed the capacity of routine management methods and the plans herein only provide a structured response to potential situations.

Any incident will require an individualised response, flexibility is required, and it will be appropriate to continually reassess the situation and modify actions accordingly.

It is important to document and investigate the incident as much as possible, both during and after, in order to provide information to investigators and log potential long term effects and considerations.

Section One of the BCP details methodology and procedural information and Section Two contains checklists and tools designed to assist in management of an incident.

This document is intended to be used in concert with the Shire of Brookton Risk Management Framework and Shire of Brookton Emergency Plan.

It is important to consider that an incident may affect the broader community, not solely the Shire. Under these conditions the BCP is also to be used in conjunction with the Shire's Local Emergency Management Arrangements.

Incidents that trigger activation of the BCP may include:

- Loss of access to/use of Shire Depot or Administration Office for > 1 business day.
- Loss of access to/use of the Shire's IT systems or applications for > 1 business day.
- Insufficient staff available to undertake critical activities for > 1 business day.
- Failure of a Contractor or Key Supplier to undertake core duties on behalf of the Shire for > 1 business day.
- Any combination of the above events.

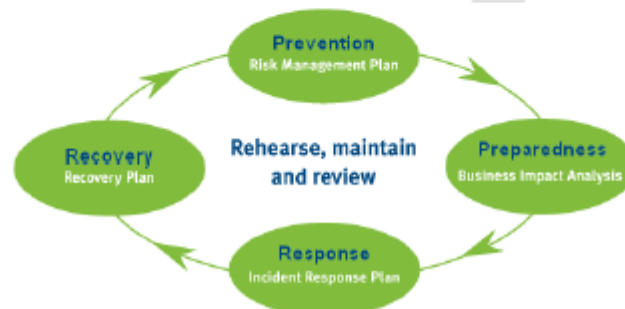
Causes may be natural or man-made disasters, threats or criminal activity.

Objectives

The objectives of this BCP are to:

- Provide for the safety and welfare of staff, contractors and visitors.
- Define and prioritise critical business functions.
- Detail the immediate response to a variety of potentially critical incidents.
- Detail strategies and actions to be taken to enable business stability.
- Ensure review and update of this plan occurs on a regular basis.

The planning process incorporates the following framework in order to achieve these objectives:



Prevention - Risk Management Planning – Risk Management Framework

Identify & manage the likelihood and effects of risk associated with an incident.

Preparedness - Business Impact Analysis – Risk Management Framework

Identify & prioritise core business activities that may be adversely affected by disruption.

Response – Incident Response Planning – Business Continuity Plan

Outline immediate actions taken to respond to an incident in terms of containment, control and minimising impact.

Recovery - Recovery planning – Business Continuity Plan

Outline actions taken to recover from an incident in order to minimise disruption and recovery times.

Rehearse, maintain & review – Continuous Improvement- Business Continuity Plan

Test, regularly review and update the BCP to ensure that staff are familiar with the concepts and content, and that it reflects changing business needs.

Each business unit is required to identify and address Risk Management and Business Continuity needs on an ongoing basis.

Risk Management Planning and Framework

All organisations have internal and external factors and influences that make it uncertain as to whether or not they will achieve their objectives. The effect this uncertainty has on the organisations objectives is called risk.

Everything an organisation does involves some form of risk. Risk is managed by anticipating, identifying, analysing and then deciding if it is an acceptable level of risk, or if actions can be taken to reduce it, to an acceptable level.

The Shire of Brookton Risk Management Framework (operational document) presents the Shire's Risk Management Policy together with associated processes and procedures, which outline the Shire's individual approach to incorporating these concepts at an organisational level.

Abiding by this framework will establish corporate governance, legislative and regulatory compliance, appropriately balanced with the resources available whilst taking human and cultural factors into account.

The following Figure 1 affords an understanding of principles to be considered in assessing a risk, the framework of identifying the risk and the process of managing/addressing the risk pursuant to Australian Standard AS/NZS 31000:2009 AS/NZS 31000:2009.

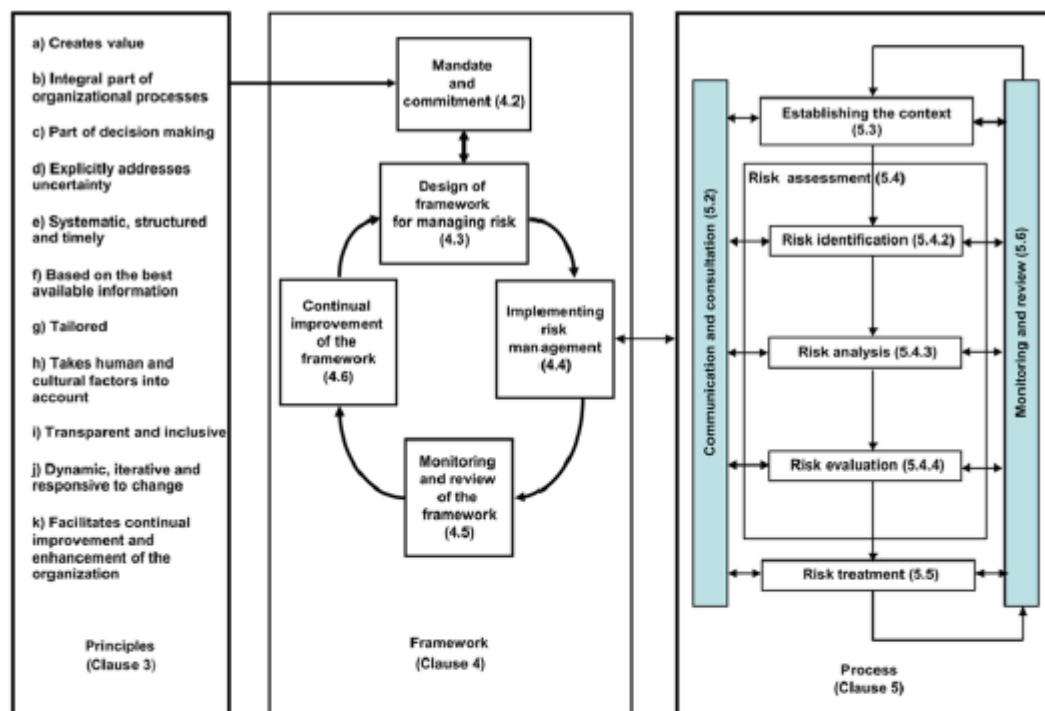


Figure 1: Relationships between the risk management principles, framework and process (Source: AS/NZS 31000:2009)

People

Before all else establish and maintain the safety and wellbeing of staff, visitors and the community.

Staff may only be sent home with authorisation of line management. If staff are sent home, it is important to ensure they are given as much accurate and relevant information as possible. Be clear as to what is expected, be specific, advise how and when they will be contacted with additional information, and ensure this is followed through on. It is better to call and tell staff there is no further news than it is to leave them uncontacted.

Action: Staff formally relieved from duty are to be contact every 24 hours where possible and informed of current status of incident and events.

Hot Desk and/or shift work arrangements

Staggering hours of work to share a workstation can be a fairly simple fix. There are a number of ways to do this, whether it be extending the organisations operating hours or altering staff start and finish times. Human resource, security and occupational safety and health issues will need to be managed. In particular fatigue is a strong consideration and action should be taken to align the Shire with other Local Government organisations to draw on additional personnel, suitably skilled and trained, to provide immediate support.

Action: An arrangement (i.e. M.O.U.) is to be made with another Local Government Authority to provide back-up and employee relief, if, as or when required.

Working remotely

Where suitable, having employees equipped to work remotely/from home can allow for uninterrupted or a quick and simple resumption of activities if access to the workplace is lost.

Employees will need access to the Shires network, IT hardware, software, connectivity and to follow relevant Occupational Safety and Health procedures.

Accordingly, the Information Communications Technology (ITC) network should be framed to have a remote/cloud based back-up, NBN connectivity, ideally underground fibre to the premises, and the ability to access an external link to an external server if required.

Employee's should also, where practical, have suitably configured laptop devices and a plug in base station to allow for continued operation during a power outage and working remotely, if required.

Action: Upgrade of the Shire's ICT network to be partially based on a cloud based back-up system, connection of fibre to the premise and conversion of desk top to lap top devices with remote connectivity.

Occupational Safety and Health

Unless circumstances make them unsafe, existing Occupational Health and Safety (OHS) policies, procedures and emergency response plans should hold firm, and where appropriate, be maintained to the relevant Safety Work Method Statement (SWMS) or Risk Assessment with the prescribed process being followed when commencing any works.

From a continuity perspective, the OHS framework must be maintained to a compliant standard and be administered as a matter of priority during an event of incident.

Action: The CEO is to report to the Audit and Risk Committee on a continuum that the OHS framework is current, well informed across the organisation, and can be implemented and adhered to during an adverse event or incident.

Employee Assistance Program

The Local Government Insurance Scheme (LGIS) provide free, confidential counselling and coaching services to all staff and their immediate family under the Shire's Employee Assistance Program. Counselling is delivered by a qualified Psychologist and can be in person or over the phone.

Action: The CEO is to ensure the following information is made available and encourage staff where deemed appropriate to contact LGIS directly to coordinate delivery on 08 9483 8857 or email to psych@lgiswa.com.au.

Additional External Support Services:

Rurallink:	1800 552 002
Lifeline:	131 114
Beyond Blue:	1300 224 636
Youthbeyondblue:	1300 224 636
Men's Line Australia:	1300 789 978

Roles and Responsibilities

Whilst leadership is imperative and individual roles are assigned specific tasks to manage an incident, it is important for both community confidence and the organisations recovery that all staff can be flexible and work together as a unified team.

The following provides an understanding of the key positions and their respective roles in dot points:

Council

- Review and approve the Shire's overall business and risk management strategies, frameworks, policies and risk appetite.
- Delegate to the CEO and appropriate authorities with clear and concise direction, as needed.

Shire President (SP)

- Incident Management Group Member and Chair.
- Official Shire representative and authorised spokesperson for all non-operational communications, including liaison with the media.
- Key contributor to developing incident related Shire announcements.

Chief Executive Officer (CEO)

- Incident Management Group Member.
- Official Shire representative with authority for all operational communications and directions in relation to Shire staff, equipment, infrastructure and legislative responsibilities.

Manager Corporate and Community (MCC)

- Incident Management Group Member.
- In the CEO's absence this position assumes the CEO's incident management role responsibilities in relation to administration and legislation.
- Ensure health and safety measures are strongly considered in plans and actions being implemented by the Incident Management Group.
- Designated Local Recovery Co-ordinator.
- Aids with government agency and community liaisons.

Manager Infrastructure and Emergency (MIE)

- Incident Management Group Member.
- Responsible for communicating with outdoor staff and ensuring they are kept safe and informed.
- In the CEO's absence this position assumes the incident management role responsibilities for 'on-ground' operational matters in consultation with the Manager Corporate and Community.

Executive Governance Officer (EGO)

- Incident Management Group Member.
- Arranges meetings and records minutes/notes.
- Develop, maintain and report on the Shire's Information Technologies Recovery Framework and capabilities to the Incident Management Group

Incident Management Group (IMG)

- Consists of the above members.
- Ensures all staff are fully informed and aware of the requirements and responsibilities as laid out in this plan.
- Coordinating and motivating cross Departmental exercises, activities and planning.
- Ownership of the Business Continuity Plan and Risk Management Framework.
- Convenes to address an event or incident that requires a response under this Plan.

Process and Compliance Officer (PCO)

- Regularly reviews and updates the Risk Management Framework.
- Regularly reviews and updates the Business Continuity Plan.
- Reports to the Audit and Risk Committee on actions and progress achieved in the implementation of this Plan.

Communications & Information Technology

In all cases media enquiries are to be referred to the Shire President.

Only the Shire President shall speak on behalf of Council and the organisation, unless another member of the Incident Management Group is authorised to speak (i.e. CEO).

The Incident Management Group needs to:

- Provide both internal and external Stakeholders with regular informative communications; and
- Where possible, give assurance that the Shire's operations and level of service to the community remain intact and needful.

When crafting communications the message is to minimise the impact on Shire operations and public image, but also ensure all messages:

- are open and honest;
- use plain English;
- keep sentences short and succinct;
- provide relevant and meaningful information; and
- are accurate and up to date.

Various groups to be kept informed, where considered appropriate by the Incident Management Group, include:

- Councillors and staff
- Community
- Media
- General public
- Stakeholders (i.e. LEMC members, Government Agencies, etc.)

Shire owned smart phones (with camera's and email access) are presently issued to the following positions:

- Chief Executive Officer
- Manager Corporate and Community
- Manager of Infrastructure and Emergency
- Building Maintenance Officer
- Works Coordinator

Notwithstanding the above, the provision of a dedicated 'emergency' mobile phone and emergency / after-hours number can be openly publicised and where necessary redirected as required.

It is also important to establish and manage a realistic understanding of IT service provider capabilities, recovery timeframes and the required processes when dealing with an incident affecting the Shire's IT equipment and capacity.

The Executive Governance Officer is responsible for liaison with the IT service provider in developing, maintaining and reporting on all relevant IT Business Continuity needs and procedures to the Incident Management Group.

Finance

Budgetary Considerations

Annual funds and budget forecasting must be made for continuous improvement to the Shire's resiliency, testing and review of strategic, operational, information technology, risk and Business Continuity requirements.

The following fiscal measures are to be implemented and/or adhered to as part of this Plan:

- A Cash Contingency Reserve Fund is to be maintained at a minimum \$50,000, specifically to be called upon in case of a crisis or emergency incident.
- The Shire President is afforded authority to expend funds in an emergency from any Shire cashed back reserve pursuant to Section 6.8(1)(c) of the *Local Government Act, 1995*, with such expenditure to be reported to Council at the next available Ordinary Meeting.
- Funds to a minimum of \$200,000 should be held in a separate institution to the primary Bank or with the WA State Treasury, with the funds to be available at call.
- For small expenditure amounts, credit cards are held with the following limits:
 - Chief Executive Officer (Operational) - \$5,000 limit.
 - Chief Executive Officer (Emergency) - \$3,000 limit – stored in safe.
 - Manager of Infrastructure and Emergency Services (Operational) - \$3,000 limit.

Action: Cash Contingency Reserve Fund be maintained at a minimum \$50,000 at all times, with a notation of this amount to be inserted in Council Policy 2.19.

Action: Funds to a minimum of \$200,000 should be held with the WA State Treasury, available at call if required.

Action: An emergency credit card, with an expenditure limit of \$3,000, be assigned to the CEO and stored in the Shire safe.

Contractors and Key Suppliers

Where entities perform key services for the Shire, it is incumbent on Shire Administration to ensure arrangements for supply of goods and services can be maintained, or alternatively, options are in place for the Shire to either resume (internally) or source alternative arrangements within appropriate timeframes.

Action: A list of contractors and suppliers with contact details to be compiled for the purchase of key goods and services. This list is to be appended to this Continuity Plan and be reviewed/updated as required on an annual basis.

Incident Management

Administration and Governance processes consist of tasks, actions and items which are intrinsic to the successful management and production capability of the Shire.

From a generic perspective the following priority matters should be of primary consideration by the Incident Management Group in maintaining continuity:

- Wellbeing and safety of employees, contractors, visitors and community members;
- Availability of employees projecting forward and their capacities;
- Suitability of operational facilities, plant and equipment;
- Suitability of communications and other utilities;
- Condition of critical infrastructure and surrounding environs;
- Evident occupational hazards and risks;
- Availability of immediately accessible funds;
- Availability of additional external resources.

To determine key actions to be executed the Incident Management Group should focus on:

- Identifying and restoring core business activities within recovery time objectives.
- Providing recovery efforts with sufficient support and resources.
- Forward planning, setting achievable milestones and timeframes for recovery.
- Keeping thorough records and documentation for investigators and continuous improvement review.
- Reviewing for BCP improvements and applicability.

Any activities that are not core business and can be temporarily parked should be. Document these as such so that the Incident Management Group can focus on the most pressing matters and still review and re-engage as soon as practicable - see Appendix 10 for parked activity list.

A Risk Assessment may be helpful in determining which activities are suitable to be parked.

Immediate Response

The Incident Management Group is to conduct an initial assessment of the incident and to co-ordinate the Shire's immediate response.

Before all else establish and maintain safety and wellbeing of staff, visitors and the community.

It is preferable for the Shire to over react to an incident and then scale back than to underestimate the level of response required.

Actions:

Where applicable:

- Ensure site has been evacuated and all personnel are accounted for.
- Secure site and prevent access.
- Contact Emergency Services and Police.
- Identify any injuries and render assistance.
- Undertake an initial assessment of damage and risks.
- Arrange diversion of phone lines to existing Shire mobiles.
- Determine time frame to switch to Recovery Location.
- Determine availability of staff and resources, including level of capacity.

Recovery Time Objective:

Within 3 hours of the incident.

Recovery Locations

- Primary site – WB Eva Pavilion.
- Secondary Site – Memorial Hall.

Resource requirements

- Communications and connectivity.
- Availability of employees to perform specific functions.
- Availability of plant and equipment in serviceable condition.

Other Considerations:

- Liaise with Emergency Services and Police.
- Inform Council and employees.
- Inform Local Community where possible.
- Inform Local Government Insurance Services.

Establish a Recovery Location

Actions:

Where applicable:

- Select the most appropriate Recovery Location, including confirmation of operational utilities and back-up support if required (i.e. generator).
- Source and utilise Emergency Pack/s – see Appendix 8 – Emergency Pack.
- Utilise furniture stored onsite either at the Memorial Hall or WB Eva Pavilion, if available.
- Source phones, establish communications and redirect calls to mobile phones where possible.
- Allocate, roster, inform and support staff, as applicable.
- Determine items to be immediately replaced, if safe, what is recoverable and required.
- Contact IT support and recover data backups and if required set up offsite server.
- When safe, assess damage and begin salvage operations.
- Identify community contact/liaison person for general enquiries.
- Liaise with Shire President to issue a media statement.
- Co-ordinate all communications, including media and elected members, Local Government insurers, etc.

Recovery Time Objective

Within 8 hours of incident.

Resource Requirements

- Vehicles.
- Furniture and stationery.
- Emergency Pack/s.
- Staff
- IT hardware and software
- Communication. Ideally at least one landline, internet access and radio communication if required.

Note: This is an assumption of temporary displacement, if recovery site is needed long term it may be necessary to look at portable buildings or other more permanent office accommodation options.

Information Technology

In case of loss of IT & Communication systems, hardware, software applications or Shire network.

Actions:

Where applicable:

- Assess severity of outage through the Shire's IT Provider and determine likely outage time.
- Seek quotations and place orders for replacement components.
- Contact Shire's insurers and Police, if necessary.
- Inform Councillors, community and business contacts (i.e. banks, creditors and contractors) of potential delays in providing services.
- Direct the Shire's IT Provider to set up and install new hardware, software and restore from backups off site.
- Reconcile and rebuild all data as a priority.

Recovery Time Objective

Within 24 hours of the incident.

Resource requirements

- ICT Hardware, support and connectivity.
- Funds from Council Contingency Reserve

Significant number Administration or Works Staff unavailable

Actions:

Where applicable:

- Assess the severity of staff shortage and available skill sets.
- Rearrange existing staff to cover the shortage areas where possible.
- Inform Councillors, community and business contacts (i.e. banks, creditors and contractors) of potential delays in providing services, if appropriate.
- Shire President to authorise expenditure, if required.
- Request trained personnel from surrounding Shires or other Local Governments, where possible and if appropriate.
- Source staff through casual pool or recruitment agencies, as appropriate.
- Prioritise core services and activities, park non-urgent activities until situation can be resolved.

Recovery Time Objective

Within 24 hours of the incident.

Resource requirements

- Temporary staff or contractors.
- Funds from Council Contingency Reserve.

Depot Loss

Actions:

Where applicable:

- Ensure site has been evacuated and all personnel are accounted for.
- Secure site and prevent unauthorised access.
- Assess risks and hazards, and contact Emergency Services, if required.
- Identify injuries and render immediate assistance, as required.
- Undertake an initial assessment of damage to and serviceability of buildings, plant and equipment.
- Determine if switch to Recovery location is required.
- Shire President to authorise expenditure, if required.
- Request trained personnel from surrounding Shires or other Local Governments, where possible and if appropriate.
- Source staff from contractors or recruitment agencies, as appropriate.
- Communicate with Councillors, staff and community.
- Contact Insurers.

Recovery Time Objective

Within 24 hours of the incident

Recovery Location

- Primary Location - Shire Administration Office.
- Secondary Location –WB Eva Pavilion and surrounds.

Resource requirements

- Temporary staff or contractors.
- Funds from Council Contingency Reserve for immediate basic stock replacement.

Loss of Essential Machinery

Actions:

Where applicable:

- Prioritise works required and assess suitability and condition of existing plant and equipment.
- Shire President to authorise expenditure, if required.
- Request machinery from surrounding Shires or other local Governments as appropriate.
- Hire appropriate plant and/or equipment to maintain services, if required.
- Contact all necessary persons to inform of incident, expected delays and seek documentation where necessary.

Recovery Time Objective

Within 72 hours of the incident

Other Considerations:

- Backlog of Works / Services.
- Priority of Works / Services.
- Staffing requirements and OHS standards.
- Wait time on new, hired or borrowed Machinery.

Rehearse, maintain and review

Rehearsal is an important step in ensuring that the BCP remains relevant, useful and actionable in an incident response situation.

It will also assist the Shire to embrace the Plan and include internal and external changes to the business to ensure continuity is a strong consideration.

This Plan is to be reviewed on an annual basis, as needed, or after activation by the Council's Audit and Risk Committee.

The CEO is responsible for the Risk Framework and Business Continuity Plan documents and ensuring, through the Process and Compliance Officer, that the BCP is reviewed and rehearsed on an annual basis to increase organisational awareness and cultural embedment.

References

Senior Risk Consultant
LGIS

Queensland Government Website
Business Continuity Planning Template

Crisis and Business Continuity Management Procedures Manual
Shire of Chapman Valley/LGIS

Section Two – Appendices

Appendix One – Event Log	21
Appendix Two – Immediate Response Checklist	22
Appendix Three – Incident Recovery Checklist	23
Appendix Four – Incident Recovery Plan	24
Appendix Five – Insurances	25
Appendix Six – Staff Contact List	26
Appendix Seven – Contact List (External)	28
Appendix Eight – Emergency Pack	29
Appendix Nine – Parked Activity Listing	30

Appendix One – Event Log

Please use the below log to record information, decisions and actions in the period immediately following the incident.

Include the Event Log in all rehearsals, tests and actual activations of the BCP.

Date	Time	Information/Decisions/Actions	Initials
01/01/2019	17:00	Example: Activate Business Continuity Plan	SO

Appendix Two – Immediate Response Checklist

IMMEDIATE RESPONSE CHECKLIST	✓	ACTION TAKEN
• assess severity of incident	☐	
• evacuate the site if necessary	☐	
• account for everyone	☐	
• identify any injuries to persons	☐	
• contact Emergency Services	☐	
• implement Incident Response Plan	☐	
• start an Event Log	☐	
• activate staff members and resources	☐	
• confirm spokesperson	☐	
• gain more information as a priority	☐	
• brief team members on incident	☐	
• allocate specific roles and responsibilities	☐	
• identify any damage and resource deficiency	☐	
• identify critical activities that have been disrupted	☐	
• keep staff informed	☐	
• contact key stakeholders	☐	
• understand and comply with any regulatory/compliance requirements	☐	
• initiate media/public relations response and community information	☐	

Appendix Three – Incident Recovery Checklist

INCIDENT RECOVERY CHECKLIST	✓	ACTION TAKEN
• refocus efforts toward recovery	☐	
• deactivate staff members and resources as necessary	☐	
• continue to gather information about the situation and its effects	☐	
• assess current financial position	☐	
• review cash requirements to restore operations and obtain approval to emergency expend funds	☐	
• source additional resources as required	☐	
• develop goals and timeframes for recovery	☐	
• keep staff informed	☐	
• keep community and key stakeholders informed	☐	
• identify information requirements and source the information resource	☐	
• set priorities and recovery options	☐	
• update the Recovery Plan	☐	
• capture lessons learnt from individual, team and business recovery experiences	☐	
• contact insurance broker/company	☐	

Appendix Four – Incident Recovery Plan

Business Activity	Preventative / Recovery Actions	Resource requirements/outcomes	Recovery Time Objective	Responsibility	Completed
Eg: Taking credit card payments	Online payment portal via website	Online payment option implementation	2 weeks	CEO	01/01/1999

Appendix Five – Insurances

Insurance Type	Policy Coverage	Insurer	Contact	Last Review Date	Payment Due
Bushfire Injury	VBFB Members medical, loss of income, death benefits, workers compensation for injury & specified disease sustained in the course of normal brigade activities*	LGIS Bushfire Injury Scheme	Leo Pezzotta Account Manager 08 9483 8866 Leo.Pezzotta@lgiswa.com.au	9/06/2019	Annually - June
Casual Hirers Liability	Death, illness or personal/bodily injury, loss or damage to property after the first \$500*	LGIS Liability Scheme		9/06/2019	Annually - June
Crime	Direct financial loss sustained by internal or external crime, theft or physical loss or damage after the first \$1000*	LGIS Liability Scheme		9/06/2019	Annually - June
Cyber Liability	Privacy, Network Security, Media, Cyber Extortion, Data Asset & Business Interruption Liability.	Chubb Insurance Australia Limited		9/06/2019	Annually - June
Environmental Impairment Liability	Loss, claim, injury, third party or clean up costs in respect of pollution*	AIG Australia Ltd		9/06/2019	Annually - June
Management Liability	Councillor's & Officer's, Statutory & Employment Practices Liability	Chubb Insurance Australia Limited		9/06/2019	Annually - June
Motor Vehicle	All motor vehicles and trailers owned, leased or hired*	Zurich Australian Insurance		9/06/2019	Annually - June
Personal Accident	Councillor's or Volunteers - Accidental death & disablement, injury*	Chubb Insurance Australia Limited		9/06/2019	Annually - June
Professional Indemnity, Public & Product Liability	Death or personal injury, Loss or damage to property, claims against Members arising out of negligent act, error or omission*	LGIS Liability Scheme		9/06/2019	Annually - June
Property	Physical loss, destruction or damage to property*	LGIS Liability Scheme		9/06/2019	Annually - June
WorkCare	Workers Compensation and Journey Accident Cover*	LGIS Workcare Scheme		9/06/2019	Annually - June
Travel	Journey related personal accident, sickness, medical attention, property loss or theft*	Chubb Insurance Australia Limited		9/06/2019	Annually - June
Marine Cargo	Loss of or damage to interest insured.	QBE Insurance (Australia) Ltd		9/06/2019	Annually - June

Appendix Six – Staff Contact List

Name	Position	Phone	Email
Ian D'Arcy	Chief Executive Officer	0427 421 032 9642 0203	ceo@brookton.wa.gov.au
Vacant	Manager Corporate and Community	0428 656 457 9642 0202	mcc@brookton.wa.gov.au
Steve Thomson	Manager Infrastructure and Emergency	0418 422 498 9642 0208	mie@brookton.wa.gov.au
Rod Evenis	Works Coordinator	0428 972 968 9642 1144	depot@brookton.wa.gov.au
Kelly D'Arcy	Corporate Business Officer - Compliance	9642 0205	cbocf@brookton.wa.gov.au
Danni Chard	Executive Governance Officer	9642 0201	ego@brookton.wa.gov.au
Vacant	Customer Service Administration Officer	9642 1106	csao@brookton.wa.gov.au
Vacant	Infrastructure Officer		io@brookton.wa.gov.au
Sharyn Olsen	Process Compliance Officer	9642 0218	pco@brookton.wa.gov.au
Amy Eva	Community Liaison Officer	9642 0205	clo@brookton.wa.gov.au
Lois Salkild	Corporate Business Officer – Finance	9642 0206	cbof@brookton.wa.gov.au
Corinne Kemp	Corporate Business Officer – HR & Rates	9642 0207	cbohr@brookton.wa.gov.au
Debbie Spinks	Projects and Grants Officer	9642 0213	pgo@brookton.wa.gov.au
Vacant	Emergency Support Officer	0402 732 956	eso@brookton.wa.gov.au
Rick Gill	Building Maintenance Officer	0407 471 267 9642 0209	mo@brookton.wa.gov.au
Dave Haddon	Environmental/Health Officer/Building Surveyor	0428 376 044	healthbuilding@leonora.wa.gov.au
Carla Lacroix	Business Administration Trainee	96421106	trainee@brookton.wa.gov.au
George Linton	Volunteer Caravan Park Caretaker	0474 497 618	
Contract Aquatic Services - Matt	Aquatic Centre Management Contract Service	0428 498 304 Pool 9642 1112	contractaquatic@gmail.com
Matt Sharpe	WA Contract Ranger Service	0459 678 154	wacontractrangerservices@hotmail.com
Rod Evenis	Works Coordinator	0428 972 968 9642 1144	depot@brookton.wa.gov.au
Joe Anderson	Leading Hand - Parks and Gardens	0400 118 995	
Kenny Lundie	General Hand - Parks and Gardens	0474 101 378	
Darren Hepple	General Hand - Works	0437 555 626	
Craig Blakers	Leading Hand - Grader Operator	0412 708 783	
Tony Warby	General Hand - Works	0499 567 819	
Bret Evenis	General Hand - Works	0448 665 465	
Tate Lunn	General Hand - Works	0401 433 139	training@brookton.wa.gov.au
Market Creations	IT Provider ~Collin Smith	0438 678 976 6168 1004	colin.smith@marketcreations.com.au

Appendix Seven – Contact List (External)

Agency	Key Contact	Phone
Brookfield Rail	Administration Northam Control	9622 4631 9622 4690 or 9622 4627
Brookton District High School	Administration Darren Simpson - Principal	9642 5000 0417 150 227
Brookton Police Station	Sergeant Shane Hickman - Officer in Charge	9642 1000 or 0459 087 652
Dept of Biodiversity, Conservation & Attractions	District Manager	9881 2000
Dept of Communities	Narrogin Office Crisis Care (24hrs)	9881 0123 1800 199 008
Dept of Fire & Emergency Services	Paul Blechynden - Area Officer Communications Duty Officer – Albany	9881 1693 or 0427 580 481 1800 198 140 9845 5000
Dept of Housing	Narrogin Office Freecall	9881 9400 1800 093 325
Dept of Primary Industries & Regional Development	Administration	9881 0222
Doctors Surgery		
Kalkami Residency	June Harwood	9642 0199 or 0420 962 651
LGIS		
Local Emergency Management Committee	Katrina Crute - Chair	0439 373 282
Main Roads Western Australia	Narrogin Office After Hours Emergency Response	9881 0524 138 138 or 0408 310 989
Silver Chain Nursing Post and Home & Community Care	Administration	9642 1005
St John's Ambulance	Administration Cliff Fishlock Drew Richardson	9642 1313 0407 775 647 0437 524 088
Telstra	Faults Shire Account Manager - Scott Walsh	132 999 9726 7323
Volunteer Bushfire Brigade	Murray Hall – Chief Bushfire Brigade Officer	0428 421 367
Volunteer Fire and Rescue Service	William Wilkinson - Captain Dean Atkins - Apparatus Officer	0429 426 022 0447 119 093
Water Corporation	Fault Reporting	13 13 75
Western Power	24/7 Emergency Line	13 13 51

Appendix Eight – Emergency Pack

Two Emergency Packs have been created in case Administration operations need to be moved to an alternative location. These packs are safely and securely stored in the Chief Executive Officers office and at the Works Depot respectively.

Pack contents are to be reviewed and updated as part of the annual Business Continuity Plan review.

Emergency Pack Contents List – Contents last reviewed: 31/09/2019

Item	Amount
Site plans including location of electrical, sewerage & water pipes & shut off points.	1
Local Emergency Management Arrangements	1
Business Continuity Plan	1
Evacuation plan	1
Shire of Brookton Risk Management Framework	1
Thumb drive: letterhead, templates & forms specific to each business unit.	1
Latest inventory, product list, specifications and Safety Data Sheet's (SDS's)	1
Financial and banking information	1
Pack of A4 paper	1
Box of envelopes	1
Box of pens	1
Shire maps	1
First Aid Kit	1
Dust masks	1
Torch and spare batteries	1
Hazard and cordon tape	1
Note pads, flip charts, markers and paper for temporary signage	1
Glove & safety glasses	1

Appendix Nine – Parked Activity Listing

[illegible]



Risk Management Framework

Risk Management Policy &
Risk Management Procedures

October 2019
Version: 1

Contents

Distribution List.....	3
Version Control.....	3
References and related documents	3
Glossary	4
Risk Management Policy.....	5
Introduction	7
Three Step Risk Governance Structure.....	8
Roles & Responsibilities	9
Risk Management Assessment Process	10
1. Establishing Context	10
2. Risk Assessment.....	10
3. Risk Treatment.....	11
4. Communication and consultation.....	12
5. Monitoring and review	12
Reporting.....	13
Appendix 1 - Consequence Table.....	14
Appendix 2 – Likelihood Table, Risk Matrix and Risk Acceptance Table	15
Appendix 3 – Control Effectivity Table and Risk Category Definitions.....	16
Appendix 4 - Risk Assessment Template	17

Distribution List

Position - Organisation	Number of Copies
Shire President - Shire of Brookton	1
Chief Executive Officer - Shire of Brookton	1
Manager Corporate and Community – Shire of Brookton	1
Manager Infrastructure and Emergency – Shire of Brookton	1
Shire Councillors - Shire of Brookton	6
Local Emergency Management Committee (LEMC) – Shire of Brookton	4

Version Control

Version Number	Date	Amendment Details	Amended by
1	31/10/19	Version 1 created.	PCO

References and related documents

The content of this document has been sourced from Shire of Brookton Policy 2.8 – Risk Management and AS/NZS 31000:2009 - Risk Management Principles and Guidelines.

Document Title	Document Location
AS/NZS 31000:2009 Risk Management – Principles and Guidelines	G:\AA KEYWORD STRUCTURE\RISK MANAGEMENT\POLICY\ASNZS 310002009 - Risk Management Principles and Guidelines - Extract
Shire of Brookton Business Continuity Plan	G:\AA KEYWORD STRUCTURE\RISK MANAGEMENT\PLANNING
Shire of Brookton Local Emergency Management Arrangements	G:\AA KEYWORD STRUCTURE\EMERGENCY SERVICES\PLANNING\EMERGENCY MANAGEMENT PLAN\ADM0158 - LOCAL EMERGENCY MANAGEMENT COMMITTEE (LEMC)
Shire of Brookton Emergency Plan	G:\AA KEYWORD STRUCTURE\OCCUPATIONAL SAFETY & HEALTH\EMERGENCY PLANS

Glossary

Term	Definition
Business Continuity Planning	A process which documents a plan to manage the realisation of risk, ensuring that the business can operate to the extent required in the event of an incident.
Consequence	The outcome or result of an incident.
Context	The circumstances that form the setting for an event, statement or idea, and in terms of which it can be fully understood.
Controls	Actions that can be taken to reduce the severity or likelihood of this risk occurring.
Framework	A set of components that provide a foundation.
Likelihood	Chance of something occurring
Risk	Effect of uncertainty on objectives.
Risk Appetite	The amount of risk an organisation is willing to take on in order to achieve its objectives
Risk Assessment	Combined process of risk identification, risk analysis and risk evaluation.
Risk Management	Coordinated activities to direct and control an organisation with regard to risk.
Risk Management Process	Systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing, evaluating, treating, monitoring and reviewing risk.
Risk Owner	Staff member with the accountability and authority to manage a risk
Risk Rating	Risk priority based on consequence and likelihood assessments
Risk Register	Register of all identified risks, their consequences, likelihood, rating and treatments

Risk Management Policy

2.8 Risk Management

Directorate: Executive

Statutory Environment: Occupational Safety and Health Act 1984, and 2005 amendments
Occupational Safety and Health Regulations 1996, and 2005 amendments
AS/NZS 4360:2004 Risk Management
Local Government Audit Regulations – 17

Council Adoption: Date: Oct 2016 Resolution #: 13.06.08.04

Last Amended: Date: November 2019 Resolution #:

Review Date: June 2022

Purpose

The Shire of Brookton's ("the Shire") Risk Management Policy documents the commitment and objectives regarding managing uncertainty that may impact the Shire's strategies, goals or objectives.

Policy

It is the Shire's Policy to achieve best practice (aligned with AS/NZS ISO 31000:2009 Risk management), in the management of all risks that may affect the Shire, its customers, people, assets, functions, objectives, operations or members of the public.

Risk Management will form part of the Strategic, Operational, Project and Line Management responsibilities and where possible, be incorporated within the Shire's Integrated Planning Framework.

The Shire's Senior Management Group will implement and communicate the Risk Management Policy, Objectives and Procedures, as well as direct and monitor implementation, practice and performance.

Every employee, elected member, volunteer and contractor within the Shire is recognised as having a role in risk management.

Consultants may be retained at times to advise and assist in the risk management process or management of specific risks or categories of risk.

Definitions (from AS/NZS ISO 31000:2009):

Risk: Effect of uncertainty on objectives.

Note 1: An effect is a deviation from the expected – positive or negative.

Note 2: Objectives can have different aspects (such as financial, health and safety and environmental goals) and can apply at different levels (such as strategic, organisation-wide, project, product or process).

Risk Management: Coordinated activities to direct and control an organisation with regard to risk.

Risk Management Process: Systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing, evaluating, treating, monitoring and reviewing risk.

Risk Management Objectives

- Optimise the achievement of our vision, experiences, strategies, goals and objectives.
- Provide transparent and formal oversight of the risk and control environment to enable effective decision making.
- Enhance risk versus return within our risk appetite.
- Embed appropriate and effective controls to mitigate risk.
- Achieve effective corporate governance and adherence to relevant statutory, regulatory and compliance obligations.
- Enhance organisational resilience.
- Identify and provide for the continuity of critical operations.

Risk Appetite

- The Shire defines its risk appetite through the development and endorsement of the Shire's Risk Assessment and Acceptance Criteria. The criteria is included within the Risk Management Procedures and is subject to ongoing review in conjunction with this policy.
- All organisational risks to be reported at a corporate level are to be assessed according to the Shire's Risk Assessment and Acceptance Criteria to allow consistency and informed decision making. For operational requirements such as projects or to satisfy external stakeholder requirements, alternative risk assessment criteria may be utilised, however these cannot exceed the organisation's appetite and are to be noted within the individual risk assessment and approved by a member of the Senior Management Group.

Roles, Responsibilities & Accountabilities

Council's role is to –

- Review and approve the Shire's Risk Management Policy and Risk Assessment & Acceptance Criteria.
- Liaise with Office of the Auditor General to report on financial statements annually.
- Establish and maintain an Audit and Risk Committee in terms of the *Local Government Act, 1995* with the charter to oversee the identification of relevant risks and associated actions of mitigation across all finance and other operational areas.

The CEO is responsible for the allocation of roles, responsibilities and accountabilities within the organisation. These are documented in the Risk Management Procedures (Operational Document).

Monitor & Review

The Shire will implement and integrate a 'monitor and review' process to report on the achievement of the Risk Management Objectives, the management of individual risks and the ongoing identification of issues and trends.

This policy will be kept under review by the Shire's Senior Management Group and will be formally reviewed for appropriateness and effectiveness, by Council, biennially.

Introduction

All organisations have internal and external factors and influences that make it uncertain as to whether or not they will achieve their objectives. Fundamentally, this uncertainty on the organisations objectives is called risk.

Everything an organisation does involves some form of risk. Risk is managed by anticipating, identifying, analysing and then deciding if it is an acceptable level of risk, or if actions can be taken to reduce it, to an acceptable level of risk.

This document presents the Shire's Risk Management Policy, processes and procedures which combine to form a tailored Risk Management Framework. This Framework outlines the Shires individual approach to incorporating these concepts at an organisational level.

Abiding by this framework will establish corporate governance, legislative and regulatory compliance balanced with the resources available whilst taking human and cultural factors into account.

The following flow chart (Figure 1) illustrates the relationships between the risk management principles, framework and process.

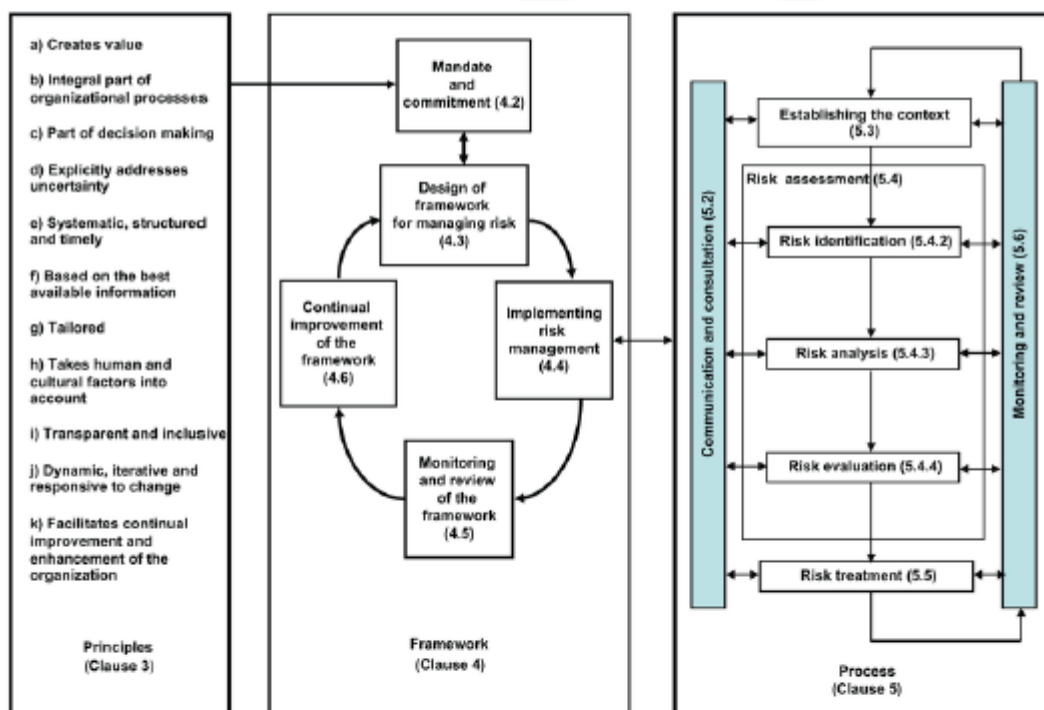


Figure 1: Relationships between the risk management principles, framework and process (Source: AS/NZS 31000:2009)

Three Step Risk Governance Structure

First Step

Operational areas of the Shire are the first step in ensuring risks within their scope are:

- Identified
- Reported
- Assessed
- Managed
- Monitored

Each Business Unit is accountable for all activities within their scope and responsible for:

- Establishing and implementing appropriate processes and controls.
- Completing required documentation, analysis and review.

Second Step

The Senior Management Group are the Second Step in the risk management process. In addition to individual Business Unit responsibilities the Senior Management Group provide independent oversight of risk matters as required, co-ordination of the Shire's risk reporting for the CEO, Audit Committee and Council.

Third Step

The Third Step consists of external and internal audits to assess the effectiveness of the First and Second Steps.

Internal Audits will be conducted on control processes and procedures under direction from the CEO. The Audit and Risk Committee may provide input on the direction and scope of these audits.

External Audits are conducted by the Office of the Auditor General (AOG) as required by legislation. Results are reported to the CEO and Audit and Risk Committee, as well as external parties where applicable.

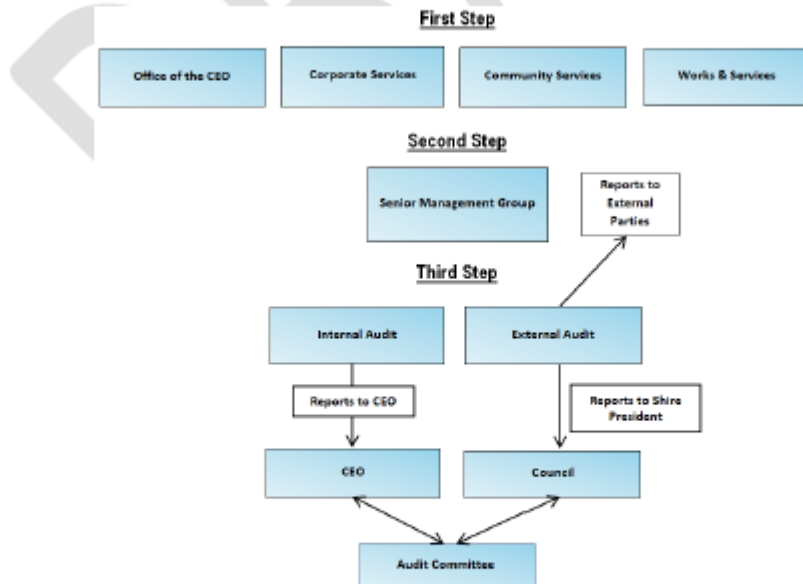


Figure 2: Three Step Governance Structure

Roles & Responsibilities

All staff need to be familiar with the application of the risk management process across their areas of responsibility.

Council

- Establish and maintain an Audit and Risk Committee.
- Facilitate resources, review and approve the Shire's Risk Management Policy and Framework.
- Liaise with Office of the Auditor General (AOG) to report on financial statements annually and the AOG is satisfied with measures being taken to mitigate risk.
- To review and consider any report or recommendation regarding the Risk Management Framework.

Audit Committee

- Oversee external and internal audit functions.
- Promote high level the transparency and accountability of the Shire's financial management systems and reporting.
- Manage the Shire's risk exposure.
- Drive a culture of continuous improvement, including adequacy of accounting, internal control, risk management, reporting and other financial management systems and practices.
- Liaise with the Office of the Auditor General (AOG) on all matters detailed in its Terms of Reference.
- Independently oversee all matters related to the conduct of external audits.

Chief Executive Officer (CEO)

- Ensure an effective risk management framework is implemented, applied and maintained across all Council functions.
- Allocate roles, responsibilities and accountabilities.
- Conduct internal audits as directed by the Audit and Risk Committee and as required by legislation.
- Make adequate resources available for risk management planning and implementation.
- Ensure Managers have the necessary knowledge and skills to effectively fulfil their risk management responsibilities.
- Perform regular risk management planning, review and where necessary training to effect mitigation.

Senior Management Group

- Liaise with Council and the Audit and Risk Committee on Risk Management matters.
- Review and report on the Shire's Risk Management Framework.
- Encourage, embrace and enhance a risk management culture within the Shire.
- Evaluate emerging risks, issues and topics with a pro-active approach to mitigation.
- Document risk management decisions and actions.
- Own and manage Risk Assessments at an organisational level.
- Incorporate the following risk items into Senior Management Meeting agendas:
 - New or emerging risks.
 - Review existing risks.
 - Control adequacy.
 - Outstanding issues and actions.

Process and Compliance Officer (PCO) – Risk Framework Owner

- Draft and implements governance procedures for the framework.
- Promote risk management within operational areas.
- Underpin reporting requirements to the CEO, Audit and Risk Committee and Council on all risk related matters.
- Provide relevant tools and training.
- Identify and monitor risk related Key Performance Indicators (KPI's).
- Perform internal audit functions under direction from the Audit and Risk Committee and/or CEO.

Managers

- Direct, encourage and embrace risk management implementation and culture within work areas.
- Own, manage and report on risk issues, as required.
- Ensure emerging risks and related issues are addressed in a timely manner and suitable form.
- Establish and implement appropriate processes and controls with assistance of the PCO.
- Complete required documentation, analysis and review, including Risk Management Action Plans and Risk Acceptance forms.
- Ensure the inclusion of risks in the Shire's Risk Register.
- Identify and monitor risk related Key Performance Indicators (KPI's).
- Identify and re-evaluate risks as a minimum of annually.

Employees (and Contractors)

- Adhere to safe work practices and perform duties in a safe manner.
- Identify and report identified risk in areas of responsibility.
- Assist in development and effective implementation of risk management controls.
- Participate in and take any actions identified by the risk management process.

Risk Management Assessment Process

1. Establishing Context

The first step in the risk management process is to define the context within which risks are to be assessed. This establishes a start point to assess the risk against the Shire's Strategic, Operational and Project related objectives.

There are two key types of risk context:

Internal context may include the organisation's culture, process, structure and strategy. Management involves looking at the ways in which an organisation carries out its day to day business, operational activities and cultural factors, which are often changeable by the management structure.

External context may include political, legal, regulatory and social environment. Management involves looking at the environment within which an organisation operates, such as legal framework and changes not usually controlled by the organisation itself.

Risk is not limited to one category or factor as exposure can be varied and come from a variety of sources. Grouping risks into categories can assist in defining context and responsibility. See Appendix 3 – Control Effectivity Table and Risk Category Definitions.

2. Risk Assessment

All Business Units need to undertake Risk and Control Assessments on an ongoing basis. For Risk Assessment Template see Appendix 4.

It is important to consider the risks involved in pursuing or not pursuing an opportunity. All significant causes and consequences should be considered under this Framework.

Each Manager needs to ensure Risk Assessments are:

- Reflective of and relevant to the Shire's actual risk environment.
- Reviewed annually as a minimum.
- Completed in standard format aligned to this Framework.

Accordingly, each Manager is to perform the following:

- a) Risk Identification – means identifying sources of risk, areas of impact, events, opportunities, failure to innovate, their causes and potential consequences. The aim is to generate a list of risks based on those impacts or events.
- b) Risk Analysis – involves researching and understanding the risk and the influencing factors. It provides input to evaluation and decisions on the most appropriate action to be taken. The outcome of these assessment tools is called a Risk Rating.

The Risk Rating is determined by identifying the appropriate risk status on the Consequence and Likelihood Tables and applying these descriptor levels to the Risk Matrix. See Appendices 1 – Consequence Table and 2 – Likelihood Table, Risk Matrix and Risk Tolerance Table.

- c) Risk Evaluation – based on the Risk Rating it can be determined:
 - Treatment such as controls is required.
 - Existing controls are adequate.
 - The priority for treatment requires implementation.
 - The risk is acceptable with the decision being documented and status being monitored and reviewed annually as a minimum.
 - The risk is beyond acceptance level after implementation of controls.

3. Risk Treatment

Risk Treatment involves identifying one or more options to modify risks and determining how to implement options. Once implemented treatments can provide or modify efforts to control or mitigate the risk.

Treatment options or controls may include avoiding the risk entirely, accepting the risk to pursue an opportunity, removing the source of risk, changing the likelihood of occurrence, altering the consequence level, sharing the risk, retaining the risk by an informed decision and documenting the risk tolerance.

4. Risk Acceptance

Reasonable efforts should always be taken to reduce the risk. A lack of budgeted funds is not, in itself, sufficient justification to accept a risk.

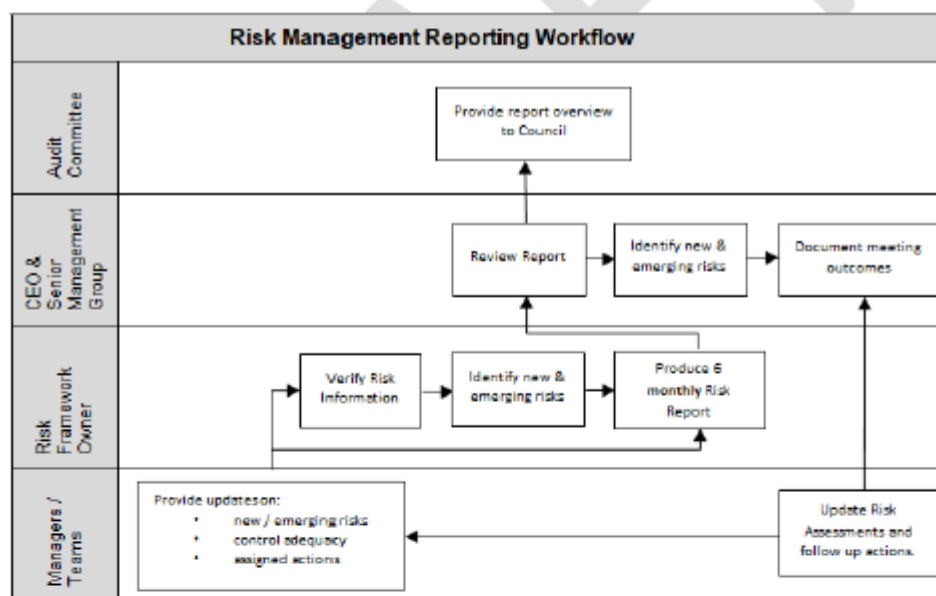
An example of a risk management KPI is to complete 'Take 5' assessments. These brief written assessments are designed to make the person undertaking them stop what they are doing, analyse the scene, take any available actions to mitigate the associated risks and document the circumstances before starting work.

Completed Take 5's can be counted and used as a KPI that these assessments are being carried out, hazards are being identified, addressed and reported. The resulting data can be captured and used to monitor the actual work environment.

Reporting

In addition to monitoring the performance of risk and hazard identification, reporting procedures and responsibilities, it is important to monitor the broader effectiveness of the framework to ensure it is continually being improved, creating value and effective in mitigating risk for the organisation. If the Framework is not fit for purpose it needs to be reported, addressed by the Senior Management Group and reviewed by the Audit and Risk Committee.

Individual documentation review anniversaries have been identified throughout the framework and should be included on the Risk Register and individual Risk Assessments and Risk Acceptance forms.



Appendix 1 - Consequence Table

RATING	PEOPLE	SERVICE DELIVERY	REPUTATION	COMPLIANCE	ASSETS	ENVIRONMENTAL	FINANCIAL
Insignificant	No injury, near miss, no impact on morale.	< 1 hour interruption to business or customers.	Some local complaints. Low or no media or political attention.	No regulatory or statutory impact.	Inconsequential damage.	Contained, immediately reversible impact managed by on site response.	\$0 - \$10,000
Minor	Minor First Aid treatment only. Negligible impact on morale or business.	< 1 day interruption to customers or business.	Minor community concern - no adverse effects. Some media or political attention.	Temporary non-compliance.	Minor damage rectified by routine internal procedures.	Minor impact, reversible in < 1 week by internal response.	\$10,000 to \$50,000
Moderate	Medical attention required. Lost time injury <30 Days. Short term effect on morale & business.	< 1 week day interruption to customers or business.	Significant community concern – minor adverse effects. Significant media or political attention.	Temporary non-compliance, minor penalties imposed.	Minor damage requiring external resources to rectify.	Moderate impact, potential to spread, can be reversed with intensive efforts.	\$50,000 to \$200,000
Major	Temporary disability. Lost time injury >30 days. Significant impact on morale & business.	< 1 month interruption to customers or business. BCP activation.	Substantial community concern – adverse effects. Substantial media or political attention.	Non-compliance resulting in termination of service or substantial penalties.	Significant damage requiring internal & external resources to rectify.	Significant impact, likely to spread, danger of ongoing damage.	\$200 000 to \$500,000
Extreme	Major injury, permanent disability or fatality. Long term effect on morale & business.	> 1 month interruption to customers or business. BCP activation.	Irreparable damage to community or Shire reputation. Prolonged media or political attention.	Non-compliance results in litigation, criminal charges or significant damages or penalties.	Extensive damage requiring significant internal & external resources to rectify. Total loss of asset.	Major impact, irreversible damage.	> \$500,000

Appendix 2 – Likelihood Table, Risk Matrix and Risk Acceptance Table

Likelihood Table

Rating	Description	Frequency
Almost Certain	Event may be expected to occur in most circumstances	> once per year
Likely	Event may probably occur in most circumstances	At least once per year
Possible	Event should occur at some time	At least once in 3 years
Unlikely	Event could occur at some time	At least once in 10 years
Rare	Event may only occur in exceptional circumstances	< once in 15 years

Risk Matrix

Consequence	Insignificant	Minor	Medium	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 Acceptance Table

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.

Appendix 3 – Control Effectivity Table and Risk Category Definitions.

Control Effectivity Table

Rating	Foreseeable	Description
Effective	Little scope for improvement.	Controls are operating as intended, aligned to Policies & Procedures, subject to ongoing maintenance & monitoring and being continuously reviewed and tested.
Adequate	Some scope for improvement.	Some inadequacies identified, controls are in place, being addressed and complied with and are subject to periodic review and testing.
Inadequate	Corrective action or improvement needed	Controls not operating as intended or do not exist, are not being addressed/complied with or have not been reviewed or tested for some time.

Risk Category Definitions

Risk Category	Examples	Responsible Business Unit
Teaching, training and learning	Insufficient implementation of risk management processes.	Executive (CEO)
Human Resources	Breaching employee regulations.	Executive (CEO)
Health and Safety	Documentation process not followed.	Executive (CEO)
Organisational Environment	Customer Service Charter failure	Executive (CEO)
Community Engagement	Public Notice undistributed	Community
Governance & Compliance	Noncompliance notice issued	Corporate
Financial	Invoices not paid in a timely manner.	Finance
Infrastructure	Inadequate maintenance activities	Infrastructure
IT & Record Keeping	System failure	Corporate
Ethics & Misconduct	Breach of Code of Conduct	Executive (CEO)
Procurement	Exceedance of authorisation limit	Corporate
Emergency Response	Inadequate incident response	Emergency

Appendix 4 - Risk Assessment Template

Shire of  Risk Assessment Template				Date: _____			
Risk Context:							
Risk Category:							
Risk Identification/Description: What could go right or wrong?							
Risk Analysis							
Potential causes:							
Existing Treatments and Controls:					Effectivity Rating		
Consequence:					Overall Control Ratings:		
					Determination		
					Consequence		
					Likelihood		
					Risk Rating		
Actions / Treatments/ Issues					Due Date	Responsibility	
Indicators, monitoring and review					Tolerance	Date	Result
Risk Acceptance Declaration					Date	Role	Signature
Comments:							

17

G:\AA KEYWORD STRUCTURE\RISK MANAGEMENT\PLANNING\Shire of Brookton Risk Management Framework

15.12.19.04	PROPOSED AMENDMENT TO POLICY 1.6 – TRAINING SESSIONS CONFERENCES MEETINGS SEMINARS – ELECTED MEMBERS
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File No:	ADM 0278
Date of Meeting:	19 December 2019
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	N/A
Author/s:	Danni Chard – Executive Governance Officer Ian D’Arcy – Chief Executive Officer
Authorising Officer:	Ian D’Arcy – Chief Executive Officer
Declaration of Interest:	The author and authoring officer have no interest in this item.
Voting Requirements:	Simple Majority Vote Required
Previous Report:	N/A

Summary of Item:

This report relates to amending Council Policy 1.6 to incorporate financial compensation for Elected Members time when completing the mandatory training modules now required for newly elected members.

Description of Proposal:

As above.

Background:

All newly Elected Members, under amendments to the *Local Government Act 1995, Local Government (Administration) Regulations 1996* are now required to undertake mandatory training as part of their role as Councillor. There are 5 modules which are to be completed within the first 12 months of being elected.

The modules are:

1. Understanding Local Government
2. Serving on Council
3. Understanding Financial Reports and Budgets
4. Meeting Procedures
5. Conflicts of Interest

These modules are offered by multiple training organisations and via different mediums (dependent on the module) via correspondence and in person.

However, at the stage of this report being written, only 2 modules are offered by correspondence (online).

This means that newly Elected Members are required to commit a substantial period of time to complete the mandatory training, which under the currently Policy framework each Councillor is not entitled to be compensated for.

Consultation:

The Department of Local Government, Sport and Cultural Industries have been consulted in regards to this item, and they have advised the setting of the compensation is at the Council’s discretion.

Statutory Environment:

The training of Elected Members is mandated under Part 10 - Training; Regulation 35 - Training for council members of the Local Government (Administration) Regulations, 1996.

Relevant Plans and Policy:

This matter also relates to Council Policy 1.6 Training Sessions Conferences Meeting Seminars – Elected Members, where it is promoted that this document be amended by inserting additional wording to support a daily payment for attendance at mandatory training sessions as required by legislation.

In this regard it's suggested Policy statement 2 be amended to read (new wording is shown in red text):

2. *Elected members are encouraged to undertake mandatory training courses electronically through an on-line platform, where practical. However, if this is not possible a payment of \$160 may be claimed for each day (or part thereof) in attending mandatory training sessions in person.*

Financial Implications:

Council is requested to consider the payment of compensation to Elected Members at the recommend \$160.00 per full day (or part thereof) for training, similar to the fixed payment for attending Council meetings. This figure is based on the current national minimum wage set by the Fair Work Ombudsman of \$19.49 per hour applied to an 8 hour training session.

At present the Budget does not carry a specific allocation of funding to accommodate this matter, although there is currently adequate funds in the Councillors Fees/Expenses/Allowances account (E041030) to cover this cost at this stage.

Risk Assessment:

As the payment of a training fee is at the discretion of Council and only effects Elected Members there is no perceived risk to the organisation in relation to this matter.

Community & Strategic Objectives:

This proposal generally aligns with the Corporate Compendium appended to the Shire of Brookton Corporate Business Plan 2018 – 2021. Specifically Conducting Elected Member inductions.

*Business Function 1: Governance**Function 1.15: Conduct elected member inductions***Comment**

It is the view of the Administration that Councillor's should be compensated for this training, the same as an employee would be paid when attending training courses given the substantial commitment of time to complete the mandatory training courses.

This view is premised on equity and an acknowledgement that the mandatory attendance of five training modules will result in a financial cost to elected members, many of who work for a living and have to take time off to ensure they meet there compliance obligations.

OFFICER RECOMMENDATION

That Council,

1. Endorses the compensation payment of \$160.00 per full day (8 hours) training course (or part thereof), upon successful completion of training, with the certificate being provided to the Executive Governance Officer to place on the Councillor's file.
2. Amends Policy 1.6 - Training Sessions Conferences Meeting Seminars – Elected Members with Policy Statement 2. to now read:

“Elected members are encouraged to undertake mandatory training courses electronically through an on-line platform, where practical. However, if this is not possible a payment of \$160 may be claimed for each day (or part thereof) in attending mandatory training sessions in person.”

OCM 12.19-20

COUNCIL RESOLUTION

MOVED Cr Fancote

SECONDED Cr Hartl

That Council,

1. ***Endorses the compensation payment of \$160.00 per full day (8 hours) training course (or part thereof), upon successful completion of training, with the certificate being provided to the Executive Governance Officer to place on the Councillor's file.***
2. ***Amends Policy 1.6 - Training Sessions Conferences Meeting Seminars – Elected Members with Policy Statement 2. to now read:***

“Elected members are encouraged to undertake mandatory training courses electronically through an on-line platform, where practical. However, if this is not possible a payment of \$160 may be claimed for each day (or part thereof) in attending mandatory training sessions in person.”

CARRIED BY SIMPLE MAJORITY VOTE 6-0

Attachments

15.12.19.04A - Policy 1.6 Training Sessions Conferences Meeting Seminars – Elected Members

1.6 TRAINING SESSIONS CONFERENCES MEETING SEMINARS – ELECTED MEMBERS

Directorate:	Executive			
Statutory Environment:	Local Government Act			
Council Adoption:	Date:		Resolution #:	108/04
Last Amended:	Date:	Aug 2019	Resolution #:	13.05.18.05
Review Date:	June 2021			

Objective:

To clarify the Council's position in relation to Elected Member training courses, conferences, and seminars.

Policy:

- 1) Proposed attendance at any training sessions, conferences, meetings or seminars by an Elected Member beyond a 500 kilometre radius of Brookton shall be subject to special request to Council for endorsement. Such request must include an outline of the course and associated benefits to the elected member's role and/or the organisation. Such opportunities are encouraged where tangible benefits can be realised.
- 2) Elected members are encouraged to undertake mandatory training courses electronically through an on-line platform, where practical.
- 3) Council will pay for registration, travel and accommodation costs, as well as breakfasts, evening meals and non-alcoholic beverages for Councillors during attendance at mandatory training sessions and relevant conferences, meetings and seminars. Costs for breakfasts, evening meals and non-alcoholic beverages is capped at \$110 per Councillor per day.
- 4) Council will send up to three Elected Members to the WALGA Local Government Convention each year, inclusive of two voting delegates and one other. Preference is given to the Shire President and Deputy Shire President, and newly Elected Member. The CEO (or delegate) may attend the WALGA state conference as determined between the CEO and Shire President.
- 5) Each Elected Member is entitled and encouraged to attend the WALGA conference, at least once during their term of appointment. Partners are permitted to accompany Elected Members during the WALGA State Conference, inclusive of accommodation and meals.
- 6) Council will only pay for alcoholic beverages (excluding spirits) with a meal during the WALGA State Conference with the amount limited to \$20 per Elected Member and their partner per day.
- 7) All other costs incurred will be the responsibility of each individual Elected Member.
- 8) All Elected Members shall present to Council a summary of their experience and learnings at the next available Corporate Briefing Forum following attendance at the mandatory training session, conference, meeting or seminar.

16.12.19	ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN
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17.12.19	NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING
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Amy Eva & Steve Thomson left the meeting at 5.29pm.

18.12.19	CONFIDENTIAL REPORTS
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OCM 10.19-21

COUNCIL RESOLUTION

MOVED Cr Fancote SECONDED Cr Macnab

That Council close the meeting to the public in accordance with Section 5.23 (2) (a) as this item relates to a matter that if disclosed could reveal information of a matter affecting an employee.

CARRIED BY SIMPLE MAJORITY VOTE 6-0

18.12.19.01	EMPLOYEE LONG SERVICE LEAVE REQUEST
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File No:	ADM 0222
Date of Meeting:	19 December 2019
Location/Address:	N/A
Name of Applicant:	Joe Anderson
Name of Owner:	N/A
Author/s:	Ian D'Arcy – Chief Executive Officer
Authorising Officer	As above
Declaration of Interest:	The author does not have an interest in this item
Voting Requirements:	Absolute majority
Previous Reports:	Nil

Summary of Item:

To consider a request from Mr Joe Anderson – Parks and Gardens Leading Hand in relation to his pending Long Service Leave that falls due in February 2020.

OCM 10.19-22

COUNCIL RESOLUTION

MOVED Cr Fancote SECONDED Cr Macnab

That Council endorses the request from Mr Joe Anderson for a payout of his Long Service Leave entitlement due in February 2020, as promoted in Statement 5.1 of Council Policy 2.31 – Employee Leave, subject to a Deed of Settlement being executed.

CARRIED BY ABSOLUTE MAJORITY VOTE 6-0

Attachment

18.12.19.01A – Letter of Request – Mr Joe Anderson

OCM 12.19-23**COUNCIL RESOLUTION****MOVED Cr Hartl SECONDED Cr Macnab**

That Council consider a late confidential item of new business under item 18.12.19.02 acknowledging this matter that if disclosed could reveal information on a matter of another person of a confidential and sensitive nature under Section 5.23 (2) (b) of the Local Government Act, 1995.

CARRIED BY SIMPLE MAJORITY VOTE 6-0

18.12.19.02 DEFERMENT OF RENTAL INCOME

File No:	ADM 0032
Date of Meeting:	19 December 2019
Location/Address:	Unit 4, 28 Williams Street, Brookton
Name of Applicant:	Christine Virgo
Name of Owner:	Shire of Brookton
Author/s:	Danni Chard – Executive Governance Officer Ian D’Arcy – Chief Executive Officer
Authorising Officer:	Ian D’Arcy – Chief Executive Officer
Declaration of Interest:	The authors does not have an interest in this matter
Voting Requirements:	Absolute majority
Previous Report:	N/A

Summary of Item:

This report relates to the deferment of rental revenue for Unit 4, 28 Williams Street, Brookton.

OCM 12.19-24**COUNCIL RESOLUTION****MOVED Cr Fancote SECONDED Cr Walker****That Council:**

- 1. On compassionate grounds defers the rental income for Unit 4, 28 Williams Street, Brookton until such time as the tenant’s income can be reassessed by Centrelink and an adjusted rental payment can calculated in order for payment to be backdated.*
- 2. Inform the tenant, Department of Housing and Centrelink of the Council’s decision in this regard.*

CARRIED BY ABSOLUTE MAJORITY VOTE 6-0

OCM 12.19-25**COUNCIL RESOLUTION****MOVED Cr Hartl SECONDED Cr Watts**

That Council reopen the meeting to the public at 5.31pm.

CARRIED BY SIMPLE MAJORITY VOTE 6-0

19.12.19	NEXT MEETING & CLOSURE
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The next Ordinary meeting of the Council will be held on Thursday 16th January 2020 commencing at 5.00 pm.

There being no further business the meeting was closed at 5.32pm.