



Shire of Quairading

Ordinary Council Meeting Minutes



28th November 2019

Disclaimer

Disclaimer

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

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SHIRE OF QUAIRADING

The Ordinary Council Minutes of Meeting held on Thursday 28th November 2019 commencing at 2.00 pm.

ITEM 1 OPENING & ANNOUNCEMENTS

The Shire President opened the Meeting at 2.00 pm.

“Before we start our Meeting, the Shire of Quairading acknowledges the Noongar people as the traditional custodians of this land and their continuing connection to land and community. We pay our respect to them, to their culture and the Elders past and present.”.

Cr Davies commended Mr Richard Bleakley in successfully facilitating the last RAP Meeting.

Cr Davies further mentioned the positive feedback received from the Quairading Bowling Club where they thanked Chief Executive Officer Mr Graeme Fardon and Executive Manager Works & Services Mr Allan Rourke for their professionalism in handling the works on the Bowling Green.

ITEM 2 ATTENDANCE AND APOLOGIES

Councillors

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

Council Officers

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

Observers/Visitor

Nil.

Apologies

Nil.

Leave of Absence Previously Granted

Nil.

ITEM 3 PUBLIC QUESTION TIME

Nil – No Members of the Public in attendance.

ITEM 4 DEPUTATIONS / PRESENTATIONS / SUBMISSIONS / PETITIONS

Nil.

ITEM 5 APPLICATIONS FOR LEAVE OF ABSENCE

The CEO advised that Cr McGuinness would be in attendance at the December 2019 Council Meeting but would be unable to attend the Council Information Session held following the Council Meeting.

Noted by the Meeting.

ITEM 6 DECLARATIONS OF INTEREST

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

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

Cr McGuinness verbally declared an Impartiality Interest with Item 9.3 Budget Review – November 2019 – WACHS / Parker House Generator Proposal.

ITEM 7 CONFIRMATION OF MINUTES AND BUSINESS ARISING

7.1 Confirmation of Minutes – 31st October 2019

RESOLUTION: 75-19/20**MOVED Cr Hippisley SECONDED Cr Jo Haythornthwaite**

That the Minutes of the Ordinary Meeting of Council held on the 31st October 2019 be confirmed as a true and accurate.

CARRIED 8/0

7.2 Business Arising

10.1 Establishment of Committees, Appointment of Committee Members and Delegates to Committees/Organisations

Cr Smith indicated that a proxy for the Medical Executive Committee had not been appointed at the October 2019 Ordinary Council Meeting.

Cr Jo Haythornthwaite nominated to stand as Proxy for the Medical Executive Committee, and the Meeting concurred unanimously.

Cr Smith enquired if training will be provided for Councillors elected to the DAP Panels. The Chief Executive Officer confirmed that no correspondence had been received on training for current nominated Elected Members. The Chief Executive Officer further commented that this situation is not uncommon and generally regional/rural members are provided training, if and when a DAP application is received.

Wheatbelt Secondary Freight Network Project

The Chief Executive Officer and the Executive Manager of Works & Services provided an update on the WSFN Project advising that quotations have been sought for Site Survey and Design Consultancies and that Soil samples have been taken for Soil Testing.

Mr Fardon further advised that the Funding Agreement between the Federal and State Governments was yet to be signed off which may result in delays in the Procurement Stage and Delivery of the Project.

ITEM 8 MATTERS FOR CONSIDERATION – BUILDING AND TOWN PLANNING

No matters for consideration.

9.1 Accounts for Payment – October 2019

Meeting Date	28 th November 2019
Responsible Officer	CEO Graeme Fardon
Reporting Officer	EMCS Nathan Gilfellow
Attachments	9.1.1 October 2019 Payment List 9.1.2 Transport Takings 9.1.3 Credit Card Statement
Owner/Applicant	Shire of Quairading
Disclosure of Interest	Nil

OFFICER RECOMMENDATION

RESOLUTION: 76-19/20

MOVED Cr McGuinness SECONDED Cr Stacey

That Council note the following:

1. That Schedule of Accounts for October covering Municipal Vouchers 23679 to 23685 & EFT7079 to EFT 7195 and DD13574.1 to DD13574.13 and DD13584.1 to DD13584.13 totalling \$600,277.86 be received and
2. That Police Licensing payments for the month of October 2019 totalling \$41,781.90 be received (Attachment 9.1.2); and
3. That fund transfers to Corporate Credit Card for October 2019 balance totalling \$1898.69 be received (Attachment 9.1.3); and
4. That Net Payroll payments for the month October 2019 totalling \$180,995.91; and
5. That the Lease payment for the month of October 2019 on the CESM Vehicle totalling \$1,775.97.

CARRIED 8/0

Council Discussion

Cr Smith sought clarification on the following EFT Payments: -

EFT 7089 and EFT 7126 – LOGO Appointments

CEO to have the Invoice Dates researched and then to advise Councillors.

EFT 7147 – Office of Regional Architecture – Plans, Condition Report and Scope of Works Report - Cottage

EFT 7191 – Dan Turner – Structural Engineers Report on the Cottage.

IN BRIEF

Payments are per attached schedules 9.1 1/2/3

MATTER FOR CONSIDERATION

Note the accounts paid during October 2019.

BACKGROUND

Accounts paid are required to be submitted each month.

STATUTORY ENVIRONMENT

Local Government (Financial Management) Regulations 1996 (Reg 13 (1)) requires that where the Chief Executive Officer has delegated power to make payments from the Municipal or Trust funds a list of accounts paid is to be prepared each month.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Payment from Council's Municipal Fund. Expenditure as per delegated authority and included in the adopted 2019/2020 Budget.

Payments made for the 2019/20 Year in the Payments List have been included in Councils Budget in accordance with section 6.8 of the Local Government Act 1995.

STRATEGIC IMPLICATIONS – Strategic Community Plan 2017 - 2027

Governance Objective: Strong governance and community engagement

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

COMMUNITY CONSULTATION

Nil

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

Financial - Risk Matrix Rating considered Low – On Risk Matrix given Purchasing / Procedures followed, together with Management Separation of acceptance of duties and Processes in place.

Health – Risk Matrix Rating considered Low.

Reputation – Risk Matrix Rating considered Low – Creditors reviewed weekly and paid in accordance to agreed terms.

Operation – Risk Matrix Rating considered Low.

Natural Environment – Risk Matrix Rating considered Low.

9.2 Financial Information—Statements of Income and Expenditure for the Period Ending – 31st October 2019

Meeting Date 28th November 2019

Responsible Officer CEO Graeme Fardon

Reporting Officer EMCS Nathan Gilfellon

Attachments 9.2.1 Financial Statements for October

Owner/Applicant Shire of Quairading

Disclosure of Interest Nil

OFFICER RECOMMENDATION

RESOLUTION: 77-19/20

MOVED Cr Stacey SECONDED Cr Hippisley

That Council receive the Monthly Financial Statements for the period ending 31st October 2019.

CARRIED 8/0

IN BRIEF

- Monthly Financial Statements for the period ending 31st October 2019 attached.
- Monthly Financial Statements have been updated based on the Moore Stephens Monthly Statements Model.
- The Monthly Financial Statements report include the Fund Balances Report and the Variance Report previously reported separately.

MATTER FOR CONSIDERATION

To receive the monthly Financial Report and Statements

BACKGROUND

Council resolved in October 2000 (Minute Number 071-00/01) to receive Financial Statements in the required statutory format. Requests for new Monthly Financial Statements started a search for a new template. The current template is based on the Moore Stephens Monthly Budget Template.

STATUTORY ENVIRONMENT

Amendments to the regulations, gazetted on the 31st March 2005 and effective from the 1st July 2005, have repealed the existing regulations (34 and 35) relating to monthly and quarterly / triannual financial reports.

They have been substituted in accordance with a new Regulation 34. This new regulation only requires Local Governments to report on a monthly basis, although it is much more prescriptive as to what is required and its intention is to establish a minimum standard across the industry.

The new regulations require Local Government to prepare each month a statement of financial activity as per attachment. This statement is intended to report on the sources and application of funds highlighting variances to budget for the month in question.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The Model Monthly Financial Statements cost \$430 (2018/19) and will be an ongoing annual expense if the latest model is needed. Staff time is used to update and customise the template for Council preferences.

STRATEGIC IMPLICATIONS – Strategic Community Plan 2017 - 2027

Governance Objective: Strong governance and community engagement

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

COMMUNITY CONSULTATION

Nil

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

Financial - Risk Matrix Rating considered Low – Comprehensive Monthly Financial Reports in accordance with the Local Government's Financial Regulation 34 including individual schedules on each budget line item provided to Council for analysis.

Health – Risk Matrix Rating considered Low.

Reputation – Risk Matrix Rating considered Low.

Operation – Risk Matrix Rating considered Low – Level verified through Council Financial Audits.

Natural Environment – Risk Matrix Rating considered Low.

COMMENT

The Monthly Financial Statements have been updated based on the Moore Stephens Monthly Reporting Template. They now also include the Fund Balances Report and the Variation Report which were previously separate items.

The Model Template has been updated to include profit and loss statements for the Medical Practice, Childcare and Caravan Park. The Statements can continue to be updated and customised to include relevant information for Council and Staff and to work with improved Management Accounting practices.

9.3 Budget Review – November 2019

Meeting Date	28 th November 2019
Responsible Officer	CEO Graeme Fardon
Reporting Officer	EMCS Nathan Gilfellon
Attachments	9.3.1 2019/2020 November Budget Review
Owner/Applicant	Shire of Quairading
Disclosure of Interest	N/A

OFFICER RECOMMENDATION

RESOLUTION: 78-19/20**MOVED Cr Jo Haythornthwaite SECONDED Cr Hippisley**

That the Council resolve to:

Approve the adjustments to the 2019/2020 Shire Adopted Budget as detailed in this Report and attachment, in accordance with Section 6.8(1) of the Local Government Act 1995.

CARRIED BY ABSOLUTE MAJORITY 8/0

IN BRIEF

- Council Officers have conducted two Budget Workshops, the first with the Executive Management Team and the second with Councillors and Senior Officers. Variations to the Budget have been outlined in the attached Budget Review and are now recommended to Council.
- Council conducts two Budget Reviews during the Financial Year. Firstly, in November 2019 and a further Review scheduled for February / March 2020. The Second Review is required to be formally reported to the Department of Local Government (DLGSC)

MATTER FOR CONSIDERATION

Adoption of the recommended Budget Review items in the attached Report.

BACKGROUND

On the 13th November 2019 Senior Officers conducted a review of the budget to identify any budget variations.

These variations were presented to a workshop including Councillors and Senior Staff on the 20th November 2019. As a result of the Budget Review Workshop, budget variations have been identified and are now recommended to Council.

Approval is therefore sought for the budget adjustments detailed in the attachment for the reasons specified.

STATUTORY ENVIRONMENT

Local Government Act 1995

[Section 6.2 \(1\)](#)

The Council is required to prepare and adopt, by Absolute Majority, an annual budget for its municipal fund by 31st August each year.

Section 6.8 (1) and (2)

The Council cannot incur expenditure from its municipal fund for a purpose for which no expenditure estimate is included in the annual budget (known as an 'additional purpose') except where the expenditure

1. is incurred in a financial year before the adoption of the annual budget by the local government;
2. is authorised in advance by resolution by Absolute Majority; or
3. is authorised in advance by the mayor or president in an emergency.

Where expenditure has been incurred;

- (a) under S 6.8 (1) (a) it is required to be included in the annual budget for that financial year; and
- (b) under S 6.8 (1) (c), it is to be reported to the next ordinary meeting of the council

Local Government (Financial Management) Regulations 1996

Regulation 33A

A formal review of the annual budget is to be presented and adopted by Council, by Absolute Majority, between 1st January and 31st March each year.

POLICY IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

The specific implications are detailed in the report, however the total impact of the review is a positive adjustment to the forecasted end of year surplus of \$65,105, increasing the end of year surplus to \$189,767. This is primarily due to a better than budgeted FAGS Grant and the timing of Capital Projects.

STRATEGIC IMPLICATIONS – Strategic Community Plan 2017 - 2027

Governance Objective: Strong governance and community engagement

ITEM	OUTCOMES AND STRATEGIES
G1	Robust Integrated Planning and Reporting (IPR)
G1.1	Continual improvement in IPR, transparency and accountability
G4	Sound Organisation
G4.1	Maintain sustainability ratios at or above basic level
G4.2	Increase non-rates revenue generation
G4.3	Ensure optimum organisational capacity and efficiency

COMMUNITY CONSULTATION

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

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

Financial - Risk Matrix Rating is assessed as Low. Review process mitigates the financial variability (risk) of Council Financial Position as a result of the review of the actual Outcomes of Council's Operations and Projects undertaken Year to Date.

Health – Risk Matrix Rating is assessed as Low

Reputation – Risk Matrix Rating is assessed as Low

Operation – Risk Matrix Rating is assessed as Low. Adopted Review provides for sufficient Funding to enable the continuation of Council's Activities and Projects

Natural Environment – Risk Matrix Rating is assessed as Low.

**SHIRE OF QUAIRADING
BUDGET REVIEW REPORT
FOR THE PERIOD ENDED 31ST OCTOBER 2019**

**LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

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SHIRE OF QUAIRADING
STATEMENT OF BUDGET REVIEW
(NATURE OR TYPE)
FOR THE PERIOD ENDED 31ST OCTOBER 2019

	Budget v Actual		Predicted			
	Note	Annual Budget (a)	YTD Actual (b)	Variance Permanent (c)	Variance Timing (Carryover) (d)	Year End (a)+(c)+(d)
	\$	\$	\$	\$	\$	
OPERATING ACTIVITIES						
Net current assets at start of financial year surplus/(deficit)		2,233,386	2,233,386		0	2,233,386
Revenue from operating activities (excluding rates)						
Operating grants, subsidies and contributions		1,139,182	435,910	59,745		1,198,927 ▲
Profit on asset disposals	4.1.1	14,960	8,085			14,960
Fees and charges	4.1.2	661,127	350,146	(43,500)		617,627 ▼
Interest earnings	4.1.7	74,389	29,305			74,389
Other revenue	4.1.8	276,189	128,733	18,274		294,463 ▲
		2,165,847	952,179	34,519	0	2,200,366
Expenditure from operating activities						
Employee costs	4.2.1	(2,187,004)	(711,243)			(2,187,004)
Materials and contracts		(1,505,723)	(485,218)	(20,000)		(1,525,723) ▲
Utility charges	4.2.3	(250,430)	(45,864)	20,000		(230,430) ▼
Depreciation on non-current assets		(1,931,312)	(666,520)			(1,931,312)
Interest expenses		(24,077)	1,811			(24,077)
Insurance expenses		(168,455)	(171,382)			(168,455)
Loss on asset disposals	4.2.6	(26,054)	(1,411)			(26,054)
Other expenditure	4.2.7	(90,612)	(19,947)	(2,000)		(92,612) ▲
		(6,183,667)	(2,099,774)	(2,000)	0	(6,185,667)
Non-cash amounts excluded from operating activities		1,945,884	660,934			1,945,884
Amount attributable to operating activities		161,450	1,746,725	32,519	0	193,969
INVESTING ACTIVITIES						
Non-operating grants, subsidies and contributions	4.1.3	909,397	167,169	66,376		975,773 ▲
Purchase land and buildings		(415,852)	(196,676)	43,980		(371,872) ▼
Purchase property, plant and equipment		(440,470)	(40,896)	(1,100)		(441,570) ▲
Purchase and construction of infrastructure-roads		(1,629,323)	(153,428)			(1,629,323)
Purchase and construction of infrastructure-other		(503,583)	(186,885)	(85,720)		(589,303) ▲
Proceeds from disposal of assets		145,000	32,686	9,050		154,050 ▲
Amount attributable to investing activities		(1,934,832)	(378,029)	32,586	0	(1,902,246)
FINANCING ACTIVITIES						
Proceeds from new borrowings		150,000	150,000			150,000
Proceeds from self supporting loans		36,341	16,478			36,341
Transfers from cash backed reserves (restricted assets)	9	806,544	0			806,544
Repayment of debentures	10	(94,443)	(16,478)			(94,443)
Transfers to cash backed reserves (restricted assets)	9	(1,300,000)	(1,128,293)			(1,300,000)
Amount attributable to financing activities		(401,558)	(978,293)	0	0	(401,558)
Budget deficiency before general rates		(2,174,940)	390,403	65,105	0	(2,109,835)
Estimated amount to be raised from general rates		2,299,602	2,299,233	0	0	2,299,602
Closing funding surplus(deficit)	2	124,662	2,689,636	65,105	0	189,767 ▲

**SHIRE OF QUAIRADING
STATEMENT OF BUDGET REVIEW
(STATUTORY REPORTING PROGRAM)
FOR THE PERIOD ENDED 31ST OCTOBER 2019**

	Budget v Actual		Predicted			Material Variance
	Adopted Annual Budget (a)	YTD Actual (b)	Variance Permanent (c)	Variance Timing (Carryover) (d)	Year End (a)+(c)+(d)	
Note	\$	\$	\$	\$	\$	
OPERATING ACTIVITIES						
Net current assets at start of financial year surplus/(deficit)	2,233,386	2,233,386			2,233,386	
Revenue from operating activities (excluding rates)						
Governance	5,824	12,939			5,824	
General purpose funding	917,764	267,733	59,745		977,509	▲
Law, order, public safety	197,103	60,519			197,103	
Health	114,629	105,800			114,629	
Education and welfare	190,279	92,454			190,279	
Housing	120,076	30,544	(10,500)		109,576	▼
Community amenities	164,458	127,565			164,458	
Recreation and culture	30,944	6,557			30,944	
Transport	173,289	149,490	2,324		175,613	▲
Economic services	154,185	35,369	(20,000)		134,185	▼
Other property and services	97,296	63,209	2,950		100,246	▲
	2,165,847	952,179	34,519	0	2,200,366	
Expenditure from operating activities						
Governance	(649,699)	(233,487)			(649,699)	
General purpose funding	(83,039)	(20,289)			(83,039)	
Law, order, public safety	(358,226)	(127,979)	(4,000)		(362,226)	▲
Health	(409,057)	(183,868)			(409,057)	
Education and welfare	(356,815)	(93,593)			(356,815)	
Community amenities	(494,667)	(124,848)			(494,667)	
Recreation and culture	(936,928)	(294,528)	3,000		(933,928)	▼
Transport	(2,042,888)	(750,358)	(12,000)		(2,054,888)	▲
Economic services	(604,673)	(169,689)	20,000		(584,673)	▼
Other property and services	(63,730)	(46,975)	(9,000)		(72,730)	▲
	(6,183,667)	(2,099,774)	(2,000)	0	(6,185,667)	
Non-cash amounts excluded from operating activities	1,945,884	660,934			1,945,884	
Amount attributable to operating activities	161,450	1,746,725	32,519	0	193,969	
INVESTING ACTIVITIES						
Non-operating grants, subsidies and contributions	909,397	167,169	66,376		975,773	
Purchase land and buildings	(415,852)	(196,676)	43,980		(371,872)	▼
Purchase plant and equipment	(440,470)	(40,896)	(1,100)		(441,570)	▲
Purchase and construction of infrastructure - roads	(1,629,323)	(153,428)			(1,629,323)	
Purchase and construction of infrastructure - other	(503,583)	(186,885)	(85,720)		(589,303)	▲
Proceeds from disposal of assets	145,000	32,686	9,050		154,050	▲
Amount attributable to investing activities	(1,934,832)	(378,029)	32,586	0	(1,902,246)	
FINANCING ACTIVITIES						
Repayment of borrowings	10	(94,443)			(94,443)	
Proceeds from new borrowings		150,000			150,000	
Proceeds from self supporting loans		36,341			36,341	
Transfers to cash backed reserves (restricted assets)	9	(1,300,000)			(1,300,000)	
Transfers from cash backed reserves (restricted assets)	9	806,544			806,544	
Amount attributable to financing activities		(401,558)	0	0	(401,558)	
Budget deficiency before general rates		(2,174,940)	65,105	0	(2,109,835)	
Estimated amount to be raised from general rates		2,299,602	0	0	2,299,602	
Closing Funding Surplus(Deficit)	2	124,662	65,105	0	189,767	▲

SHIRE OF QUAIRADING
NOTES TO AND FORMING PART OF THE BUDGET REVIEW REPORT
FOR THE PERIOD ENDED 31ST OCTOBER 2019

1. BASIS OF PREPARATION

The budget review report has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this budget review report are presented below and have been consistently applied unless stated otherwise.

The report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

CRITICAL ACCOUNTING ESTIMATES

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

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

2019-20 ACTUAL BALANCES

Balances shown in this budget review report as 2019-20 Actual are as forecast at the time of budget review preparation and are subject to final adjustments.

ROUNDING OFF FIGURES

All figures shown in this budget review report are rounded to the nearest dollar.

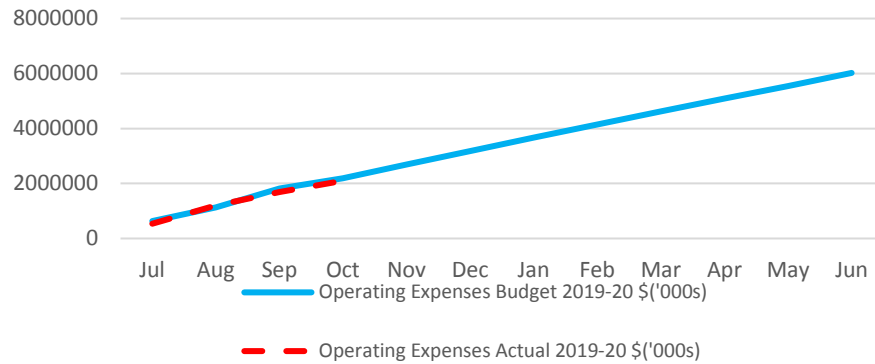
BUDGET COMPARATIVE FIGURES

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

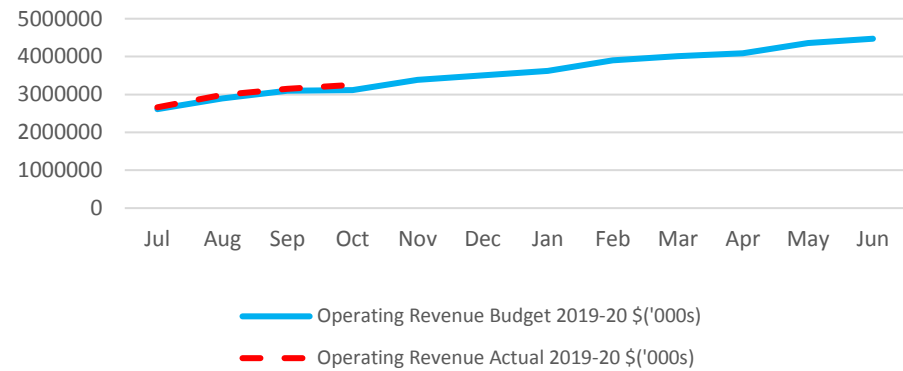
**SHIRE OF QUAIRADING
SUMMARY GRAPHS - BUDGET REVIEW
FOR THE PERIOD ENDED 31ST OCTOBER 2019**

2. SUMMARY GRAPHS - BUDGET REVIEW

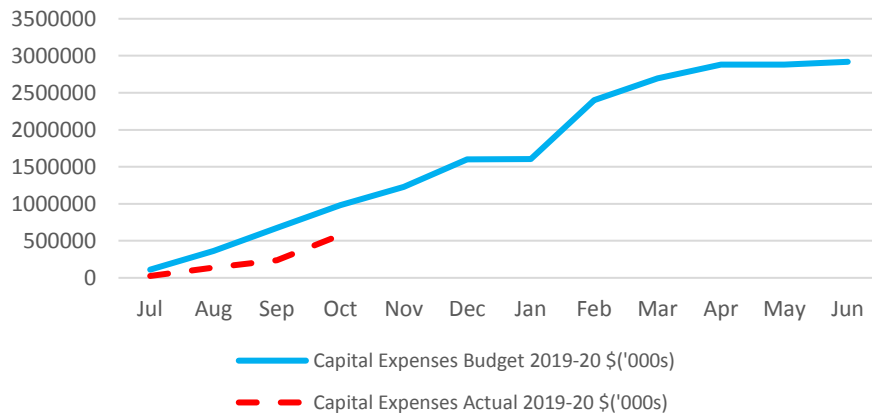
Operating Expenses



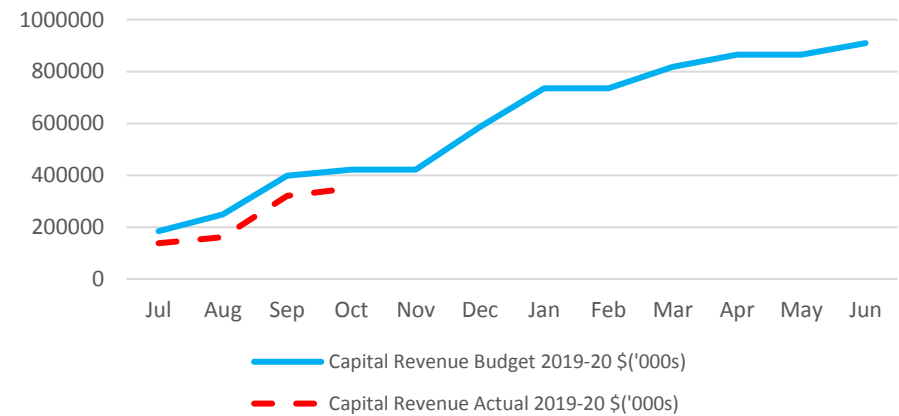
Operating Revenue



Capital Expenditure



Capital Revenue



This information is to be read in conjunction with the accompanying financial statements and notes.

SHIRE OF QUAIRADING
NOTES TO THE BUDGET REVIEW REPORT
FOR THE PERIOD ENDED 31ST OCTOBER 2019

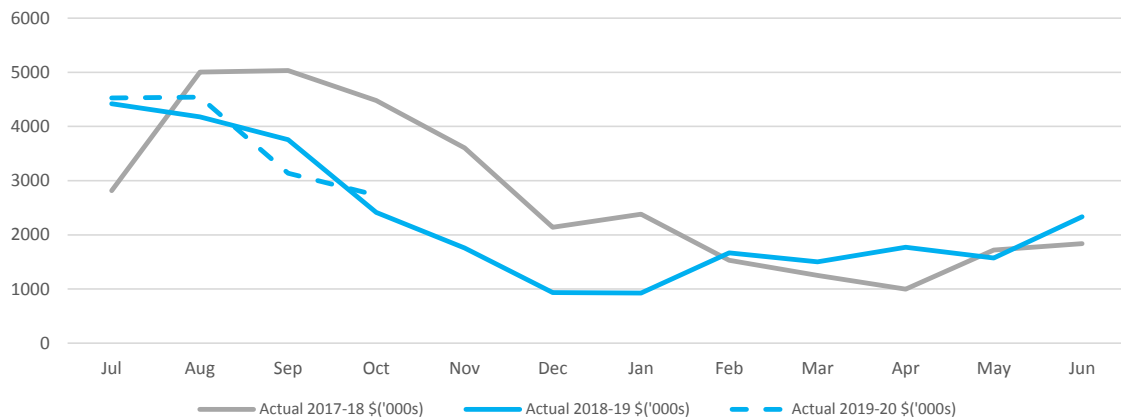
3. NET CURRENT FUNDING POSITION

Note	Positive=Surplus (Negative=Deficit) 2019-20		
	Last Year Closing	Same Period Last Year	This Period
	\$	\$	\$
Current assets			
Cash unrestricted	2,221,972	2,286,096	2,387,212
Cash restricted	2,325,746	2,706,567	3,549,076
Receivables - rates and rubbish	251,439	475,649	538,354
Receivables - other	201,338	448,109	174,308
Inventories	704,371	9,980	7,783
	5,704,866	5,926,401	6,656,733
Less: current liabilities			
Payables	(218,474)	(660,700)	(269,580)
Provisions	(393,660)	(393,660)	(315,963)
Borrowings	0	(39,792)	(63,678)
	(612,134)	(1,094,152)	(649,221)
Adjustments and exclusions permitted by FM Reg 32			
Less: cash restricted	(2,325,746)	(2,706,567)	(3,549,076)
Less: Land held for resale	(699,502)	0	0
Less: Loans receivable	(36,341)	0	(35,809)
Add: Provisions - employee	202,243	247,620	203,331
Add: Long term borrowings	0	39,792	63,678
	2,233,386	2,413,094	2,689,636

3A. NET CURRENT FUNDING POSITION -EXPLANATION OF AMOUNTS EXCLUDED FROM OPERATING ACTIVITIES

	Annual Budget (a)	YTD Actual (b)
	\$	\$
Depreciation on non-current assets	0	666,520
Loss on asset disposals	26,054	1,411
Profit on asset disposals	(14,960)	(8,085)
Adjust Provisions and Accruals	3,478	1,088
Non-cash amounts excluded from operating activities	11,094	659,846

Liquidity Over the Year



SHIRE OF QUAIRADING
NOTES TO THE BUDGET REVIEW REPORT
FOR THE PERIOD ENDED 31ST OCTOBER 2019

3. COMMENTS/NOTES - NET CURRENT FUNDING POSITION (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in Note 2 Net Current Assets of the budget.

TRADE AND OTHER RECEIVABLES

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

INVENTORIES

General

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

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

CURRENT AND NON-CURRENT CLASSIFICATION

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

LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss. Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Shire of Quairading prior to the end of the financial year that are unpaid and arise when the Shire of Quairading becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

EMPLOYEE BENEFITS

Short-Term Employee Benefits

Provision is made for the Shire of Quairading's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

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

PROVISIONS

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

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

RATES, GRANTS, DONATIONS AND OTHER CONTRIBUTIONS

Rates, grants, donations and other contributions are recognised as revenues when the Shire of Quairading obtains control over the assets comprising the contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

SHIRE OF QUAIRADING
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 31ST OCTOBER 2019

4. PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
4.1 OPERATING REVENUE (EXCLUDING RATES)		
4.1.1 PROFIT ON ASSET DISPOSAL		
No Material Variance		
4.1.2 FEES AND CHARGES		
Sale of Miscellaneous Materials - Reduction of Rock and Material Sale	(13,000)	
Standpipes - Decreased Usage due to new Tariffs and no Major Road Projects	(20,000)	
Rental Income - 19 Gillett St - Reduced due to vacancies	(10,500)	
4.1.3 GRANTS, SUBSIDIES AND CONTRIBUTIONS		
Federal Assistance Grants	59,745	
4.1.7 INTEREST EARNINGS		
No Material Variance		
4.1.8 OTHER REVENUE		
Income from Sale of Goods - Shire Auction	15,950	
WANDRRA - Income not Budgeted	2,324	
4.2 OPERATING EXPENSES		
4.2.1 EMPLOYEE COSTS		
No Material Variance		
4.2.2 MATERIAL AND CONTRACTS		
Bridge Maintenance	(12,000)	
Record Keeping - \$1200 for Record Keeping Plan plus disposal Training and materials	(5,000)	
New Pump for Dam	(5,000)	
Swimming Pool Contractor fees - Tender lower than budgeted	10,000	
New Generator - Fuel and Servicing	(4,000)	
Mobile Communications - New Mobile Phones for Staff	(4,000)	
4.2.3 UTILITY CHARGES		
Standpipes - Decreased Usage due to new Tariffs and no Major Road Projects	20,000	
4.2.4 DEPRECIATION (NON CURRENT ASSETS)		
No Material Variance		
4.2.4 INTEREST EXPENSES		
No Material Variance		
4.2.5 INSURANCE EXPENSES		
No Material Variance		
4.2.6 LOSS ON ASSET DISPOSAL		
No Material Variance		
4.2.7 OTHER EXPENDITURE		
Community Grants In-Kind for remainder of the year	(2,000)	
Predicted Variances Carried Forward	32,519	-

SHIRE OF QUAIRADING
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 31ST OCTOBER 2019

4. PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	32,519	-
4.3 CAPITAL REVENUE		
4.3.1 GRANTS, SUBSIDIES AND CONTRIBUTIONS		
Bowling Club Contribution - Adjustment to Actual Contribution	47,286	
Hall Ramps - Income Budgeted in previous year received this year	19,090	
4.3.2 PROCEEDS FROM DISPOSAL OF ASSETS		
Income from Sale of Goods - Shire Auction	9,050	
4.3.3 PROCEEDS FROM NEW DEBENTURES		
No Material Variance		
4.3.4 PROCEEDS FROM SALE OF INVESTMENT		
No Material Variance		
4.3.5 PROCEEDS FROM ADVANCES		
No Material Variance		
4.3.6 SELF-SUPPORTING LOAN PRINCIPAL		
No Material Variance		
4.3.7 TRANSFER FROM RESERVES (RESTRICTED ASSETS)		
No Material Variance		
4.4 CAPITAL EXPENSES		
4.4.1 LAND HELD FOR RESALE		
No Material Variance		
4.4.2 LAND AND BUILDINGS		
Park Cottages - Awaiting finalisation of costs	45,000	
Swimming Pool Shed - Installation cost	(1,020)	
4.4.3 PLANT AND EQUIPMENT		
Portable Generator - Additional cost for installation and commissioning	(1,100)	
4.4.4 FURNITURE AND EQUIPMENT		
No Material Variance		
4.4.5 INFRASTRUCTURE ASSETS - ROADS		
No Material Variance		
4.4.6 INFRASTRUCTURE ASSETS - OTHER		
New Quairading Oval Lighting - Increase due to provide for current quotes	(17,890)	
Bowling Green Repairs - Adjustment to actual Project costs	(46,530)	
Heal St Parking and Layby Design - Additional costs for Layby Design	(11,300)	
Parker House Generator Site Works	(10,000)	
4.4.7 PURCHASES OF INVESTMENT		
No Material Variance		
4.4.8 REPAYMENT OF DEBENTURES		
No Material Variance		
4.4.9 ADVANCES TO COMMUNITY GROUPS		
No Material Variance		
Predicted Variances Carried Forward	65,105	-

**SHIRE OF QUAIRADING
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 31ST OCTOBER 2019**

4. PREDICTED VARIANCES

Comments/Reason for Variance

	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	65,105	-
4.5 OTHER ITEMS		
4.5.10 TRANSFER TO RESERVES (RESTRICTED ASSETS)		
No Material Variance		
4.5.11 TRANSFER FROM RESERVES (RESTRICTED ASSETS)		
No Material Variance		
4.5.1 RATE REVENUE		
No Material Variance		
4.5.2 OPENING FUNDING SURPLUS(DEFICIT)		
No Material Variance		
4.5.3 NON-CASH WRITE BACK OF PROFIT (LOSS)		
No Material Variance		
Total Predicted Variances as per Annual Budget Review	65,105	-

SHIRE OF QUAIRADING
 NOTES TO THE BUDGET REVIEW REPORT
 FOR THE PERIOD ENDED 31ST OCTOBER 2019

5. BUDGET AMENDMENTS

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

Description	Council Resolution	Classification	No Change - (Non Cash Items) Adjust.	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance	Comments
			\$	\$	\$	\$	
Budget Adoption		Opening Surplus(Deficit)				130,308	
Wheatbelt Secondary Freight Network Program	45-19/20	Capital Expenses			70,000	60,308	Design Phase of Grain Freight Project
Road Infrastructure Reserve	45-19/20			70,000		130,308	
Tourist Promotion - Roe Tourism	46-19/20	Operating Expenses			5,000	125,308	Membership fees for entry into Roe Tourism
Community Grants	65-19/20	Operating Expenses			646	124,662	Increase expense for Round Two of Grants
						124,662	
Amended Budget Cash Position as per Council Resolution			0	70,000	75,646	124,662	

10.1 Council Meeting Dates for Year 2020

Meeting Date	28 th November 2019
Responsible Officer	CEO Graeme Fardon
Reporting Officer	CEO Graeme Fardon
Attachments	Nil
Owner/Applicant	Shire of Quairading
Disclosure of Interest	Nil

OFFICER RECOMMENDATION

RESOLUTION: 79-19/20

MOVED Cr Cowcill SECONDED Cr McGuinness

1. That Council formally adopt the following Council Meeting Dates for the 2020 Calendar year with Ordinary Council Meetings to commence at 2.00pm in the Council Chambers unless other wised stated.

January	Council in Recess
February	Thursday, 27 th
March	Thursday, 26 th
April	Thursday, 30 th (5 th Thursday)
May	Thursday, 28 th
June	Thursday, 25 th
July	Thursday, 30 th (5 th Thursday)
August	Thursday, 27 th
September	Thursday, 24 th
October	Thursday, 29 th (5 th Thursday)
November	Thursday, 26 th
December	Thursday, 17 th (3 rd Thursday)

2. That the Ordinary Council Meeting Dates be published in accordance with the requirements of the Local Government Act 1995.
3. That Council adopt the following Committee Meeting Dates for 2020 Calendar year to commence at 5 pm in the Council Chambers unless: -

February	Tuesday 11 th	Strategic Planning Committee
March	Tuesday 10 th	Audit & Risk Committee
April	Wednesday 15 th	Strategic Planning Committee
June	Tuesday 9 th	Audit & Risk Committee
August	Tuesday 11 th	Strategic Planning Committee
September	Tuesday 8 th	Audit & Risk Committee
October	Tuesday 13 th	Strategic Planning Committee
December	Tuesday 8 th	Audit & Risk Committee

CARRIED 8/0

IN BRIEF

- The above Meeting Dates are offered for Council's consideration for Council Meetings to commence at 2.00pm in the Council Chambers, unless otherwise stated.
- Council is required to provide Statutory Public Notice of the Dates for the Ordinary Council Meetings for 2020.
- Advertising to be in a newspaper circulating in the District.

MATTER FOR CONSIDERATION

Draft schedule of Meeting Dates for Ordinary Council Meetings for the 2020 Calendar Year.

Draft Schedule of Meeting Dates for the Audit and Risk Committee and the Strategic Planning Committee.

BACKGROUND

Council is required to set its Ordinary Meeting dates for the next Calendar year.

Council resolved in 2007 that it would not hold an Ordinary Meeting in January each year to enable a Holiday Recess. Should it be required, a Special Council Meeting can be convened with Notice of Meeting in accordance with the Local Government Act.

STATUTORY ENVIRONMENT

Local Government Act, 1995

Section 5.25(1)(g) relates to Regulation 12 of the Local Government (Administration) Regulations 1996

Reg 12. Meetings, public notice of (Act s. 5.25(1)(g))

(1) At least once each year a local government is to give local public notice of the dates on which and the time and place at which —

(a) the ordinary council meetings; and

(b) the committee meetings that are required under the Act to be open to members of the public or that are proposed to be open to members of the public, are to be held in the next 12 months.

Definition of Local Public Notice – Published in a Newspaper circulating in the District and placed on Council's Official Noticeboard.

It is highlighted that only the dates of the Ordinary Council meetings need to be advertised.

Committee Meeting dates need only be advertised if the Committee has Delegated Authority from Council to make a decision on any matter. Neither Standing Committee have any Delegated Authorities from Council.

POLICY IMPLICATIONS

No Policy on Council Meeting Dates – Dates must be determined by Council each Year.

FINANCIAL IMPLICATIONS

Minimal cost of advertising in the Avon Advocate Newspaper.

STRATEGIC IMPLICATIONS – Strategic Community Plan 2017 - 2027

Governance Objective: Strong governance and community engagement

ITEM	OUTCOMES AND STRATEGIES
G1	Robust Integrated Planning and Reporting (IPR)
G4	Sound Organisation
G4.1	Maintain sustainability ratios at or above basic level
G4.3	Ensure optimum organisational capacity and efficiency

COMMUNITY CONSULTATION

Council Meeting Dates are published in a Newspaper circulating in the District (Avon Advocate) and also on Council's Website and Official Noticeboards.

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

Financial - Risk Matrix Rating considered as Low. Minimal Cost for Statutory Advertising included in Council's Advertising Budget

Health – Risk Matrix Rating considered as Low.

Reputation – Risk Matrix Rating is considered as Low. Setting and Advertising of Council's Ordinary Meetings is a Statutory Requirement. Extensive Advertising/Publicity informing the Community of the Council Meeting Dates.

Operation – Risk Management Rating considered as Low. Council's Operations are unaffected by the Setting of the Council Meeting dates. Council Executive Staff and Administration adjust Task and Reporting Scheduling to fit with the adopted Meeting Calendar.

Natural Environment – Risk Matrix Rating considered as Low.

10.2 Appointment of Dual Fire Control Officers - 2019/2020

Meeting Date	28 th November 2019
Responsible Officer	CEO Graeme Fardon
Reporting Officer	CEO Graeme Fardon
Attachments	Nil.
Owner/Applicant	Shire of Beverley, Shire of Corrigin, Shire of Cunderdin, Shire of Tammin
Disclosure of Interest	Nil.

OFFICER RECOMMENDATION

RESOLUTION: 80-19/20

MOVED Cr Smith SECONDED Cr Cowcill

That Council: -

Pursuant to Section 40 of the Bush Fires Act, Council appoint the following designated Officers in the capacity of Dual Fire Control Officers for the 2019/2020 Year subject to: -

- (a) The Officers holding or obtaining the appropriate accreditation; and
- (b) further noting that the Dual Fire Control Officers are not permitted to issue burning permits within the Shire of Quairading.

Shire of Beverley:

Mr Bruce Kilpatrick
Mr Bill Cleland
Mr Deane Aynsley

Shire of Corrigin:

Mr Bruce Mills
Mr Ray Hathaway

Shire of Cunderdin:

Mr David Fisher

Shire of Tammin:

Mr Brian Humfrey.

CARRIED 8/0

IN BRIEF

- In accordance with legislative requirements the Council is required to formally appoint its Bushfire Control Officers. This is done to ensure compliance and lawfully legitimise their authorisation under Bush Fires Act 1954, in fulfilling their duties.
- Council appointed its Fire Control Officers (residing within the District) at the OCM held on the 26th September 2019 for the 2019/2020 Year.
- Dual Fire Control Officers may be appointed by Council and the adjoining Council.
- Council has received Notification from 4 of its neighbouring Councils seeking that Dual Fire Control Officers be appointed.

- No such Correspondence has been received from the Shires of York, Kellerberrin, Bruce Rock or Brookton at the time of preparing the Officers Report.

MATTER FOR CONSIDERATION

For Council to consider the appointment of Dual Fire Control Officers from the Shire of Beverley, Shire of Corrigin, Shire of Cunderdin, Shire of Tammin for the 2019/2020 Year.

BACKGROUND

The Shire of Quairading has received letters from the Shire of Beverley, Shire of Corrigin, Shire of Cunderdin and the Shire of Tammin requesting that the following Fire Control Officers be appointed as Dual Fire Control Officers in the Shire of Quairading for the 2019/2020 Year: -

Shire of Beverley:

- Mr Bruce Kilpatrick
- Mr Bill Cleland
- Mr Deane Aynsley

Shire of Corrigin:

- Mr Bruce Mills
- Mr Ray Hathaway

Shire of Cunderdin:

- Mr David Fisher

Shire of Tammin:

- Mr Brian Humfrey

STATUTORY ENVIRONMENT

Bushfire Act 1954, Section 40.

40. Local governments may join in appointing and employing bush fire control officers

- (1) Two or more local governments may by agreement join in appointing, employing and remunerating bush fire control officers for the purposes of this Act.
- (2) Bush fire control officers so appointed may exercise their powers and authorities and shall perform their duties under this Act in each and every one of the districts of the local governments which have joined in appointing them.

POLICY IMPLICATIONS

N/A.

FINANCIAL IMPLICATIONS

Nil - All Fire Control Officers are Volunteers, however expenses relating to the Volunteers are borne by their Council and covered under the Emergency Services Operational Grants.

STRATEGIC IMPLICATIONS – Strategic Community Plan 2017 - 2027

Governance Objective: Strong governance and community engagement

ITEM	OUTCOMES AND STRATEGIES
G1	Robust Integrated Planning and Reporting (IPR)
G1.1	Continual improvement in IPR, transparency and accountability
G2	Strengthened Advocacy and Partnerships
G2.3	Regional and sub-regional partnerships to achieve better outcomes for the community

Social Objective: Active, healthy, safe and inclusive community

ITEM	OUTCOMES AND STRATEGIES
S3	Safe community
S3.1	Support emergency services planning, risk mitigation, response and recovery

COMMUNITY CONSULTATION

Nil.

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

Financial - Risk Matrix Rating is assessed as Low. There are no known significant financial implications.

Health – Risk Matrix Rating is assessed as Low

Reputation – Risk Matrix Rating is assessed as Low. Council has been requested to appoint the Dual Fire Control Officers which have been appointed and approved by their respective Councils. Likewise, Council has nominated Dual Fire Control Officers for each of the 8 neighbouring Councils, to have authority across the Shire Boundary.

Operation – Risk Matrix Rating is assessed as Low. Appointment of Dual Fire Control Officers provides greater clarity of Role and Authority on the Fire Incident Operations that go across Shire Boundaries.

Natural Environment – Risk Matrix Rating is assessed as Low.

10.3 Request for Submissions – Standards and Guidelines for Local Government CEO Recruitment and Selection, Performance Review and Termination; and Mandatory Code of Conduct for Council Members, Committee Members and Candidates

Meeting Date	28 th November 2019
Responsible Officer	CEO Graeme Fardon
Reporting Officer	CEO Graeme Fardon
Attachments	(i) DLGSC Standards and Guidelines for Local Government CEO Recruitment and Selection, Performance Review and Termination (ii) WALGA Draft Submission – CEO Recruitment (iii) DLGSC Standards and Guidelines for Mandatory Code of Conduct for Council Members, Committee Members and Candidates (iv) WALGA Draft Submission – Mandatory Code of Conduct
Owner/Applicant	
Disclosure of Interest	Impartiality – Item partially relates to CEO appointments and reviews

OFFICER RECOMMENDATION

RESOLUTION: 81-19/20

MOVED Cr McGuinness SECONDED Cr Jo Haythornthwaite

That Council makes a submission to the Department of Local Government, Sport & Cultural Industries;

1. Supporting the WA Local Government Association position in relation to Draft Mandatory Code of Conduct for Council Members, Committee Members and Candidates;
2. Supporting the WA Local Government Association position in relation to Draft Standards and Guidelines for Local Government CEO Recruitment and Selection, Performance Review and Termination.

CARRIED 8/0

IN BRIEF

- On 27 June 2019, the Local Government Legislation Amendment Act 2019 was passed in Parliament.
- The Local Government Act includes a requirement for the introduction of:
 - a mandatory code of conduct for council members, committee members and candidates (Code of Conduct)
 - mandatory minimum standards covering the recruitment, selection, performance review and early termination of local government Chief Executive Officers (CEO Standards).
- WALGA provided Council with their Draft Submission on both the proposed Code of Conduct and the CEO Standards, of which a copy has been provided for Councillors' reference. The Draft Submission on Code of Conduct raises a number of questions and issues where feedback from the Local Government is sought.
- These issues and questions are identified in the body of the draft submission. WALGA sought feedback on the draft submissions by Friday, 25 October, 2019. Following sector feedback, the draft submissions has now been included in the December State Council Agenda for

consideration at November Zone meetings, before being considered at the 4 December 2019 meeting of State Council.

- The Department of Local Government, Sport and Cultural Industries has extended the consultation timeframe on the two consultation papers until Friday, 6th December 2019.

MATTER FOR CONSIDERATION

For Council to endorse the WALGA submissions to the Department of Local Government, Sport and Cultural Industries (the Department) in response to its discussion papers Standards and Guidelines for Local Government CEO Recruitment and Selection, Performance Review and Termination, and Standards and Guidelines for Mandatory Code of Conduct for Council Members, Committee Members and Candidates.

BACKGROUND

In 2017 the State Government announced a review of the Act, which is the first significant reform of local government conducted in more than two decades. The objective of the review, conducted in phases, is for Western Australia to have a new, modern Act that empowers local governments to better provide for their communities. In November 2017 the Department released a discussion paper that is structured around Phase 1 of the review of the Act. Phase 1 focused on the following:

- making information available online
- meeting public expectations for accountability
- meeting public expectations of ethics, standards and performance
- building capacity through reducing red tape.

At its meeting held on 22nd February 2018 (143-17/18), Council determined that it would not be making a formal submission to the Phase 1 consultation process to Minister and the Department. Council however contributed to Phase 1 Consultation through the Central Country Zone.

In September 2018 the Minister for Local Government further announced Phase 2 of the consultation process. The Department prepared a series of discussion papers and online surveys for public comment. The discussion papers were focussed on the State Government's vision for local governments to be agile, smart and inclusive. Phase 2 of the review was focused on the following key topic areas within three themes:

- Agile
 - Beneficial enterprises.
 - Financial management.
 - Rates, fees and charges.
- Smart
 - Administrative efficiencies / local laws
 - Council meetings.
 - Interventions (Council Conduct and Governance).
- Inclusive
 - Community engagement.
 - Integrated planning and reporting.
 - Complaints management.
 - Local government elections.

At its meeting on 28th March 2019 (156-18/19), Council considered the Local Government Act 1995 Review (Phase 2) Discussion Papers published by the Department and made formal submission by 31st March 2019.

On 27 June 2019, the Local Government Legislation Amendment Act 2019 was passed in Parliament. The Act includes a requirement for the introduction of:

- a mandatory code of conduct for council members, committee members and candidates (Code of Conduct)
- mandatory minimum standards covering the recruitment, selection, performance review and early termination of local government Chief Executive Officers (CEO Standards).

The Department has recently sought feedback with regard to its proposed *Standards and Guidelines for Local Government CEO Recruitment and Selection, Performance Review and Termination, and Standards and Guidelines for Mandatory Code of Conduct for Council Members, Committee Members and Candidates*.

STATUTORY ENVIRONMENT

Local Government Act 1995 and associated Regulations.

Local Government Legislation Amendment Act 2019 introduces the new requirements for a mandatory Code of Conduct and CEO Standards.

POLICY IMPLICATIONS

Council currently has a code of conduct policy in place, Policy GOV.1

FINANCIAL IMPLICATIONS

Nil, in 2019/202 Year.

STRATEGIC IMPLICATIONS – Strategic Community Plan 2017 - 2027

Governance Objective: Strong governance and community engagement

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

COMMUNITY CONSULTATION

Nil.

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

Financial - Risk Matrix Rating is assessed as Low. Should some of the proposed changes be implemented by the Department of Local Government, Council would incur higher costs associated with proposed processes for employment, recruitment and performance reviews of CEOs.

Health – Risk Matrix Rating is assessed as Low.

Reputation – Risk Matrix Rating is assessed as Low. Providing a response to the Department's discussion papers enables the Shire to contribute to the review and potential amendments to the Local Government Act 1995 and therefore, the future purpose and role of local government.

Operation – Risk Matrix Rating is assessed as Low

Natural Environment – Risk Matrix Rating is assessed as Low.

COMMENT

Standards and Guidelines for Local Government CEO Recruitment and Selection, Performance Review and Termination, and Standards

The selection of the Chief Executive Officer is one of the most crucial decisions to be made by a Council. The relationship between Council and the Chief Executive Officer is fundamental to the performance of the local government in providing services to its community. Therefore, it is imperative that there is significant input and involvement of the governing body into the selection of the Chief Executive Officer.

The minimum standards and guidelines are considered acceptable; however, there are concerns relating to some specific aspects of the draft document. These concerns are as follows.

Part 1 – Recruitment and Selection

Principle S1.3 – Selection Panel and Independent Person

The inclusion of at least one independent person on the selection panel who is not a current elected member or staff member of the local government is not supported as a mandatory requirement, and such an appointment should be at the sole discretion of the Council, between whom the Chief Executive Officer and Council have an employer – employee relationship.

Principle S1.11 - Re-advertising the CEO Position after Ten Consecutive Years

It is questioned why it is considered good practice that a local government must re-advertise the Chief Executive Officer position after each instance where a person has occupied the Chief Executive Officer position for 10 consecutive years.

It is proposed that this principle not be supported as:

- there already exists employment law and fixed-term employment contract provisions that would allow the Council and Chief Executive Officer to end both the contractual and employment relationship if lawful and reasonable reasons exist for such an outcome
- there is a risk that chief executive officers approaching the 10-year mark, who may be excellent performers, may simply apply for another position rather than face the ignominy of having to reapply for their role and perhaps not be appointed
- a recruitment exercise is costly, and if the Council is satisfied with the Chief Executive Officers performance, regulation should not require this impost
- no other level of government requires this impost on chief executive officers.

Part 4 – Monitoring and Enforcement

The Shire supports the WALGA comment which acknowledges that the Chief Executive Officer recruitment process needs to be undertaken properly, and legally, and it is for these reasons that the sector advocate for a capacity building approach, with Councils encouraged to engage professional services and advice to ensure the process is undertaken properly.

One potential model proposed by the Department is for the establishment of an independent Local Government Commissioner. This position would provide a quality assurance role over Chief Executive Officer recruitment and selection, performance review and terminations by ensuring that the minimum standards were met. In relation to performance review, either the Chief Executive Officer or Council could approach the Local Government Commissioner who would have the power to order that a third party be involved in the performance management process if the Commissioner deemed it necessary.

This appears to be a new idea of the Department without any supporting information with regard powers, duties and role of the Commissioner.

It is therefore proposed that the Shire of Quairading does not support the proposal for a Local Government Commissioner until such time as the Department engages with the local government sector to explore the requirement for a Commissioner, or otherwise, and what that role might be.

Standards and Guidelines for Mandatory Code of Conduct for Council Members, Committee Members and Candidates

In November 2015, the then Department of Local Government and Communities released a consultation paper on a review of the Local Government (Rules of Conduct) Regulations 2007 and the minor breach disciplinary framework. At that time the proposed changes to the current disciplinary framework was intended to:

- empower local government to better manage the risk of misconduct
- establish a more pro-active complaints management culture
- streamline and simplify the process of dealing with complaints that allege low-level misconduct or that are trivial or vexatious.

On 27 June 2019, the Local Government Legislation Amendment Act 2019 was passed in Parliament which included some of the legislative change outcomes detailed within the Phase 1 consultation process. As such, amendments to the Act provided new Codes and Rules provisions under section 5.103(2) of the Act. This new provision states:

“(2) The model code of conduct must include –

- (a) general principles to guide behaviour;
- (b) requirements relating to behaviour; and
- (c) the rules of conduct.”

The draft Model Code of Conduct as proposed by the Department is constructed in three Parts:

- Part A – Principles [Section 5.103(2)(a)]
- Part B – Behaviour [Section 5.103(2)(b)]
- Part C – Rules of Conduct [Section 5.103(2)(c)].

Local governments will not be able to amend Parts A and C, but additional behavioural content may be included in Part B that is not inconsistent with the *Model Code*.

While certain aspects of the draft Model Code of Conduct can be supported, in the main it is recommended the Department re-visit improvements that were suggested within its 2015 review of the Local Government (Rules of Conduct) Regulations 2007 and assess the submissions received from across the sector in more detail.

WALGA have presented a draft response to the two draft codes, which has been provided as an appendix. Generally, the staff are supportive of the position being put forward by WALGA, noting the Chief Executive Officers disclosure of interest in relation to Draft Standards and Guidelines for Local Government CEO Recruitment and Selection, Performance Review and Termination.

ITEM 11 MATTERS FOR CONSIDERATION – HEALTH AND BUILDING

No matters for consideration.

ITEM 12 MATTERS FOR CONSIDERATION – WORKS

No matters for consideration.

RESOLUTION: 82-19/20

MOVED Cr McGuinness SECONDED Cr Smith

That Council accept new urgent Councillors' Business.

CARRIED 8/0

13.1 Caravan Park Cabins - Universal access ramp and barriers

Cr Stacey expressed concern with the design and construction of the single ramp access to the Universal Access Cabin with the risk of persons tripping or rolling off the veranda platform and the nearby wall and access up the stairs.

Universal access between and to the 3 Cabins was also raised.

Cr Smith suggested that access to all three (3) Cabins be made "universal access" compliant.

Cr McGuinness proposed that a Compliance and Risk Assessment be undertaken on all 3 Cabins and the Surrounds.

RESOLUTION: 83-19/20

MOVED Cr Stacey SECONDED Cr McGuinness

That Council: -

1. Authorise the Chief Executive Officer to undertake risk mitigation and remediation works on access and safety issues at the Cabins; and
2. That a Compliance and Risk Assessment be carried out on the Access and Safety at all three Cabins and Surrounds.

CARRIED 8/0

ITEM 14 CONFIDENTIAL BUSINESS – AS PER LOCAL GOVERNMENT ACT S5.23 (2)

14.1 Long Service Leave Application and Appointment of Acting Chief Executive Officer (Confidential Item)

The Meeting will be closed by Council Resolution to the Public under Part 5 Division 2 Section 5.23 (2)(a) and (b) of the Local Government Act 1995 as the Item relates to: -

- (a) “a matter affecting an employee or employees”.
- (b) “the personal affairs of any person”.

RESOLUTION: 84-19/20

MOVED Cr Hippisley SECONDED Cr Cowcill

That the meeting be closed to the Public at 2.52 pm to consider Item 14.1 in accordance with Section 5.23 (2) of the Local Government Act 1995.

CARRIED 8/0

2.52 pm

There were no members of the public in attendance.

OFFICER RECOMMENDATION

RESOLUTION: 85-19/20

MOVED Cr Jo Haythornthwaite SECONDED Cr Stacey

That Council: -

1. Approve the Chief Executive Officer’s Application for Long Service Leave and Annual Leave from Monday 30th March 2020 to Friday 15th May 2020.
2. Appoint Mr Allen Cooper as Acting Chief Executive Officer for the period of seven (7) weeks from Monday 30th March 2020 to Friday 15th May 2020 inclusive;
3. Authorise the Shire President and Chief Executive Officer to negotiate the terms of employment in line with the current Terms of Employment for the Chief Executive Officer (in conformity with Band 4 of the SAT Determination).

CARRIED BY ABSOLUTE MAJORITY 8/0

RESOLUTION: 86-19/20

MOVED Cr Hippisley SECONDED Cr Cowcill

That the meeting be open to members of the Public at 3.02 pm.

CARRIED 8/0

14.2 Public Reading of Resolution

Having opened the meeting to the Public, the Shire President read aloud the decision of the Council Resolution 85-19/20.

ITEM 15 NEXT MEETING DATE

The next Ordinary Meeting of Council is scheduled to take place on Thursday 19th December 2019, commencing at 2 pm at the Council Chambers, 10 Jennaberring Road, Quairading.

Cr Davies advised that Sergeant Lindsay Collett and Senior Constable Eddie Duffy have been invited for Afternoon Tea to welcome the new Police OIC.

Cr. Davies thanked Councillors and Staff for their attendance.

ITEM 16 CLOSURE

There being no further business, the Chairman closed the Meeting at 3.03 pm.

I certify the Minutes of the Ordinary Meeting of Council held on 28th November 2019 were confirmed on 19th December 2019 as recorded on Resolution No. _____

Confirmed..... 19/12/19