

# Attachments

## October

## 2019

## Attachments

### Minutes

Ordinary Meeting of Council Minutes- September 2019

Audit Committee Meeting Minutes- September 2019

Yilgarn History Museum Committee Minutes- August 2019

Yilgarn History Museum Committee Minutes- October 2019

WEROC Executive Meeting Minutes-September 2019

### Agenda Attachments

9.1.1 Final Report on State Council and Zone Structure

9.1.4 Draft Consultation Papers on Code of Conduct and CEO Standards Accingo

9.1.5 Report and Recommendations

9.1.6 Draft WEROC Constitution

9.2.1 Statement of Financial Activity-30<sup>th</sup> August 2019

9.2.2 Accounts for Payment

9.4.1 Bush Fire Advisory Committee Meeting Minutes-October 2019

9.4.2 Draft Skeleton Weed Meeting Minutes-October 2019

12.1 Referral of a License Amendment under the Environmental Protection Act  
1986 -Invitation to Comment



*"good country for hardy people"*

# *Minutes*

## *Ordinary Meeting of Council*

# *19<sup>th</sup> September 2019*

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## 1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member declared the meeting open at 4pm

## 2. ANNOUNCEMENTS FROM THE PRESIDING MEMBER

Cr Truran shared a Thankyou note received from Sarah Perrett regarding the prize she won, for a photography entry at the Southern Cross Agricultural Show, which the Shire of Yilgarn provided.

## 3. ATTENDANCE

Presiding Member	Cr O Truran	President
Members	Cr W Della Bosca Cr B Close Cr G Guerini Cr P Nolan Cr S Shaw	Deputy President
Council Officers	P Clarke C Watson R Bosenberg N Warren Laura Della Bosca	Chief Executive Officer Executive Manager Corporate Services Executive Manager Infrastructure Executive Manager Regulatory Services Minute Taker
Apologies:	Nil	
Observers:	Neil Grant-Williams, Craig Manton, Sam Foster, Lee Hunt	
Leave of Absence:	Cr David Pasini	

## 3A. APPLICATION FOR LEAVE OF ABSENCE

Cr Pasini applied in writing to the CEO for a Leave of Absence from the Ordinary Meeting of Council-19 September 2019.

**138/2019**

***Moved Cr Nolan/ Seconded Cr Guerini***

***That Cr Pasini be granted Leave of Absence from this Ordinary Meeting of Council***

**CARRIED (6/0)**

## 4. DECLARATION OF INTEREST

The CEO declared an Interest in 13.1, which related to his Performance Appraisal process.

## 5. PUBLIC QUESTION TIME

Nil

## 6 CONFIRMATION OF MINUTES

### 6.1 Ordinary Meeting of Council, Thursday 15 August 2019

**139/2019**

***Moved Cr Close/Seconded Cr Guerini***

**That the minutes from the Ordinary Council Meeting held on 15 August 2019 be confirmed as a true record of proceedings.**

**CARRIED (6/0)**

### 6.2 Great Eastern Country Zone, Tuesday 27 August 2019

Wheatbelt Communities Inc., Tuesday 27 August 2019

Wheatbelt East Regional Organisation of Councils, Tuesday, 27 August 2019-

**140/2019**

***Moved Cr Della Bosca/Seconded Cr Shaw***

***That the minutes from the Great Eastern Country Zone, the Wheatbelt Communities Inc. and the Wheatbelt Regional Organisation of Council held on the 27 August 2019 be received.***

**CARRIED (6/0)**

## 7. PRESENTATIONS, PETITIONS, DEPUTATIONS

Craig Manton (Regional Manager Wheatbelt) along with colleagues Sam Foster and Lee Hunt from Main Roads attended Council to provide an update on planned works on the Great Eastern Highway and associated funding for these projects. Mr Manton informed Council that he is an alternative contact point in the Wheatbelt regarding the Department of Transport and Public Transport Authority issues, reporting directly to the Director General monthly.

Mr Manton outlined the proposal for the Great Eastern Highway as the Federal Government has announced funding of \$18 million for use in this area. Mr. Manton's presentation included the upgrade of the Walgoolan and Moorine Rock Bridges, the reasoning behind the decision to allocate funding to these projects was that the funding is a significant amount to enable such projects to proceed, whereas the smaller amounts received yearly are sufficient for roadworks such as reseal and widening. Consideration was given to the realigning of the railway bridge in Carrabin in conjunction with ARC, however, ARC Industrial have declined to contribute to any upgrade of the railway bridge.

Last financial year there was 50-55km of improvement work done on the Great Eastern Highway with another 10 km to be done this year between Bodallin and Moorine Rock.

Following the presentation, Councillors were afforded the opportunity of raising issues with Mr Manton on matters regarding the Shires roads. Matters raised included issues on the Marvel Loch Road regarding repairs and maintenance due to heavy mine traffic and issues on the Great Eastern Highway regarding a recently upgraded section of the road slightly east of Garrett Road which appear to not have improved the road and flooding issues 5 km west of Garret road. Mr. Manton indicated he would provide feedback to the CEO on the matters raised.

Cr Truran thanked Mr. Manton and associates for attending the presentation.

Craig Manton (Regional Manager Wheatbelt), Sam Foster and Lee Hunt left the meeting at 4.40pm

## 8. DELEGATES' REPORTS

The Shire President announced that she has attended the following meeting over the course of the month;

20-21 August 2019-	Attended and Chaired the DHAC meeting.
27 August 2019-	Attended the GECZ, WE-ROC and WCI meetings along with the CEO and Deputy President.
28 August 2019-	Attended the new Councillor Information session.
31 August 2019-	Opened the 2019 Southern Cross Agricultural Show
6 September 2019-	Presented the awards at the YSSSA carnival.
11 September 2019-	Attended the WALGA Video conference
16 September 2019-	Attended the WACHS Community Consultation workshop.

Cr Nolan  
27 August 2019- Attended the AgCare meeting.

Cr Della Bosca  
27 August 2019- Attended the GECZ, WE-ROC and WCI meetings with the CEO and President  
9 September 2019- Attended the DOAC meeting  
14 September 2019 Opened the General Museum Committee Meeting

## 9 OFFICERS REPORTS

### 9.1 Officers Report – Chief Executive Officer

#### 9.1.1 Audit Regulation 17 Review & Financial Management Review 2019

<b>File Reference</b>	<b>1.1.12.3 &amp; 8.2.3.5</b>
<b>Disclosure of Interest</b>	<b>None</b>
<b>Voting Requirements</b>	<b>Absolute Majority</b>
<b>Attachments</b>	<b>2019 FMSR Report - Shire of Yilgarn 2019 Reg 17 Report - Shire of Yilgarn</b>

#### Purpose of Report

To present to Council the recently completed Audit Regulation 17 Review and Financial Management Review 2019.

#### Background

In accordance with the *Local Government (Financial Management) Regulations 1996* and the *Local Government (Audit) Regulations 1996*, the above Reviews were conducted during August 2019.

#### Comment

AMD Chartered Accountants, a specialist Local Government Auditing firm, were appointed to conduct the Audit Regulation 17 Review and Financial Management Review. Appointing an external auditor to conduct the Reviews is of benefit as it provides an impartial review to inform the CEO and Council with recommendations that work towards continuously improving the organisation in the financial and risk management areas of responsibility.

In respect to the Audit Regulation 17 Review, the *Local Government (Audit) Regulations 1996* state that the CEO is to report on the results of the Review to Council's Audit Committee. To ensure that the CEO met this requirement, both documents were presented to the meeting of the Audit Committee held prior to this Council meeting.

As indicated at the Audit Committee meeting, it is important to note that the Reviews are performed on the same basis without differentiating between a small or large local government and their respective capacities and capabilities. With limited human resources to undertake a number of the recommendations, it means that Council will be required to engage external consultants to complete complex policy frameworks.

Councillors will note that within the Reports, management was required to make comments on the recommendations provided by AMD and whilst the majority indicate there will be appropriate action taken to meet the recommendations, there are those that will require a financial commitment from Council to engage external assistance. Therefore, the timeframe for completing these recommendations has been extended to the 2020/2021 financial year for budget purposes.

## Statutory Environment

### *Local Government (Financial Management) Regulations 1996 and the*

#### **5. CEO's duties as to financial management**

- (1) Efficient systems and procedures are to be established by the CEO of a local government —
  - (a) for the proper collection of all money owing to the local government; and
  - (b) for the safe custody and security of all money collected or held by the local government; and
  - (c) for the proper maintenance and security of the financial records of the local government (whether maintained in written form or by electronic or other means or process); and
  - (d) to ensure proper accounting for municipal or trust —
    - (i) revenue received or receivable; and
    - (ii) expenses paid or payable; and
    - (iii) assets and liabilities;and
  - (e) to ensure proper authorisation for the incurring of liabilities and the making of payments; and
  - (f) for the maintenance of payroll, stock control and costing records; and
  - (g) to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.
- (2) The CEO is to —
  - (a) ensure that the resources of the local government are effectively and efficiently managed; and
  - (b) assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year); and
  - (c) undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews.

### *Local Government (Audit) Regulations 1996*

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

- (1) The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —
  - (a) risk management; and
  - (b) internal control; and
  - (c) legislative compliance.

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

### Strategic Implications

Shire of Yilgarn Strategic Community Plan 2018-2028 – Civic Leadership – A trustworthy and cohesive Council that functions efficiently and effectively to meet the needs of our community.

### Policy Implications

Nil

### Financial Implications

Future Budget allocations to comply with the more complex recommendations.

### Recommendation and Council Decision

**141/2019**

***Moved Cr Nolan/Seconded Cr Close***

***That Council accepts the recommendations and management comments relating to the Audit Regulation 17 Review and Financial Management Review 2019 as presented to the Audit Committee that was completed by AMD Chartered Accountants in accordance with the Local Government (Financial Management) Regulations 1996 and the Local Government (Audit) Regulations 1996.***

***CARRIED BY ABSOLUTE MAJORITY (6/0)***

## 9.1 Reporting Officer – Chief Executive Officer

### 9.1.2 Annual Policy Manual Review

<b>File Reference</b>	<b>2.3.3.2</b>
<b>Disclosure of Interest</b>	<b>Nil</b>
<b>Voting Requirements</b>	<b>Absolute Majority</b>
<b>Attachments</b>	<b>Council and Staff Policy Manuals</b>

#### Purpose of Report

To inform Council of the Annual Review in relation to Council and Staff Policy Manuals.

#### Background

Council previously undertook a substantial review of Council Policies at its Ordinary Council meeting held on Thursday 20 September 2018.

#### Comment

Following a review of the Council Policies by the executive staff, the following amendments are recommended for Council consideration:

#### Council Policy Manual

- Policy 1.6 – Media Policy  
Change of responsible Officer associated with the preparation of the Community Newsletter
- Policy 1.9 - Councillor IPAD/Tablet Policy  
Wording changes to clarify use of iPads and annual Councillor IT allowance.
- Policy 1.12 - Induction for Councillors  
New Policy – As recommended in the 2019 Regulation 17 Review.
- Policy 3.6 - Signing of Cheques  
With the resignation of the Manager Community Services and the decision not to replace this position, the reference to the position as being a signatory to cheques has been removed.
- Policy 4.5 - Swimming Pool Usage  
With the resignation of the Manager Community Services and the decision not to replace this position, the responsibilities of the Swimming Pool has now been delegated to the Executive Manager Regulatory Services.



**Policy 6.9 - Community Funding Program**

With the resignation of the Manager Community Services and the decision not to replace this position, the responsibilities for coordinating the Community Funding Program has now been delegated to the Community Resource Centre Coordinator.

**Staff Policy Manual**

**Policy 7.2 - Employee Benefits**

Included provision for Safety Representative Allowance. This allowance encourages employees to take on the position as Safety Representative and to recognise the associated responsibilities with the position.

**Policy 7.10 - Media Policy**

Change of responsible Officer associated with the preparation of the Community Newsletter

**Policy 7.12 - Motor Vehicle Use**

With the resignation of the Manager Community Services and the decision not to replace this position, the reference to the provision of a vehicle for this position has been removed.

**Policy 7.21 - Grievances, Investigations and Resolutions**

New Policy – The Staff Policy Manual lacked a quality and robust process for the handling of the above issues. This new Policy clearly spells out the process for all employees.

**Policy 7.22 - Disciplinary Policy**

New Policy – This new Policy is similar to the above in that it addresses the issues of employee behaviour, misconduct or unacceptable performance levels that require disciplinary action and to which all employees are aware of the processes.

**Statutory Environment**

Section 2.7 of the Local Government Act 1995

**2.7. Role of council**

(1) The council —

(a) governs 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.

#### Strategic Implications

Nil

#### Policy Implications

Recommended changes to Policy

#### Financial Implications

Nil

#### Officer Recommendation and Council Decision

**142/2019**

***Moved Cr Della Bosca/Seconded Cr Guerini***

***That Council notes the Annual Review of Council's Policies undertaken by Council's Executive Managers and endorses the inclusion, deletion and amendments of the Policy's indicated above and for same to be included in the 2019 Council and Staff Policy Manuals.***

**CARRIED BY ABSLOUTE MAJORITY (6/0)**

## 9.1 Officers Report – Chief Executive Officer

### 9.1.3 Proposed Special Meeting of Council

<b>File Reference</b>	<b>2.1.2.8</b>
<b>Disclosure of Interest</b>	<b>Nil</b>
<b>Voting Requirements</b>	<b>Simple Majority</b>
<b>Attachments</b>	<b>Nil</b>

#### Purpose of Report

To present to Council the proposal to conduct a Special Meeting for the purposes of Swearing-In newly Elected Members of Council, Elections of Shire President and Deputy Shire President and appointment of Committees and representatives.

#### Background

The Council Elections are to be conducted on Saturday, 19 October 2019 and in consideration that the next Ordinary Council meeting is not scheduled to be held until Thursday, 21 November 2019, it is recommended that Council conducts a Special Meeting of Council immediately following the Elections for the purposes as detailed above.

#### Comment

The proposal to conduct the Special Meeting of Council will ensure that Council is not without an appointed Shire President and Deputy Shire President and appointed Committees and representatives between the Elections on Saturday, 19 October and the next scheduled Ordinary meeting on Thursday, 21 November 2019.

It is proposed that the Special Meeting be held on Tuesday, 22 October 2019.

The conduct of this meeting will also allow newly elected Members to invite family and friends to witness the Swearing-in process and following the meeting, enjoy fellowship with Councillors and staff.

#### Statutory Environment

*Local Government Act 1995* – Section 2.15 and Schedule 2.3 Division 2.

#### Strategic Implications

Shire of Yilgarn Strategic Community Plan 2018-2028 – Civic Leadership – A trustworthy and cohesive Council that functions efficiently and effectively to meet the needs of our community.

#### Policy Implications

Nil.

### Financial Implications

Nil.

### Officer Recommendation and Council Decision

**143/2019**

***Moved Cr Shaw/Seconded Cr Close***

***That Council schedules a Special Meeting of Council to be held on Tuesday, 22 October 2019 commencing at 5.00pm for the purposes of Swearing-In newly Elected Members of Council following the 2019 Council Elections, and for the purposes of electing the Shire President, Deputy Shire President, appointment of Council Committees and associated Committee representatives.***

**CARRIED (6/0)**

## 9.1 Officers Report – Chief Executive Officer

### 9.1.4 Local Government Professionals Australia (WA) - Annual State Conference

<b>File Reference</b>	<b>1.1.8.1</b>
<b>Disclosure of Interest</b>	<b>None</b>
<b>Voting Requirements</b>	<b>Simple Majority</b>
<b>Attachments</b>	<b>Nil</b>

#### Purpose of Report

To seek the approval of Council for the CEO and Executive Manager Regulatory Services to attend the Local Government Professionals Australia (WA) Division Annual State Conference.

#### Background

The Contracts of Employment for both of the above Officers supports Professional Development and in the CEO's case, the following is incorporated into the document:-

### 6.3 Professional Development

- (a) In this clause, '**conference**' include workshop, forum of similar event.
- (b) The Local Government –
  - (i) Supports, as part of the CEO's performance of the functions, the membership of professional bodies and attendance at conferences; and
  - (ii) Must pay the costs associated with the CEO's membership of professional bodies up to the amount specified; and
  - (iii) Subject to prior approval by the Council (or, if the Council so resolves, the President) and in accordance with the Budget, must also pay the costs of conference attendances by the CEO for professional development purposes relevant to the functions.

#### Comment

Local Government Professionals Australia is the peak body of local government professionals and to which the CEO is a long standing member and the Executive Manager Regulatory Services recently becoming a member.

The 2019 Conference, titled "*Be Unstoppable – Join Forces Now*" will be held in Perth between Wednesday, 6 to Friday, 8 November. The program's content over the 3 days is highly relevant to the current issues affecting the local government sector.

### Statutory Environment

Contracts of Employment.

### Strategic Implications

Shire of Yilgarn Strategic Community Plan 2018-2028 – Civic Leadership – A trustworthy and cohesive Council that functions efficiently and effectively to meet the needs of our community.

### Policy Implications

Nil

### Financial Implications

Provision for Conference attendance included in 2019/2020 Budget.

### Officer Recommendation and Council Decision

**144/2019**

***Moved Cr Shaw/Seconded Cr Guerini***

***That Council grants approval for the CEO and Executive Manager Regulatory Services to attend the Local Government Professionals Australia (WA Division) Annual State Conference to be held in Perth between Wednesday, 6 and Friday, 8 November 2019 and pays all associated costs with such attendance.***

**CARRIED (6/0)**

## 9.1 Officers Report – Chief Executive Officer

### 9.1.5 Wheatbelt Secondary Freight Network

<b>File Reference</b>	<b>1.6.21.10</b>
<b>Disclosure of Interest</b>	<b>Nil</b>
<b>Voting Requirements</b>	<b>Simple Majority</b>
<b>Attachments</b>	<b>Wheatbelt Secondary Freight Network Documents</b>

#### Purpose of Report

To present to Council for endorsement the Wheatbelt Secondary Freight Network's Governance Framework, Program Delivery Plan and Multi-Criteria Analysis Methodology.

#### Background

At the May 2019 Ordinary Council meeting, Councillors were advised that the Wheatbelt Secondary Freight Network (WSFN) network comprises 4,400km of Local Government managed roads that connect with State and National highways to provide access for heavy vehicles into the region. These roads are intended to enable large, high productivity trucks safe and cost effective access to business.

The project is being driven by local government authorities with a Working Group established consisting of representatives from the following organisations:

- Wheatbelt North Regional Road Group (WN RRG)
- Wheatbelt South Regional Road Group (WS RRG)
- WA Local Government Association (WALGA)
- Regional Development Australia - Wheatbelt (RDA-W)
- Main Roads WA-Wheatbelt Region (MRWA-WR)
- Wheatbelt Development Commission (WDC)

42 Local Governments of the Wheatbelt region have worked collaboratively for over 4 years to secure funding to improve secondary freight network routes on Local Government Roads in the Wheatbelt.

The Wheatbelt Secondary Freight Network (WSFN) Program has successfully been allocated \$70 million of Federal funding (ROSI) and this has been matched with State funding of \$17.5 million (reflecting the 80/20 funding agreement). The State funding will be sourced two thirds from the State and one third from the Local Governments whose assets are being upgraded.

#### Comment

Since May 2019, the WSFN Steering Committee have been busy working on the development of a governance framework to guide the WSFN operational rollout.

Over many weeks the Steering committee have met and discussed the variety of issues and have now completed a program Governance plan, Program delivery plan and a Multi-criteria analysis methodology. The Steering Committee now requests that this framework be presented to Council for formal acceptance by resolution.

The CEO and Executive Manager Infrastructure have read the attached documents and consider them as meeting of the overall goals and objectives of the WSFN.

#### **Statutory Environment**

Nil

#### **Strategic Implications**

Shire of Yilgarn Strategic Community Plan 2018-2028 – Civic Leadership – A trustworthy and cohesive Council that functions efficiently and effectively to meet the needs of our community.

#### **Policy Implications**

Nil

#### **Financial Implications**

Council has already agreed to contribute \$6,000 in its 2019/2020 Budget as a contribution to the WSFN, along with the other 42 participating Local Governments,.

#### **Officer Recommendation and Council Decision**

**145/2019**

***Moved Cr Della Bosca/Seconded Cr Guerini***

***That Council fully endorse the Wheatbelt Secondary Freight Network's Governance Framework, Program Delivery Plan and Multi-Criteria Analysis Methodology and advise the WSFN Steering Committee accordingly.***

**CARRIED (6/0)**



## 9.2 Reporting Officer– Executive Manager Corporate Services

### 9.2.1 Financial Reports

<b>File Reference</b>	<b>8.2.3.2</b>
<b>Disclosure of Interest</b>	<b>Nil</b>
<b>Voting Requirements</b>	<b>Simple Majority</b>
<b>Attachments</b>	<b>Financial Reports</b>

#### Purpose of Report

To consider the Financial Reports

#### Background

Enclosed for Council's information are various financial reports that illustrate the progressive position of Council financially on a month-by-month basis.

The following reports are attached and have been prepared as at the 31<sup>st</sup> August 2019.

- Rates Receipt Statement
- Statement of Investments
- Monthly Statement of Financial Activity
- Own Source Revenue Ratio

Councillors will be aware that it is normal practice for all financial reports to be indicative of Council's current Financial Position as at the end of each month.

#### Comment

Nil

#### Statutory Environment

Local Government (Financial Management) Regulations 1996 Regulation 34(i)(a) and Regulation 17.

#### Strategic Implications

Nil

#### Policy Implications

Nil

### Financial Implications

Nil

### Officer Recommendation and Council Decision

**146/2019**

***Moved Cr Nolan/Seconded Cr Della Bosca***

***That Council endorse the various Financial Reports as presented for the period ending 31<sup>st</sup> August 2019***

**CARRIED (6/0)**

## 9.2 Reporting Officer– Executive Manager Corporate Services

### 9.2.2 Accounts for Payment

<b>File Reference</b>	<b>8.2.1.2</b>
<b>Disclosure of Interest</b>	<b>Nil</b>
<b>Voting Requirements</b>	<b>Simple Majority</b>
<b>Attachments</b>	<b>Accounts for Payment</b>

#### Purpose of Report

To consider the Accounts for Payment

#### Background

Municipal Fund – Cheque Numbers 40817 to 40826 totalling \$9,183.43, Municipal Fund-EFT Numbers 9124 to 9207 totalling \$427,455.92, Municipal Fund – Cheque Numbers 1539 to 1548 totalling \$289,526.15, Municipal Fund Direct Debit Numbers 13830.1 to 13935.11 totalling \$59,810.79, Trust Fund 402433 to 402457 totalling \$43,827.67 and Trust Fund – Cheque Numbers 6190 to 6193 (DPI Licensing), totalling \$33,686.50 are presented for endorsement as per the submitted list.

#### Comment

Nil

#### Statutory Environment

Sections 5.42 and 5.44 of the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996, Regulation No 12 and 13

#### Strategic Implications

Nil

#### Policy Implications

Council has provided delegation to the Chief Executive Officer to make payments from the Shire of Yilgarn Municipal, Trust or other Fund.

#### Financial Implications

Drawdown of Bank funds

**Officer Recommendation and Council Decision**

**147/2019**

***Moved Cr Guerini/Seconded Cr Shaw***

***Municipal Fund – Cheque Numbers 40817 to 40826 totalling \$9,183.43, Municipal Fund-EFT Numbers 9124 to 9207 totalling \$427,455.92, Municipal Fund – Cheque Numbers 1539 to 1548 totalling \$289,526.15, Municipal Fund Direct Debit Numbers 13830.1 to 13935.11 totalling \$59,810.79, Trust Fund 402433 to 402457 totalling \$43,827.67 and Trust Fund – Cheque Numbers 6190 to 6193 (DPI Licensing), totalling \$33,686.50 are presented for endorsement as per the submitted list.***

**CARRIED (6/0)**

### 9.3 Reporting Officer– Executive Manager for Infrastructure

#### 9.3.1 Supply and Spray Bitumen for 2019/2020 Financial Year

<b>File Reference</b>	<b>6.6.2.11 &amp; 6.6.8.8</b>
<b>Disclosure of Interest</b>	<b>Nil</b>
<b>Voting Requirements</b>	<b>Simple Majority</b>
<b>Attachments</b>	<b>Nil</b>

#### Purpose of Report

Supply and Spray Hot Bitumen for 2019/2020 Financial Year Road Construction Program

#### Background

Quotations were invited through WALGA Preferred Supply Contract for the supply and spraying of hot bitumen for the 2019/2020 Financial Year Road Construction Program. Bitumen required for the 2019/2020 Road Construction Program is for, Cramphorne Road, Bodallin South Road, Moorine South Road, Koorda Bullfinch Road (M40), Koolyanobbing Road and Achenear Street.

It is estimated 382,400 litres of bitumen is required for 2019/2020 of which 355,300 litres will be sprayed in lots of above 25,000 litres and the remaining 27,100 litres will be sprayed in lots off between 10,000 to 25,000 litres.

Included in the quotation request is a requirement to submit a cost per tonne to carry out pre-coating of 3000 tonnes of aggregate.

#### Comment

Four companies were invited two submitted quotations (Fulton Hogan, Boral, Bitumen Surfacing and Bitutek) to supply and spray bitumen for 2019-2020 Financial Year, Bitutek and Boral supplied quotes, Bitumen Surfacing advised that they will not be submitting quotation due to prior commitments and Fulton Hogan did not submit

#### 1. Bitutek (GST exclusive)

<u>Hot Sprayed Bitumen</u>	<u>95/5-Primer Seal</u>	<u>98/2-Seal</u>
up to 10,000	\$ 1.45 per litre	\$ 1.45 per litre
10,000 25,000	\$ 1.20 per litre	\$ 1.20 per litre
over 25,000	\$ 1.15 per litre	\$ 1.15 per litre

*Pre-coating Aggregate*      \$ 2.25 per tonne

#### Expected total cost to Council's Construction Program

27,100 litres in job lots of 10,000 to 25,000 litres of 95/5:	\$ 32,520.00
355,300 litres in job lots above 25,000 litres of 98/2:	\$419,254.00
adhesive agent	\$ 2,105.00
3000 tonnes aggregate x \$2.25 per tonne	<u>\$ 6,750.00</u>
<b>Total</b>	<b><u>\$460,629.00</u></b>

Rates for pre-coating are based on the following:

Shire of Yilgarn to supply at no cost to Bitutek:

- 1) Loader
- 2) Wetting agent (diesel) for the pre-coating

---

**2. Boral (GST exclusive)**

<u>Hot Sprayed Bitumen</u>	<u>95/5-Primer Seal</u>	<u>98/2-Seal</u>
up to 10,000	\$ 1.45 per litre	\$ 1.33 per litre
10,000 25,000	\$ 1.29 per litre	\$ 1.25 per litre
over 25,000	\$ 1.36 per litre	\$ 1.30 per litre

*Pre-coating Aggregate \$ 2.25 per tonne*

**Expected total cost to Council's Construction Program**

27,100 litres in job lots of 10,000 to 25,000 litres of 95/5:	\$ 34,959.00
355,300 litres in job lots above 25,000 litres of 98/2:	\$461,890.00
adhesive agent	\$ 2,583.00
3000 tonnes aggregate x \$2.45 per tonne	\$ 7,350.00
<b>Total</b>	<b><u>\$506,782.00</u></b>

Rates for pre-coating are based on the following:

Shire of Yilgarn to supply at no cost to Boral:

- 3) Loader
- 4) Wetting agent (diesel) for the pre-coating

---

Bitutek was the company that supplied and sprayed bitumen for Council in the 2018/2019 Financial Year. The service and quality of goods supplied was to a good standard.

When setting the 2019/2020 Financial Year Construction Budget an estimated monetary allocation of \$469,300 has been allowed for in council's construction program for the supply and spray of hot bitumen and pre-coating of aggregate.

**Strategic Implications**

2019/2020 Construction Program

**Policy Implications**

In line with Council's Policy, *"Finance 3.5 Purchasing Quotes and Tenders"*

**Financial Implications**

Monetary costs associated for the supply, and spraying of hot bitumen has been allowed for in Council's 2019/2020 Construction Program Budget

**Officer Recommendation and Council Decision**

**148/2019**

***Moved Cr Guerini/Seconded Cr Close***

***That Council accepts the Quotation submitted by Bitutek for the supply and spraying of hot bitumen and pre-coating of aggregate for the 2019/2020 Financial Year.***

**CARRIED (6/0)**

## 9.4 Reporting Officer– Executive Manager Regulatory Services

### 9.4.1 Proposal to Lease a Portion of 11 Antares Street, Southern Cross

<b>File Reference</b>	<b>2.4.1.26</b>
<b>Disclosure of Interest</b>	<b>Nil</b>
<b>Voting Requirements</b>	<b>Simple Majority</b>
<b>Attachments</b>	<b>Nil</b>

#### Purpose of Report

To consider a submission of interest to lease a portion of 11 Antares Street, Southern Cross.

#### Background

The Shire of Yilgarn is in receipt of a submission from a local business operator, proposing to lease a portion of 11 Antares Street, Southern Cross.

The individual has proposed leasing Portion A, being the front-northern portion of 11 Antares Street, for the purpose of running a massage and beauty therapy business.

The premise was toured by the individual, where the current state of works required was discussed. As Council would be aware from the walk through some months ago, there is significant maintenance work required to bring the building up to a suitable standard.

This includes:

- Repair of the roof;
- Repair of sections of ceiling;
- Replace/clean water damaged sections of carpet; and
- Check/Repair air conditioning;

As Council are aware, \$26,000 had previously been budgeted to repair the roof of the building, however this was removed in the 2019/2020 budget, with the same amount included in the budget for engineering and design consultants to look at options for the building, with the idea of the CRC being relocated to this site and bringing some vibrancy to this side of the street.

The individual has stated they are willing to contribute to the maintenance required in Portion A.

In addition, Councillors will be aware that the Shire had been approached by a non-profit organisation, who had an interest in leasing portions C and D.

As detailed in the Statutory Environment section of this report, for Council to dispose of property, including via lease, it must first obtain a valuation of the property, then advertise any proposed disposal to the public before making a determination.



## Comment

To commence the process, a valuation is required, and it is proposed, due to multiple interests in the space, that the Shire undertake to have a licenced valuer attend the property and undertake a valuation on the price of lease. It is proposed to utilise a portion of the engineering and design consultants 2019-2020 budget allocation to undertake.

Once the valuation is provided, the interested parties can be re-approached, and asked to submit an offer to lease, which will need to be advertised as per Clause 3.58 of the Local Government act 1995.

In addition, the required maintenance and contributions can also be discussed, with a final proposal presented to Council for their consideration.

It is proposed, should Council endorse the recommendation, that if interested parties submit a lease proposal, whereby the monthly lease value is no less than 75% of the valuation, then advertising can commence immediately. Should the offer be below that price, then it will be returned to Council prior to advertising.

## Statutory Environment

### ***Local Government Act 1995***

### ***Part 3 Functions of local governments***

### ***Division 3 Executive functions of local governments***

#### ***3.58. Disposing of property***

##### ***1) In this section —***

*dispose includes to sell, lease, or otherwise dispose of, whether absolutely or not; property includes the whole or any part of the interest of a local government in property, but does not include money.*

##### ***2) Except as stated in this section, a local government can only dispose of property to —***

***(a) the highest bidder at public auction; or***

***(b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.***

##### ***3) A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property —***

***(a) it gives local public notice of the proposed disposition —***

***(i) describing the property concerned; and***

***(ii) giving details of the proposed disposition; and***

***(iii) inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given;***

and

- (b) it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.*
- 4) *The details of a proposed disposition that are required by subsection (3)(a)(ii) include —*
- (a) the names of all other parties concerned; and*
  - (b) the consideration to be received by the local government for the disposition; and*
  - (c) the market value of the disposition —*
    - (i) as ascertained by a valuation carried out not more than 6 months before the proposed disposition; or*
    - (ii) as declared by a resolution of the local government on the basis of a valuation carried out more than 6 months before the proposed disposition that the local government believes to be a true indication of the value at the time of the proposed disposition.*
- 5) *This section does not apply to —*
- (a) a disposition of an interest in land under the Land Administration Act 1997 section 189 or 190; or*
  - (b) a disposition of property in the course of carrying on a trading undertaking as defined in section 3.59; or*
  - (c) anything that the local government provides to a particular person, for a fee or otherwise, in the performance of a function that it has under any written law; or*
  - (d) any other disposition that is excluded by regulations from the application of this section.*

### Strategic Implications

#### Goal

A prosperous future for our community.

#### Outcome

Businesses in the Shire remain competitive and viable.

#### Strategy

Continue to provide an efficient and effective approval process.

### Policy Implications

Nil

### Financial Implications

Approximately \$1,500 to \$2,000 for onsite valuation

**Officer Recommendation and Council Decision**

**149/2019**

***Moved Cr Shaw/Seconded Cr Della Bosca***

***That Council endorse leasing portions of 11 Antares Street, Southern Cross for commercial purposes.***

***and***

***Approve engaging a licenced valuer to undertake a valuation of the commercial portion of 11 Antares Street, Southern Cross, with the expenditure to be taken from the 11 Antares Street engineering and design consultants 2019-2020 budget allocation.***

***and***

***Endorse commencing public notice of intention to dispose via lease, should a proposed lease value be no less than 75% of the value provided by a licenced valuer.***

**CARRIED (6/0)**

## 9.4 Reporting Officer– Executive Manager Regulatory Services

### 9.4.2 Disability Access and Inclusion Plan 2019-2024

<b>File Reference</b>	<b>1.6.10.2</b>
<b>Disclosure of Interest</b>	<b>Nil</b>
<b>Voting Requirements</b>	<b>Simple majority</b>
<b>Attachments</b>	<b>Draft Disability Access and Inclusion Plan 2019-2024</b>

#### Purpose of Report

To endorse the Shire of Yilgarn Disability Access and Inclusion Plan 2019 - 2024

#### Background

It is a requirement of the Disability Services Act 1993, that all public authorities must have a Disability Access and Inclusion Plan (DAIP) and that a full review must be undertaken every five years.

The Shire of Yilgarn DAIP was due for review in 2019, and as such, in February 2019, the Shire undertook a round of local Community Consultation, with advertisements in the local "Crosswords" newsletter, Shire website and community notice board, giving public notice that the DAIP was being reviewed and seeking submissions, especially from people with a disability, family and friends of people with a disability, carers, agencies and service providers.

The Shire of Yilgarn received no submissions during the four-week consultation process, however this was viewed as a positive, in that there were no grievances from members of the public in relation to our actions in relation to accessibility and inclusiveness.

The document nevertheless was reviewed by the Executive Manager Regulatory Services, with a number of new initiatives included.

The DAIP is now presented to Council for their endorsement, and subsequent submission to the Disability Services Commission.

#### Comment

As stated in the DAIP, the document is designed to be fluid, and can be reviewed and amended to meet the changing needs of the Yilgarn community. As such, whilst no feedback was received during the consultation period, it is welcomed at any time.

#### Statutory Environment

*Disability Services Act 1993*

*Part 5 — Disability access and inclusion plans by public authorities*

*28. Disability access and inclusion plans*

- (1) Each public authority must have a disability access and inclusion plan to ensure that in so far as its functions involve dealings with the general public, the performance of those functions furthers the principles in Schedule 1 and meets the objectives in Schedule 2.*

**Strategic Implications**

Nil

**Policy Implications**

Nil

**Financial Implications**

Nil

**Officer Recommendation**

**150/2019**

***Moved Cr Nolan/Seconded Cr Close***

***That Council endorse the Shire of Yilgarn Disability Access and Inclusion Plan 2019 - 2024 and consent to the plan being submitted to the Disability Services Commission.***

**CARRIED (6/0)**

## 9.4 Reporting Officer– Executive Manager Regulatory Services

### 9.4.3 Relinquishment of Responsibility for Reserve 28308

<b>File Reference</b>	<b>1.6.37.1</b>
<b>Disclosure of Interest</b>	<b>Nil</b>
<b>Voting Requirements</b>	<b>Simple Majority</b>
<b>Attachments</b>	<b>- Department of Planning Lands and heritage Correspondence</b> <b>- Aerial of Reserve 28308</b> <b>- Deposited Plan of Reserve 28308</b> <b>- Smartplan of Reserve 28308</b>

#### Purpose of Report

To consider a request from the Department of Planning Lands and Heritage (DPLH) to take over control of the Reserve 28308 in Koolyanobbing.

#### Background

The Shire is in receipt of correspondence from the DPLH, advising that the Public Transport Authority (PTA) vested Reserve 28308, located throughout the Koolyanobbing townsite, is no longer required by the PTA, and they have applied to relinquish control of the Reserve.

The DPLH, have sought Council's comments on the Shire of Yilgarn taking over control of the Reserve.

The correspondence and various maps and plans, as per DPLH correspondence, have been attached for Councillors perusal.

#### Comment

The sites are townsite zoned lots, scattered throughout the Koolyanobbing townsite. It is the opinion of the Executive Manager Regulatory Services that the Shire of Yilgarn has no use for these lots, and as such, should decline to have any interest in the Reserve.

#### Statutory Environment

Nil

#### Strategic Implications

Nil

#### Policy Implications

Nil

### Financial Implications

Nil

### Officer Recommendation and Council Decision

**151/2019**

***Moved Cr Close/Seconded Cr Della Bosca***

***That Council endorse advising the Department of Planning Lands and Heritage that the Shire of Yilgarn declines any interest in Reserve 28308.***

**CARRIED (6/0)**





**Department of Planning,  
Lands and Heritage**

Our ref: 02291-1965, Case 1901368  
Enquiries: Carol Bowyer ph 65518062

Mr Peter Clarke  
Chief Executive Officer  
Shire of Yilgarn  
PO Box 86  
SOUTHERN CROSS WA 6426

Via Email (Only): [yilgarn@yilgarn.wa.gov.au](mailto:yilgarn@yilgarn.wa.gov.au)

Dear Mr Clarke

**Relinquishment of Responsibility for Reserve 28308**

The Department of Planning, Lands and Heritage (DPLH) has received a proposal from the Public Transport Authority (PTA) to relinquish responsibility for 12 lots within the Shire of Yilgarn. The land, known as Reserve 28308 being lots 8, 16, 31, 42, 64, 69, 88, 90, 113, 115, 117 and 118 on Deposited Plan 209513 (attached). The lots are marked in red on the attached smart plan and aerial photograph.

The land was reserved in 1966 for Railway Housing. Westrail employees, other government agencies and various mining companies used the houses on the reserve until they were eventually demolished or transported to other sites.

In 1993, a Cabinet Decision was made to clear buildings of the town site for Portman Mining and after the Koolyanobbing railway barracks were demolished in 2003, the PTA has not had any interest in the land since.

A mining tenement (M77/990-1) for Cliffs Asia Pacific Iron Ore Pty Ltd currently exists over the Koolyanobbing town site that includes Reserve 28308. The mining tenement will expire in June 2024.

DPLH would like to know if the Shire of Yilgarn is interested in considering an interest in the aforementioned land? It would be most appreciated if you could respond at your earliest convenience.

For further enquiries, please contact Ms Carol Bowyer, Department of Planning, Lands and Heritage on telephone (08) 6551 8062.

Yours sincerely

Carol Bowyer  
Project Officer  
Land Management South – Goldfields Esperance Wheatbelt

22 August 2019

Att: Aerial Photograph  
Deposited Plan  
Smart Plan





Legend

Townsites

Notes:

The data that appears on the map may be out of date, not intended to be used at the scale displayed, or subject to license agreements. The map should only be used in matters related to Department of Planning, Lands and Heritage business.

Map was produced using DPLH's InQuiry.

Reserve 28308

**DPLH BUSINESS USE ONLY**

Internal Spatial Viewer



0 0.11 0.2 Kilometres

1: 4,514  
at A4

Projection: WGS 1984 Web Mercator Auxiliary Sphere

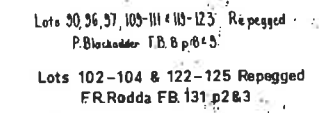
Date produced: 19-Jun-2019



LANDGATE USE ONLY. COPY OF ORIGINAL DP-20513 NOT TO SCALE

INCLUDES PART OF LOG 1425.  
SUPERSEDES PART OF QP 8605.

02 6613



**CERTIFICATE**

I hereby certify that this survey was performed by me personally  
or under my personal direction, instruction and field check,  
in strict accordance with the Licensed Surveyors' Code of  
Ethics and Regulations, 1961.

Licensed Surveyor.

Date: 9-5-68

Amount returned \$ \_\_\_\_\_  
or returned from \_\_\_\_\_ on O.P. 5609

Date of Marking 12-25-1964 Page 1 of 1 1964.

Field Book No. \_\_\_\_\_ Page 1 of 1

SCALE 1" = 40' CHAINS TO AN INC.

Public Plan No. 167300

Plan Drawn D. WILSON Date 12-1-64

Survey STAFF Pinned \_\_\_\_\_

Calculation Book No. REBILTON PL Pg. 74-75

Change data \_\_\_\_\_

Angular class SEE SPEC/DULE

Area \_\_\_\_\_

Compared with P.O. \_\_\_\_\_

Surveys Located \_\_\_\_\_  
See Record 4-2-1

Original plan passed \_\_\_\_\_

Date 9-5-68 Signature of Plan and Survey \_\_\_\_\_

SURVEY APPROVED BY Harold Brown  
AS AUTHORIZED BY THE CHAIRMAN SURVEYOR GENERAL  
DATE 12-1-67

On Successor Plan: \_\_\_\_\_

On Public Plan 167300 IS Y OR N

On Completion \_\_\_\_\_

Crown Error Proposed \_\_\_\_\_

**ORIGINAL PLAN No. 9513**

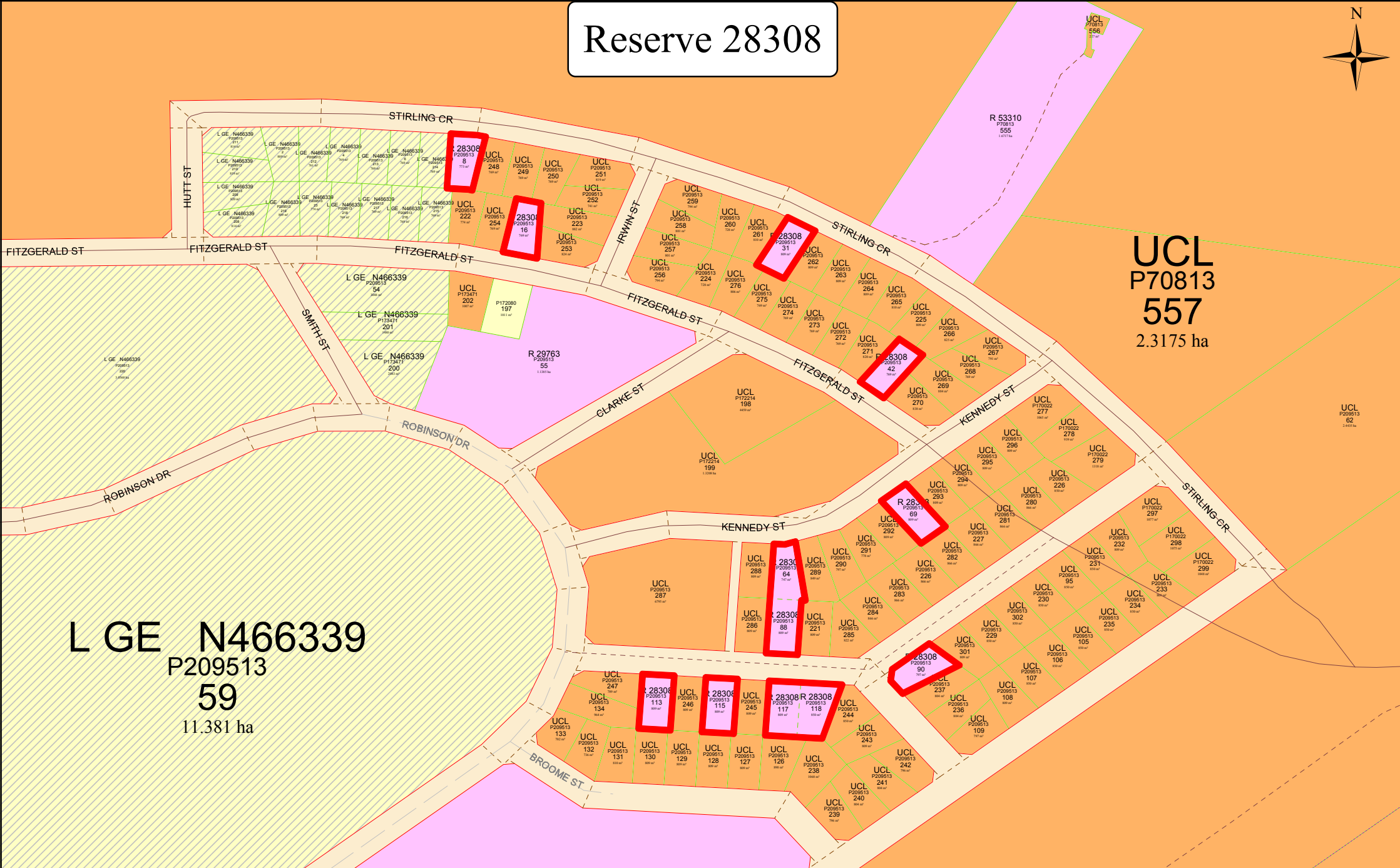
Registered: Harold Brown 9-5-68

LOT# 9-13, 15-17 REVEALED (Dwg. H-801767)  
LOT# 7-8-25-1 ALLOCATED (Dwg. 9-28-25-1/999-3) DE

3 21-27, 29, 31, 33, 35, 37  
 LOT#000 34-71-22-21 REVISITED (Doc. H 459030)  
 LOT#000 34-71-22-21 ALLOCATED (Doc. 3085 / PHS v2 pg 21a) 27

3 27-31, 33-37, 39-43  
 LOT#000 34-71-22-21 REVISITED (Doc. H 459031)  
 LOT#000 33-27-28 ALLOCATED (Doc. 3085 / PHS v2 pg 21a) 27

# Reserve 28308



**L GE N466339**  
**P209513**  
**59**  
 11.381 ha

**UCL**  
**P70813**  
**557**  
 2.3175 ha

Scale : 1:3000 (Geographical)  
 MGA : SW=740954.1E,6587764.9N Zone 50 / NE=741859.9E,6588385.4N Zone 50  
 Lat/Long : 119°31'07.816", -30°49'07.673" / 119°31'41.346", -30°48'46.874" H 184mm by W 297mm

Printed : 15:27 Wed 19/Jun/2019  
 © Western Australian Land Information Authority 2019



## 9.4 Reporting Officer– Executive Manager Regulatory Services

### 9.4.4 Softfall Playground Surface – Tennis Bowls

<b>File Reference</b>	<b>2.4.1.20</b>
<b>Disclosure of Interest</b>	<b>Nil</b>
<b>Voting Requirements</b>	<b>Absolute Majority</b>
<b>Attachments</b>	<b>Nil</b>

#### Purpose of Report

To endorse an overspend from the budgeted amount for softfall surface replacement at the Tennis/Bowls playground.

#### Background

The current softfall surface at the Tennis/Bowls playground is in a state of disrepair, with sections now separating and lifting, creating trip hazards for users of the playground.

A budgeted amount of \$50,000 was endorsed through the 2019/2020 budget setting process, with the amount based on previous works with a percentage increase.

Quotes have now been sought, with the following prices obtained, being higher than originally thought.

Mismatch Workshop has quoted \$1,000.00 inc GST for the removal of the existing softfall

Astro Synthetic Surfaces quoted \$59,427.50 inc GST for the install of EPDM softfall with a 5 year warranty.

Retech Rubber quoted \$58,344.00 inc GST for the install of EPDM softfall with a 12 month warranty.

#### Comment

Whilst quoted slightly higher, the 5 year warranty provided by Astro Synthetic Surfaces is deemed the best overall value and it is proposed to engage them to undertake the work.

As such, Council endorsement to engage Mismatch Workshop to remove the existing softfall and Astro Synthetic Surfaces to install the new EPDM softfall surface, with an overall cost to the Shire of Yilgarn at \$60,427.50 is sought. Noting it is higher than the originally budgeted \$50,000.

The works are essential, as the current softfall poses a hazard to user in its current state, and these proposed works will also bring the playground up to current Australian Standards, which have changed since the playground was installed.

### Statutory Environment

Nil

### Strategic Implications

#### Goal

An inclusive, secure and welcoming community that encourages families, youth and the aged to remain and contribute to our Shire in the long term

#### Outcome

Maintain / increase percentage of residents engaged in recreation, cultural and leisure activities for all demographics in the Shire

#### Strategy

Continue to provide and maintain high quality community infrastructure (recreation centre, oval, bowls, tennis facilities, swimming pool, library, community centre, halls)

### Policy Implications

Nil

### Financial Implications

\$60,427.50 allocated to Yilgarn Bowls & Tennis Club - Land & Buildings Capital

### Officer Recommendation and Council Decision

**152/2019**

***Moved Cr Guerini/Seconded Cr Shaw***

***That Council, endorse engaging Mismatch Workshop to remove the existing softfall and Astro Synthetic Surfaces to install the new EPDM softfall surface, with an overall cost to the Shire of Yilgarn at \$60,427.50. Noting it is higher than the originally budgeted \$50,000.***

**CARRIED BY ABSOLUTE MAJORITY (6/0)**

## 9.4 Reporting Officer– Executive Manager Regulatory Services

### 9.4.5 Sports Complex Roof Replacement – Stage 2

<b>File Reference</b>	<b>6.6.6.4</b>
<b>Disclosure of Interest</b>	<b>Nil</b>
<b>Voting Requirements</b>	<b>Absolute Majority</b>
<b>Attachments</b>	<b>Nil</b>

#### Purpose of Report

To endorse a variation to the tendered price for Stage 2 of the Sports Complex roof replacement project.

#### Background

At the November 2018 Council meeting, Councillors voted to award the tender for the replacement of the asbestos roof at the Southern Cross Sports Complex to Top Gun Roofing.

The project was split into two stages, to work in with budget constraints at the time, with Stage 1 being the lower roof, undertaken in 2018/2019.

Stage 2 is now proposed to be undertaken, being the upper roof and fascia.

The originally tendered price from Top Gun Roofing for Stage 2 was \$287,320 including GST. Top Gun have advised that due to price increases in materials, they have had to increase the price tendered to \$291,858.00 including GST, an increase of \$4,538 or 1.6%.

#### Comment

The requirements for variations to tendered prices was discussed with the Shire of Yilgarn auditors, AMD, in July of this year during their visit. Their advice was that recalling tenders was not required, and that Council endorsement of the variation was sufficient.

Sufficient funds have been included in the 2019/2020 budget to cover the variation.

#### Statutory Environment

Nil

#### Strategic Implications

##### Goal

An inclusive, secure and welcoming community that encourages families, youth and the aged to remain and contribute to our Shire in the long term

### **Outcome**

Maintain / increase percentage of residents engaged in recreation, cultural and leisure activities for all demographics in the Shire

### **Strategy**

Continue to provide and maintain high quality community infrastructure (recreation centre, oval, bowls, tennis facilities, swimming pool, library, community centre, halls)

### **Policy Implications**

Nil

### **Financial Implications**

\$291,858.00 including GST from the 2019/2020 endorsed budget

### **Officer Recommendation and Council Decision**

**153/2019**

***Moved Cr Close/Seconded Cr Shaw***

***That Council, endorse the variation request from Top Gun Roofing for Stage 2 of the Sports Complex Roof Replacement project, noting the price to undertake the works is \$291,858.00 including GST, including a \$4,538.00 increase from the originally awarded tendered price.***

**CARRIED BY ABSOLUTE MAJORITY (6/0)**

**10 APPLICATION FOR LEAVE OF ABSENCE**

Nil

**11 MOTIONS FOR WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**12 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING**

The Shire President advised that a Late Item had been circulated to Councillors by the Executive Manager Regulatory Services.

**154/2019**

***Moved Cr Guerini/Seconded Cr Shaw***

***That Council accepts the Late Item being presented for consideration.***

**CARRIED (6/0)**



## 12.1 LATE ITEM - Reporting Officer– Executive Manager Regulatory Services

### 12.1.1 Development Application – Transportable Residential Dwelling

<b>File Reference</b>	<b>3.1.3.2</b>
<b>Disclosure of Interest</b>	<b>Nil</b>
<b>Voting Requirements</b>	<b>Simple Majority</b>
<b>Attachments</b>	<b>Layout Plan and House Plan</b>

#### Purpose of Report

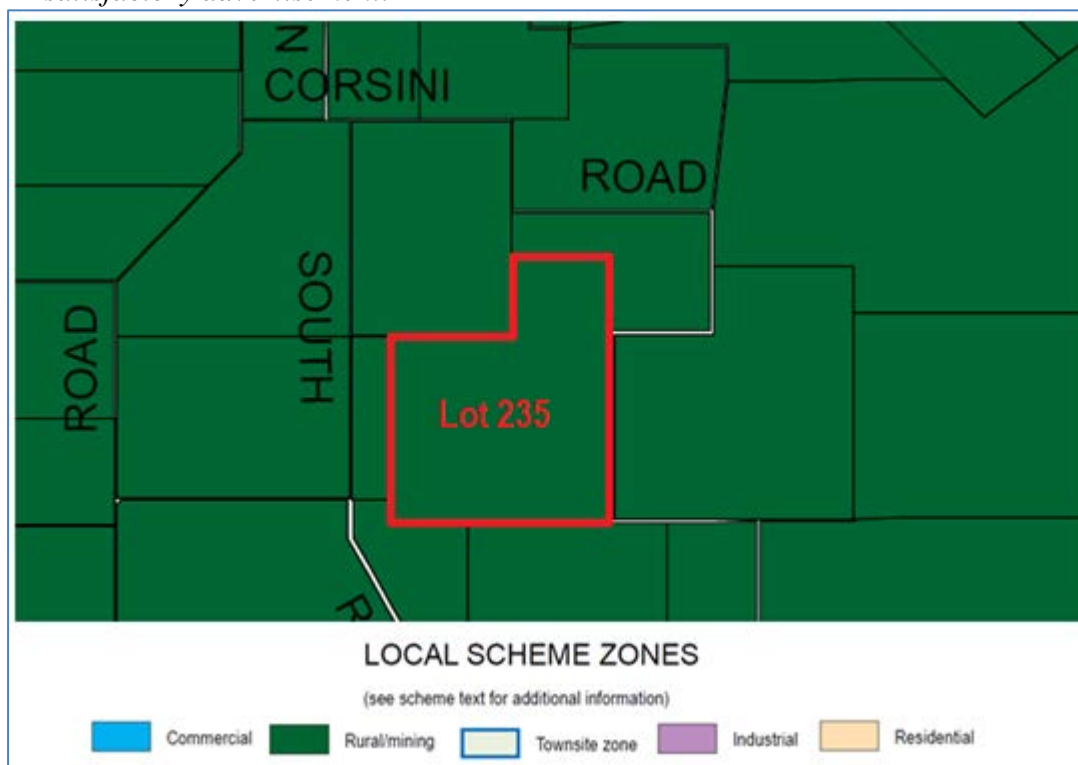
To consider a Development Application for the installation of a second dwelling on Lot 235 Bodallin South Road, Bodallin, being a transportable dwelling.

#### Background

The Shire is in receipt of a Development Application for the installation of a second residential dwelling on Lot 235 Bodallin South Road, Bodallin. The Development Specifications and Layout Plan are attached for Councillors perusal.

The lot is zoned “Rural/Mining” under the Shire of Yilgarn Town Planning Scheme 2 (TPS2), with the zoning described as:

*The Rural/Mining Zone is to be used for agricultural, residential and public recreation uses. Extractive industry (mining) occurs widespread in the rural area of the Shire but, owing to its high impact, needs to be approved by Council after satisfactory advertisement.*



The TPS2 Table 1 – Zoning Table details the permitted uses in the relevant zones, with a single residential house deemed a “P” use.

Clause 3.2.2 of TPS2 defines a “P” use as meaning that the use is permitted by the Scheme.

However, Section 5.3 of TPS2, states that a transportable dwelling is not permitted to be installed within the district without the prior consent of Council, as detailed below:

- 5.3.1 *Subject to the provisions of this clause, a Transportable Dwelling may not be transported to and placed on a lot within the District and thereafter occupied as a residential dwelling whether in whole or in part.*
- 5.3.2 *Notwithstanding the provisions of Sub-Clause 5.3.1, Council may permit a Transportable Dwelling to be placed on a lot within the District and used as a residential dwelling if, in the opinion of Council, the Transportable Dwelling:-*
  - (i) *complies with all applicable statutes, by-laws and regulations relating to dwelling houses applicable both to the Transportable Dwelling and the lot upon which it is to be situate following transportation and will not detrimentally affect the amenity of the locality in which the Transportable dwelling is to be situate; or*
  - (ii) *has been constructed of new materials and has been designed and built specifically to be capable of being dismantled, transported and reconstructed.*
- 5.3.3 *The approval to be obtained from Council pursuant to Sub-clause 5.3.2 may be granted on condition, which conditions may include a condition requiring the applicant to provide a bond to Council as surety for the completion of the Transportable Dwelling to a standard of presentation acceptable to Council within such period of time as Council may deem fit.*
- 5.3.4 *If Council has required a bond pursuant to Sub-clause 5.3.3 and the applicant fails to complete the Transportable Dwelling to a standard of presentation acceptable to Council within such period of time as has been specified by Council, or if no period has been specified within six months from the date of approval, then the bond is forfeited by the applicant and Council may deal with the bond in such manner as it deems fit, including but not limited to:*
  - (i) *keeping the bond;*
  - (ii) *applying such amount as may be necessary from the bond to complete the Transportable Dwelling to a standard of presentation acceptable to Council.*
  - (iii) *applying such amount as may be necessary from the bond to remove the Transportable Dwelling from the applicant=s property and to place it elsewhere;*
  - (v) *applying such amount as may be necessary from the bond in respect of administrative costs incurred by Council on the applicant's failure to complete the transportable Dwelling;*

- (vi) *returning such amount of the bond as Council deems fit to the applicant.*
- 5.3.5 *Where Council applies a bond in accordance with Sub-clause 5.3.4 (ii), (iii) or (iv);*
  - (i) *Council may give at least 1 month's written notice to the applicant of its intention to complete, demolish or remove the Transportable Dwelling;*
  - (ii) *Council need not complete the Transportable Dwelling in accordance with the licence conditions and the applicant's plans which were approved by Council, but may complete it to such standard and in such manner as it deems fit;*
  - (iii) *Council's employees, agents and contractors, with or without vehicles, machinery, plant, tool and the like may enter upon the applicant's land to complete, demolish or remove the Transportable Dwelling;*
  - (iv) *the applicant must pay to the Council on demand the amount by which the cost of completing, demolishing or removing the Transportable Dwelling exceeds the bond; and*
  - (v) *Council will not be liable for any loss or damage to the applicant or the applicant's property as a result of the completion, demolition or removal of the Transportable Dwelling.*

Clause 6.1 of the TPS2 details that if one single dwelling is installed on a lot in the district, then Council approval is not required, however, in the event a second dwelling is proposed, then Council approval is to be sought, as follows:

#### **6.1 REQUIREMENT FOR PLANNING APPROVAL**

6.1.1 *In order to give full effect to the provisions and objectives of this Scheme, all development, including a change in the use of land, except as otherwise provided, requires the prior approval of the Council in each case. Accordingly, no person shall commence or carry out any development, including a change in the use of any land, without first having applied for and obtained the planning approval of the Council pursuant to the provisions of this Part.*

6.1.2 *The planning approval of the Council is not required for the following development of land:*

- (d) *The erection on a lot of a single dwelling house, including ancillary outbuildings, in a zone where the proposed use is designated with the symbol "P" in the cross reference to that zone in the Zoning Table, except where otherwise provided by the Scheme.*

As the lot is located in a rural zone, there is no R-Code allocation, and as such, setback requirements under the Residential Design Codes are not applicable.

### Comment

Being a "Rural/Mining" lot, there is insignificant risk that this development proposal will pose any risk to the amenity of the area.

It is considered a bond is not necessary, due to the minimal impact on surrounding properties and aesthetics.

Vehicular access is already provided for via access off Bodallin South Road.

There are no Residential Design Codes applicable, and as such, no requirement to assess against these.

The location of the dwelling will still permit for relevant fire breaks to be installed around the property.

It is the Reporting Officers opinion that due to the above, Council endorse approval of the proposed development

### Statutory Environment

Planning and Development Act 2005  
Shire of Yilgarn Town Planning Scheme 2

### Strategic Implications

#### Goal

A prosperous future for our community.

#### Outcome

Businesses in the Shire remain competitive and viable.

#### Strategy

Continue to provide an efficient and effective approval process.

### Policy Implications

Nil

### Financial Implications

Planning and Development fee income.

**Officer Recommendation and Council Decision**

**155/2019**

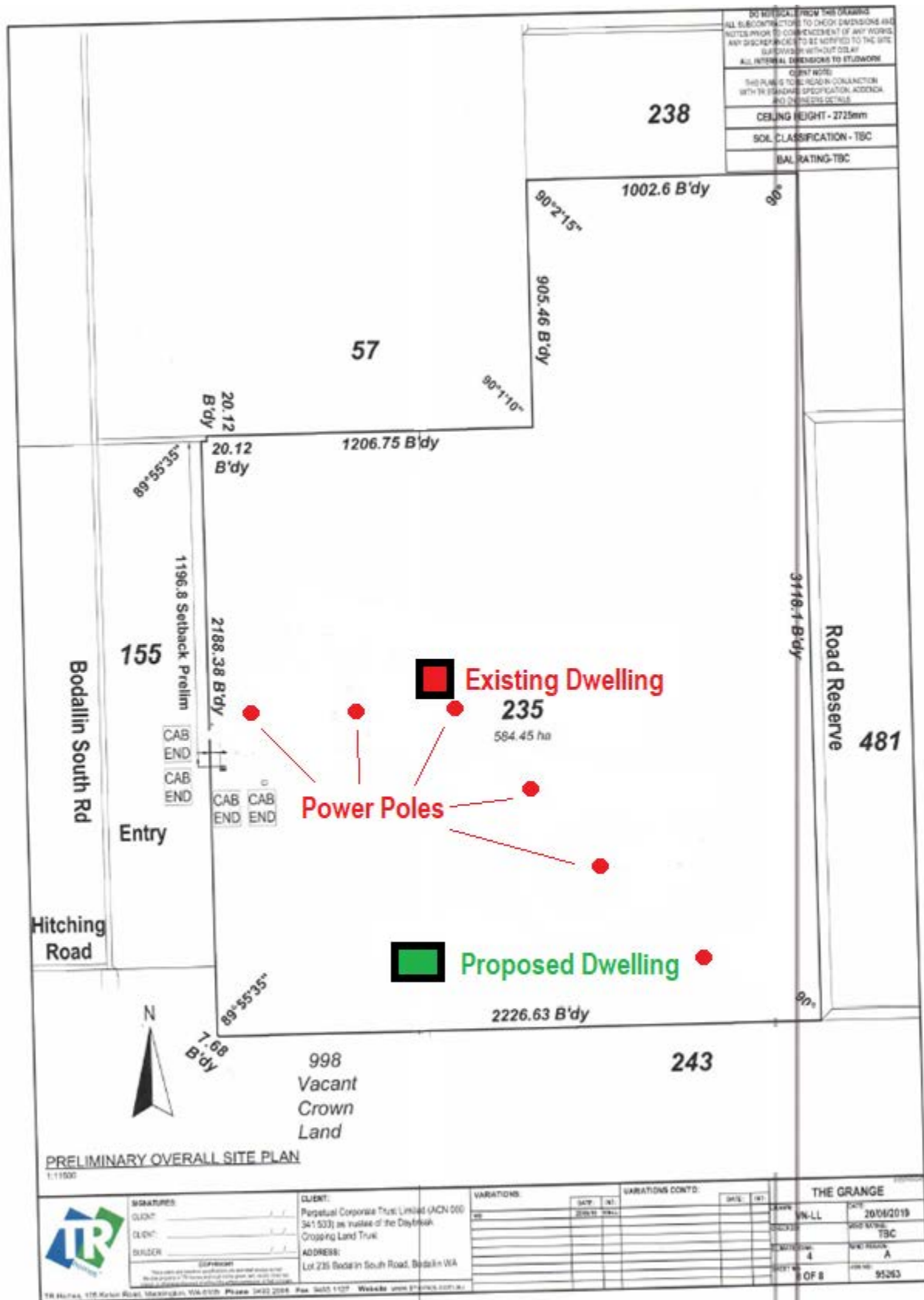
***Moved Cr Shaw/Seconded Cr Close***

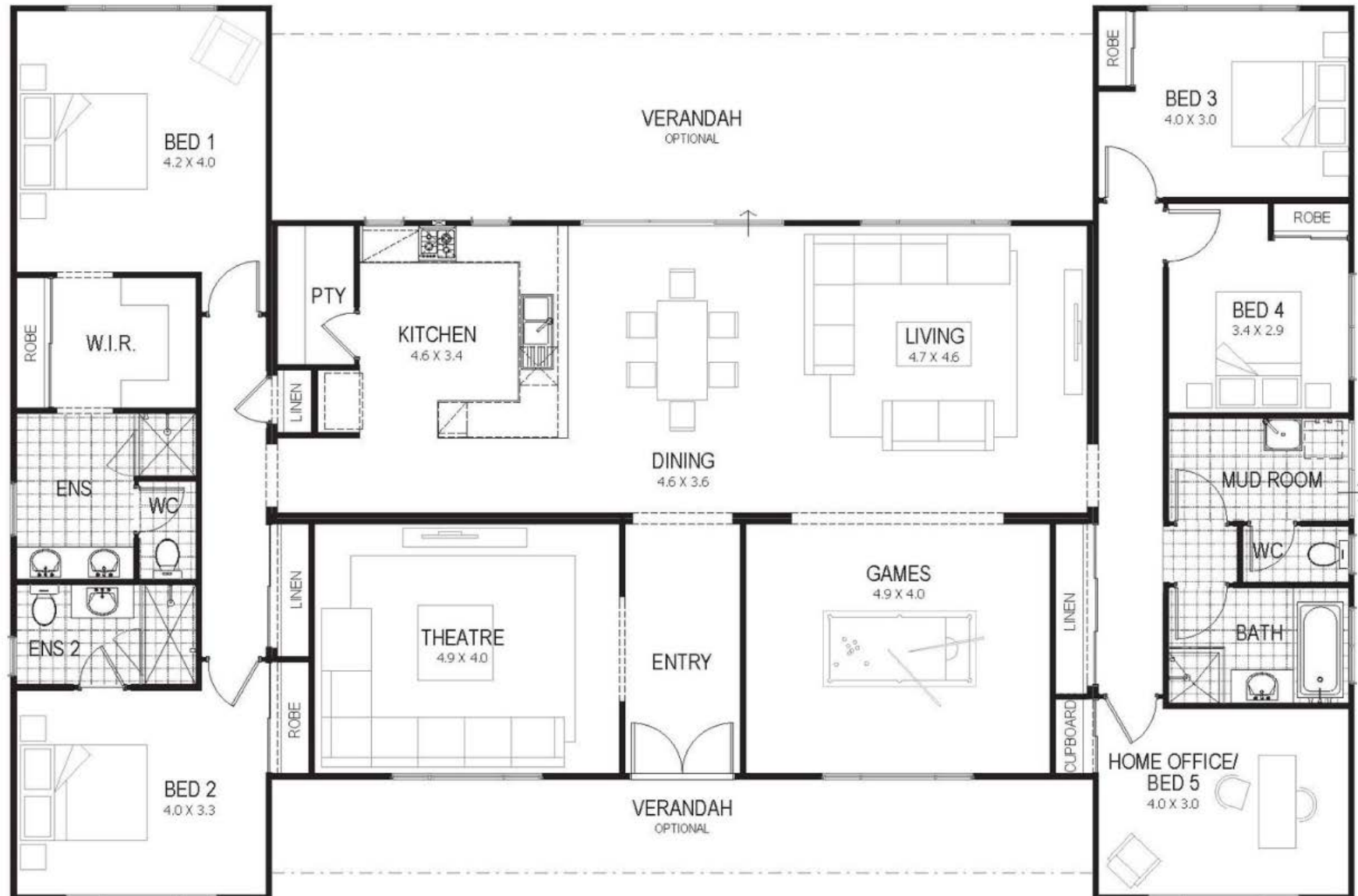
***That Council, approve the installation of a single transportable dwelling, as per the supplied plans, on Lot 235 Bodallin South Road, Bodallin.***

***Advice Notes***

- 1. Building Permit is not required as per the Building Act 2011; and***
- 2. An application for Installation of a Sewage Treatment System is to be submitted to the Shire for assessment and approval, and the system is to be installed and checked by the Executive Manager Regulatory Services prior to occupancy of the premises.***

**CARRIED (6/0)**







## 13 MEETING CLOSED TO THE PUBLIC-CONFIDENTIAL ITEMS

### CONFIDENTIAL ITEM

156/2019

*Moved CR Della Bosca/Seconded Cr Guerini*

*That the meeting be closed to members of the public in accordance with section 5.23(2)(b) of the Local Government Act 1995*

**CARRIED (6/0)**

Robert Bosenberg (EMI), Cameron Watson (EMCS), Nic Warren (EMRS), Laura Della Bosca (Minute Taker) and Neil Grant-Williams vacated The Chambers at 4.58pm

The CEO declared an Interest in the following Item and made the appropriate declaration in writing as it pertained to his Annual Performance Appraisal. The CEO remained in the Chamber to discuss future KPA's and in considerations that there were no increases sought in respect to his overall remuneration package.

## 13.1 Officers Report – Chief Executive Officer

### 13.1 CEO Performance Appraisal - Report

<b>File Reference</b>	<b>1.1.10.129</b>
<b>Disclosure of Interest</b>	<b>CEO – In Relation to Contract of Employment</b>
<b>Voting Requirements</b>	<b>Absolute Majority</b>
<b>Attachments</b>	<b>Report on Outcome of Appraisal Process</b>

### Purpose of Report

To present to Council the report on the outcome of the CEO Annual Performance Appraisal conducted on Thursday, 15 August 2019.

### Background

Prior to the August 2019 Ordinary meeting, Council undertook the Annual Performance Appraisal of the CEO.

As per Staff Policy Manual – Policy 7.15 “Relating to CEO Performance Review”, the CEO prepared a Review Report for consideration by Council for assessment by individual Councillors and Council as a whole.

In accordance with the above Policy, once the Appraisal process has been completed, the Policy states the following:-



*"Once the performance appraisal has been completed the Shire President and/or consultant (with the assistance of the CEO) is to submit the Appraisal Report to council for formal adoption.*

*At the same time a draft of a Performance Agreement for the forthcoming review period is to be submitted for adoption. It is open to the council to make changes to the draft performance agreement before adoption provided that the CEO agrees to the changes and the minutes of the meeting record this".*

#### **Comment**

The Shire President has now prepared the CEO Appraisal Report in accordance with Council Policy 7.15. As per Section 5 of the Report, new goals for the 2019/2020 period have been set to which the CEO has confirmed agreement in respect to same.

#### **Statutory Environment**

*Local Government Act 1995 and CEO Contract of Employment.*

#### **Strategic Implications**

Shire of Yilgarn Strategic Community Plan 2018-2028 – Civic Leadership – A trustworthy and cohesive Council that functions efficiently and effectively to meet the needs of our community.

#### **Policy Implications**

Staff Policy Manual – Policy 7.15 "Relating to CEO Performance Review".

#### **Financial Implications**

Nil

#### **Officer Recommendation and Council Resolution**

**157/2019**

**Moved Cr Close/Seconded Cr Guerini**

***That Council endorses the CEO Annual Appraisal Report detailing the outcomes of the Annual CEO Performance Appraisal conducted on Thursday, 15 August 2019.***

**CARRIED BY ABSOLUTE MAJORITY (6/0)**

**OUT OF COMMITTEE**

**158/2019**

**Moved Cr Shaw/Seconded Cr Guerini**

***That the meeting be opened to members of the public***

**CARRIED (6/0)**

## 14 CLOSURE

As there was no further business to discuss, the Shire President declared the meeting closed at 5.05pm.

I, Onida T Truran confirm the above Minutes of the Meeting held on Thursday, 19<sup>th</sup> September 2019, are confirmed on Thursday, 17<sup>th</sup> October 2019 as a true and correct record of the September Ordinary Meeting of Council.

**Cr Onida T Truran**  
**SHIRE PRESIDENT**



*“good country for hardy people”*

*Audit  
Committee  
Meeting  
Minutes*

*19<sup>th</sup> September  
2019*

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## 1. DECLARATION OF OPENING

The Presiding Member declared the meeting open at 2pm

## 2. ATTENDANCE

Cr O Truran	Member (Chair)
Cr W Della Bosca	Member
Cr G Guerini	Member
Cr P Nolan	Member
Mrs. J Della Bosca	Community Member
Mr. P Clarke	Chief Executive Officer
Mr. C Watson	Executive Manager Corporate Services
Mr. N Warren	Executive Manager Regulatory Services
Mrs. N Mwale	Manager of Finance
Mrs. L Della Bosca	Minute Taker
Apologies:	Cr David Pasini-Member Cr G Guerini – Member Cr S Shaw- Member
Observers:	Nil
Leave of Absence:	Nil

## 3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

## 4. PUBLIC QUESTION TIME

Nil

## 5. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

Minutes of the Audit Committee Meeting, 2<sup>nd</sup> May 2019

**AC7/2019**

***Moved Cr Della Bosca/Seconded Cr Close***

***That the minutes of the Audit Committee Meeting held on 2 May, 2019 be confirmed as a true and correct record of proceedings.***

**CARRIED (6/0)**

## **6. DECLARATIONS BY MEMBERS AND OFFICERS**

Nil

## **7. STATUS OF ACTIONS PREVIOUSLY TABLED**

All actions resulting from items previously tabled are complete.

## **8. RISK DEVELOPMENTS**

No change

## **9. PRESENTATIONS**

Nil

## 10. Officers Report-Chief Executive Officer

### 10.1 2019 Audit Regulation 17 Review & Financial Management Review

<b>File Reference</b>	<b>1.1.12.3 &amp; 8.2.3.5</b>
<b>Disclosure of Interest</b>	<b>None</b>
<b>Voting Requirements</b>	<b>Absolute Majority</b>
<b>Attachments</b>	<b>Attachment 1 - 2019 FMSR Report - Shire of Yilgarn</b> <b>Attachment 2 - 2019 Reg 17 Report - Shire of Yilgarn</b>

#### Purpose of Report

To present to the Audit Committee the recently completed Audit Regulation 17 Review and Financial Management Review 2019.

#### Background

In accordance with the *Local Government (Financial Management) Regulations 1996* and the *Local Government (Audit) Regulations 1996*, the above Reviews were conducted during August 2019.

#### Comment

AMD Chartered Accountants, a specialist Local Government Auditing firm, were appointed to conduct the Audit Regulation 17 Review and Financial Management Review. Appointing an external auditor to conduct the Reviews is of benefit as it provides an impartial review to inform the CEO and Council with recommendations that work towards continuously improving the organisation in the financial and risk management areas of responsibility.

In respect to the Audit Regulation 17 Review, the *Local Government (Audit) Regulations 1996* state that the CEO is to report on the results of the Review to Council's Audit Committee.

It is important to note that the Reviews are performed on the same basis without differentiating between a small or large local government and their respective capacities and capabilities. With limited human resources to undertake a number of the recommendations, it means that Council will be required to engage external consultants to complete complex policy frameworks.

Audit Committee members will note that within the Reports, management was required to make comments on the recommendations provided by AMD and whilst the majority indicate there will be appropriate action taken to meet the recommendations, there are those that will require a financial commitment from Council to engage external assistance. Therefore, the timeframe for completing these recommendations has been extended to the 2020/2021 financial year for budget purposes.

## Statutory Environment

*Local Government (Financial Management) Regulations 1996 and the*

### 5. CEO's duties as to financial management

- (1) Efficient systems and procedures are to be established by the CEO of a local government —
  - (a) for the proper collection of all money owing to the local government; and
  - (b) for the safe custody and security of all money collected or held by the local government; and
  - (c) for the proper maintenance and security of the financial records of the local government (whether maintained in written form or by electronic or other means or process); and
  - (d) to ensure proper accounting for municipal or trust —
    - (i) revenue received or receivable; and
    - (ii) expenses paid or payable; and
    - (iii) assets and liabilities;and
  - (e) to ensure proper authorisation for the incurring of liabilities and the making of payments; and
  - (f) for the maintenance of payroll, stock control and costing records; and
  - (g) to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.
- (2) The CEO is to —
  - (a) ensure that the resources of the local government are effectively and efficiently managed; and
  - (b) assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year); and
  - (c) undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews.

*Local Government (Audit) Regulations 1996*

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

- (1) The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —
  - (a) risk management; and
  - (b) internal control; and
  - (c) legislative compliance.



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

### Strategic Implications

Shire of Yilgarn Strategic Community Plan 2018-2028 – Civic Leadership – A trustworthy and cohesive Council that functions efficiently and effectively to meet the needs of our community.

### Policy Implications

Nil

### Financial Implications

Future Budget allocations to comply with the more complex recommendations.

### Officer Recommendation and Committee Decision

**AC8/2019**

***Moved Cr Della Bosca/Seconded Cr Close***

***That the Audit Committee accepts the recommendations and management comments relating to the Audit Regulation 17 Review and Financial Management Review 2019 completed by AMD Chartered Accountants in accordance with the Local Government (Financial Management) Regulations 1996 and the Local Government (Audit) Regulations 1996. In accepting the Review Reports, the Audit Committee recommends to Council that it also accepts the recommendations and management comments in relation to the actions to be undertaken to meet required financial and risk management obligations.***

**CARRIED BY ABSOLUTE MAJORITY (6/0)**

## 10. Officers Report – Executive Manager Corporate Services

### 10.2 2018/19 Fraud and Error Assessment

<b>File Reference</b>	<b>8.2.3.1</b>
<b>Disclosure of Interest</b>	<b>Nil</b>
<b>Voting Requirements</b>	<b>Simple Majority</b>
<b>Attachments</b>	<b>Attachment 1 – Fraud &amp; Error Assessment by the Audit Committee.</b>

### Purpose of Report

The Audit Committee is requested to endorse the 2018/2019 Fraud and Error Assessment.

### Background

Australian Audit Standards, ASA 240 - *The Auditor's Responsibilities Relating to Fraud in an Audit of a Financial Report (as amended to 30 May 2017)*, requires Councils appointed auditor to make enquiries of both management and those charged with governance of the Shire as to their assessment of the risk that the financial report may be materially misstated due to fraud and or error.

### Comment

The Local Government Act 1995, s7.10 – *Power of Auditor*, s7.11 – *Power to Demand Production of Books Etc.* and s7.12A *Duties of a Local Government with Respect to Audits* requires Council and management to supply or make available all information requested by Councils auditor. The requirement to provide an assessment of possible fraud or error as required by ASA 240 would fall within the requirements of these sections of the Act.

### Statutory Environment

#### Local Government Act 1995

#### 7.10. Powers of auditor

- (1) An auditor —
  - (a) has a right of access at all reasonable times to such books, accounts, documents and assets of the local government as are, in the opinion of the auditor, necessary to allow the audit to be conducted; and
  - (b) may require from a member or an employee of the local government —
    - (i) any book, account, document or asset of the local government; or
    - (ii) any information, assistance or explanation, necessary for the performance of the duty of the auditor in relation to the audit; and

- (c) may, at the expense of the local government obtain and act upon a legal opinion on a question arising in the course of an audit.
- (2) In this section and in section 7.11 **employee** includes a person who has a contract for services with the local government.

#### **7.11. Power to demand production of books etc.**

For the purpose of an audit, inspection or inquiry, an auditor has authority at all reasonable times and without notice to demand from the local government and its employees, the production of books, accounts, vouchers, papers, documents, records, assets and cash in hand, belonging to the local government or being in the custody or control of it or any of its employees.

#### **7.12A. Duties of local government with respect to audits**

- (1) A local government is to do everything in its power to —
  - (a) assist the auditor of the local government to conduct an audit and carry out his or her other duties under this Act in respect of the local government; and
  - (b) ensure that audits are conducted successfully and expeditiously.
- (2) Without limiting the generality of subsection (1), a local government is to meet with the auditor of the local government at least once in every year.
- (3) A local government is to examine the report of the auditor prepared under section 7.9(1), and any report prepared under section 7.9(3) forwarded to it, and is to —
  - (a) determine if any matters raised by the report, or reports, require action to be taken by the local government; and
  - (b) ensure that appropriate action is taken in respect of those matters.
- (4) A local government is to —
  - (a) prepare a report on any actions under subsection (3) in respect of an audit conducted in respect of a financial year; and
  - (b) forward a copy of that report to the Minister,by the end of the next financial year, or 6 months after the last report prepared under section 7.9 is received by the local government, whichever is the latest in time.

*[Section 7.12A inserted by No. 49 of 2004 s. 8.]*

Auditing Standard ASA 240 - The Auditor's Responsibilities Relating to Fraud in an Audit of a Financial Report

*Management and Others within the Entity*

18. The auditor shall make enquiries of management regarding:
- (a) Management's assessment of the risk that the financial report may be materially misstated due to fraud, including the nature, extent and frequency of such assessments; (Ref: Para. A13-A14)
  - (b) Management's process for identifying and responding to the risks of fraud in the entity, including any specific risks of fraud that management has identified or that have been brought to its attention, or classes of transactions, account balances, or disclosures for which a risk of fraud is likely to exist; (Ref: Para. A15)
  - (c) Management's communication, if any, to those charged with governance regarding its processes for identifying and responding to the risks of fraud in the entity; and
  - (d) Management's communication, if any, to employees regarding its views on business practices and ethical behaviour.
19. The auditor shall make enquiries of management, and others within the entity as appropriate, to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity. (Ref: Para. A16-A18)

*Those Charged with Governance*

21. Unless all of those charged with governance are involved in managing the entity, the auditor shall obtain an understanding of how those charged with governance exercise oversight of management's processes for identifying and responding to the risks of fraud in the entity and the internal control that management has established to mitigate these risks. (Ref: Para. A20-A22)
22. Unless all of those charged with governance are involved in managing the entity, the auditor shall make enquiries of those charged with governance to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity. These enquiries are made in part to corroborate the responses to the enquiries of management.

**Strategic Implications**

There are no strategic implications as a result of this report.

**Policy Implications**

There are no policy implications as a result of this report.

**Financial Implications**

There are no financial implications as a result of this report.

### Officers Recommendation and Committee Decision

**AC9/2019**

***Moved Cr Close/Seconded Cr Nolan***

***That the Audit Committee:***

- 1. believe that the current policies and procedures adopted by Council are adequate to minimise the risk of fraud.***
- 2. is not aware of any occasions where these policies and procedures have not been adhered to resulting in fraud.***
- 3. is not aware of any occasion when fraud has occurred during the past year.***
- 4. does not have at this time any issues that it would like the auditors to consider over and above the current audit process.***

**CARRIED (6/0)**

### 11 CLOSURE

As there was no further business to discuss, the Presiding Member declared the meeting closed at 2.09pm

I, Onida T Truran confirm the above Minutes of Meeting held on Thursday, 19<sup>th</sup> September 2019, are confirmed on Thursday, 17<sup>th</sup> October 2019 as a true and correct record of the September Audit Committee Meeting.

**Cr Onida T Truran  
PRESIDING MEMBER**

**MINUTES**  
**COMMITTEE MEETING 7<sup>th</sup> August 2019**  
Commencing 5.15pm

**1. ATTENDANCE & APOLOGIES**

Attendees: Kaye Crafter, Lance Stevens, Robin Stevens, Robyn Downes, Leonie Gethin, Rollie Blair, Shona Glasford,

Apologies: Councillor Onida Truran, Councillor Dave Pasini, Glenice Divitini, Nick Eiffler, Floss Giblett, Stan Beaton

**2. CONFIRMATION OF PREVIOUS MINUTES - June 2019**

*Moved Robin Stevens, seconded Rollie Blair, that the minutes from the previous meeting be accepted as a true and correct record.* **CARRIED**

**3. BUSINESS ARISING FROM PREVIOUS MINUTES**

- The old tractor belonging to Forresters is not going to be donated to us.
- Volunteer's forms have been issued, completed by most of our team, and returned for Shire approval.
- September Wheatland Meeting - planning is progressing well and RSVP's expected by 30<sup>th</sup> August for catering and registration numbers. A final planning meeting will be held here at 9.30am on Saturday 7<sup>th</sup> September.
- Significance Assessment quote (\$10,600) by Ms M Slarke appears to be not quite what we expected or require and a meeting with CEO is suggested to discuss succession planning.
- National Trust clothing & trunk which has been on loan for years is now ready for returning – Kaye will deliver next week to their office in West Perth.
- Future toilet block renewal – information and plans have been forwarded for approval to Dept Land & Heritage.
- Exterior repair and paintworks are awaiting council budget approval, and choice of heritage colours similar to earlier days discussed. If approved, this work should occur next autumn.

**4. FINANCIAL REPORT**

Robyn presented a statement of income and expenditure for the period 1/7/2019 – 31/7/2019 which is attached. In the absence of Nick our Treasurer, the end of financial year report isn't yet presented.

Income	\$608.41
Less Expenditure	78.82
Plus Trust account	<u>27695.84</u>
Total	\$ <u>28225.43</u>

*Moved by Robyn Downes, seconded Rollie Blair that this Financial Report be accepted. A motion to include the figures in these minutes was unanimously agreed upon.* **CARRIED**

**5. CORRESPONDENCE – List attached**

*Moved Kaye Crafter, seconded Leonie Gethin that this correspondence be endorsed.* **CARRIED**

## 6. GENERAL BUSINESS

Great feedback is often received - very positive about our outstanding Museum.

- Robin praised the great efforts of all our team lately – oiling the old horse harness gear, oiling the farm and camel drays, cataloguing objects, cleaning display cabinets, rearranging exhibits and enhancing the rear yard presentation. Our proposed busy bee on Saturday 17<sup>th</sup> August will finish off the list of jobs in preparation for the Wheatlands Meeting next month.
- Ongoing updating of our Mosaic computer records so we can be prepared for the transfer to WA Collections software In the near future. An update on this software will be offered at the Wheatlands meeting.
- Lance is viewing the Shire Rate Books from c.1968 – 1990's when digitisation became the norm; plenty of good information on people, places and occupations to add to our old Rates records beginning 1893.
- Our Facebook page hasn't offered much of interest lately – Lance will forward some stories to Monica for posting at regular intervals.

## 7. NEXT MEETING

The next General Meeting will be held at the Museum on Wednesday 2<sup>nd</sup> October at 5.15pm.

Meeting closed at 6.45pm.

Signed: .....Date: .....

## **Correspondence June - August 2019**

(Mostly via email)

RWAHS – Book Sale, Meetings, Upcoming Election information

DPLH – has adopted the WA Heritage Council – notification of website changes

Corrective Services – partnership for community work projects

AMaGA – newsletters, webinars, workshops, vacancies

- Invitation & Agenda for Regional Chapter meeting we're hosting in September

Ms M Slarke – Heritage Consultant re Assessing our collection

WA Police Museum – Enquiring after original Ferret tactical personnel carrier apparently being restored in Southern Cross; redirected to Mick Tokelove, Owner.

Wheatbelt Volunteering Hub – regular newsletter

- Shire
- Waiver Form for Bus Hire and Senior Centre venue Wheatbelt Chapter Meeting
  - Waiver printing costs for Local History Booklets for sale
  - Crosswords email - thanking Phill Rafferty for installing our historical plaques on Antares St buildings
  - Invitation to Community Group Meeting July 25<sup>th</sup> at Bowls Tennis Club
  - Enquiry re Gatherer School Site – significance of trees planted there?

SX Hardware + Foodworks Monthly accounts

Family History Requests - Robert Milton (enq M Graichen)

Letter to Phill Rafferty thanking him for assistance



**YILGARN HISTORY MUSEUM ADVISORY COMMITTEE**  
**3<sup>rd</sup> October 2019 Commencing 5.15pm**

**MINUTES**

**1. ATTENDANCE & APOLOGIES**

Attendees: Kaye Crafter, Lance Stevens, Robin Stevens, Robyn Downes, Rollie Blair,  
Floss Giblett

Apologies: Leonie Gethin, Glenice Divitini, Nick Eiffler, Shona Glasford

**2. CONFIRMATION OF PREVIOUS MINUTES**

Those present accepted the Minutes as being a true and correct record of the August 7<sup>th</sup> Meeting.

**3. BUSINESS ARISING FROM PREVIOUS MINUTES**

- Exterior wall repair work – our suggested limewash colour to reflect its Heritage is classic cream, as in its earlier days. Timberwork trims to be a heritage green or similar in agreement with Council and the Contractor. All subject to Council agreement to change the current pink colouring.
- The Wheatbelt Chapter meeting on September 14<sup>th</sup> was well received by the Attendees from Koorda, Beverley, Brookton, Merredin, our own members, and the two ladies from AMaGA Perth; they introduced themselves well, reminding us what our WA membership offers; showing their enthusiasm for historical tourism in the Goldfields; appreciating our Building and the displays. They were very supportive of rural Chapters and enthusiastic about rural museums keeping alive the local history. We are most grateful for our Shire's support, which is often not the case with other small museums, and all present were impressed with the provision of the venue and Community Bus trip along with the general appearance of our Town.
- The significance assessment isn't likely to proceed due to the expense and no real requirement at this stage.
- The new ambulant toilet has been ordered with expected installation in January.

**4. FINANCIAL REPORT**

Transaction statement for the period 1/7/19 – 30/9/19 is attached.

Income	-\$ 1061.05
Less Expenditure	<u>266.84</u>
	-\$ 794.21
Plus Trust account balance	<u>-\$ 27695.84</u>
Total	<u>-\$ 28490.05</u>

**5. CORRESPONDENCE – List attached**

## **6. GENERAL BUSINESS**

- Souvenir coins have become available without needing to purchase the vending machine; Robyn will seek clarification on how we can join the popular 'gold' coin souvenir trend. Souvenirs are often requested but there is very little to choose from at our Town outlets.
- We will discount the keep cups to encourage their sale as they are overpriced and replacement bands with better graphics to make them attractive aren't available.
- New Collections WA software – due to be trialled at the end of this year and offered to all museums, the aim is for our collection to be viewable via the internet and furthering the promotion of historical tourism in WA. A big job with AMaGA covering most of the cost and training; we have been waiting three years for this improvement to our cataloguing process, however due to our declining volunteers and our inability to recruit interested younger people, we are unsure how this will proceed; currently we have 3 or 4 volunteers interested in training.
- Christmas volunteer function; it's proposed to hold a light luncheon on Saturday 16<sup>th</sup> November, possibly at the Senior Centre, inviting Councillors and Partners. Robyn will source catering quotes and permission to use the venue, then produce invitations.
- Shire Community Funding Program – Robyn to apply for a small microwave and lightweight upright vacuum cleaner for volunteer use.
- We discussed the benefit of having a mural painted on the steel garden shed and the storage building; Robin S will source information and estimated cost. Once the old toilets have been removed the garden shed will require enhancing as does the transportable storage building, which is not in keeping with local heritage.
- Robyn D tendered her resignation from the Committee with regret, as she will be leaving the district. Banking and basic administration tasks will be shared by Kaye and Robin S in the short term, however computer accessioning and administration duties will become a problem in the future as these skills are lacking in our remaining volunteers.
- It is proposed to hold another meeting to meet and update our new Council Representative at the end of October, following Council elections being held soon.

## **7. NEXT MEETING**

The next meeting will be held at the Museum on Thursday 31<sup>st</sup> October at 5.15pm.

Meeting closed at 6.45pm

## **Correspondence August - October 2019**

(Mostly via email)

RWAHS – Book Sale, Meetings

AMaGA – newsletters, webinars, workshops, grants, vacancies  
Collections WA rollout – contact details requested

Wheatbelt Volunteering Hub – regular newsletter

Shire	Consent to DPLH for toilet removal/replacement
DPLH	Consent for toilet removal/replacement

Email Ted Doncaster – Anglican memories & photos bottle collections  
AuscoinsWest - souvenir coins now available without purchasing the dispenser  
KeepCups – enquiry on changing bands on cups (can't do)  
RE Meacham – Freemasonry contact & donated items

SX Hardware + Foodworks Monthly accounts

Family History Requests - Forrester family (Enq M Hayden)  
W A Manlein ( G Maslein offer of information)  
Aboriginal local reserve ( H Anthony)  
Kalaamaya Aborigines (K Payne)  
Karalee & Evanston (A Hooks)  
W G Head Moorine Rock (Graeme Head)  
Pollard/Burhnam ( Enq Edward )  
Constantine Gourdis, 1909 Shopkeeper (C Signorile)  
W M Pittaway (Enq L Pittaway)  
Jim Dakin (L Wessells)  
F McNabb Bodallin (M McNabb)  
L & T Bullinaria (J Swift)  
D Lindsay (C Graham)

# Executive Meeting

Wednesday 25 September 2019

Council Chambers, Shire of Merredin

## MINUTES

The meeting commenced at 10.00am

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# WEROC

## Wheatbelt East Regional Organisation of Councils

Shires of Bruce Rock, Kellerberrin, Merredin, Westonia, Yilgarn

An In-person Executive Meeting commencing at 10.00am

# MINUTES

## 1. OPENING AND ANNOUNCEMENTS

The WEROC CEO, Peter Clarke opened the meeting at 10.00am, welcoming all in attendance.

## 2. RECORD OF ATTENDANCE AND APOLOGIES

### 2.1 Attendance

Mr Peter Clarke, CEO Shire of Yilgarn and CEO WEROC (Chair)

Mr Darren Mollenoyux, CEO Shire of Bruce Rock

Mr Raymond Griffiths, CEO Shire of Kellerberrin

Mr Greg Powell, CEO Shire of Merredin

Mr Jamie Criddle, CEO Shire of Westonia

Mr Alan O'Toole, Deputy CEO Shire of Bruce Rock

Ms Ashleigh Waight, Community Development Officer Shire of Bruce Rock

Mr Peter Zenni, Executive Manager Development Services Shire of Merredin

Mr Nic Warren, Executive Manager Regulatory Services Shire of Yilgarn

Ms Helen Westcott, Joint Executive Officer

### 2.2 Apologies

Ms Jacinta Herbert, Primary Health Manager - Eastern Wheatbelt, WA Country Health Service

Mr Greg Bentley, Senior Health Promotion Officer, WA Country Health Service, Northam

### 2.3 Guests

Ms Jo Malcolm, Senior Project Officer, Public Health Advocacy Institute of WA

## 3. PRESENTATIONS/MEETINGS

### 3.1 Funding to Support and Mentor Local Governments to Assist in the Development of Public Health Plans (Attachment)

As Member Councils are aware, the Public Health Advocacy Institute of WA (PHAIWA) has received funding to provide a service to support and mentor local governments to assist them in developing their Public Health Plans, in line with the upcoming implementation of phase 5 of the *Public Health Act 2016*. As part of this service PHAIWA is offering to meet with local governments across the State to explain what help they can provide.

This offer was considered by WEROC Council when it met on Tuesday 27 August 2019, at which time it was resolved as shown below:

**RESOLUTION:**

*Moved: Cr Day*

*Seconded: Cr Rajagopalan*

1. *That Ms Jo Malcom from the Public Health Advocacy Institute of WA be invited to the September meeting of the WEROC Executive to discuss the potential for WEROC's Member Councils to access funding to assist them in developing and implementing their respective Public Health Plans.*
2. *That Member Councils be requested to extend an invitation to relevant staff to attend the presentation and discussion.*

**CARRIED**

Ms Jo Malcom from PHAIWA has accepted an invitation to meet with the WEROC Executive to discuss the mentoring opportunities available to Member Councils.

The funding made available to the PHAIWA does not extend to helping with the preparation of plans. The Department of Health has indicated that no funding will be made available to local governments to assist them in their public health planning as the Department believes this can be done internally with resourcing already existing and by partnering with the local WACHS Health Service Provider. For WEROC this is the WACHS office in Northam.

An invitation to WACHS has been extended to participate in the discussions.

The invitation was tentatively accepted by Chantelle Jeffery, Manager Wheatbelt Public Health Unit but at the time of preparing the meeting agenda the Executive Officer had not been formally advised of whom would be attending.

The Executive Officer advised the meeting that apologies had been received from Jacinta Herbert and Greg Bentley, from the WA Country Health Service.

Jo Malcom reiterated that PHAIWA is only funded to provide support to mentor Councils during the time they prepare their local health plans. At this point there is no basic template to assist the smaller Councils and the Department of Health believes that additional resources are not necessary. If funding becomes available it is likely it will have a regional focus. This means that WEROC would be viewed favourably if it decided to apply.

She also advised that in preparing local health plans WACHS will be able to provide data needed to prepare the plans. This data is, however, only available at regional level and not individual Council level.

Jo Malcom advised that NEWROC has prepared a regional health plan from which each of the Member Councils will have to prepare an individual local health plan.

Jo Malcom left the meeting at 10.50am.

At this point the meeting considered Agenda Item 5.7 but for ease of reading the item is considered in chronological order.

**Note:** Jo Malcom had prepared a PowerPoint presentation for the meeting with the Executive. Whilst it was not used, it is provided as an attachment to the minutes from the meeting.

## **4. MINUTES OF MEETINGS**

### **4.1 Minutes from the Executive Meeting held Wednesday 29 May 2019 (Attachment)**

Minutes of the Executive Meeting held Wednesday 29 May 2019 have previously been circulated to Member Councils.

**RECOMMENDATION:**

That the Minutes of the Executive Meeting held Wednesday 29 May 2019 be confirmed as a true and correct record.

**RESOLUTION:** Moved: Jamie Criddle Seconded: Raymond Griffiths

That the Minutes of the Executive Meeting held Wednesday 29 May 2019 be confirmed as a true and correct record.

**CARRIED**

## **4.2 Business Arising – Status Report as at 18 September 2019**

### **Executive Meeting Wednesday 27 March 2019**

#### **6.7 Raising Brand Awareness – Raising WEROC's Public Profile**

**RESOLUTION:** Moved: Greg Powell Seconded: Jamie Criddle

That the WEROC Executive gave in-principle agreement to proceed utilising social media more effectively.

**CARRIED**

At the August Meeting of the WEROC Council the Executive Officer advised that she had yet to meet with the Shire of Merredin's newly appointed media officer. Unfortunately, the meeting has been delayed still further because the position has again become vacant.

The Executive Officer seeks direction as to what Member Councils would like done in relation to this matter.

### **Executive Meeting Wednesday 29 May 2019**

#### **7.1 LGIS Co-Ordinator**

**RESOLUTION:** Moved: Darren Mollenoyux Seconded: Greg Powell

That:

1. Mr Ben Galvin from LGIS be invited to attend the next meeting of the WEROC Executive to discuss concerns Member Councils have with their region's current LGIS coordinator; and
2. That should Mr Galvin be available to meet with the WEROC Executive on 24 July, Member Councils' Works Supervisors also be invited to attend the meeting.

**CARRIED**

Ben Galvin and Jordan Reid from LGIS accepted an invitation to meet with the WEROC Executive on Wednesday 24 July 2019 but with the cancellation of the meeting the presentation did not take place.

Whilst LGIS had accepted an invitation to attend the September meeting of the WEROC Executive it is now not possible for either Ben Galvin or Jordan Reid to attend the meeting.

It is hoped they will be able to attend the November meeting of the WEROC Executive.

### **Council Meeting Tuesday 27 August 2019**

#### **6.7 Support for NEWTravel and Roe Tourism Application for a QANTAS Regional Grant**

**RESOLUTION:** Moved: Cr Forsyth Seconded: Cr Day

That the WEROC Council provide a letter of support for the NEWTravel and Roe Tourism Application for a QANTAS Regional Grant.

**CARRIED**

A letter of support has been provided.

Support from WEROC was also sought by NEWTravel and Roe Tourism for their application for a Regional Economic Development Grant. The proposal was for funding towards a Joint Wheatbelt Tourism Branding project between NEWTRAVEL, RoeTourism, WEROC and the Shire of Merredin (through the Central Wheatbelt Visitor Centre). The request



for support was one that would have seen WEROC provide for financial assistance as part of its support for the funding application.

Following discussions with the WEROC CEO, the Executive Officer advised that such support at this point was not possible as the request would have to be considered and approved by WEROC Council.

A request for updated information on NEWTravel and Roe Tourism's funding efforts for discussion at the Executive Meeting was requested but at the time of preparing the meeting agenda had not been made available.

The Executive Officer will endeavour to have something to present to the WEROC Council when it meets on Wednesday 30 October 2019.

**RECOMMENDATION:**

That the Status Report for September be received.

**Noted**

**4.3 Matters for Noting (Attachments)**

The following matters are presented for noting:

- Curtin Wheatbelt Community Health Study - as Member Councils may be aware Dr Andrew Harper and his students travelled out to Merredin and Westonia at the end of August.  
The Executive Officer understands that the trip was considered a success.  
The CEOs from the Shires of Merredin and Westonia might wish to provide further comment as they were involved in preparations for the visit.  
All accounts submitted by Dr Harper have been paid, with a report on the expenditure incurred to be presented at the WEROC Council Meeting scheduled to be held Wednesday 30 October 2019.
- Demos from the Wheatbelt - as Member Councils are aware WEROC was a sponsor for the WAM project Demos from the Wheatbelt. The launch of the cd recorded following the selection of artists to perform on the cd was held at the Cummins Theatre on Friday 30 August 2019. Invitations to attend the launch were extended to all of WEROC's Member Councils. Only the Shire of Westonia (Cr Karin Day with her husband Rohan) was able to attend.  
The Executive Officer arranged for WEROC's unused tickets to be given to Andrew Harper and his students as they were staying in Merredin on the Friday evening. The Executive Officer understands they enjoyed the concert.  
Member Councils are encouraged to obtain a copy of the cd as it provides a wonderful showcase for highly talented musicians performing across a number of music genres.
- Wheatbelt Regional Health Services Forum – advice of this joint NEWROC and WALGA initiative scheduled to be held in Trayning on Friday 20 September 2019 was distributed to Member Councils on a number of occasions.
- 2019 Western Australian Regional Achievement and Community Awards - as Member Councils may be aware, WEROC was nominated as part of this year's Western Australian Regional Achievement and Community Awards. WEROC is a finalist in the Local Government, Sport and Cultural Industries Making a Difference Award. Its nomination results from its involvement in the Wheatbelt Medical Student Immersion Program. Other finalists in this category include:
  1. 42 Wheatbelt LGA's, WBSFR Working Group; and
  2. Laverton Shire.The winners of the various awards covered in this awards event will be announced at a gala dinner to be held at the Hyatt Regency Hotel in Perth on Friday 18 October 2019. Cr Stephen Strange will be representing WEROC. He will be accompanied by his wife Karen.

- Collaboration in the Northern Goldfields – a recent article in issue 173 of the LGPro magazine details the progress of work being undertaken by the Shires of Laverton, Leonora, Menzies and Wiluna.

**RECOMMENDATION:**

That the matters listed for noting be received.

**Noted**

## 5. MATTERS FOR DECISION

### 5.1 Future WEROC Projects – Asset Management Project

<b>File Reference:</b>	013-2 Strategic and Future Planning 135-5 Economic Sustainability
<b>Author:</b>	Helen Westcott, Executive Officer
<b>Portfolio:</b>	Shared Function (Economic Development)
<b>Disclosure of Interest:</b>	No interest to disclose
<b>Date:</b>	17 September 2019
<b>Attachments:</b>	WEROC Review WEROC Review Recommendations

The matter is presented for discussion and decision.

#### Executive Officer's Report:

Representatives from Accingo, an asset management consultancy, first met with WEROC early in March 2018 to discuss its asset management concept and the potential value it may offer Member Councils.

Since that time Accingo developed a project brief and costing for WEROC's consideration, with approval for the project's "go ahead" being given at the WEROC Council Meeting held Wednesday 27 June 2018. At this time, WEROC Council resolved as follows:

**RESOLUTION:** *Moved: Mr Clarke* *Seconded: Cr Forsyth*

*That WE-ROC request Accingo to undertake an asset audit for each of WE-ROC's Member Councils, as outlined in Accingo's Phase 1 Costing provided to WE-ROC and considered at the WE-ROC Council Meeting held 2 May 2018, at a total cost of \$17,500 excl GST.*

CARRIED

*Footnote: Details of what is provided in the asset audit is explained in the costing provided by Accingo. This information is provided below so that Member Councils have an understanding of what the audit entails. To quote from Accingo's costing:*

#### "Phase 1 (b)

##### Asset audit

*This entails a full review of all assets of Plant & Machinery and any assets associated with maintaining plant and equipment such as workshops, tooling etc.*

*The purpose of this review is to provide the following information;*

- *Identification of asset including current location*
- *Reconciliation to Asset register*
- *Full report of condition, hours etc which also assists in the valuation of plant*
- *Understand & report on utilisation, availability, requirements etc*

*This data serves several purposes being;*

- *Market valuation of current plant & equipment*
- *Ability to forecast potential net cash inflows & savings under Phase 2*
- *Data in which to base decisions on Sale, replacement and ultimately pooling of asset base amongst the WE-ROC shires*
- *Potentially replaces need for asset audit for compliance (to be understood whether this can be achieved)*

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*Review will be performed by Neil Marsh & Accingo asset consultant which can be partly performed on weekends where a more efficient asset audit process can take place. Accingo will require full asset register and current location (if off site). Some time with CEO's & works managers will also be required both prior & during visit however this time will be kept to a minimum as not to disrupt existing operations.*

*An initial scoping meeting with CEO / works managers to understand what is to be included / excluded from review should take place prior to audit.*

*Time assigned to this review is;*

*2 contractors*

*14 days in total at \$125 per hour for 10 hours per day = \$17,500"*

Following further discussions with Accingo, the WEROC Executive resolved as follows when it met on Wednesday 25 July 2018:

**RESOLUTION:** *Moved: Greg Powell* *Seconded: Jamie Criddle*

*That:*

- 1. WE-ROC advise Accingo of its agreement to enter into a Contract for the purposes of undertaking an Asset Audit only for each of WE-ROC's Member Councils as outlined in Accingo's Phase 1 Quotation at a total cost of \$17,500 excl GST; and*
- 2. With respect to accommodation and travelling costs for the conduct of the Asset Audit, Member Councils provide these expenses at their own cost.*

**CARRIED**

Following further discussion of the project WEROC Council resolved as shown below on Wednesday 22 August 2018:

**RESOLUTION:** *Moved: Mr Criddle* *Seconded: Cr Forsyth*

*That the Executive Officer liaise with Accingo and Member Councils to develop a schedule for works associated with the conduct of an asset audit that meets needs of both Member Councils and Accingo and allows for Accingo to have its asset audit report available for the WE-ROC Executive Meeting scheduled for Wednesday 6 February 2019.*

**CARRIED**

Following still further discussions with Accingo, WEROC Council resolved as follows on Wednesday 24 October 2018:

**RESOLUTION:** *Moved: Mr Clarke* *Seconded: Mr Griffiths*

*That:*

- 1. WE-ROC accepts the change/alteration of the scope of works to include the cut-off figure of \$2,000 for the value of assets being considered in the review being undertaken by Accingo;*
- 2. As a condition of contract Accingo be requested to demonstrate that it carries Workers Compensation Insurance, Public Liability Insurance (\$10M) and Professional Indemnity Insurance (\$1M); and*
- 3. The Executive Officer advise Accingo of WE-ROC's decision and arrange a new exchange of letters.*

**CARRIED**

As Member Councils are aware, Accingo has accepted the offer made by WEROC to undertake an asset audit for its Member Councils, with work commencing mid-February.

All work associated with the conduct of the asset audit has been completed and a draft report prepared by Accingo was considered by the WEROC Executive when it met on Wednesday 29 May 2019.

At this time the Executive resolved as shown below:

**RESOLUTION:** *Moved: Greg Powell* *Seconded: Darren Mollenoyux*

- 1. That feedback be provided to Accingo on its draft asset audit report, with a request that the following issues be further reported on:*
  - a) Provision of data for the Shire of Merredin be made available as soon as possible;*
  - b) An explanation as to why the asset audit report contained no information on trucks. If the data is available a request be made for it to be included in the final report provided to WEROC;*

- c) *A request for the inclusion of information on the frequency an asset is used; and*
- d) *Clarification of the data provided for the Shire of Bruce Rock, with details on the differences shown and why these differences occurred.*
- 2. *That Accingo be requested to have a further draft of its report variable for consideration by the WEROC Executive at its next meeting, scheduled for Wednesday 24 July 2019.*

**CARRIED**

Accingo has prepared a final report and developed recommendations for WEROC's consideration. Both the report and Accingo's recommendations form attachments to the meeting agenda.

It should be noted that both documents were distributed ahead of the meeting agenda.

The report and recommendations developed by Accingo following its review of Member Councils' assets are presented for discussion and decision by the WEROC Executive.

**Consultation:** Nil

**Financial Implications:** As yet unknown

**Voting Requirement:** Simple Majority

**Meeting Comment:**

The Executive Officer advised that just prior to the Executive meeting Accingo had provided a further revised version of its asset review report.

Whilst a copy of the report had been circulated to all CEOs it will also form an attachment to the minutes of the meeting.

There was general agreement that Recommendations 1-4 might have application for WEROC.

During the discussion around the report and its recommendations some CEOs made comment that a regional management of assets might work particularly given the cost of hiring equipment. That being the case there may be benefit in WEROC investigating ways to make better use of its underutilised equipment.

---

**RESOLUTION:**                      **Moved: Greg Powell**                      **Seconded: Jamie Criddle**

---

**That the:**

1. **WEROC Executive be requested to table Accingo's report and recommendations on the review of mobile assets and plant across each Member Council for discussion at either their October or November round of Council meetings; and**
2. **Executive Officer be provided with comments from these discussions to enable a report to be prepared for the WEROC Executive Meeting scheduled to be held Wednesday 27 November 2019.**

**CARRIED**

## 5.2 The Future Governance for WEROC – Development of the WEROC Constitution

<b>File Reference:</b>	031-4 Intergovernment Relations
<b>Author:</b>	Helen Westcott, Executive Officer
<b>Portfolio:</b>	CEO/Governances (Governance Shire of Yilgarn) Advocacy (Shared Portfolio)
<b>Disclosure of Interest:</b>	No interest to disclose
<b>Date:</b>	17 September 2019
<b>Attachments:</b>	Draft WEROC Constitution WEROC Memorandum of Understanding (MoU)

The matter is presented for discussion and decision.

### Executive Officer's Report:

The development of a new constitution was considered at the WEROC Council Meeting held Wednesday 26 June 2019 at which time it was resolved as shown below:

*RESOLUTION: Moved: Mr Griffiths Seconded: Cr Forsyth*

*That the Shire of Tammin be approached to ascertain whether the Shire may wish to join/rejoin WEROC.*

*CARRIED*

*RESOLUTION: Moved: Cr Strange Seconded: Mr Criddle*

*That:*

- 1. The Executive Officer's Report be received;*
- 2. Two members from each local government be appointed by the individual Member Councils to the WEROC Committee and the draft constitution be amended to reflect that arrangement in regard to membership;*
- 3. A draft constitution be developed and referred to Member Councils for comment prior to the WEROC Council Meeting on 21 August 2019; and*
- 4. The WEROC Executive Committee only meet on an as needs basis.*

*CARRIED*

The Shire of Tammin accepted WEROC's invitation to attend the August WEROC Council Meeting.

A draft constitution was prepared as per the above resolution and forwarded to Member Councils on Wednesday 31 July 2019 with a request that the draft be considered by Member Councils at their August meetings.

Following discussions with the WEROC CEO during the 2019 WALGA Convention it was determined that further work on the constitution was required, specifically to include wording from the Warren Blackwood Alliance of Councils (WBAC) Constitution. Work on redrafting the constitution was not completed sufficiently for consideration at the August WEROC Council Meeting.

A draft based on the WEROC CEOs requirements form an attachment to the meeting agenda as does a copy of WEROC's current MoU.

In working through the draft constitution, it should be recognised that the objectives, purpose and functions/powers of the WBAC constitution and repurposed into the attached draft of the WEROC Constitution are quite different to those articulated in the current WEROC MoU.

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In preparing the draft the Executive Officer has also included wording that takes into account WEROC's decision with respect to membership of WEROC once incorporated. At the WEROC Council Meeting held Wednesday 26 June 2019 it was resolved as follows:

RESOLUTION:                      Moved: Cr Strange                      Seconded: Mr Criddle

---

That:

1. *The Executive Officer's Report be received;*
2. *Two members from each local government be appointed by the individual Member Councils to the WEROC Committee and the draft constitution be amended to reflect that arrangement in regard to membership;*
3. *A draft constitution be developed and referred to Member Councils for comment prior to the WEROC Council Meeting on 21 August 2019; and*
4. *The WEROC Executive Committee only meet on an as needs basis.*

CARRIED

The WEROC Executive needs to ensure that the draft as presented meets the group's needs before it is presented to Member Councils for further review and then adoption by WEROC at some future date.

Consultation:                      Nil

Financial Implications:                      As yet unknown

Voting Requirement:                      Simple Majority

RESOLUTION:                      Moved: Raymond Griffiths                      Seconded: Jamie Criddle

---

That the draft WEROC Constitution be accepted, subject to the changes detailed below, as presented and referred to Member Councils for comment.

Clause 6.4 to read:

- 6.4 *Representatives qualifications***  
*Representatives of Local Governments must be sitting Councilors or the Chief Executive Officer and must be approved by WEROC Board.*

A new clause be added to cover the financial contribution to be made by new members on their joining WEROC:

- 10.2 *Financial Contributions by New Members***  
*Where a new member is admitted to WEROC, a financial contribution to be made by the new member, in addition to the annual financial contribution, will be as determined by the Board.*

Clause 14.2 to be simplified:

- 14.2 *Where a vacancy on the Board occurs after 31 March in any year:***  
*(a) the position can remain vacant until the next Annual General Meeting or;*  
*(b) an election to fill the vacancy is to take place at a Special meeting called for that purpose.*

Clause 15.2 to read:

- 15.2 *Notice of Meeting***  
*Notice of a meeting of the Board, stating the business of the meeting and including reports and supporting documentation must be given by the Executive Officer to each representative at least 5 business days prior to the meeting.*

Clause 16.1 to read:

**16.1 Executive Officer Appointed**

*The Board is empowered to appoint an Executive Officer for a contract period not exceeding five years or to remove an Executive Officer from WEROC and to decide upon his or her remuneration and duties. The contract of an Executive Officer so appointed may be renewed from time to time at the discretion of the Board.*

**CARRIED**

**Note:** The revised draft to be provided will also include any numbering or consequential changes that arise from implementing the above changes requested by the WEROC Executive.



### 5.3 Records Management in Local Government

**File Reference:** 013-2 Strategic and Future Planning  
042-2 Finance, Audit and Compliance

**Author:** Bruce Wittber, Executive Officer

**Portfolio:** CEO/Governance (Shire of Yilgarn)

**Disclosure of Interest:** Nil

**Date:** 19 September 2019

**Attachments:** Nil

#### **RECOMMENDATION:**

That the decision made by flying email on Thursday 5 September 2019 and detailed below be endorsed by the WEROC Executive. That:

1. Subject to further discussions with Information Enterprises Australia Pty Ltd around costings for the review to include only four of WEROC's five Member Councils, Information Enterprises Australia Pty Ltd be engaged to undertake a review of WEROC Member Councils' record keeping policies using the methodology "Option 1" as detailed within the proposal provided by Information Enterprises Australia Pty Ltd; and
2. The WEROC Executive give consideration at the Executive Meeting to be held Wednesday 25 September 2019 as to how the project will be funded, with a recommendation prepared for consideration by the WEROC Council by way of flying email in order that work on the review of participating Member Councils records management policies can commence as soon as possible.

#### **Executive Officer's Report:**

Following its review of the Western Australia's Auditor General report on the topic of records management in Local Government, the WEROC Executive resolved as shown when it met on Wednesday 29 May 2019:

*RESOLUTION: Moved: Greg Powell Seconded: Jamie Criddle*

*That the WEROC Executive recommend to the WEROC Council that WEROC seek quotations from suitably qualified records management consultants to undertake a review of Member Councils' recordkeeping policies and procedures to ensure they adequately support their respective Record Keeping Policies.*

*CARRIED*

WEROC Council approved this recommendation at a meeting held Wednesday 26 June 2019.

A request for quotation (RFQ) for quotation was prepared as per the resolution and sent to the following organisations:

- Compu-Stor (contact details provided by the Shire of Yilgarn);
- Information Enterprises Australia Pty Ltd (the Executive Officer has worked with Information Enterprises Australia Pty Ltd on similar projects to the one currently being undertaken by WEROC); and
- Kim Boulter (contact details provided by the Shire of Kellerberrin).

The closing date for submissions was Friday 23 August 2019.

A report on the work undertaken to date in appointing a consultant was provided to the WEROC Council when it met on Tuesday 27 August 2019, with WEROC Council resolving as shown below:

*RESOLUTION:                      Moved: Cr Forsyth                      Seconded: Cr Day*

*That the WEROC Executive be given delegated authority to finalise the appointment of a qualified records management consultant to undertake a review of Member Councils' recordkeeping policies and procedures to ensure they adequately support their respective Record Keeping Policies.*

*CARRIED*

Darren Mollenoyux also advised the meeting advised that the Shire of Bruce Rock would not be part of the record management project.

On Thursday 5 September 2019 the Executive Officer emailed all members of the WEROC Executive in relating to progressing the appointment of a consultant to undertake the records management review, with the email detailed below.

*Hello everyone*

*At the WEROC Council Meeting held Tuesday 27 August 2019 it was resolved as follows with respect to progressing a review of Member Councils' records management policies:*

*RESOLUTION:                      Moved: Cr Forsyth                      Seconded: Cr Day*

*That the WEROC Executive be given delegated authority to finalise the appointment of a qualified records management consultant to undertake a review of Member Councils' recordkeeping policies and procedures to ensure they adequately support their respective Record Keeping Policies.*

*CARRIED*

*Notwithstanding the above decision, the Shire of Bruce Rock advised that it would not be part of the record management project.*

*As you are all aware, a request for quotation (RFQ) was requested from three (3) organisations:*

- 1. Compu-Stor (contact details provided by the Shire of Yilgarn);*
- 2. Information Enterprises Australia Pty Ltd (the Executive Officer has worked with Information Enterprises Australia Pty Ltd on similar projects to the one currently being undertaken by WEROC); and*
- 3. Kim Boulter (contact details provided by the Shire of Kellerberrin).*

*A copy of the RFQ, whilst previously provided to Member Councils, forms an attachment to my email.*

*Please note these costings should be treated as commercial in confidence documents and not distributed beyond the WEROC membership.*

*All 3 organisations indicated they would submit a costing.*

*Only Compu-Stor and Information Enterprises Australia Pty Ltd (IEA) responded to WEROC's RFQ by the closing date for lodgement – Friday 23 August 2019.*

*Only IEA provided evidence that it carries appropriate levels of Professional Indemnity and Public Liability Insurances as requested in the RFQ.*

*Copies of IEA's certificates of insurance will be provided upon request.*

*Both Compu-Stor and IEA provided capacity statements within their proposals which demonstrated their ability to undertake the work required by WEROC's Member Councils.*

*Comment on each of the proposals submitted is provided below.*

*Page 5 of Compu-Stor's proposal details the methodology it will use to undertake the record review at each Member Council. The proposal includes site visits.*

*Page 7 of the costing details the timeframe over which the review will be completed.*

*Pages 8 and 9 of the proposal detail the costing developed by Compu-Stor to undertake the work requested, with “consulting services” calculated to cost \$17,595.00 (GST excl). An estimate for travel and accommodation has been set at \$5,950.00.*

*IEA has provided WEROC with two (2) costing options, being covered in pages 5-10 of its proposal. The proposal provides a detailed explanation for both Options 1 and 2.*

*The methodology for the review remains essentially the same across both options, the difference in Option 2 is that onsite visits have been included to all Member Councils, whereas in Option 1 onsite visits will occur only if they are deemed necessary by the project’s Senior Consultant and agreed to by the Member Council.*

*The cost to WEROC should Option 1 be accepted would be \$21,240.00 (excl GST).*

*IEA has noted that an additional 6 hours of consulting costs at \$180.00 ex GST per hour (\$1,080.00 ex GST) should be placed in the project budget for each Member Council, should the findings of Phase 3a identify that the Senior Consultant needs to complete an onsite visit.*

*The following travel and accommodation costs will also apply to Option 1 should a visit(s) be required to a Member Council, with:*

- *Mileage charged at 68 cents per kilometre as per ATO directive;*
- *Accommodation and meal costs of \$237.60 per day as per ATO Tax Determination TD 2019/11; and*
- *Travel time @ \$90.00 per hour (excl GST).*

*Option 2 includes onsite visits to all Member Councils. This option allows for onsite visits to all Member Councils over a 3 – 4 day period.*

*The visits will occur after a review of all documentation provided by Member Councils has been completed.*

*The cost to WEROC should Option 2 be accepted would be \$22,680.00 (excl GST) for the conduct of the review and preparation of the report.*

*The following travel and accommodation costs will apply to Option 2, with:*

- *Mileage charged at 68 cents per kilometre as per ATO directive - estimated 826 Km @ .68 cents per km is \$561.68 ex GST;*
- *Accommodation and meal costs of \$237.60 per day as per ATO Tax Determination TD 2019/11 - estimated 5 days is \$1,188.00; and*
- *Travel time @ \$90.00 per hour (excl GST) - estimated 10.50 hours is \$945.00 (ex GST).*

*Adding both cost components, the total cost to WEROC should Option 2 be accepted would be \$25,374.58 (excl GST).*

*IEA has noted in its proposal that where it is not possible to schedule all site visits into one trip then additional costs will be applied, based on the rates provided at 3.2.1 Estimated Costings For Option 2.*

*The costings provided by IEA are far more detailed than those provided by Compu-Stor, with both options extensively detailing the work to be undertaken and the timeframes over which the work will be undertaken. IEA’s costings clearly articulate what the deliverables are and how the outcomes will be achieved.*

*The proposal also highlights the additional costs that may be necessary as preliminary results from the review become known.*

*In terms of Local Government experience, IEA demonstrated greater evidence of working within the Local Government sector. Importantly from WEROC’s perspective, a considerable amount of this work has been with small Councils outside the metropolitan area (refer to pages 12 and 13 of IEA’s proposal).*

*Compu-Stor's proposal notes that it has experience in "Government" but does not list any specific examples of project work within the Local Government sector.*

*Whilst IEA's costing for Option 1 is more expensive than the costing provided by Compu-Stor the Executive Officer believes that this proposal should be further investigated by WEROC as it more clearly defines the work to be undertaken, how this work will be carried out and the timeframe over which the work will be conducted. Given that much of the information to be reviewed is available electronically, there is no specific reason for site visits to be undertaken. Similarly, the conduct of telephone interviews also negates the need for travel.*

*Onsite visits would only be required should an issue or area of non-compliance need further investigation.*

*IEA also has more clearly identified the experience it has within the Local Government sector and more particularly its experience with small Councils outside the metropolitan area.*

*In addition to choosing a consultant, WEROC must also consider how the project is to be funded. When the Executive Officer presented the recommendation to Member Councils that a review of record keeping policies be undertaken it was done with a view to WEROC's project funds providing the funds for the work to be undertaken, in much the same way as the assets review by Accingo is being funded by WEROC.*

*With the Shire of Bruce Rock advising that it did not wish to participate in the records keeping review project this matter must be resolved by WEROC Council.*

*The Executive Officer believes that at least a portion of the project's cost should be met by WEROC.*

*Additionally, whatever consultant is chosen, there will be a need to discuss with the successful consultant whether or not there will be any changes to the costings associated with the conduct of the review itself given that there will only be four Councils participating in the project.*

*On the basis of the above information the following recommendation is presented for consideration by way of flying email.*

**RECOMMENDATION:**

*That:*

- 1. Subject to further discussions with Information Enterprises Australia Pty Ltd around costings for the review to include only four of WEROC's five Member Councils, Information Enterprises Australia Pty Ltd be engaged to undertake a review of WEROC Member Councils' record keeping policies using the methodology "Option 1" as detailed within the proposal provided by Information Enterprises Australia Pty Ltd; and*
- 2. The WEROC Executive give consideration at the Executive Meeting to be held Wednesday 25 September 2019 as to how the project will be funded, with a recommendation prepared for consideration by the WEROC Council by way of flying email in order that work on the review of participating Member Councils records management policies can commence as soon as possible.*

*If you could please have your responses to me no later than close of business on Wednesday 11 September 2019 that would be greatly appreciated as this will allow a report (with accompanying recommendations to allow the project to be funded) to be prepared for WEROC Council's consideration as proposed in Part 2 of the above recommendation.*

*Should you have any questions regarding the proposal provided by either Compu-Stor or IEA please call/email me.*

*Take care*

*HW*

At Tuesday 17 September 2019 the Executive Officer had received advice from the CEOs at the Shires of Kellerberrin, Merredin and Yilgarn that they were happy with the recommendation as provided on 5 September. As this constituted a majority of the WEROC Executive being in favour of appointing Information Enterprises Australia Pty Ltd (IEA), the Executive Officer has advised IEA of WEROC's decision. Arrangements are in hand for the Executive Officer to meet with

representatives from IEA to finalise arrangements around the review now covering only the Shires of Kellerberrin, Merredin, Westonia and Yilgarn. The Executive Officer will provide a verbal report to the Executive on any discussions that may take place ahead of the Executive Meeting on 25 September 2019.

The Executive Officer will also advise Compu-Stor it was unsuccessful in gaining the contract to review record keeping practices across the four participating Member Councils.

The WEROC Executive is also required to give consideration as to how the project is to be funded.

The Executive Officer envisaged that WEROC would fund this work in much the same way it funded the asset review work undertaken by Accingo. With the Shire of Bruce Rock's advice that it will not be participating in this project the Executive Office believes the Executive needs to consider how best (and equitably) the project should be funded.

One possible way for meeting the project's cost is for WEROC to meet the costs shown for Option 1, with travel and other costs associated with an onsite visit if required or requested to be covered by the Council being visited.

This matter is presented for discussion and decision.

**Meeting Comment:**

The Executive Officer noted that a revised costing from IEA had been received and circulated ahead of the Executive Meeting. A copy of the revised costing also forms an attachment to the minutes for the meeting.

The Executive Officer also advised that she would be meeting with representatives from IEA on Thursday 26 September 2019 to initiate the commencement of the project.

The meeting also discussed ways in which the records management review could be funded. It was agreed that the methodology suggested by the Executive Officer was an appropriate way for the project to be funded.

Darren Mollenoyux explained that the Shire of Bruce Rock would be happy to consider participating in any work that arose from recommendations made as a result of the work being undertaken by IEA.

On this basis, it was also agreed that the Shire of Bruce Rock should be given the opportunity to participate in any future records management projects should they be considered following the conclusion of the IAE's review of record keeping policies across the Shires of Kellerberrin, Merredin, Westonia and Yilgarn.

**RESOLUTION:**                      **Moved: Jamie Criddle**                      **Seconded: Greg Powell**

- 1. That the decision made by flying email on Thursday 5 September 2019 and detailed below be endorsed by the WEROC Executive. That:**
  - a) Subject to further discussions with Information Enterprises Australia Pty Ltd around costings for the review to include only four of WEROC's five Member Councils, Information Enterprises Australia Pty Ltd be engaged to undertake a review of WEROC Member Councils' record keeping policies using the methodology "Option 1" as detailed within the proposal provided by Information Enterprises Australia Pty Ltd; and**
  - b) The WEROC Executive give consideration at the Executive Meeting to be held Wednesday 25 September 2019 as to how the project will be funded, with a recommendation prepared for consideration by the WEROC Council by way of flying email in order that work on the review of participating Member Councils records management policies can commence as soon as possible.**
- 2. That the WEROC Executive recommend to the WEROC Council that:**
  - a) WEROC meet the costs associated with Enterprises Australia Pty Ltd undertaking the work detailed in Option 1 of its proposal to undertake a review of the record keeping policies for the Shires of Kellerberrin, Merredin, Westonia and Yilgarn, with travel and other costs associated with any onsite visits if required or requested to be covered by the Council being visited; and**

- b) The Shire of Bruce Rock be given the opportunity to participate in any future records management projects should they be considered following the conclusion of the IAE's review of record keeping policies across the Shires of Kellerberrin, Merredin, Westonia and Yilgarn.

**CARRIED**

#### 5.4 Participation by WEROC in Renewable Energy Projects

<b>File Reference:</b>	013-2 Strategic and Future Planning 135-1 Economic Sustainability
<b>Author:</b>	Helen Westcott, Executive Officer
<b>Portfolio:</b>	Economy (Bruce Rock) Advocacy (Shared Function)
<b>Disclosure of Interest:</b>	Nil
<b>Date:</b>	19 September 2019
<b>Attachments:</b>	Joint Media statement from Hon Alannah MacTiernan MLC and Hon Ben Wyatt LLB MSc MLA

#### **RECOMMENDATION:**

**The matter is presented for discussion and decision.**

#### **Executive Officer's Report:**

Following its meeting with Steve Mason, CEO Innovation Central Midlands WA Inc (ICM), on ICM's involvement with BSC Energy, Power Ledger and others in developing sources of renewable energy on Tuesday 27 August 2019, WEROC Council resolved as shown below:

**RESOLUTION:** *Moved: Cr Rajagopalan* *Seconded: Mr Criddle*

*That WEROC:*

- 1. Initiate discussions with BSC Energy and Power Ledger seeking the conduct of a pre-feasibility study in respect to developing a micro-grid system across the WEROC geographic area; and*
- 2. Extend an invitation to Steve Mason to meet with WEROC Council in 2020 to provide an update on Innovation Central Midlands WA Inc's renewable energy project.*

**CARRIED**

In her follow up with Steve Mason on this matter, the Executive Officer has advised that WEROC would like to meet with ICM in 202 to receive an update on the progress of its renewable energy project across the Shires of Dalwallinu, Moora and Wongan-Ballidu.

In terms of initiating discussions with BSC Energy and Power Ledger to commence a pre-feasibility study the Executive Officer has been hampered by a lack of information from Member Councils to assist in discussions with both BSC Energy and Power Ledger. In an email dated 4 September 2019 the Executive Officer wrote as follows:

*Hello everyone*

*Following your meeting with Steve Mason from ICM at last week's WEROC's Council Meeting it was resolved as follows with respect to where WEROC would like to take furthering the group's potential involvement in renewable energy:*

**RESOLUTION:** *Moved: Cr Rajagopalan* *Seconded: Mr Criddle*

*That WEROC:*

- 3. Initiate discussions with BSC Energy and Power Ledger seeking the conduct of a pre-feasibility study in respect to developing a micro-grid system across the WEROC geographic area; and*
- 4. Extend an invitation to Steve Mason to meet with WEROC Council in 2020 to provide an update on Innovation Central Midlands WA Inc's renewable energy project.*

**CARRIED**

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*Following the WEROC Council meeting Steve Mason provided Bruce with feedback on the presentation.*

*One thing highlighted was that when Mark Imrie (BSC Solar) and Caren McClaren (Power Ledger) met with WEROC Council in June one question they were looking to have answered by Member Councils was had any Member Council received development plan applications for business ventures and/or were they aware of potential business ventures? Answers to these question will impact on the viability of developing a micro grid system across the WEROC geographic area.*

*If you could please provide this information as soon as possible that would be greatly appreciated as it will enable me to write to Mark Imrie to commence discussions around the conduct of a pre-feasibility study.*

*I also understand that the issue of current power usage for shires, businesses and residential properties was discussed with Steve Mason at last week's WEROC Council Meeting. This information can be sourced by BSC Solar through Western Power. Did you want me to request BSC Solar to obtain this information for WEROC? Again, if you could provide an answer on this question as quickly as possible so I can progress work on this project.*

*Thankyou for your help.*

*Take care and hear from you in due course.*

*HW*

At the time of preparing the meeting agenda the Executive Officer had received replies to her request for information from only three Member Councils – the Shires of Bruce Rock, Merredin and Yilgarn. For WEROC to approach BSC Energy and Power Ledger in any meaningful way it requires information from all Member Councils.

As such the Executive Officer is hopeful that this information (and any additional information Member Councils believe might be useful) will be forthcoming during the course of the meeting.

More broadly speaking, the Executive Officer considers that the Executive should provide some direction to the WEROC Council as to how important/beneficial such a project may or may not be to its communities.

A recent joint media statement by Hon Alannah MacTiernan MLC and Hon Ben Wyatt LLB MSc MLA on the development by Enwave Australia of a solar-powered microgrid in the Peel Region highlights the growing importance of this source of renewable energy. The statement can be accessed by following the link shown below:

<https://www.mediastatements.wa.gov.au/Pages/McGowan/2019/09/Ground-breaking-microgrid-to-power-jobs-in-the-Peel.aspx>

A copy of the media statement also forms an attachment to the meeting agenda.

The matter is presented for discussion and decision.

### **Meeting Comment:**

Raymond Griffiths advised that the Shire of Kellerberrin had 4 or 5 industrial blocks that could be considered potential business ventures for the purpose of this project.

Member Councils also gave approval for the Executive Officer to advise BCS Solar that WEROC is happy for WESTERN Power to be approached to gain information current power usage for Member Councils, businesses and residential properties across WEROC.

**Whilst no resolution was taken, the meeting agreed that work around this matter should continue.**



## 5.5 Public Consultation- Pesticides Regulation Review in Western Australia

**File Reference:** 013-2 Strategic and Future Planning  
013-4 Intergovernmental Relations

**Author:** Helen Westcott, Executive Officer

**Portfolio:** Environment (Shire of Merredin)  
Advocacy (Shared Function)

**Disclosure of Interest:** Nil

**Date:** 19 September 2019

**Attachments:** Nil

The matter is presented for discussion and decision.

### Executive Officer's Report:

The review of the *Health (Pesticides) Regulations 2011* currently underway was discussed by WEROC Council when it met on Tuesday 27 August 2019, with the meeting resolving as shown below:

**RESOLUTION:** Moved: Cr Day Seconded: Cr Rajagopalan

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That WEROC:

1. Encourages Member Councils to complete the online survey developed by the Department of Health as part of its review of the *Health (Pesticides) Regulations 2011*;
2. Member Councils share the information provided in the online survey with WALGA as it works on a sector wide submission around the review of the *Health (Pesticides) Regulations 2011*; and
3. WEROC prepare a submission that highlights the potential difficulties small rural and remote local governments may face if Option C is adopted by the State Government as an outcome of its review of the *Health (Pesticides) Regulations 2011*

CARRIED

Following the meeting on 27 August, the Executive Officer emailed all WEROC CEOs regarding the review. The email sent on Wednesday 4 September 2019 is provided below:

*Hello again everyone*

*WEROC Council resolved as shown below with respect to preparing a submission on the pesticides regulation review:*

**RESOLUTION:** Moved: Cr Day Seconded: Cr Rajagopalan

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That WEROC:

4. Encourages Member Councils to complete the online survey developed by the Department of Health as part of its review of the *Health (Pesticides) Regulations 2011*;
5. Member Councils share the information provided in the online survey with WALGA as it works on a sector wide submission around the review of the *Health (Pesticides) Regulations 2011*; and
6. WEROC prepare a submission that highlights the potential difficulties small rural and remote local governments may face if Option C is adopted by the State Government as an outcome of its review of the *Health (Pesticides) Regulations 2011*

CARRIED

*Whilst the submission period does not close until Thursday 10 October 2019 I need to begin compiling information for the submission now to give us enough time to properly prepare a submission.*

*If you are looking to complete the online survey could you, in addition to providing WALGA with your answers, also provide me with your Council's views on how the new regulations might impact its operations.*

*Thankyou.*

*Take care – I look forward to hearing from you.*

*HW*

Whilst responses have been provided the Shires of Bruce Rock, Merredin and Yilgarn, the Executive Officer at the time of preparing the meeting agenda had yet to receive any feedback from either Shire of Kellerberrin or the Shire of Westonia.

It is imperative for all Member Councils to have input into the preparation of the WEROC submission if it is to be truly representative of the organisation as a whole. It is vital that the voice of small rural/regional Councils such as those in WEROC are heard. To quote from the minutes of the WEROC Council held Tuesday 27 August 2019 when this matter was discussed:

*At a time when the sector is under attack from several quarters on what some perceive as the excessive red tape applied by local governments across the State, the last thing the sector needs is further administrative burdens to be thrust upon it.*

*It should be noted that the discussion paper does not detail how (if at all) Local Government will be compensated for taking on the role of enforcing the new regulations once developed. Similarly, it also does not detail how cost recovery in the longer term is going to be managed, what mechanisms will be put in place at the time the new regulations come into force to ensure Local Government will be able to charge true recovery costs into the future.*

*The discussion paper also does not take into consideration the potential difficulties for small rural and remote Councils in being responsible for the enforcement of the pesticide regulation once legislated.*

As in Agenda Item 5.4, the Executive Officer is hopeful that this information (and any additional information Member Councils believe might be useful) will be forthcoming during the course of the meeting, with this information and that already collated help in preparing a submission that represents the views of WEROC as a whole.

**Noted**

## 5.6 Ongoing Development of the WEROC App and Website

<b>File Reference:</b>	013-2 Strategic and Future Planning 132-1 WE-ROC Tourism 132-3 Central Wheatbelt Visitor Centre 135-5 Economic Sustainability
<b>Author:</b>	Helen Westcott, Executive Officer
<b>Portfolio:</b>	Shared Function (Economic Development currently through Wheatbelt Communities Inc)
<b>Disclosure of Interest:</b>	No interest to disclose
<b>Date:</b>	18 September 2019
<b>Attachments:</b>	Digital Economy Enablement Strategy Overview

**The matter is presented for discussion and decision.**

### **Executive Officer's Report:**

The ongoing development of the WEROC App and website was considered at the WEROC Council Meeting held in Kellerberrin on Tuesday 27 August 2019, at which time it was resolved as follows:

**RESOLUTION:** *Moved: Cr Hooper* *Seconded: Cr Rajagopalan*

*That prior to the Executive Officer applying for funding for further work on either the WEROC App or website:*

- 1. The WEROC Executive determine what areas should be targeted, with a report and recommendation to be presented at the WEROC Council Meeting scheduled to be held Wednesday 30 October 2019; and*
- 2. Any applications for funding be based only upon decisions arising from WEROC Council's consideration at the meeting scheduled for Wednesday 30 October 2019.*

*CARRIED 6/4*

On Thursday 5 September 2019 the Executive Officer emailed a copy of the digital enablement strategy referred to at the meeting held 27 August 2019 to help members of the WEROC Executive prepare ahead of its September Meeting.

A copy of the strategy also forms an attachment to the meeting agenda.

The Executive Officer had also hoped to develop some briefing notes prior to the distribution of the meeting agenda but in truth all the information around the project has been covered in the agenda item prepared for the August meeting of the WEROC Council. Given that this is the case, the Executive Officer provides below an extract from the minutes of that meeting to again cover what has been achieved during the life of the project.

*To aid discussion around the recommendation provided on this matter the Executive Officer has provided a brief history of the work around the WEROC App and website. Whilst this report covers only work around the WEROC App, the further development of the WEROC website needs also to be considered by WEROC Council as it has been developed as part of the App's evolution.*

*In early 2016 WEROC embarked on a project to develop a mobile app, engaging Go2EVENTS<sup>1</sup>/Peacock Digital to assist in its endeavours. At a meeting held Wednesday 27 April 2016 WEROC Council resolved as follows:*

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<sup>1</sup> Note that Go2Events has become go2GUIDES.

RESOLUTION:                      Moved: Cr Hooper                      Seconded: Cr Forsyth

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That:

1. WE-ROC accept the quote provided by Go2EVENTS/Peacock Digital to develop a mobile application for WE-ROC that will provide information to both residents and visitors to the communities across WE-ROC;
2. Development of the mobile application be done as a Wheatbelt Communities Inc project with funding through the WE-ROC project account; and
3. The annual maintenance be met by WE-ROC should funding for maintenance of the application not be met by way of subscriptions.

CARRIED

Since that time WEROC/Wheatbelt Communities Inc has worked with Steven Peacock to digitally enable the communities across the region covered by Member Councils. This work has at times not been easy for a variety of reasons. For example, the work agreed to early in 2017, as detailed in the resolution below (and agreed to at a Wheatbelt Communities Inc meeting held Wednesday 29 March 2017) was never fully undertaken.

RESOLUTION:                      Moved: Jamie Criddle                      Seconded: Darren Mollenoyux

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That:

- The report on the development of the WE-ROC mobile app be noted;
- Wheatbelt Communities' Member Councils have responsibility for the management of their "local" content for a period of six months at which time a review will be undertaken to determine whether or not the management of the app should be outsourced;
- Training on managing the app be arranged as soon as possible for those officers across Wheatbelt Communities given the responsibility of managing content within their respective communities;
- The Executive Officer approach both Go2EVENTS/Peacock Digital and the Wheatbelt Business Network for a costing for managing app content, listings etc on the app; and
- The Executive Officer prepare a draft charging policy for users of the app.

CARRIED

Training on the App was provided but for many reasons did not see the management of content occurring in a way that allowed for greater development or uptake of the App.

Management of the App was not given to the WBN, with Wheatbelt Communities Inc resolving on Wednesday 15 May 2017 as follows:

By consensus it was agreed that the Central Wheatbelt Visitors Centre would be approached to manage the content of the WE-ROC app.

This decision was augmented by a further decision WEROC Council at a meeting held Wednesday 28 February 2018, at which time it was resolved:

RESOLUTION:                      Moved: Cr Forsyth                      Seconded: Cr Hooper

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That:

1. WE-ROC agree to continue providing financial support for the WE-ROC App;
2. WE-ROC look to fund the Central Wheatbelt Visitors Centre for a two-period commencing on 1 July 2018 and concluding on 30 June 2020, with a review of the contract during the first quarter of the 2019/2020 financial year;
3. WE-ROC enter into negotiations with the Wheatbelt Business Network to assist with the future development of the WE-ROC App, particularly in the area of promoting and encouraging business to register on the WE-ROC App; and
4. In developing the WE-ROC Budget for 2018/2019, for WE-ROC Council's consideration, the WE-ROC Executive develop a financial plan for the management and future development of the WE-ROC App.

CARRIED

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In addition to further funding for the App WEROC Council also briefly considered a discussion paper prepared by go2GUIDES which looked at developing a strategy that provide WEROC with greater digital enablement. At the time, WEROC Council resolved as shown below:

RESOLUTION:                      Moved: Cr Strange                      Seconded: Mr Griffiths

That the WE-ROC Executive use the discussion paper, "Digital Economy Enablement Strategy", prepared by go2Guides in its discussions when preparing the draft WE-ROC Budget for 2018/2019.

CARRIED

This did not occur in any great detail at the Executive Meeting held Wednesday 28 March 2018.

Other matters related to the WEROC App were, however, considered, with the Executive resolving as shown below:

RESOLUTION:                      Moved: Raymond Griffiths                      Seconded: Darren Mollenoyux

That:

1. Subject to its review, WE-ROC enter into a contract with the Wheatbelt Business Network to assist WE-ROC with the future development of the WE-ROC App, particularly in the area of promoting and encouraging business to register on the WE-ROC App; and
2. Signage advertising the WE-ROC App should be purchased and installed without delay.

CARRIED

Work with the WBN was undertaken. Physical signage has not been erected to date but advertising of the App is done through the Central Wheatbelt Visitor Centre and organisations with which it is affiliated, eg Australia's Golden Outback.

A proposal by go2GUIDES to continue work on the WEROC App was considered as part of budget deliberations, with WEROC Council resolving as follows when it met on Wednesday 2 May 2018:

RESOLUTION:                      Moved: Mr Griffiths                      Seconded: Mr Powell

That WE-ROC accept the proposal and costing provided by go2Guides for the further development of the WE-ROC App at a cost of \$8,520 (GST exclusive).

CARRIED

7/1

The above decision was taken because the proposal was considered to provide "value for money".

This funding represents the amount spent by WEROC in the last financial year on the WEROC App project.

Work undertaken by the WBN on WEROC's behalf highlighted the problems faced in getting greater uptake by local businesses across WEROC. Because of this WEROC Council resolved as follows when it met on Wednesday 22 August 2018:

RESOLUTION:                      Moved: Cr Forsyth                      Seconded: Mr Powell

That WE-ROC enter into discussions with the Wheatbelt Business Network (WBN) to postpone completion of Stage Two of work associated with improvements and further development of the WE-ROC App and website in order to undertake Stage Three of the contract between its contract with the WBN.

CARRIED 7/1

At the WEROC Council Meeting held Wednesday 24 October 2018 the Executive Officer was requested to research the Agreement/Contract between WEROC and go2GUIDES to ascertain whether there were any ongoing commitments in relation to the development of the WEROC App in order for this to be referred to the Executive Meeting scheduled for Wednesday 28 November 2018.

This research identified that WEROC still had contractual obligations to go2GUIDES.

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*At this meeting the WEROC Executive also met (via teleconference) with Steven Peacock and Fabian Vleer from Go2GUIDES. Following this meeting it was resolved as shown below:*

*RESOLUTION:                      Moved: Greg Powell                      Seconded: Jamie Criddle*

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*That WE-ROC seek a project brief, implementation plan and costing from go2GUIDES to market the WE-ROC App as means to attract visitors to the region.*

*CARRIED*

*go2GUIDES provided WEROC with the information requested and at the WEROC Executive Meeting held Wednesday 13 February 2019 it was resolved as follows:*

*RESOLUTION:                      Moved: Darren Mollenoyux                      Seconded: Jamie Criddle*

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*That the WEROC Executive recommend to the WEROC Council that:*

- 1. Subject to successful grant funding applications to assist WEROC in resourcing the WEROC App Marketing Project, WEROC look to fund the project in the 2019/2020 financial year and beyond; and*
- 2. Go2GUIDES be advised of WEROC's decision.*

*CARRIED*

*This action was agreed to by WEROC Council when it met on Wednesday 27 February 2019.*

*The Executive Officer advised the attendees at the WEROC Council Meeting on Wednesday 1 May 2019 she had conveyed WEROC's decision to go2GUIDES.*

*Since returning from leave the Executive Officer in July has received various documents and costings from go2GUIDES in an effort to work on finding funding to further the WEROC App. At this point the most relevant document is the Digital Economy Enablement Strategy Overview prepared for WEROC by go2GUIDES a copy which forms an attachment to this item. Provided as "Commercial in Confidence" the overview outlines how ongoing use and further refinement of the App will aid in showcasing the region to an audience beyond the communities within WEROC.*

*As the Executive Officer has noted previously, the development of the WEROC App has created a means of showcasing businesses and attractions (both social and environmental) to an audience far greater than just the residents and businesses within the WEROC region. It provides a mechanism for WEROC and the communities it represents to lift the region's economic footprint through becoming more digitally enabled.*

*For the Executive Officer to look at funding sources and prepare applications to further the development and marketing of the App and website, Member Councils need to be aware that funding of any significance is likely to require a contribution from WEROC.*

*Is WEROC willing to commit, where required, to a co-contribution in any funding application lodged?*

*There is also the question of who will manage the App and website once development is completed and how that will be funded.*

*In discussions the Executive has had with the Shire of Merredin, the Shire has agreed to manage the App but would do so only on a fee for service basis. Given that this is recurrent expenditure it is extremely unlikely that grant funding, even with a contribution from WEROC, will be available.*

*Again, is WEROC willing to commit to this expenditure? Such a commitment will be vital. It will also be ongoing.*

*If Member Councils answer yes to each of the above questions then there must be discussion around what aspects of the WEROC App and website development and marketing do they wish to focus on? Only when these issues are resolved can funding sources be identified and meaningful applications prepared.*

*This would be a task the Executive could undertake and provide recommendation on to WEROC Council. Once agreement has been reached on what aspects of the App to focus upon the Executive Officer will be in a position to find sources of funds relevant to WEROC's needs.*

*If WEROC determines it does not wish to expend any funds then there is no point to applying for funding.*

It should also be noted that WEROC's contract with the Central Wheatbelt Visitor Centre to maintain the WEROC App and website has expired. As advised previously, the Shire of Merredin has advised that it is happy for a new contract to be entered into. The costs associated with renewing the contract must be considered by the WEROC Executive as it considers the future development and funding of the App and website.

**Consultation:** Nil

**Financial Implications:** As yet unknown

**Voting Requirement:** Simple Majority

The matter is presented for discussion and decision.

**RESOLUTION:**                      **Moved: Jamie Criddle**                      **Seconded: Raymond Griffiths**

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**That the WEROC Executive recommend to the WEROC Council that:**

- 1. WEROC terminate its contract with go2GUIDES; and**
- 2. WEROC examine alternative ways to manage the WEROC website.**

**CARRIED**

**5.7      Funding to Support and Mentor Local Governments to Assist in the Development of Public Health Plans**

**File Reference:** 013-2 Strategic and Future Planning

**Author:** Helen Westcott, Executive Officer

**Portfolio:** Social (Kellerberrin) and Environment (Merredin)  
Shared Function (Advocacy)

**Disclosure of Interest:** Nil

**Date:** 18 September 2019

**Attachments:** Nil

**The matter is presented for discussion and decision.**

**Executive Officer's Report:**

Following its discussions with Jo Malcom from the Public Health Advocacy Institute of WA (PHAIWA), the Executive may wish to discuss what further action, if any, is required in seeking further assistance from PHAIWA as Member Councils look to develop their Public Health Plans.

**RESOLUTION:**                      **Moved: Darren Mollenoyux              Seconded: Greg Powell**

**That the WEROC Executive recommend to the WEROC Council that:**

- 1. WEROC write to the WA Local Government Association (WALGA) requesting that it prepare a local health plan template based on the Salaries and Allowances Tribunal four band classification model to assist in the preparation of local health plans that meet the needs of small rural and remote local governments; and**
- 2. If WALGA is unable to assist in preparing a template to assist in the preparation of local health plans WEROC look to creating its own template from which Member Councils can prepare individual local health plans.**

**CARRIED**

The meeting adjourned at 10.57am

The meeting resumed at 10.06am

The following people did not return to the meeting:

Mr Alan O'Toole;  
Ms Ashleigh Waight;  
Mr Peter Zenni; and  
Mr Nic Warren

The meeting then returned to Agenda Item 4.1



## **6. EMERGING ISSUES**

### **6.1 Wheatbelt Medical Students Immersion Project (WMSIP)**

Raymond Griffiths advised that at a recent Local Emergency Management Committee Meeting it was suggested that students coming out to Kellerberrin as part of the WMSIP in 2020 could participate in a training exercise. The participation in such an activity would see the students as casualties in any exercise planned and could be seen as their community activity for the time in Kellerberrin.

The meeting agreed that this was an idea that should be pursued, with the Executive Officer asked to raise the matter at the next meeting of the WMSIP Planning Group, scheduled to held Thursday 26 September 2019.

### **6.2 Productivity Commission - Release of Draft Report into Remote Area Tax Concessions and Payments**

The Executive Officer advised that the Productivity Commission had released a report in remote area tax concessions and payments, enquiring whether WEROC wished to prepare a submission to the Productivity Commission on the adverse impact that some of its recommendations might have on attracting staff to non-metropolitan Councils such as those in WEROC.

It was agreed that a submission would not be prepared, with Councils to provide WALGA with any information they thought of value for inclusion into the submission WALGA will prepare on the sector's behalf.

### **6.3 Productivity Commission - Release of Draft Report into Mental Health**

The Executive Officer advised that the Productivity Commission report on mental health in the workplace will be released on 31 October 2019, with public hearings to be held during November and December. A hearing will be held in Perth on Wednesday 20 November.

No date has been set as yet for the release of the final report.

The Executive Officer sought advice from the Executive as to whether it wanted WEROC to attend the public hearing, given it had previously made a submission.

It was agreed that no further action was required at this point.

### **6.4 Size and Scale Compliance Regime – Local Government Act Review**

The Executive Officer drew Member Councils attention to the recent Infopage from the WA Local Government Association (WALGA) regarding its request for examples of where a size and scale compliance regime could be identified in the Act and Regulations.

It was agreed that the Executive Officer should provide WALGA with a copy of the submission it submitted to the Department of Local Government, Sport and Cultural Industries on the review of the Local Government Act.

It was also agreed that Member Councils should also provide WALGA with any examples they believe should be included in the work being undertaken by WALGA.

Any information for this with work must be with WALGA by Friday 25 October 2019.

### **6.5 Removal of CA07**

Jamie Criddle raised the matter of the email received from Main Roads WA on Monday 23 September 2019 regarding the removal of CA07.

It was agreed that in light of the email received just prior to the WEROC Executive Meeting from Nick Sloan, CEO WALGA that the matter be left for further review at the WEROC Council Meeting scheduled for Wednesday 30 October 2019.

**6.6      Departmental Circular 9 2019 – Consultation of Proposed Code of Conduct and CEO Standards**

The WEROC Executive briefly discussed Departmental Circular 9 2019 which was released on Tuesday 24 September 2019.

It was agreed that this matter be left with individual Member Councils.

<b>7.      OTHER MATTERS</b>
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Nil

<b>8.      FUTURE MEETINGS</b>
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WEROC Council	Wednesday 30 October 2019 (Shire of Westonia)
WEROC Executive	Wednesday 27 November 2019 (Shire of Shire of Bruce Rock)

<b>9.      CLOSURE</b>
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There being no further business the Chair closed the meeting at 12.55pm

# Attachment

## 9.1.2



# **Final Report**

## **State Council and Zone Structure and Process Working Group**

**August 2019**

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## Background

State Council, at its 27 March 2019 meeting, endorsed a recommendation of the Executive Committee to establish a working group to develop options to revise State Council's structure. At the State Council Blue Sky workshop held in June 2018 there was discussion relating to WALGA's structure and it was suggested that a preferred model should be developed for sector consultation.

Reviews of State Council's structure and processes were undertaken in 2011 and 2015. These reviews endorsed the current structure of State Council, but led to some modifications relating to process.

Specifically, there were two key outcomes from the 2015 review:

1. Formation of the Executive Committee – expanded the remit of the previous Finance and Services Committee to include enhanced responsibility for policy matters including interim submissions, as well as explicit responsibility for undertaking the Chief Executive Officer performance review.
2. Emerging Issues – Streamlining of emerging issues process, which has led to 15 emerging issues being considered at the last 12 State Council meetings since December 2016.

To facilitate the review, State Council formed a working group with well-defined terms of reference.

## Working Group

The Working Group has been convened to develop an alternative model to the existing State Council structure for State Council consideration and then, if endorsed by State Council as worthy of further consideration, consultation with WALGA's members.

In particular, the working group could consider the:

- Composition of State Council as a representative board;
- Underpinning principle that metropolitan and country Local Governments should be equally represented on State Council;
- Role of Zones;
- Method of election of State Councillors;
- Relationship between State Council and Zones;
- Existing Zone structures and the basis for the membership of Zones;
- Method of election of the President;
- Role of the Deputy President;

- Role and membership of the Executive Committee;
- Continuing effectiveness of State Council committees such as the Selection Committee, and Honours Panel;
- Membership and efficacy of State Council Policy Teams, and Policy Forums;
- Ability of Zones to shape State Council decision-making through emerging issues;
- Interim submission process to meet Government deadlines;
- Format of State Council meetings and agendas;
- Continuing need to print and distribute hard-copy State Council agendas;
- Protocols for Zone delegates and Local Governments putting forward Zone agenda items;
- Any other matters relating to the existing structure or process of State Council, committees of State Council and Zones.

The working group has been charged by State Council with making recommendations to State Council for an alternative structural governance model for WALGA. In addition, the working group may consider making recommendations that would enhance the effectiveness of WALGA's governance processes for the benefit of members and the organisation.

## Working Group Membership

The Working Group comprised of the following members:

WALGA President	President Cr Lynne Craigie OAM (Chair)
WALGA Deputy President	Mayor Tracey Roberts
State Councillor	President Cr Phil Blight
State Councillor	President Cr Karen Chappel JP
State Councillor	Cr Jan Court JP
State Councillor	President Cr Tony Dean
State Councillor	Cr Russ Fishwick JP
State Councillor	Mayor Logan Howlett JP
State Councillor	Cr Paul Kelly
State Councillor	President Cr Stephen Strange
WA Regional Cities Alliance	President Cr Harold Tracey, Shire of Broome (Meetings one and two)
	Mayor Dennis Wellington, City of Albany (Meeting three)
Country Local Government Chief Executive Officer	Annie Riordan, Shire of Harvey
Metropolitan Local Government Chief Executive Officer	Michael Parker, City of Rockingham
WALGA Chief Executive Officer	Nick Sloan
WALGA Executive Manager Governance and Organisational Services	Tony Brown
WALGA Manager Strategy and Association Governance	Tim Lane



## Method and Timeline

In broad terms the Working Group adopted the following process:

1. Provision of a range of background material including the WALGA Constitution, Corporate Governance Charter, and outcomes and discussion papers from the 2015 and 2011 reviews;
2. Consideration of strengths and weaknesses of the current model;
3. Development of an alternative model or models, and additional recommendations for presentation to State Council.

The following timeline was adopted for the Working Group's process:

### Stage 1 – Working Group Review

May 2019 – Working Group formed

- President to appoint State Council and member Chief Executive Officer representatives

June 2019 – Working Group Meeting One

- Confirmation of Working Group Terms of Reference and Purpose
- Consideration of Previous Review processes and outcomes
- Consideration of Governance Structures of other State Associations and Local Government New Zealand
- Discussion relating to current arrangements including strengths and weaknesses of the current model and processes
- Initial development of ideas and opportunities for change

July 2019 – Working Group Meeting Two

- Refinement of initial ideas and opportunities for change
- Development of further ideas and opportunities for change
- Development of draft recommendations

August 2019 – Working Group Meeting Three

- Confirmation of a preferred model
- Agreement regarding presentation of recommendations to State Council

### Stage 2 – Consideration of Working Group Recommendations

September 2019 – State Council Consideration of Working Group Recommendations

- Endorsement of internal recommendations relating to process or procedure (if appropriate)
- Endorsement of consultation process relating to external and structural recommendations

- Implementation of internal recommendations once endorsed by State Council

October 2019-December 2019 – Sector Consultation (if required)

- Consultation on external and structural recommendations with Local Governments and Zones

March 2020 – State Council endorsement of external and structural recommendations

- State Council endorsement of external and structural recommendations
- Drafting of Constitutional Amendments (if required)
- Drafting of amendments to Corporate Governance Charter (if required)
- Implementation of endorsed recommendations

August 2020 – Constitutional Amendments (if required)

- Consideration of Constitutional Amendments at 2020 Annual General Meeting

## Working Group Review

The working group first considered previous reviews undertaken by WALGA, and also investigated governance arrangements of Local Government Associations in other states of Australia and New Zealand.

## Previous Reviews

Significant reviews have been undertaken in 2011 and 2015. In addition, a number of amendments to WALGA's constitution in were endorsed in 2018.

To varying degrees, these previous reviews have considered:

- The structure of State Council, including the equal representation of metropolitan and non-metropolitan members;
- The number of State Councillors and the representational nature of State Council;
- The role, number and structure of Zones;
- Changes to Committees of State Council including their role, function, membership, and delegated decision-making authority;
- Codification of existing conventions;
- Changes to the Constitution and Corporate Governance Charter to respond to changes in circumstances and legislation.

## 2018 Constitutional Amendments

WALGA's Constitution was amended in 2018. The amendments to the Constitution followed discussion at State Council Strategic Forums regarding:

1. Rotation of the office of the President between the metropolitan and country constituencies of State Council; and relatedly,
2. The convention that the Deputy President will be from the alternate constituency to the President.

Historically, the two issues above had been managed by 'convention', but State Council requested the secretariat to investigate codifying the above in the WALGA Constitution.

This also enabled other amendments and clarifications to be made in response to changed legislation and to reflect established practice.

Specifically, WALGA's Constitution was amended in 2018 to:

1. Codify an existing convention that the President and Deputy President of WALGA would be drawn from opposite constituencies. That is, when the President is from the metropolitan constituency, the Deputy President would be from the country constituency and when the President is from the country constituency, the Deputy President would be from the metropolitan constituency;
2. Codify an existing convention that the office of Presidency will be rotated between the metropolitan and country constituencies. That is, when a President leaves office, only State Councillors from the alternate constituency will be eligible to nominate for the office of President;
3. Clarify that eligibility criteria relating to the disqualification of State Councillors also apply to ex-officio members of State Council;
4. Ensure that members of State Council and/or Zone delegates suspended by the Minister for Local Government under Part 8 of the *Local Government Act 1995* are disqualified from State Council and/or from the Zone as appropriate. Previously, this provision referred to only one method of suspension by the Minister for Local Government; and,
5. Clarify that the President has a deliberative vote, and not a casting vote, in elections for President and Deputy President.

## 2015 Review of Key Governance Documents

A review of the following key governance documents was undertaken in 2015:

- Constitution
- Corporate Governance Charter
- Standing Orders

A discussion paper was produced for the 2015 Review which was structured around the following three themes:

1. Review of documentation – a review of identified issues in the three documents listed above;
2. Technical drafting – correction of technical wording and alignment across the three documents listed above; and,
3. Review of State Council and Zone processes and effectiveness.

The outcomes of this review are summarised below, with full details of review outcomes contained in the March 2016 State Council Minutes.

The Constitution was amended to:

- Add a clause requiring State Council to adopt standing orders that will apply to meetings of State Council;
- Add a clause specifying that a State Councillor would be disqualified from serving on State Council if they were suspended by the Minister for Local Government;
- Enforce a term limit on the President of two consecutive two-year terms, which existed at the time for the Deputy President; and,
- Explicitly state that the President does not have a casting vote if there is a tied vote in an office bearer election.

The Corporate Governance Charter was amended to:

- Express the role of the Deputy President;
- Clarify that the President of Local Government Professionals will have the opportunity to present a report at State Council meetings;
- Insert a provision stating that State Council must resolve to consider an 'emerging issue' prior to it being considered;
- Insert further information regarding the formation and operation of the Local Government House Trust;
- Add procedures for the management of committees with delegated powers including requirements for:
  - Terms of reference;
  - Membership and fixed two year terms;
  - Appointment process, which specifies that State Council will determine appointments of State Councillors and external representatives, and that State Council may use the Selection Committee for this purpose.

In addition, amendments were made to the Standing Orders, and a complaints handling procedure was added to the Code of Conduct.

## **2011 Review of Structure & Effectiveness of State Council & Zones**

A Working Group was formed in late 2010 to undertake a review of the structure and effectiveness of WALGA's governance structures.

To guide the review, a discussion paper was prepared and distributed to the sector with submissions sought on the paper, as well as any other relevant matters.

The paper was structured around the following key subjects:

- Current Arrangements;
- Strengths of Current Arrangements;

- Weaknesses of Current Arrangements;
- Options for Change – Structure; and,
- Options for Change – Effectiveness.

Following feedback from the sector, and consideration by the Working Group of the sector's feedback, an item was presented to State Council that resulted in the following outcomes:

- Endorsement of current arrangements with a set of responsibilities for the Forum of Co-Chairs to be developed (note the Forum of Co-Chairs no longer exists);
- WALGA to provide additional support to Zones to enhance their advocacy role, including:
  - Provide suggestions for guest speakers and topics for consideration by Zones;
  - Provide a consistent liaison officer when requested by Zones;
  - All Zones be offered a presentation providing an overview of WALGA and its advocacy and service functions following the election of Zone delegates every two years;
  - Zone Chairs to receive an induction on the role of the Zone Chair;
  - An item to be presented to all relevant Zones seeking endorsement for their Executive Officer to attend the bi-annual WALGA Zone Executive Officer meetings.
- Development of a strategy to establish meetings between State Councillors and Members of Parliament;
- A change in State Council's calendar to move from six meetings per year to five; and,
- A review of State Council sitting fees.

## Arrangements in Other States and New Zealand

The Working Group considered governance arrangements of Associations from other States of Australia as well as New Zealand.

It can be seen that State Associations of Local Government typically elect a board similar to WALGA's State Council. Some State Associations elect board members directly from the membership although most use regions or zones to elect board members to represent particular regions. In all other states, the President is elected by the membership.

A summary table below outlines the number of board members and their method of election. Note that Queensland operates with a dual structure comprising of a board and a policy executive.

## Local Government Association Governance Structures Table

	WALGA	LGNSW	MAV (Victoria)	LGAT (Tas)	LGASA	LGAQ (QLD)		LGANT	LGNZ
						Board	Policy Executive		
<b>Number of Board Members</b>	25	19	13	8	18	4	16	9	15
<b>President Elected by:</b>	Board	Members (AGM)	Members (AGM)	Members (Postal vote)	Members (Postal vote)	Members (AGM)		Members (AGM)	Members (AGM)
<b>Board Members elected by:</b>	Zones	Members at AGM: Metro members elect metro reps / Rural members elect rural reps	Zone equivalent (12 regions)	Zone equivalent (3 regions) – one rep above population threshold, one below from each region	Zone equivalent (one metro region, six country regions, plus unincorporated areas)	Board members elected by and from policy executive	Zone equivalent (12 regions)	Members at AGM	Zones and Sector Groups

### Comment on Summary Table

- **Size of Board** – while WALGA's board contains the largest number of representatives, it can be seen that boards of local government associations tend to be relatively large. The average board size (using Queensland's policy executive, not board) is 15.4.
- **Method of Election of President** – WALGA is an outlier: all other Presidents are elected directly by the membership. Perhaps this is a reflection of the prevalence of Council elected Mayors and Presidents in WA.
- **Method of Election of Board Members** – The majority of associations use regional groupings (equivalent to our Zones) to elect board members. The New Zealand hybrid model of electing representatives from geographic zones and sector groups (metro, provincial, rural, regional) is of interest.

## Local Government New South Wales

The Board of Local Government New South Wales consists of:

- The President (which rotates between metropolitan / urban and regional / rural) elected by delegates at an annual meeting;
- The Immediate Past President (where applicable);
- Two Vice-Presidents (one from a Metropolitan/Urban council and the other from a Regional/Rural council) elected by delegates from the respective groupings at the annual general meeting;
- A Treasurer elected by delegates at the annual general meeting; and,
- 14 Committee members (7 from metropolitan / urban councils and 7 from regional / rural councils) elected by delegates at the annual general meeting. Metropolitan / urban delegates elect metropolitan / urban representatives and regional / rural delegates elect regional / rural representatives.

## Municipal Association of Victoria

The Municipal Association of Victoria (MAV) is governed by a 13 member board.

The 12 members of the board (excluding the President) are elected by 12 regional groupings of Local Governments. There are six metropolitan regions and six non-metropolitan regions that each elect one board member.

The members of MAV directly elect the President at a meeting of State Council. Each member has one representative on State Council, which meets twice per year.

For clarity, MAV's State Council in this context is most similar to WALGA's Annual General Meeting and MAV's Board is similar to WALGA's State Council.

The Board elects two Deputy Presidents: one from the metropolitan regions and one from the non-metropolitan regions.

## Local Government Association of Tasmania

The Local Government Association of Tasmania (LGAT) is governed by a General Management Committee of eight members.



The General Management Committee comprises:

- The President, elected by the members by postal ballot;
- The Lord Mayor of the City of Hobart, or his or her proxy;
- Six members elected from three electoral districts (North West and North Coast, Northern, and Southern) conducted via postal vote. Each electoral district is to elect one representative from Councils with a population of 20,000 or more, and one representative from a Council with a population of less than 20,000.

The General Management Committee elects a Vice President from its members.

## Local Government Association of South Australia

The Local Government Association of South Australia is governed by an 18 member board consisting of the following representatives:

- The President, elected by postal vote by ordinary members (by Council resolution), noting that the President must have served at least one year on the board to be eligible to nominate for the office of President. Note the Presidency is rotated between metropolitan and non-metropolitan regions;
- The Immediate Past President, if willing and able to serve, and must still be a member of a Council of an ordinary member. The Immediate Past President undertakes the role of a board member as well as assisting the President to the extent requested by the President;
- Eight board members (and four deputy members) from the metropolitan region elected by postal vote by ordinary members from the metropolitan region;
- Representatives from the following Regions elected by the Regions:
  - Two board members (and one deputy) from Central Region;
  - Two board members (and one deputy) from River Murray Region;
  - One board member (and one deputy) from Eyre Peninsula Region;
  - One board member (and one deputy) from South East Region;
  - One board member (and one deputy) from Southern and Hills Region;
  - One board member (and one deputy) from Spencer Gulf Cities Region; and,
- One board member appointed by the board to represent unincorporated areas.

In addition, there are four Vice Presidents elected from amongst the board members: two metropolitan and two from non-metropolitan regions.

An Executive Committee is also formed comprising of the following members:

- President;
- Immediate Past President;
- The Four Vice Presidents.

The Executive Committee undertakes functions delegated by the board as well as the CEO's performance review and setting of the CEO's KPIs.

## Local Government Association of Queensland

The Local Government Association of Queensland (LGAQ) employs a dual structure that comprises a Policy Executive and a Board.

The Board comprises the LGAQ President elected by the member councils at the Annual General Meeting plus three directors who are elected from and by the Policy Executive. The Board is responsible for the operation of the business of the company.

The Policy Executive is responsible for the determination of the Association's policy on behalf of member councils. The Policy Executive consists of 15 district representatives and the President. The Policy Executive appoints three Directors to join the LGAQ President in forming the LGAQ Board and meets 6 times per year to discuss and determine LGAQ policy.

The 15 representatives are elected to the Policy Executive from 'districts' by the members of those districts. The State is divided into 12 districts, with most districts represented by one member, as per the extract from the Constitution below:

*The Districts are represented on the Policy Executive as follows:*

- a) in the case of District No. 1 (Brisbane City Council), by one Member appointed by the Brisbane City Council;*
- b) in the case of District No. 2 (South East), by three Members elected by the Members included in that District;*
- c) in the case of District No 12 (Aboriginal and Island Councils), by two Members elected by the Members of that District;*
- d) in all other cases, by one Member for each District elected by the Members included in each respective District.*

## Local Government Association of the Northern Territory

The Local Government Association of the Northern Territory (LGANT) is governed by an Executive that meets monthly and consists of nine members elected at a general meeting.

Two general meetings are held per year and Executive Members are elected for a two year term.

The President is elected at a general meeting by the members, as are the two vice presidents. One vice president is elected by municipal councils and one vice president is elected by regional and shire councils.

One member of the Executive is to be from the City of Darwin.

To nominate for a position of the Executive, an elected member must have the support of their council through a council resolution.

## Local Government New Zealand

The President of Local Government New Zealand (LGNZ) is elected by a ballot of members at an annual general meeting.

The board is comprised of the President, representatives from regional groups of Local Governments called Zones and representatives from groups of similar Local Governments called Sector Groups.

Sector Groups are formed on the basis of population, as follows:

- Metropolitan Group – population above 90,000
- Provincial Group – population between 20,000 and 90,000
- Rural Group – population less than 20,000
- Regional Group – all regional councils and unitary authorities

The composition of the 15 member board, called the National Council, is as follows:

- President
- Two representatives from Zone one;
- One representative from each of Zone two, three, four, five, and six;
- Three representatives from the Metropolitan Sector Group;
- Two representatives from the Regional Sector Group; and,
- One representative from each of the Provincial and Rural Groups.

It is understood that LGNZ recently reviewed their governance arrangements and a proposal will be considered at LGNZ's upcoming AGM in July 2019 to add two members to their governing board. It is proposed that the Mayor of Auckland will become a member of the governing board as of right, and it is proposed that a Maori representative will be added to the board.

## Working Group Deliberations

The Working Group discussed strengths and weaknesses of the current model, and then discussed options for consideration.

### Strengths of the Current Model

The Working Group identified the following key strengths, with additional comments shown in italics. Headings, also in italics, were added to group some of the strengths together.

#### *State-wide Representation*

- State-wide representation
- All Zones have a voice
- Blanket coverage of the state
- Single Association was an absolute positive and our biggest strength is one voice
- United voice of the sector
- Input to policy development from the entire state
- The current model provides input to policy development from the entire sector
- Potential of advocacy strength – *Potential to realise greater advocacy strength dependant on empowering State Council*

#### *Metropolitan / Country Balance*

- 50/50 country/metropolitan balance
- Fair representation of the entire state
- As one organisation, country and metro issues are considered – *Sector positions should be aggregated around metro and regional issues rather than seeking to shoehorn all into one consolidated position.*
- Rotation of President from metro to country
- Rotation of Presidency – fair voice for country and metro

#### *Zones*

- Policy making – from the grassroots up through the Zones to State Council
- Zones provide a broader purpose than just deliberating the on WALGA agenda
- Presentations and deputations at Zone meetings

#### *State Council*

- State Council: broader representation leads to more balanced decision making
- Responsiveness of State Council – *Still room for improvement in terms of timing of decision making*
- Policy making through State Council – not the AGM
- No term limits for State Councillors

- Diversity of skillsets – *could be enhanced with greater attention paid to individual's skills and backgrounds*
- Diversity and understanding of opinions
- Executive Committee structure is a positive with the ability to look after the business of WALGA – *Conceptually we agree, in practice this needs further work.*
- Processes to elect president and deputy (i.e. elected from and by State Council)

#### *Policy Teams and Policy Forums*

- Ability to form policy forums
- Policy teams and policy forums successfully filter sector feedback
- Presidency limit of two two-year terms
- Content of agendas are informative and appropriate – *Content can be excessive; content needs to be streamlined*
- Use of interim submissions makes WALGA more agile
- Networking / connectivity with peers and colleagues
- Dissemination of information through a broad representative base is more effective
- Equal voice – equal opportunity to contribute to policy development
- Apolitical – not aligned to political parties. Works with current Government. – *Organisation needs to be apolitical noting individuals will have their own persuasions.*

#### *Operations*

- Sound financial and fiscal management
- Good range of services – *value proposition for members needs consistent review*
- Low fees
- Strong business, and revenue generation from business model – *Opportunity to enhance through better promotion of WALGA services; therefore we can employ good staff*
- Range of services that WALGA provides – *Services need to be reviewed to ensure value for members*
- Quality and professionalism of staff

## Weaknesses of the Current Model

The Working Group identified the following key weaknesses, with additional comments shown in italics. Headings, also in italics, were added to group some of the weaknesses together.

### *Executive Committee*

- The Executive Committee doesn't have or exercise its delegation
- State Council doesn't own the budget
- Disconnect between the Executive Committee and State Council

### *President: Term limits and rotation*

- Losing experience due to term limits of Deputy President and President
- President should be statesperson / apolitical – best person for the job
- Rotating State Council Presidency may prevent best candidate from securing the position

### *State Councillor: Role of State Councillor, including Term Limits, and Desirability and Knowledge of Position*

- Lack of induction for potential State Councillors
- Some zones don't appear to value representation on State Council
- Being a State Councillor isn't always seen as desirable
- Reinforcing role of State Council to individual Councils and Councillors – not generally aware of State Council role
- State Councillors need to be more accountable to their Zone
- Too slow to regenerate State Councillors – no term limit on State Councillors
- No term limit for State Councillors
- Lack of experience of newly elected State Councillors
- Time commitment required to commit effectively to State Council role
- Volume of material to be considered at Zone and State Council meetings
- Zone agenda items submitted by individual councillors without the support of the member local government
- Lack of consistency in how Zone processes are applied
- Level of engagement by zone members. Not prepared and limited contribution across zone
- Policy teams of State Council not always outcome focussed – *Maybe too short of a meeting*
- Inequity of support provided to Zones by WALGA

- Frequency of State Council meetings
- Timelines for progressing policy issues from zones to State Council – *State Council a lot quicker over the last few years with the use of emerging issues and interim submissions. Still can improve.*
- Timing of revised agenda distribution – too soon before the State Council meeting
- Explanation of 50/50 split – AGM is different to State Council

## Options for Consideration

The Working Group developed some initial options for change before landing on the recommendations, which are detailed in the following section.

## State Councillor Profile and Role

The Working Group discussed the role, profile, remuneration, expectations and possibility of term limits for State Councillors.

In particular, there was a focus on seeking to lift the profile of a State Councillor to make it a desirable and aspirational office. There was discussion around the remuneration for State Councillors and protocols and expectations.

Other discussion points were:

- Should there be more information in the annual report regarding State Councillor involvement and attendance at committees and zone meetings?
- Should there be a minimum experience requirement to become a State Councillor?
- Should there be a specific skill requirement to become a State Councillor?
- Should there be term limits for State Councillors?

Ultimately the Working Group determined not to recommend any term limits or skill or experience limits for State Councillors. Instead, the Working Group recommends the development of a prospectus to promote WALGA, the role of State Councillors, the importance of Zones and the role of being a Zone delegate.

## Two Tier Structure

The Working Group also discussed options for implementing a two-tier governance structure. Such a model would involve State Council retaining responsibility for policy and strategic planning, with a board or executive committee with delegated responsibility for the *business* and finances of WALGA.

It was envisaged in Working Group deliberations that the Board or Executive Committee would be appointed by State Council and comprise the following membership:

- President (Chair)
- Deputy President
- Three Country State Councillors – elected by and from State Council
- Three Metropolitan State Councillors – elected by and from State Council
- An independent representative with high-level finance or business experience

Ultimately the Working Group resolved not to recommend a two-tier structure, however the Working Group believes that this is a model that may be worth pursuing in the future.

## Zones

The Working Group discussed the Zone structure and how WALGA supports the Zones. The Working Group endorsed the principle that Zones are self-governing and autonomous.

The Working Group discussed development of a prospectus to be provided to Elected Members about the role of WALGA, the role of being a Zone delegate, the role of State Council and other important information. Further discussion regarding the prospectus is included in the recommendations section below.

The Working Group discussed that some Zone motions are submitted to the Zone by individual Zone delegates without a Council resolution. In response the Working Group support development of a guideline, to be included in the prospectus stating that “whilst it is best practice that a Zone motion is supported by a Council decision, Zone delegates can raise items at Zone meetings without a Council decision.”

## Regional Capitals Alliance Submission

The Regional Capitals Alliance made a submission to the Working Group proposing that State Council be comprised of ten members appointed from groupings of Local Governments based on the Salaries and Allowances Tribunal bands. The Alliance’s submission is reproduced below:



*Rather than 26 members of the WALGA state council, the Alliance is proposing that the state council membership be retained within 10 members. Ten members would be made up of four metropolitan and four regional council representatives based on the following criteria and two additional Independent members (with one as an Independent Chair).*

*Discussion around the number of Council representatives from within each Band, both metropolitan and country, considered the number of local governments they represented and the population/geographical distribution across the bands to achieve what is believed to be a more balanced representation across the sector.*

*The Alliance recommends WALGA consider a Local Government representation model with a total membership on the State Council of ten, based on the Local Government Band categories giving equal representation from Metropolitan and Country, notionally four members each drawn representatively from Local Governments as suggested below:*

- *2 representatives from Band 1 Metropolitan*
- *1 representative from Band 2 Metropolitan*
- *1 representative from Band 3 and 4 Metropolitan*
- *1 representative from Band 1 Country*
- *1 representative from Band 2 Country*
- *2 representatives from Band 3 and 4 Country*

*In addition to the above representatives it was agreed that two independent representatives also be on Council, one of which would be chair. The selection process would involve members being selected from within their bands and nominations being forwarded to a nominations committee for final determination of members where criteria such as skills base could be also used to achieve a balance of skills and experience for the Council membership. This was considered to be a more balanced representation model.*

*The mechanism for state council members to consult with councils within their bands would be left up to the nominated representative on the state council. In the case of a group-one, and potentially a group-two country councils, this may be done via the Regional Capital Alliance of Western Australia.*

*This model will in no way replace the need for governments and local governments to form voluntary regional groups such as the Kimberley Regional group or to interfere with local issues as they do now.*

The Working Group thanked the Regional Capitals Alliance for their submission, but decided against progressing with the Alliance's suggestions.

There are 91 Local Governments in the group that combines Band 3 and 4 Country, and the Working Group considered that this would be too large a group of members to be represented by only two State Councillors.

Further, as discussed above, the Working Group identified broad state-wide representation and the Zone process as strengths of the current model. The Working Group considered that the Alliance's proposal would not facilitate a workable Zone model as Band 3 and 4 Country Local Governments span the state.

## Other Issues

The Working Group explored a range of other issues including the process for the development of interim submissions, State Council's committee structure and the format of the State Council agenda. These issues are addressed in the Recommendations section below.

## Recommendations

The Working Group has recommended a number of reforms, which are grouped around a range of themes, below:

1. State Council Composition;
2. Role of State Councillor;
3. Elected Member Prospectus;
4. Committee Structure;
5. Submission Process;
6. Zone Support and Guidance; and,
7. State Council Agenda.

### State Council Composition

The Working Group endorsed the existing composition of State Council, including the method of election from Zones.

In particular, during discussions, two of the major strengths identified by the Working Group were:

- Equal representation from both the country and metropolitan constituencies; and,
- The State-wide representation and input facilitated by WALGA's Zone and State Council structure.

#### Recommendation 1

**That the existing composition and representational arrangements of State Council be retained.**

### Deputy State Councillors

The Working Group also considered the continuing necessity for Deputy State Councillors.

State Council has never lacked a quorum without the attendance of Deputy State Councillors. Further, it is difficult for Deputy State Councillors to meaningfully contribute to deliberations, in many cases, due to the background knowledge developed by State Councillors over many meetings and communications. Finally, with a governing board of 25, and with the committee changes proposed below, it is contended that there may be sufficient governance oversight without the need for Deputy representatives.

Conversely, the role of Deputy State Councillor provides opportunities for more Local Government representatives to be involved in WALGA and its governance processes, and

this may provide opportunities for succession planning. Further, having Deputy State Councillors able to step in and attend State Council meetings ensures that all Zones are represented at meetings when State Councillors are unable to attend. On this basis, the Working Group recommends that the role of Deputy State Councillor be retained.

## **Recommendation 2**

**That the role of Deputy State Councillor be retained.**

## **Term Limits for State Councillors**

The Working Group considered the issue of term limits for State Councillors. Currently there is a four-year term limit for the President and Deputy President, but no term limit for State Councillors

Following deliberations, the Working Group resolved that no term limits should be introduced for State Councillors. State Councillors are elected by Zones to be on State Council, and the Working Group considered it important that Zones have the ability to elect the “best person for the job”.

## **Recommendation 3**

**That no term limits be introduced for the role of State Councillor.**

## **Role of State Councillor**

State Councillors, as directors of a Board, are required to act consistently in the “best interests of the organisation as a whole”. This effectively means that the duties of a State Councillor are owed to all Member Local Governments.

Whilst it is recognised that State Councillors must represent the interests of their respective Zones, the interests of the Association and its collective membership must always come first.

State Councillors are also expected to report back to Zones about the policy and advocacy direction of State Council. To facilitate this, the secretariat has been providing State Councillors with a State Councillor report guide in advance of Zone meetings.

There is also an expectation that State Councillors will represent WALGA to members and promote WALGA’s services, and policy and advocacy positions and activities to the broader membership.

In addition, following a review of the Member Advisor Program, it is proposed that some State Councillors could be invited to undertake the role of Member Advisor. The aim of the program is to provide Councils and Elected Members with information and resources from a trusted peer. Member Advisors will aim to attend an ordinary Council meeting of each member Council once in a two year period and also be contactable via email and phone to assist individual Elected Members regarding any questions they may have in undertaking their roles on Council.

#### **Recommendation 4**

**That a Panel of Member Advisors be established comprising of State Councillors and other Elected Members appointed by the President.**

### **Elected Member Prospectus**

The Working Group identified the need to promote key information about WALGA, the role of State Councillors and the role of Zones to ensure that becoming a State Councillor, and a Zone delegate, is a respected and sought after position.

It is proposed that a Prospectus be developed and distributed to all Elected Members immediately following the October 2019 Local Government elections. The Prospectus will be used to educate Elected Members about the Association and the avenues for involvement as a Zone delegate and a State Councillor.

#### **Recommendation 5**

**That a Prospectus be prepared and distributed to all Local Governments and all Elected Members following the Local Government elections every two years highlighting the following information, with the aim of promoting the key role of Zone delegates regionally and the key role of State Councillors in leading advocacy and policy development on behalf of the Local Government in Western Australia:**

- **Role of WALGA as the principal Local Government peak body;**
- **Role of State Council as WALGA's governing body;**
- **Role of a State Councillor as a key decision-maker regarding policy, advocacy and provision of services for and on behalf of the Local Government sector;**
- **Commitment required to be a State Councillor, including attendance at meetings, advocate for WALGA and the Local Government sector, report back to Zones on WALGA and State Council activity, and potentially as a Member Advisor Program mentor;**
- **Opportunities for State Councillors to advocate to Government on behalf of their region and / or particular policy issues;**

- **Role of Zones as key participants into state-level advocacy and policy development, including the formal required role of Zones and the additional opportunities for Zones;**
- **Role of Zone delegates as Council representatives at the regional level, including the obligation to report back to Council on Zone activities; and,**
- **Explanation that, while it is best practice that a Zone motion is submitted by way of a Council decision, Zone delegates can submit motions to a meeting of a Zone, which is an autonomous, self-governing body, and it is recommended that the Zone is advised whether the motion has the backing of a Council resolution.**

## Committee Structure

The Working Group discussed an amended process for dealing with interim submissions to Government, which would change the purpose of the Executive Committee to be solely focused on finance and WALGA's business services, which includes preferred supply arrangements, procurement, employee relations, training and recruitment. In making this change, the Executive Committee would revert back to being called the Finance and Services Committee, providing a sharper focus and more defined role for the committee.

In addition, it is proposed that the Policy Teams would have a stronger role in shaping the development of WALGA's policy positions and submissions to Government.

## Committee Membership

The following membership structure of the Finance and Services Committee and the Policy Teams is proposed as follows:

Finance and Services Committee	Environment and Waste Policy Team	Governance and Organisational Services Policy Team	Infrastructure Policy Team	People and Place Policy Team
President (Chair) Four State Councillors	Five State Councillors	Five State Councillors	Five State Councillors	Five State Councillors
External member with finance experience				

Every State Councillor would be a member of only one of the five committees providing every State Councillor with a focus on either the finance and business services of WALGA, or a specific policy portfolio. It is anticipated that these changes would encourage State

Councillors to feel ownership of their portfolio, whether it be in relation to WALGA's business services, or a particular policy and advocacy portfolio.

It is proposed that the external member on the Finance and Services committee be drawn from a wider field than just the Local Government sector. That is, there may be considerable value in appointing an external member from the private or not-for-profit sector to the committee. This appointment would be made by State Council upon the recommendation of the WALGA Selection Committee, as is current practice.

While the current Executive Committee has responsibility for the CEO's performance review, it is proposed that a separate CEO Performance Review Committee would be established from State Council, and chaired by the President, that would meet at least once per year.

## Finance and Services Committee

The terms of reference of the Finance and Services Committee is proposed as follows. This reflects the terms of reference of the current Executive Committee, with the removal of the three struck out points as per below:

*On behalf of State Council, and in accordance with any policies, directions or limitations set by State Council, undertake the following functions:*

- *Determining key directions in relation to the establishment and/or development of new and current business opportunities that result in the delivery of outputs which enhance the financial and operational capacity of members and the Association.*
- *Adoption of business plans for the Association's service delivery units that deliver the key objectives within the Association's Strategic Plan, with regular monitoring of outcomes against agreed performance indicators.*
- *Oversee the financial management of the Association, including the recommendation of a draft annual Governance Budget to State Council, long term financial planning, monitoring/assessment of financial reports, approving and/or recommending budgetary reallocations to State Council, committing or reallocating reserve funds for special purposes, and auditing and presentation of the Association's annual accounts.*
- *Internal audit including monitoring/assessing compliance against financial and asset management and internal control policies.*
- *Oversee the delivery of business development, business management, human resource management and information management and corporate services.*
- *Establish a risk governance structure which ensures that management has implemented sound risk management policies and procedures across the Association, and which is regularly reviewed.*
- *Establish risk management and internal control performance indicators that are regularly evaluated through internal and external audit processes.*
- *Regularly report to State Council on the key activities and major decisions of the Committee.*

- ~~Review and provide feedback on interim submissions, either in or out of session, to be put forward to government or other agencies.~~
- ~~Act as the primary policy and advocacy support to the President and the Association.~~
- ~~Manage the Chief Executive Officer Performance Review process on behalf of State Council.~~

## Policy Teams

The terms of reference of the Policy Teams is proposed as follows, with the addition of the underlined points relating to interim submissions, and the Chair of the Policy Team playing a key role in advocacy:

- *To advise the State Council on the development, implementation and review of Association policy in the relevant areas.*
- *To ensure all policy proposals are considered in terms of their economic, social and environmental impacts.*
- *To monitor and report to State Council on the activities of State and Federal Governments in relevant policy areas.*
- *To monitor and report to State Council on the activities of the major political parties in Opposition in relevant policy areas.*
- *To investigate, research and advise the State Council on emerging strategic issues relative to the relevant policy area.*
- *To consult with Member Local Governments, key external agencies and other stakeholders on policy issues in the relevant area for the development of recommendations to the State Council.*
- *To shape the preparation of interim submissions prior to their presentation to State Council for consideration and endorsement.*
- *To assist the President, Deputy President, State Councillors and CEO in the advocacy of the Association's policy positions, with the Policy Team Chair playing a key role in advocacy to Government on policy positions related to the portfolio, including accompanying the President, Deputy President and CEO to ministerial meetings.*
- *To promote the Association's policy positions to Member Local Governments.*
- *To action directions from the State Council.*
- *To develop, monitor and report on Key Result Areas as endorsed by the State Council.*

## Committee Assignment Process

Committee assignments would be determined by State Council at the March meeting in every even year (i.e. 2020, 2022 etc) following the election of the President and Deputy President. This would provide an opportunity for State Councillors to consider which of the five



committees they would like to nominate for following the State Council induction to be held at the December meeting in odd years (i.e. 2019, 2021 etc).

It is not proposed to make changes to the Selection Committee or Honours Panel.

## Role of State Council

A key benefit of the proposed changes to State Council's committees, as proposed above, is that a significant proportion of the detailed policy and finance work will be undertaken by committees, allowing State Council a more strategic focus. State Council's role would be to provide strategic direction, oversee the work of committees to ensure coordination and alignment to strategy, endorsement of policy positions, and endorsement of the budget.

### Recommendation 6

That:

1. **The Committee structure, as outlined above be adopted by State Council, to take effect from December 2019;**
2. **The Corporate Governance Charter be amended to reflect the changes to the Committee Terms of Reference and membership, as outlined; and,**
3. **A CEO Performance Review Committee be established, to be chaired by the President and to meet at least once per year.**

## Process for Preparation and Consideration of Submissions

The changes to the committee structure above, would facilitate the proposed changes to the process for the development of submissions when there is insufficient time for a submission to be included in the State Council agenda.

Where time permits, the first preference would be for a submission to be prepared, in consultation with the respective Policy Team, and included in the State Council agenda for decision to facilitate consideration and input from Zones and State Council.

In developing submissions, when inclusion in the State Council agenda is impractical, the following process is proposed in the middle column, and is presented adjacent to the current process, in the right column, to highlight and explain the differences.

	<b>Proposed Submission Process</b>	<b>Current Interim Submission Process</b>
<b>Preparation by Secretariat</b>	WALGA staff prepare interim submission under the guidance of their Executive Manager, with reference to existing positions of State Council, <u>input from Policy Team</u> and / or contemporary feedback from the Local Government sector.	WALGA staff prepare interim submission under the guidance of their Executive Manager, with reference to existing positions of State Council and / or contemporary feedback from the Local Government sector.
<b>Policy Team Input</b>	Policy Team meet to amend or endorse the draft submission to proceed to State Council. Potential for meeting to be held by video-conference.	Draft interim submission is emailed to Policy Team for feedback.
<b>Endorsement</b>	Draft submission is considered by State Council by Flying Minute using the Board Effect Platform.	Draft interim submission is endorsed for submission to Government by Executive Committee out-of-session.
<b>Basis on which submitted to Government</b>	Submission is put forward to Government as an endorsed State Council position.	Submission is put forward to Government as an interim position, subject to subsequent State Council endorsement.
<b>Inclusion in State Council agenda</b>	Submission is included in the next State Council agenda as an item for noting.	Submission is considered by Zones and State Council as an item for decision as part of the next State Council agenda.

## Recommendation 7

That the following process be endorsed for the development, consideration and endorsement of submissions Government and other stakeholders (when there is insufficient time for it to be included in the State Council agenda), and the Corporate Governance Charter be amended to reflect the changes:

1. WALGA staff prepare interim submission under the guidance of their Executive Manager, with reference to existing positions of State Council, input from Policy Team and / or contemporary feedback from the Local Government sector.
2. Policy Team meet to amend or endorse the draft submission to proceed to State Council, with the meetings of the Policy Team to be held via teleconference or videoconference where practicable.
3. Draft submission is considered by State Council by Flying Minute using the Board Effect platform.

4. **Submission is put forward to Government as an endorsed State Council position.**
5. **Submission is included in the next State Council agenda as an item for noting.**

## **Zone Support and Guidance**

The Working Group has discussed the level of service, and the nature of the guidance provided to Zones to assist them to perform their role and undertake other functions.

During working group deliberations it was suggested that WALGA could prepare guidance notes for Zones about their role and opportunities to undertake additional functions. This information will be included in the prospectus discussed above.

In addition, it has been suggested that the secretariat should engage with Zones about the type of services and support sought from WALGA.

Currently, most Zones employ an independent executive officer, while WALGA provides secretariat support for the following Zones:

- Central Metropolitan Zone
- East Metropolitan Zone
- Gascoyne Country Zone
- Great Eastern Country Zone
- North Metropolitan Zone
- Peel Country Zone
- South East Metropolitan Zone, and
- South Metropolitan Zone

WALGA's secretariat service is offered as a baseline service at no cost to the Zone.

In the early stages of the development of WALGA's 2019-2020 budget preparation, a business case was developed outlining an option for WALGA to provide secretariat services to all Zones. Under the scenario explored in the business case, WALGA would prepare agendas and minutes for all Zones, and each Zone would be allocated a senior staff member to act as the liaison between the Zone and the broader WALGA secretariat.

### **Recommendation 8**

**That information regarding the role of Zones, and Zone delegates, and the process for submission of Zone motions, be prepared and circulated to Zones, and included in the WALGA Elected Member Prospectus and the Corporate Governance Charter.**

## Recommendation 9

That:

1. **The secretariat engage with Zones regarding the services and support that WALGA provides to Zones; and,**
2. **The secretariat continues to offer baseline Zone secretariat services to Zones as appropriate.**

## State Council Agenda

The Working Group has discussed the content of the State Council agenda, particularly highlighting the volume of information that is provided to Zone delegates and State Councillors.

It is proposed that the secretariat commit to reducing the length of agenda items and prepare reports that are more focused. Specifically, there will be an aim to limit agenda items to two pages with a more in-depth 'in brief' section, which will be used as an executive summary of the agenda item. A sample item is attached as an appendix.

It is also proposed, in conjunction with the more focused presentation of agenda items, that hard copy production of the State Council agenda cease. Currently, the agenda is emailed to State Councillors, Local Government CEOs and Zone delegates three to four weeks prior to the State Council meeting, and hard copy 'blue books' are posted and arrive with delegates approximately two weeks prior to the State Council meeting, usually, but not always, in time for the Zone meeting.

WALGA has budgeted \$46,344 for printing State Council agendas in the 2019-2020 financial year. This figure does not include the cost of postage to distribute the agendas, nor the staff time used to pack envelopes and packages. In addition, the reliability and timeliness of the postal service is diminishing, particularly to country and remote areas.

It is argued that the money spent on printing, packing and posting State Council agendas would be better invested in providing more support to Zones or in other aspects of WALGA's operations.

For the reasons discussed above, it is proposed that the State Council agenda be provided to Local Governments and delegates in electronic format only, commencing in March 2020.

Finally, it is proposed that a process is implemented whereby State Council agenda items for decision are considered by Councils, either in formal Council meetings, or in briefing or concept forums. It would be beneficial for State Council agenda items for decision to be considered by Council in a formal or informal meeting to:

- Enhance awareness of contemporary strategic advocacy and policy issues; and,
- Enable the Councils to provide guidance and direction to their Zone representatives.

#### **Recommendation 10**

**That:**

- 1. The secretariat develop templates and processes to reduce the length of State Council agenda items;**
- 2. Following consultation with the sector, production of hard copy agendas cease beginning with the March 2020 meeting of State Council; and,**
- 3. A process be implemented, in consultation with the Local Government sector, to enable Councils to consider items for decision in the State Council agenda to raise awareness of contemporary strategic advocacy and policy issues and to enable Councils to provide guidance and direction to their Zone representatives.**

## Consultation and Implementation

This report will be presented to State Council as an item under separate cover at the 6 September 2019 State Council meeting.

A number of the recommendations proposed by the Working Group are recommended for immediate implementation because they have a time critical component due to the Local Government elections and the election of State Councillors and are:

- Operational in nature representing core activities – recommendations 5 and 8; or,
- Focused on internal State Council processes – recommendations 6 and 7.

It is recommended that consultation be undertaken on the following recommendations relating to:

- The governance structure – recommendations 1, 2, 3 and 4;
- Zone support and guidance – recommendation 9; and,
- State Council agenda processes – recommendation 10.

It is recommended that the full report be provided to WALGA members immediately following the 6 September 2019 meeting of State Council, with feedback sought by late October. An item for Zone and State Council consideration will then be included in the December 2019 State Council agenda.

This broadly aligns with the methodology outlined on pages 6 and 7 of this report.

## Schedule of Recommendations

1	That the existing composition and representational arrangements of State Council be retained.
2	That the role of Deputy State Councillor be retained.
3	That no term limits be introduced for the role of State Councillor.
4	That a Panel of Member Advisors be established comprising of State Councillors and other Elected Members appointed by the President.
5	<p>That a Prospectus be prepared and distributed to all Local Governments and all Elected Members following the Local Government elections every two years highlighting the following information, with the aim of promoting the key role of Zone delegates regionally and the key role of State Councillors in leading advocacy and policy development on behalf of the Local Government in Western Australia:</p> <ul style="list-style-type: none"> <li>• Role of WALGA as the principal Local Government peak body;</li> <li>• Role of State Council as WALGA's governing body;</li> <li>• Role of a State Councillor as a key decision-maker regarding policy, advocacy and provision of services for and on behalf of the Local Government sector;</li> <li>• Commitment required to be a State Councillor, including attendance at meetings, advocate for WALGA and the Local Government sector, report back to Zones on WALGA and State Council activity, and potentially as a Member Advisor Program mentor;</li> <li>• Opportunities for State Councillors to advocate to Government on behalf of their region and / or particular policy issues;</li> <li>• Role of Zones as key participants into state-level advocacy and policy development, including the formal required role of Zones and the additional opportunities for Zones;</li> <li>• Role of Zone delegates as Council representatives at the regional level, including the obligation to report back to Council on Zone activities; and,</li> <li>• Explanation that, while it is best practice that a Zone motion is submitted by way of a Council decision, Zone delegates can submit motions to a meeting of a Zone, which is an autonomous, self-governing body, and it is recommended that the Zone is advised whether the motion has the backing of a Council resolution.</li> </ul>
6	<p>That:</p> <ol style="list-style-type: none"> <li>1. The Committee structure, as outlined above be adopted by State Council, to take effect from December 2019;</li> <li>2. The Corporate Governance Charter be amended to reflect the changes to the Committee Terms of Reference and membership, as outlined; and,</li> <li>3. A CEO Performance Review Committee be established, to be chaired by the President and to meet at least once per year.</li> </ol>

7	<p>That the following process be endorsed for the development, consideration and endorsement of submissions Government and other stakeholders (when there is insufficient time for it to be included in the State Council agenda), and the Corporate Governance Charter be amended to reflect the changes:</p> <ol style="list-style-type: none"> <li>1. WALGA staff prepare interim submission under the guidance of their Executive Manager, with reference to existing positions of State Council, input from Policy Team and / or contemporary feedback from the Local Government sector.</li> <li>2. Policy Team meet to amend or endorse the draft submission to proceed to State Council, with the meetings of the Policy Team to be held via teleconference or videoconference where practicable.</li> <li>3. Draft submission is considered by State Council by Flying Minute using the Board Effect platform.</li> <li>4. Submission is put forward to Government as an endorsed State Council position.</li> <li>5. Submission is included in the next State Council agenda as an item for noting.</li> </ol>
8	<p>That information regarding the role of Zones, and Zone delegates, and the process for submission of Zone motions, be prepared and circulated to Zones, and included in the WALGA Elected Member Prospectus and the Corporate Governance Charter.</p>
9	<p>That:</p> <ol style="list-style-type: none"> <li>1. The secretariat engage with Zones regarding the services and support that WALGA provides to Zones; and,</li> <li>2. The secretariat continues to offer baseline Zone secretariat services to Zones as appropriate.</li> </ol>
10	<p>That:</p> <ol style="list-style-type: none"> <li>1. The secretariat develop templates and processes to reduce the length of State Council agenda items;</li> <li>2. Following consultation with the sector, production of hard copy agendas cease beginning with the March 2020 meeting of State Council; and,</li> <li>3. A process be implemented, in consultation with the Local Government sector, to enable Councils to consider items for decision in the State Council agenda to raise awareness of contemporary strategic advocacy and policy issues and to enable Councils to provide guidance and direction to their Zone representatives.</li> </ol>



## Appendix 1 – Sample State Council Agenda Item

### Interim Submission to Salaries and Allowances Tribunal – Elected Member Fees and Allowances (05-034-01-0019 TL)

*By Tim Lane, Manager Strategy and Association Governance*

#### Recommendation

**That the interim submission to the Salaries and Allowances Tribunal relating to Elected Member Fees and Allowances be endorsed.**

#### In Brief

- WALGA has prepared a submission to the Salaries and Allowances Tribunal relating to Fees and Allowances payable to Elected Members to input into the Tribunal's 2019 determination;
- The Submission argues for an increase on the basis of the following four main arguments:
  - i. Vibrant democracy and good governance: fees and allowances payable to Elected Members should be sufficient to ensure that a diversity of candidates from a range of backgrounds. Further, corporate governance literature suggests that diverse leadership groups make better decisions;
  - ii. Demands of the role: as the complexity of Local Government increases, and the demands placed upon Elected Members grow in the social media age, the remuneration paid to Elected Members for their significant time commitment must compensate for the personal and opportunity costs of taking on a significant community leadership position;
  - iii. Skills and training: as Elected Members continue to undertake training – and with the implementation of the State Government's universal Elected Member training policy likely to occur in the near future – the time that Elected Members spend on professional development should be recognised by the fees and allowances framework; and,
  - iv. Economic erosion: in recent years there have been a number of 'no increase' determinations in relation to Elected Member fees and allowances, which means that the relative value of Elected Member fees and allowances have eroded over time. WALGA contends that this trend should be arrested and fees and allowances should be increased.
- WALGA's submission argues for an increase to the Elected Member fees and allowances payable to Elected Members in the order of three percent, with the Salaries and Allowances Tribunal to consider appropriate economic indicators and increasing training requirements in future years.

#### Attachment

Submission to the Salaries and Allowances Tribunal: Local Government Elected Member Fees and Allowances

#### Policy Implications *(Only if relevant)*

WALGA previously advocated for the Salaries and Allowances Tribunal to be given jurisdictional authority to determine Elected Member fees and allowances. The attached interim submission is consistent with existing WALGA policy.

## **Budgetary Implications** *(Only if relevant)*

### **Background**

WALGA advocated strongly for the Salaries and Allowances Tribunal to be given jurisdictional authority to determine Elected Member fees and allowances when fees and allowances were contained in regulations. Following WALGA's advocacy, the Salaries and Allowances Tribunal has been determining Elected Member fees and allowances since 2013.

WALGA, along with Local Governments and other stakeholders, was invited to make a submission in relation to the Salaries and Allowances Tribunal's current remuneration inquiry relating to Local Government Chief Executive Officers and Elected Members.

WALGA has developed a submission in relation to Elected Member remuneration on behalf of the Local Government sector due to increasing feedback that the current remuneration framework is inadequate for the increasing complexity of Local Government and the growing demands of the role of an Elected Member.

The attached submission was endorsed by State Council's Executive Committee at their 20 February meeting and submitted to the Salaries and Allowances Tribunal on 21 February 2019 on an interim basis pending Zone and State Council consideration.

### **Comment**

The Submission argues for an increase to Elected Member fees and allowances in the order of three percent on the basis of four main arguments.

Firstly, Local Government plays a key role in Australian democracy and fees and allowances payable to Elected Members should be sufficient to ensure a diversity of candidates from a range of backgrounds are willing and able to nominate for important community representative positions. In addition, the corporate governance literature argues convincingly, with empirical evidence, that diverse boards and leadership teams make better decisions.

Secondly, the complexity of Local Government responsibilities are increasing and so are the demands placed upon Local Government Elected Members in the social media age. The fees and allowances framework must acknowledge the personal and opportunity costs faced by Elected Members in undertaking their role.

Thirdly, as Elected Members continue to engage in training and professional development – and with the implementation of the State Government's universal Elected Member training policy expected in the near future – the time that Elected Members spend on professional development should be recognised by the fees and allowances framework.

Finally, there have been a number of 'no increase' determinations in recent years, partly due to the broader economic context in Western Australia, but this has led to the economic erosion of the fees and allowances relative to the broader community. WALGA's submission contends that this economic erosion should be arrested and reversed.

WALGA's submission argues for an increase to the Elected Member fees and allowances payable to Elected Members in the order of three percent, with the Salaries and Allowances Tribunal to consider appropriate economic indicators and increasing training requirements in future years.

The interim submission is attached for State Council consideration.

# Attachment

## 9.1.4



Department of  
Local Government, Sport  
and Cultural Industries



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Act 1995 Review*  
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# Mandatory Code of Conduct for Council Members, Committee Members and Candidates

## Draft for Consultation

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# Preface

As part of the McGowan Government's commitment to transforming local government in WA, the *Local Government Legislation Amendment Act 2019* introduces a mandatory code of conduct for council members, committee members and candidates. These reforms are intended to ensure that standards of behaviour are consistent between local governments and address community expectations.

This document outlines the proposed Code which will inform the drafting of regulations. This is contained in the grey boxes. The accompanying guidelines provide clarification and guidance in relation to compliance and enforcement of the Code and would be available on the Department's website.

The proposed Code and guidelines have been developed by the Department of Local Government, Sport and Cultural Industries in consultation with representatives from the Public Sector Commission, the Ombudsman, the Western Australian Local Government Association (WALGA) and Local Government Professionals WA (LG Pro). The Department gratefully acknowledges the participation of these representatives.

The Department notes that the content of the Code does not necessarily reflect the views or policies of the organisations or individuals that have been consulted.

Feedback is sought on the proposed Code and guidelines and associated matters.

A survey is available at [www.dlgsc.wa.gov.au/lgareview](http://www.dlgsc.wa.gov.au/lgareview) or you can provide your feedback to [actreview@dlgsc.wa.gov.au](mailto:actreview@dlgsc.wa.gov.au) by **22 November 2019**.

# Mandatory Code of Conduct

## **Preamble**

The purpose of this Code of Conduct (Code) is to guide the decisions, actions and behaviours of council members, committee members and candidates running for election.

As an elected representative, council members govern the affairs and are responsible for the performance of their local government. To do this, council members must demonstrate professional and ethical behaviour to build and strengthen trust in their communities.

A person who has nominated to be a council member is also required to demonstrate professional and ethical behaviour during the election campaign.

In addition to carrying out the duties outlined in the *Local Government Act 1995*, council members and committee members must comply with the provisions in this Code of Conduct in carrying out their functions as public officials. It is the responsibility of council members, committee members and candidates to ensure that they are familiar with, and comply with, this Code at all times.

## Guidelines

The Local Government Act requires that local governments adopt the Code within three months of the amendments taking effect. Until the Code is adopted, the model Code applies.

While local governments are not able to amend Part A or Part C, additional behaviours can be included in Part B that are not inconsistent with the Code.

In considering additional behaviours, the council may give consideration to behaviours that are not currently represented in the Code that it considers are important. This may include introducing a dress standard for members or use of technology, for example.

To adopt the Code, a resolution passed by an absolute majority is required. Once the Code is adopted, it must be published on the local government's official website.

## Part A – Principles

Council members and candidates are expected to adhere to and promote and support the following principles by example. Adhering to these principles will ensure that council members and candidates can comply with the behaviours outlined in Part B or conduct as outlined in Part C. All behaviour should be considered against these principles, whether or not it is covered specifically in Part B or Part C.

### **Personal integrity**

- 1.1** Act with care and diligence and participate in decision making in an honest, fair, impartial and timely manner, considering all relevant information.
- 1.2** Act with honesty, integrity and uphold the concept of natural justice.

- 1.3** Identify, declare and appropriately manage any conflicts of interest in the public interest and the interests of the Council including not accepting gifts that may give the appearance of a conflict of interest or an attempt to corruptly influence behaviour.
- 1.4** Uphold the law, and, on all occasions, act in accordance with the trust placed in council members.
- 1.5** Avoid damage to the reputation of the local government.
- 1.6** Not be impaired by mind affecting substances while performing official duties.

### **Relationships with others**

- 1.7** Treat others with respect, courtesy and fairness.
- 1.8** Maintain and contribute to a harmonious, safe and productive work environment for all.
- 1.9** Respect and value diversity in the workplace and in the community.

### **Accountability**

- 1.10** Base decisions on relevant and factually correct information and make decisions on merit and in accordance with statutory obligations and good governance.
- 1.11** Be open and accountable to the public, represent all constituents and make decisions in the public interest.

## **Guidelines**

The principles outlined in Part A are overarching behaviours that council members, committee members and candidates must take into consideration in their role as public representatives, or potential public representatives.

All council members, committee members and candidates must familiarise themselves with the Code and Guidelines and any relevant policies the local governments have in place.

Council members are generally very active in their communities which may lead to conflicts of interests. To comply with this Code, those conflicts, or perceived conflicts, need to be managed appropriately. While a member may be confident of the integrity of their actions, how the relationship and actions may appear to others must be thought through.

There are many situations that council members, committee members and candidates might find themselves in that could lead to a breach of the Code. Members should seek further guidance and advice on specific situations whenever necessary.



## Part B – Behaviour

Part B sets out the standards of behaviour which enable and empower council members to meet the principles outlined in Part A. Behaviour is expected to be managed at the local level by the local government, so Part B also deals with how complaints are to be managed.

Failure to comply with this Part may give rise to a complaint against a council member's conduct, followed by a subsequent investigation and possible corrective action by the local government. The emphasis should be on an educative role to establish sound working relationships and avoid repeated breaches, rather than punishment.

### **Personal integrity**

- 2.1** Act in line with the principles outlined in this Code when performing official duties.
- 2.2** Attend and participate constructively in council meetings, briefings, relevant workshops and training opportunities.
- 2.3** Respect and comply with all council policies, procedures and resolutions.
- 2.4** Ensure professional behaviour is not compromised by the use of alcohol or drugs.
- 2.5** Use all forms of media, including social media, in a way that complies with this Code.

### **Relationships with others**

- 2.6** Treat other council members, council employees and members of the public with courtesy, respect, honesty and fairness.
- 2.7** Do not bully or harass council staff, other council members or members of the public in any form, including social media.
- 2.8** Deal with the media in a positive, informative and appropriate manner in accordance with the Local Government Act 1995 and relevant local government policies.
- 2.9** While acting as a council member, do not:
  - i. use offensive or pejorative language in reference to another council member, council employee or member of the public; or
  - ii. disparage the character of any council member or employee, or impute dishonest or unethical motives to them in the performance of their duties.
- 2.10** When attending a council or committee meeting, do not:
  - i. behave in an abusive or threatening manner towards another council member or other person attending the meeting;
  - ii. make statements that the person knows, or could be reasonably expected to know, that are false or misleading; or
  - iii. repeatedly disrupt the meeting.
- 2.11** When attending a council or committee meeting:
  - i. comply with the local law that relates to conduct of people at council or committee meetings;

- ii. promptly comply with any direction given by the presiding member at that meeting; and
- iii. immediately cease any conduct that has been ruled out of order by the presiding member in accordance with the local government's local law.

**2.12** Direct all requests for work or actions by council staff to the CEO or the CEO's nominated delegate.

### **Accountability**

**2.13** Make decisions honestly and impartially, considering all available information, legislation, policies and procedures.

**2.14** Take responsibility for decisions and actions.

**2.15** Abide by the decisions of council and publicly support the decisions even if of an alternative view.

**2.16** Adhere to the principles in the:

- i. Occupational Safety and Health Act 1984 (WA);
- ii. Equal Opportunity Act 1984 (WA);
- iii. Racial Discrimination Act 1975 (Cth); and
- iv. Sex Discrimination Act 1984 (Cth).

### **Complaint management**

**2.17** Any person may make a complaint about a council member under this Part within three months of the alleged breach occurring.

**2.18** A breach of this part does not include a matter:

- i. that is resolved by the Presiding Member during a meeting, or
- ii. where a council member complies with a request for remedial action in accordance with the relevant local law.

**2.19** Complaints about an alleged breach should be made to the Mayor or President or the CEO of the local government or nominated delegate.

**2.20** Complaints about an alleged breach by the Mayor or President should be made to the Deputy Mayor or President or a nominated delegate.

**2.21** A complaint may be handled or managed in any manner that council deems appropriate for handling an alleged breach of this section. This includes investigation or dismissal of the complaint. This must be laid out in a council endorsed policy.

**2.22** A complaint may be dismissed as trivial, vexatious or frivolous and accordingly not investigated.

### **Findings**

**2.23** Following an investigation in accordance with rule 2.21, the Council may, by resolution, make a finding of breach or no breach.

**2.24** In accordance with rule 2.23, if a breach is found, the Council may, by resolution:

- i. take no action, or
- ii. prepare an action plan, developed in conjunction with the council member, to address future behaviour.

<b>2.25</b>	An action plan may include the requirement for the council member to undertake training, mediation or counselling or any other actions deemed appropriate by the Council.
<b>2.26</b>	The Council to which the member is elected, may decide, via resolution, to make an allegation of a rule of conduct breach under Part C: <ul style="list-style-type: none"> <li>i. after the third finding of a breach of this Part by the same council member, or</li> <li>ii. where the council member fails to comply with the action plan in accordance with sub-rule 2.24(ii).</li> </ul>
<b>2.27</b>	A matter under sub-rule 2.26(i) cannot be alleged as a Part C breach unless an action plan has been developed in accordance with sub-rule 2.24(ii) for the previous two breaches.
<b>2.28</b>	Written notification of the outcome of an alleged breach under this section must be given to the council member and complainant.
<b>2.29</b>	A written record must be kept of all complaints made under this Part and how they were dealt with.

## Guidelines

Local governments are responsible for taking action against alleged breaches under Part B.

Local governments are to have a policy on how complaints are going to be handled or managed.

Australian/New Zealand Standards for complaints resolution AS/NZs 10002:2018 provides a tool and framework to assist local governments with developing a policy.

Whether or not local governments choose to adopt the Standard is optional, however, the policy must provide a clear outline of the steps that will be taken once a complaint is submitted. The complaint process must also uphold the principles of natural justice.

There are a number of resources for effective complaints handling available on the Ombudsman WA's website [www.ombudsman.wa.gov.au](http://www.ombudsman.wa.gov.au)

In developing a policy, the following key matters should be considered.

### The complaints process

- The role of the council in the process.
- The extent to which independent persons are involved and their role in the process (complaint lodgement, investigation, findings). Local governments may decide to establish a regional or shared committee to deal with these complaints, for example.
- What types of remedial action are appropriate.
- The form of the action plan.

### Process for making a complaint

- The process for a person to make a complaint needs to be clearly outlined in the policy, including whether complaints are required to be in a specific form.
- Complaints should be submitted in writing, with consideration given to a variety of methods, including email, letter or fax.
- The policy should also outline how the complaint is lodged, whether this is via a specific code of conduct complaint email address or a letter addressed to the Mayor or President (or alternative).
- The process should be simple and not act as a barrier to the raising of concerns about elected member behaviour.

### **Acknowledgement of the complaint**

- The policy should include that complaints will be acknowledged and the timeframe for this.
- Complaints should be acknowledged in a timely manner. As part of the acknowledgement process, consideration may be given to providing information on how the complaint will be progressed. This may include providing the complainant with a copy of the complaint handling policy.

### **Responsiveness**

- The policy should outline whether complaints are going to be addressed based on seriousness or impact of the allegation or on order of submission.
- Inclusion of an expected timeframe for the matter to be reviewed is also encouraged.

### **Action**

- Complaints must be dealt with in an equitable, objective, timely and unbiased manner. The principle of natural justice should be applied.
- The policy needs to outline who will make the initial assessment of the complaint. This includes who will make the determination that the complaint is trivial, vexatious or frivolous or worthy of further investigation.
- The policy also needs to address the process for the investigation including:
  - giving adequate opportunity for a right of reply from both parties
  - if a breach is found, what are the actions that could be imposed by council.
- Attachment 1 provides further guidance on possible actions for breaches found against Part B.

### **Action plans**

- Action plans are designed to provide council members with the opportunity to remedy their behaviour.
- The measures to stop the behaviour from continuing are not intended to be a punishment, rather a mechanism to prevent the behaviour from reoccurring.
- The Code requires that the action plan is prepared in conjunction with the relevant council member. This is designed to provide the council member with

the opportunity to be involved in matters such as the timing of meetings or training.

- While Council is required to give the council members the opportunity, not all council members will actively participate in the process.

#### **What happens if agreement cannot be reached**

- Circumstances may arise when a Council cannot agree on the outcome of an investigation, or whether an investigation is required to an alleged breach.
- In these situations, Council may decide to engage an independent person to:
  - review the complaint
  - investigate the complaint, or
  - make recommendations on appropriate actions
- The policy should address who will be engaged as an independent person. Local governments may consider sharing the services of an independent person.

## Attachment 1 – possible actions for Part B breaches

<b>Personal integrity</b>		<b>Possible actions</b>
<b>2.1</b>	Act in line with the principles outlined in this Code when performing official duties.	Training
<b>2.2</b>	Attend and participate constructively in council meetings, briefings, relevant workshops and training opportunities.	Training Mediation
<b>2.3</b>	Respect and comply with all council policies, procedures and resolutions.	Training
<b>2.4</b>	Ensure professional behaviour is not compromised by the use of alcohol or drugs.	Counselling
<b>2.5</b>	Use all forms of media, including social media, in a way that complies with this Code.	Training
<b>Relationships with others</b>		
<b>2.6</b>	Treat other council members, council employees and members of the public with courtesy, respect, honesty and fairness.	Training Mediation Apology
<b>2.7</b>	Do not bully or harass council staff, other council members or members of the public in any form, including social media	Training Mediation Apology
<b>2.8</b>	Deal with the media in a positive, informative and appropriate manner in accordance with the <i>Local Government Act 1995</i> and relevant local government policies.	Training
<b>2.9</b>	While acting as a council member, do not: <ul style="list-style-type: none"> <li>i. use offensive or pejorative language in reference to another council member, council employee or member of the public; or</li> <li>ii. disparage the character of any council member or impute dishonest or unethical motives to them in the performance of their duties.</li> </ul>	Training Mediation Counselling Apology
<b>2.10</b>	When attending a council or committee meeting, do not: <ul style="list-style-type: none"> <li>i. behave in an abusive or threatening manner towards another council member or other person attending the meeting;</li> <li>ii. make statements that the person knows, or could be reasonably expected to know, that are false or misleading; or</li> </ul>	Training Mediation Counselling Apology

	iii. repeatedly disrupt the meeting.	
<b>2.11</b>	When attending a council or committee meeting: i. comply with the local law that relates to conduct of people at council or committee meetings; ii. promptly comply with any direction given by the presiding member at that meeting; and iii. immediately cease any conduct that has been ruled out of order by the presiding member in accordance with the local government's local law.	Training Mediation Counselling
<b>2.12</b>	Direct all requests for work or actions by council staff to the CEO or the CEO's nominated delegate.	Training
<b>Accountability</b>		
<b>2.13</b>	Make decisions honestly and impartially, considering all available information, legislation, policies and procedures.	Training
<b>2.14</b>	Take responsibility for decisions and actions.	Training Counselling
<b>2.15</b>	Abide by the decisions of council and publicly support the decisions even if of an alternative view.	Training
<b>2.16</b>	Adhere to the principles in the: i. <i>Occupational Safety and Health Act 1984 (WA)</i> ; ii. <i>Equal Opportunity Act 1984 (WA)</i> ; iii. <i>Racial Discrimination Act 1975 (Cth)</i> ; and iv. <i>Sex Discrimination Act 1984 (Cth)</i> .	Training Mediation

## Part C – Rules of Conduct

Rules of conduct breaches are matters that:

- negatively affect the honest or impartial performance of a council member;
- involve a breach of trust placed in the council member; or
- involve the misuse of information or material.

Alleged breaches of this part can be referred to the Local Government Standards Panel (Standards Panel) in accordance with the *Local Government Act 1995* (the Act). A breach of this Part is a “minor breach”. In the event the Standards Panel makes a finding of breach against a council member, sanctions will be imposed in accordance with the Part 5 Division 9 of the Act.

Nothing in this part removes the obligations placed upon council members and employees (including the CEO) of the local government under the *Corruption, Crime and Misconduct Act 2003*.

### Guidelines

A breach of Part C is considered by the Standards Panel in accordance with the Act. The Standards Panel, which was established in 2007, has the authority to make binding decisions to resolve allegations of minor misconduct. The Standards Panel is independent of the Minister for Local Government and the department.

The process for complaints under Part C is outlined in the Act. Complaints in the first instance are directed to the complaints officer at the local government. The Act provides that the complaints officer is the CEO or another officer with delegated responsibility.

As the Panel does not have investigative powers, findings and decisions are made on the basis of the information it receives. To assist with understanding each Part C rule of conduct, the elements are outlined alongside each. For a finding of breach, the Standards Panel needs to be satisfied that it is more likely than not, (on the balance of probabilities) that a breach of each element has occurred.



## Personal Integrity

<i>Misuse of local government resources</i>	<i>Elements of Rule of Conduct</i>
<p>a. <b>resource</b> is defined to mean tangible and intangible assets, services or other means of supporting the functions of local government, which are owned or paid for by the local government from public money.</p> <p>b. A person who is a council member must not either directly or indirectly use the resources of a local government —</p> <ul style="list-style-type: none"> <li>i. for the purpose of persuading electors to vote in a particular way at an election, referendum or other poll held under the Act, the <i>Electoral Act 1907</i> or the <i>Commonwealth Electoral Act 1918</i>; or</li> <li>ii. for any purpose other than fulfilling the legal obligations and duties of the council member's office,</li> </ul> <p>unless authorised under the Act, by the council or the CEO to use the resources for that purpose.</p>	<ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) the council member directly or indirectly used;</li> <li>(c) resources that belonged to the local government;</li> <li>(d) for the identified electoral purpose or any other purpose other than in their legal role as a council member;</li> <li>(e) without such purpose being authorised under the Act, by the council or the local government's CEO.</li> </ul>

<i>Securing personal advantage or disadvantaging others</i>	<i>Elements of Rule of Conduct</i>
<p>c. A person who is a council member must not make improper use of the person's office as a council member —</p> <ul style="list-style-type: none"> <li>i. to gain directly or indirectly an advantage for the person or any other person; or</li> </ul>	<ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) by engaging in the conduct, the person the subject of the complaint made use of the office of a council member (in</li> </ul>

<p>ii. to cause detriment to the local government or any other person.</p> <p>d. Rule 3.3 does not apply to conduct that contravenes section 5.93 of the Act or <i>The Criminal Code</i> section 83.</p>	<p>the sense that he or she acted in their capacity as a council member, rather than in some other capacity);</p> <p>(c) when viewed objectively, such use was an improper use of the person's office as council member in that it:</p> <ul style="list-style-type: none"> <li>i. involved a breach of the standards of conduct that would be expected of a person in the position of a council member by reasonable persons with knowledge of the duties, powers and authority of the councillor and the circumstances of the case (by for example, an abuse of power or the doing of an act which the councillor knows or ought to have known that he or she had no authority to do); and</li> <li>ii. was so wrongful and inappropriate in the circumstances that it calls for the imposition of a penalty; and</li> </ul> <p>(d) the person engaged in the conduct in the belief that:</p> <ul style="list-style-type: none"> <li>i. <i>[in the case of rule 3.3(i)]</i> an advantage (pecuniary or otherwise) would be gained directly or indirectly for the person or any other person; <u>or</u></li> <li>ii. <i>[in the case of rule 3.3(ii)]</i> detriment (pecuniary or otherwise) would be suffered by the local government or another person;</li> </ul> <p>(e) It is irrelevant whether advantage was actually gained or detriment suffered;</p> <p>(f) The conduct does not fall under section 5.93 of the Act: improper use of information (which would be a serious breach), or section 83 of the Criminal Code (which would be a crime).</p>
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<b><i>Repeated breaches of Part B</i></b>	<b><i>Elements of Rule of Conduct</i></b>
<p>e. A breach of Part B of the Code of Conduct is a minor breach if:</p> <ul style="list-style-type: none"> <li>i. it occurs after the council member has been found to have committed 3 or more other breaches of Part B; or</li> <li>ii. the council member fails to comply with the action plan developed after a finding of inappropriate behaviour under Part B;</li> </ul> <p>and</p> <ul style="list-style-type: none"> <li>iii. the Council to which the member is elected, decides, via resolution, to make an allegation of a rule of conduct breach under this Part.</li> </ul>	<ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member or candidate both at the time of the conduct and the time when the Standards Panel makes its determination;</li> <li>(b) the council has passed a resolution referring the matter to the Standards Panel;</li> <li>(c) in the case of (i) – <ul style="list-style-type: none"> <li>i. the person has been found to have breached Part B of the code of conduct on at least three occasions;</li> <li>ii. the behaviour the subject of this complaint occurred after a finding of inappropriate behaviour;</li> <li>iii. the person has engaged in behaviour that is a breach of Part B of the code of conduct;</li> <li>iv. an action plan is in place; or</li> </ul> </li> <li>(d) In the case of (ii) – <ul style="list-style-type: none"> <li>i. there was an action plan in place;</li> <li>ii. the action plan resulted from a previous finding of a breach of Part B;</li> <li>iii. the person has not complied with the action plan.</li> </ul> </li> </ul>

## **Relationships with employees**

<b><i>Prohibition against involvement in administration</i></b>	<b><i>Elements of Rule of Conduct</i></b>
<p>3.7 A person who is a council member must not undertake a task that contributes to the administration of the local government unless authorised by the CEO to undertake that task.</p>	<ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) the council member took on or was involved or participated in the performance, attempted performance, or part-performance, of a function or responsibility which under the</li> </ul>

3.8 Rule 3.7 does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.	<p>Act or by delegation it is for the local government's CEO to perform or direct; and</p> <p>(c) such taking on, involvement or participation:</p> <ul style="list-style-type: none"> <li>i. contributed (for example, played a part in achieving something; and</li> <li>ii. did not occur as anything the council member did as part of the deliberations at a council or committee meeting (which may include something the member did as part of their preparation for any such deliberation); and</li> </ul> <p>(d) the local government's CEO did not authorise such taking on, involvement or participation.</p>
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<i>Relations with local government employees</i>	<i>Elements of Rule of Conduct</i>
<p>3.9 In this rule —</p> <p><b>employee</b> means a person as defined in section 5.36 of the Act and any person contracted to provide a service to the local government.</p> <p>3.10 A person who is a council member or candidate must not —</p> <ul style="list-style-type: none"> <li>i. direct or attempt to direct a person who is a local government employee to do or not to do anything in the person's capacity as a local government employee; or</li> <li>ii. attempt to influence, by means of a threat or the promise of a reward, the conduct of a person who is a local government employee in the person's capacity as a local government employee; or</li> </ul>	<p><b>Rule 3.10(i)</b></p> <ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member or candidate both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) the council member or candidate gave or tried or made an effort to give a direction or an order or command;</li> <li>(c) to another person, who is an employee of the relevant local government;</li> <li>(d) to do or not to do something in the other person's capacity as a local government employee; and</li> <li>(e) the direction or attempted direction was not part of anything that the person did as part of the deliberations at a council or committee meeting (which may include something he or she did as part of their preparation for any such deliberation).</li> </ul>

<p>iii. behave in an abusive or threatening manner towards any local government employee.</p> <p>3.11 Rule 3.10(i) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.</p> <p>3.12 If a person, in their capacity as a council member, is attending a council meeting, committee meeting or other organised event, other than at a meeting or part of a meeting that is closed to the public, the person must not, either orally, in writing or by any other means —</p> <ul style="list-style-type: none"> <li>i. make a statement that a local government employee is incompetent or dishonest; or</li> <li>ii. use offensive or objectionable expressions in reference to a local government employee.</li> </ul> <p>3.13 Rule 3.12(i) does not apply to conduct that is unlawful under <i>The Criminal Code</i> Chapter XXXV.</p>	<p><b>Rule 3.10(ii)</b></p> <ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member or candidate both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) a council member or candidate tried or made an effort to affect, sway or produce an effect on;</li> <li>(c) the conduct of another person, who is an employee of the relevant local government, in that person's capacity as a local government employee; and</li> <li>(d) the council member or candidate's effort to affect, sway or produce an effect was carried out by means of — <ul style="list-style-type: none"> <li>(i) a threat by the person (for example, the council member's declaration of an intention to inflict punishment, pain or loss on, or to take any action detrimental or unpleasant to, the employee — or on someone, or to something, that the employee cares about — in retaliation for, or conditionally upon, some action or course), or</li> <li>(ii) a promise or undertaking by the person to give the employee something having a value, or to do or not do something where the act or omission concerned has some value or advantage for or to the employee.</li> </ul> </li> </ul> <p><b>Rule 3.10(iii)</b></p> <ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member or candidate both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) the person behaved in a manner which was: <ul style="list-style-type: none"> <li>(i) abusive (for example, the council member uses insulting, disparaging belittling or derogatory language about or to the employee); or</li> </ul> </li> </ul>
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	<p>(ii) threatening (for example, the council member's declaration of an intention to inflict punishment, pain or loss on, or to take any action detrimental or unpleasant to, the employee — or on someone, or to something, that the employee cares about — in retaliation for, or conditionally upon, some action or course);</p> <p>(c) the behaviour is directed towards a local government employee.</p> <p><b>Rule 3.12(i)</b></p> <p>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</p> <p>(b) the council member attended a council meeting, committee meeting or other organised event in their capacity as a council member;</p> <p>(c) the council member either verbally, in writing or by some other means, made a statement (for example, a communication or declaration in speech or writing setting forth facts, particulars; etc.); and</p> <p>(d) viewed objectively, the council member's statement (or a sufficiently clear inference from the words used) was that an employee of the council member's local government was incompetent or dishonest.</p> <p>(e) Chapter XXXV of <i>The Criminal Code</i> does not apply.</p> <p><b>Rule 3.12(ii)</b></p> <p>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</p>
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	<ul style="list-style-type: none"> <li>(b) the council member attended a council meeting, committee meeting or other organised event in their capacity as a council member;</li> <li>(b) the council member either verbally, in writing or by some other means, used an expression (for example, any word, phrase or form of speech) which it is more likely than not that a member or members of the public present heard or otherwise became aware of;</li> <li>(c) the expression was an offensive or objectionable expression (for example, an expression that is likely to cause offence or displeasure and is insulting); and</li> <li>(d) the expression was an offensive or objectionable expression in reference to an identified employee of the council member's local government.</li> </ul>
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## Accountability

<i>Unauthorised disclosure of information</i>	Elements of Rule of Conduct
<p>3.14 In this rule —</p> <p><b>closed meeting</b> means a council or committee meeting, or a part of a council or committee meeting, that is closed to members of the public under section 5.23(2) of the Act;</p> <p><b>confidential document</b> means a document, or that part of a document, marked by the CEO or a nominated delegate to clearly show that the information is not to be disclosed;</p>	<p><b>Rule 3.15(i)</b></p> <ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) the council member disclosed information to someone who at the time was not also a council member of the same local government; and</li> <li>(c) the disclosed information was information the disclosing council member derived from a document that was marked by the relevant local government's CEO, or at the CEO's direction, to clearly show that the information in the document was not to be disclosed; and</li> </ul>

<p><b><i>non-confidential document</i></b> means a document that is not a confidential document or is not marked confidential.</p> <p>3.15 A person who is a council member must not disclose —</p> <ul style="list-style-type: none"> <li>i. information that the council member derived from a confidential document; or</li> <li>ii. information that the council member acquired at a closed meeting other than information derived from a non-confidential document; or</li> <li>iii. personal information as defined in the <i>Freedom of Information Act 1992</i>.</li> </ul> <p>3.16 Sub-rule (3.15) does not prevent a person who is a council member from disclosing information —</p> <ul style="list-style-type: none"> <li>i. at a closed meeting; or</li> <li>ii. to the extent specified by the council and subject to such other conditions as the council determines; or</li> <li>iii. that is already in the public domain; or</li> <li>iv. to an officer of the Department; or</li> <li>v. to the Minister; or</li> <li>vi. to a legal practitioner for the purpose of obtaining legal advice; or</li> <li>vii. if the disclosure is required or permitted by law.</li> </ul>	<ul style="list-style-type: none"> <li>(d) the disclosed information was not information already in the public domain (for example, it was not generally available to all persons) at the time of the disclosure by the disclosing council member, and the disclosure did not occur in any of the ways identified in rule 3.16.</li> </ul> <p><b>Rule 3.15(ii)</b></p> <ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) a council member disclosed information to someone who at the time was not also a council member of the same local government; and</li> <li>(c) the disclosed information was information the disclosing council member acquired at a council or committee meeting, or a part of a council or committee meeting, that was closed to members of the public under section 5.23(2) of the Act; and</li> <li>(d) the disclosing council member did not derive the disclosed information from a non-confidential document (that is, a document that was <i>not</i> marked by the local government's CEO, or at the CEO's direction, to clearly show that the information in it was not to be disclosed); and</li> <li>(e) the disclosed information was not information already in the public domain (for example, it was not generally available to all persons) at the time of the disclosure by the disclosing council member, and the disclosure did not occur in any of the ways identified in rule 3.16.</li> </ul>
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	<p><b>Rule 3.15(iii)</b></p> <ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) the council member disclosed information to someone who at the time was not also a council member of the same local government; and</li> <li>(c) the disclosed information was personal information as defined in the <i>Freedom of Information Act 1992</i> (for example, name, date of birth, address, or a reference to an identification number or other identifying particular such as a fingerprint or body sample).</li> <li>(d) the disclosed information was not information already in the public domain (for example, it was not generally available to all persons) at the time of the disclosure by the disclosing council member, and the disclosure did not occur in any of the ways identified in rule 3.16.</li> </ul> <p><i>Freedom of Information Act 1992</i> defines personal information as:</p> <p>information or an opinion, whether true or not, and whether recorded in a material form or not, about an individual, whether living or dead —</p> <ul style="list-style-type: none"> <li>(a) whose identity is apparent or can reasonably be ascertained from the information or opinion; or</li> <li>(b) who can be identified by reference to an identification number or other identifying particular such as a fingerprint, retina print or body sample.</li> </ul>
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<i>Disclosure of interest</i>	Elements of Rule of Conduct
<p>3.17 In this rule —</p> <p><b>interest</b> means a material interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest.</p> <p>3.18 A person who is a council member and who has an interest in any matter to be discussed at a council or committee meeting attended by the member must disclose the nature of the interest —</p> <ul style="list-style-type: none"> <li>i. in a written notice given to the CEO before the meeting; or</li> <li>ii. at the meeting immediately before the matter is discussed.</li> </ul> <p>3.19 Rule 3.18 does not apply to an interest referred to in section 5.60 of the Act.</p> <p>3.20 Rule 3.18 does not apply if —</p> <ul style="list-style-type: none"> <li>i. a person who is a council member fails to disclose an interest because the person did not know he or she had an interest in the matter; or</li> <li>ii. a person who is a council member fails to disclose an interest 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 disclosed the interest as soon as possible after the discussion began.</li> </ul> <p>3.21 If, under sub-rule (3.18)(i), a person who is a council member discloses an interest in a written notice given to the CEO before a meeting then —</p>	<ul style="list-style-type: none"> <li>(a) the person the subject of the complaint was a council member both at the time of the conduct and the time when the Panel makes its determination;</li> <li>(b) subject to rule 3.19, the person had a private or personal interest in a matter that is more likely than not a conflict of interest or a bias (apparent or real) that does adversely affect, or might adversely affect the council member's impartiality in considering the matter, and includes an interest arising from kinship, friendship, membership of an association, or another circumstance;</li> <li>(c) the member attended the council or committee meeting concerned and was present when the matter under consideration came before the meeting and was discussed;</li> <li>(d) the member did not disclose the nature of the relevant interest in the matter in either of the two ways required by Rule 3.18(i) or 3.18(ii);</li> <li>(e) Rule 3.20 does not apply.</li> </ul>

<ul style="list-style-type: none"> <li>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</li> <li>ii. at the meeting the person presiding is to bring the notice and its contents to the attention of the persons present immediately before a matter to which the disclosure relates is discussed.</li> </ul> <p>3.22 If —</p> <ul style="list-style-type: none"> <li>i. under sub-rule (3.18)(ii) or (3.20)(ii) a person's interest in a matter is disclosed at a meeting; or</li> <li>ii. under sub-rule (3.21)(ii) notice of a person's interest in a matter is brought to the attention of the persons present at a meeting,</li> </ul> <p>the nature of the interest is to be recorded in the minutes of the meeting.</p>	
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## Code of Conduct survey

As part of the McGowan Government's commitment to transforming local government in WA, the *Local Government Legislation Amendment Act 2019* introduces a mandatory code of conduct (Code) for all council members, committee members and candidates in local government elections.

These reforms are intended to ensure that standards of behaviour are consistent between local governments and address community expectations.

The proposed Code will inform the drafting of regulations. This will be accompanied by guidelines that provides clarification and guidance in relation to compliance and enforcement with the Code.

This survey is intended to provide the Government with feedback regarding the proposed the content of the Code.

Thank you for taking the time to complete this survey.

1. Who are you completing this survey on behalf of?
  - a. Yourself
  - b. An organisation, including a local government, peak body, community organisation or a business
2. What is the name of that organisation?
3. What is your name?
4. What best describes your relationship to local government?
  - a. Resident or ratepayer
  - b. Staff member
  - c. Council member (includes Mayor or President)
  - d. Survey responses are provided on behalf of a local government (council endorsed)
  - e. Peak body
  - f. State Government agency
  - g. Community body
  - h. Other (please specify)
5. What best describes your gender?
  - a. Male
  - b. Female
  - c. Other
  - d. Not applicable/the survey responses are provided on behalf of an organisation
6. What is your age?
  - a. Under 18
  - b. 18-24
  - c. 25-34
  - d. 35-44
  - e. 45-54
  - f. 55-64
  - g. 65+
  - h. Not applicable/the survey responses are provided on behalf of an organisation
7. Which local government do you interact with most?

8. Do you wish for your response to this survey to be confidential?
  - a. Yes
  - b. No
9. What is your email address?
10. Have you previously completed a survey or provided a submission regarding the review of the *Local Government Act 1995*?
  - a. Yes
  - b. No
  - c. Unsure
11. If no, what were your reasons for not previously providing your views to inform the Local Government Act review?
  - a. I was not aware of the Local Government Act review
  - b. I was not interested in providing my views
  - c. I did not have time to provide my views
  - d. Other (please specify)

## Part A - Principles

Council members, committee members and candidates are expected to adhere to and promote and support the following principles by example.

Adhering to these principles will ensure that council members and candidates can comply with the behaviours outlined in Part B or conduct as outlined in Part C. all behaviour should be considered against these principles, whether or not it is covered specifically in Part B or Part C.

12. Please indicate your support of the following ***Personal Integrity Principles***

- 1.1 Act with care and diligence and participate in decision making in an honest, fair, impartial and timely manner, considering all relevant information.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

- 1.2 Act with honesty, integrity and uphold the concept of natural justice.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

- 1.3 Identify, declare and appropriately manage any conflicts of interest in the public interest and interests of the Council including not accepting gifts that may give the appearance of a conflict of interest or an attempt to corruptly influence behaviour.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

- 1.4 Uphold the law, and, on all occasions, act in accordance with the trust placed in council members.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

- 1.5 Avoid damage to the reputation of the local government.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

- 1.6 Not be impaired by mind effecting substances while performing official duties.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

Do you have any comments on these principles?

--

13. Please indicate your support of the following ***Relationships With Others Principles***

1.7 Treat others with respect, courtesy and fairness.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

1.8 Maintain and contribute to a harmonious, safe and productive work environment for all.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

1.9 Respect and value diversity in the workplace and in the community.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

Do you have any comments on these principles?

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14. Please indicate your support of the following ***Accountability Principles***

1.10 Base decisions on relevant and factually correct information and make decisions on merit and in accordance with statutory obligations and good governance.



Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

1.11 Be open and accountable to the public, represent all constituents and make decisions in the public.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

Do you have any comments on these principles?

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15. Should any additional principles be incorporated in Part A?

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## Part B – Behaviour

**Part B sets out the standards of behaviour which enable and empower council members to meet the principles outlined in Part A. Behaviour is expected to be managed at the local level by the local government, so Part B also deals with how complaints are to be managed.**

**Failure to comply with this Part may give rise to a complaint against a council member's conduct, followed by a subsequent investigation and possible corrective action by the local government. The emphasis should be on an educative role to establish sound working relationships and avoid repeated breaches, rather than punishment.**

16. Please indicate your support for the following ***Personal Integrity Behaviours***.

2.1 Act in line with the principles outlined in this Code when performing official duties.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.2 Attend and participate constructively in council meetings, briefings, relevant workshops and training opportunities.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.3 Respect and comply with all council policies, procedures and resolutions.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.4 Ensure professional behaviour is not compromised by the use of alcohol or drugs.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.5 Use all forms of media, including social media, in a way that complies with this Code.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

Do you have any comments on these behaviours?

--

17. Please indicate your support for the following ***Relationships with Others Behaviours***.

2.6 Treat other council members, council employees and members of the public with courtesy, respect, honesty and fairness.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.7 Do not bully or harass council staff, other council members or members of the public in any form, including social media.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.8 Deal with the media in a positive, informative and appropriate manner in accordance with the Local Government Act 1995 and relevant local government policies.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.9 While acting as a council member, do not:

- (i) Use offensive or pejorative language in reference to another council member, council employee or member of the public;  
or
- (ii) Disparage the character of any council member or council employee or impute dishonest or unethical motives to them in the performance of their duties.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.10 When attending a council or committee meeting, do not:

- (i) Behave in an abusive or threatening manner towards another council member or other person attending the meeting;

(ii) Make statements that the person knows, or could be reasonably expected to know, that are false or misleading;  
Or

(iii) Repeatedly disrupt the meeting

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.11 When attending a council or committee meeting:

(i) Comply with the local law that relates to conduct of people at council or committee meetings;

(ii) Promptly comply with any direction given by the presiding member at that meeting; and

(iii) Immediately cease any conduct that has been ruled out of order by the presiding member in accordance with the local government's local law.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.12 Direct all requests for work or actions by council staff to the CEO or the CEO's nominated delegate.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

Do you have any comments on these behaviours?

--

18. Please indicate your support for the following **Accountability Behaviours**.

2.13 Make decisions honestly and impartially, considering all available information, legislation, policies and procedures.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.14 Take responsibility for decisions and actions.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.15 Abide by the decisions of council and publicly support the decisions even if of an alternative view.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

2.16 Adhere to the principles in the:

- (i) *Occupational Safety and Health Act 1984*(WA);
- (ii) *Equal Opportunity Act 1984*(WA);
- (iii) *Racial Discrimination Act 1975*(Cth); and
- (iv) *Sex Discrimination Act 1984* (Cth).

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

Do you have any comments on these behaviours?

--

19. Should any additional behaviours be incorporated in Part B?

20. Part B of the Code includes a complaint management process. Should this part include a time period in which complaints must be lodged after the alleged breach occurred?

- ☐ No time period
- ☐ 1 month
- ☐ 3 months
- ☐ 6 months
- ☐ Other (please specify)

21. Who is the best person for Part B complaints to be directed to?

- ☐ Mayor or President
- ☐ Deputy Mayor or President
- ☐ Presiding member
- ☐ Chief Executive Officer
- ☐ Nominated local government employee

- Other (please specify)

22. What actions are appropriate for councils to impose if a Part B breach is found?

- Apology
- Training
- Mediation
- Counselling
- Other (please specify)

23. Do you have any suggestions for specific actions that could be incorporated into the guidelines?

24. Should recurrent breaches of behaviour be referred to the Local Government Standards Panel?

- Yes
- No

Please provide a reason(s) for your answer

25. Should Council be required to develop an action plan and give the council member an opportunity to resolve their behaviour before a third complaint is referred to the Standards Panel under Part C?

- ☐ Yes
- ☐ No
- ☐ Other (please specify)

26. How beneficial would it be for local governments to engage an independent person to assist with the review of complaints?

- ☐ Extremely useful
- ☐ Very useful
- ☐ Somewhat useful
- ☐ Not so useful
- ☐ Not at all useful
- ☐ Other (please specify)

27. What should happen if a council cannot agree on an investigation or course of action following an alleged breach of Part B?



- An independent person should be engaged to conduct a review
- The complaint should be dismissed
- The Mayor or President makes the decision
- The CEO makes the decision
- Other (please specify)

## Part C – Rules of Conduct

**Rules of conduct breaches are matters that:**

- **Negatively affect the honest or impartial performance of a council member;**
- **Involve a breach of trust placed in the council member; or**
- **Involve the misuse of information or material.**

**Alleged breaches of this part can be referred to the Local Government Standards Panel (Standards Panel) in accordance with the *Local Government Act 1995* (the Act). A breach of this Part is a “minor breach”.**

36. Do you have any comments or feedback on Part C?

## Guidelines

**Guidelines have been prepared to accompany the Code the Conduct. The guidelines are intended to provide clarification and guidance in relation to complain and enforcement.**

37.Are the guidelines a useful tool to accompany the Code?

- ☐ Extremely useful
- ☐ Very useful
- ☐ Somewhat useful
- ☐ Not so useful
- ☐ Not at all useful

Please specify why

38.Do you have any suggestions for additional inclusions in the guidelines?



Department of  
Local Government, Sport  
and Cultural Industries



*Local Government  
Act 1995 Review*  
agile • smart • inclusive



LOCAL GOVERNMENT ACT REVIEW ►► DELIVERING FOR THE COMMUNITY

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

## Draft for Consultation

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# Preface

As part of the McGowan Government's commitment to transforming local government in WA, the *Local Government Legislation Amendment Act 2019* includes a requirement for model standards covering the recruitment and selection, performance review and early termination of local government Chief Executive Officers (CEOs). These reforms are intended to ensure best practice and greater consistency in these processes among local governments.

This document outlines proposed mandatory minimum standards, shown in boxes. These standards will inform the drafting of regulations.

The accompanying guidelines outline the recommended practice for local governments in undertaking these processes. The guidelines will assist local governments in meeting the proposed standards and will not form part of the legislative framework.

The standards and guidelines have been developed by the Department of Local Government, Sport and Cultural Industries (Department) in consultation with representatives from the Public Sector Commission, the Ombudsman, the Western Australian Local Government Association (WALGA) and Local Government Professionals WA (LGPro). The Department gratefully acknowledges the participation and contribution of these representatives.

The Department notes that the content of these does not necessarily reflect the views or policies of the organisations or individuals that have been consulted.

Feedback is sought on the proposed standards and guidelines. A survey is available at [www.dlgsc.wa.gov.au/lgareview](http://www.dlgsc.wa.gov.au/lgareview) or you can provide your feedback to [actreview@dlgsc.wa.gov.au](mailto:actreview@dlgsc.wa.gov.au) by 8 November 2019.

# Part 1 – Recruitment and Selection

One of the fundamental roles of the council is the employment of the local government's CEO. The CEO is responsible for implementing the council's strategic vision and leading the local government administration.

## Principles

A local government must select a CEO in accordance with the principles of merit, equity and transparency. A local government must not exercise nepotism, bias or patronage in exercising its powers. Additionally, a local government must not unlawfully discriminate against applicants. Section 5.40 of the *Local Government Act 1995* (Act) lists a number of general principles of employment that apply to local governments.

### Recruitment and Selection Standard

The minimum standard for recruitment and selection will be met if:

- S1.1** The council has identified and agreed to the qualifications and selection criteria necessary to effectively undertake the role and duties of the CEO within that particular local government context.
- S1.2** The council has approved, by absolute majority, the Job Description Form which clearly outlines the qualifications, selection criteria and responsibilities of the position, and which is made available to all applicants.
- S1.3** The local government has established a selection panel to conduct the recruitment and selection process. The panel must include at least one independent person who is not a current elected member or staff member of the local government.
- S1.4** The local government attracts applicants through a transparent, open and competitive process (this is not necessary for vacancies of less than one year).
- S1.5** The local government has assessed the knowledge, experience, qualifications and skills of all applicants against the selection criteria.
- S1.6** The local government has thoroughly verified the recommended applicant's work history, qualifications, referees and claims made in his or her job application.
- S1.7** The appointment is merit-based, with the successful applicant assessed as clearly demonstrating how his or her knowledge, skills and experience meet the selection criteria.

## Recruitment and Selection Standard cont.

- S1.8** The appointment is made impartially and free from nepotism, bias or unlawful discrimination.
- S1.9** The council has endorsed by absolute majority the final appointment.
- S1.10** The council has approved the employment contract by absolute majority.
- S1.11** The local government must re-advertise the CEO position after each instance where a person has occupied the CEO position for ten (10) consecutive years.

## Guidelines

### Recruitment and selection process

Regulation 18C of the *Local Government (Administration) Regulations 1996* (Administration Regulations) requires a local government to approve a process to be used for the selection and appointment of a CEO for the local government before the position of CEO of the local government is advertised.

The council of the local government should act collectively throughout the recruitment and selection process. To uphold the integrity of the process, the council must resist any attempt to influence the outcome through canvassing or lobbying.

The local government should carefully consider the role of the CEO. This includes the CEO's legislated powers and functions and their role as the head of the administrative arm of the local government. In determining the selection criteria for the position of CEO, it will be important for a local government to consider the needs of the district and the specific skills and experience that will be required of the CEO in that particular local government. The competencies the council looks for in its CEO should reflect the council's strategic community plan.

Once the essential skills and experience which form the selection criteria for the position have been identified, the local government must set out the selection criteria (essential and desirable) and the responsibilities of the position in a Job Description Form (JDF). If emphasis is placed on certain selection criteria, this should be highlighted in the JDF so that applicants are aware of this. For example, some level of project management experience will usually be an important criterion, but if the local government is undertaking a major development such as a new recreation centre, added emphasis may need to be given to this criterion.

The JDF must be approved by an absolute majority of the council.



## Advertising

The local government should ensure that applicants are clearly informed about the application process, such as the application requirements, the closing date for applications and how applications are to be submitted. It is essential that this process is transparent and that each step in the process is documented and the records kept in a manner consistent with the *State Records Act 2000* (WA).

In order to attract the best possible pool of applicants for the CEO position, it is recommended that local governments use a diverse range of advertising methods, mediums and platforms (in addition to the advertising requirement under section 5.36(4) of the Act). For example:

- advertising on the local government's website;
- posting on online jobs boards (e.g. SEEK);
- sharing the advertisement via professional networks; and
- undertaking an executive search (also known as headhunting).

A local government must publicly advertise the CEO position if one person has remained in the job for 10 consecutive years. This does not prevent the incumbent individual from being employed as CEO for another term, provided they are selected following a transparent selection and recruitment process.

## Selection panel and independent person

Local governments are to appoint a selection panel to conduct and facilitate the recruitment and selection process. The selection panel should be made up of elected members (the number to be determined by the council) and must include at least one independent person. The independent person cannot be a current elected member or staff member of the local government. Examples of who the independent person could be include:

- former elected members or staff members of the local government;
- former or current elected members (such as a Mayor or Shire President) or staff members of *another* local government;
- a prominent or highly regarded member of the community; or
- a person with experience in the recruitment and selection of CEOs and senior executives.

The independent person would be on the committee on an unpaid basis (except for reasonable travel and accommodation costs which should be covered by the local government) to provide objectivity to the selection and recruitment process.

The independent person and elected members on the panel are responsible for assessing applicants and making a recommendation to council regarding the most suitable applicant.

## Independent human resources consultant

A local government should seek independent advice from a human resources consultant where the council lacks the capacity or expertise to facilitate the recruitment

and selection process (or any aspect of it). A member of the human resources team within a local government should not be involved in the recruitment of a new CEO because if the CEO is employed, he or she would be their employer.

The consultant should not be associated with the local government or any of its council members and can be an independent human resources professional, recruitment consultant, or recruitment agency.

An independent human resources consultant can provide advice to the selection panel on how to conduct the recruitment process or a local government may engage a consultant to support it in undertaking certain aspects of the recruitment process, such as one or more of the following:

- development or review of the JDF;
- development of selection criteria;
- sourcing and development of assessment methods in relation to the selection criteria;
- drafting of the advertisement;
- executive search;
- preliminary assessment of the applications;
- final shortlisting;
- drafting of the questions for interview;
- coordinating interviews;
- writing the selection report;
- arranging for an integrity check and/or police clearance; and
- assisting the council in preparing the employment contract.

The consultant is not to be directly involved in determining which applicant should be recommended for the position.

It is recommended that rigorous checks be conducted on any independent consultants before they are engaged to ensure they have the necessary skills and experience to effectively assist the council. Local government recruitment experience may be beneficial but is not necessary.

The independent human resources consultant must be able to validate their experience in senior executive recruitment and appointments. It is important to note that if the local government uses a consultant or agency to assist in finding applicants, that consultant or agency will require an employment agent licence under the *Employment Agents Act 1976* (WA).

A good independent human resources consultant will bring expertise, an objective perspective and additional human resources to what is a complex and time-consuming process. Given the time and effort involved in finding a competent CEO, and the cost of recruiting an unsuitable CEO, there can be a good business case for spending money on an independent consultant.

There is no requirement for local governments to engage an independent human resources consultant to assist with the recruitment of a CEO. If a decision is made to outsource the recruitment process, it is imperative that the council maintains a high

level of involvement in the process and enters into a formal agreement (contract) with the consultant. In order to manage the contract efficiently, and ensure an effective outcome, regular contact with the consultant is required during the recruitment process. As with any contractor engagement, the local government must ensure their procurement and tender processes comply with the Act and the procurement policy of the local government.

### Council's responsibilities

A human resources consultant cannot undertake the tasks for which the council is solely responsible. An independent consultant cannot and should not be asked to:

- Conduct interviews with short-listed applicants: This should be done by the council (this may involve the establishment of a committee consisting of only council members under section 5.8 of the Act). A council may decide that a human resources consultant undertakes the initial shortlisting of candidates, for example, conducting initial interviews and compiling a short-list of applicants for the council to review. Following shortlisting, a consultant can participate by sitting in on the interviews, providing advice on the recruitment and selection process and writing up the recommendations. The consultant may also arrange the written referee reports of applicants.
- Make the decision about who to recruit: Only the council can make this decision, drawing upon advice from the selection panel.
- Negotiate the terms and conditions of employment: The council should conduct the final negotiations (noting that the consultant should be able to provide advice on remuneration constraints and other terms and conditions).

### Creating Diversity

In order to ensure all applicants are given an equal opportunity for success, selection methods need to be consistent and objective. In a structured interview, each applicant should have the opportunity to answer the same primary questions with follow-up questions used to illicit further detail or clarification. Behavioural-based interview questions are objective and gauge the applicants' hard and soft skills, reducing biases in assessment (see examples below).

Basing a selection decision on the results of a number of selection methods can help to reduce procedural shortcomings and ensure the best applicant is chosen. Psychometric, ability and aptitude testing are considered to be valid, reliable and objective. While applicants with extensive experience and reputable education may appear to be more qualified, an objective assessment of each person's ability and personal traits can provide a clearer picture of the applicant.

Where possible, it is recommended that local governments ensure diversity on the selection panel. This may be achieved by ensuring gender, ethnic, age and experiential diversity on the panel. Diversity is also a consideration when selecting an independent person for the selection panel, particularly where there is a lack of diversity on the council. A diverse selection panel will aid in making quality decisions regarding suitable applicants.

Individuals are often unaware of biases they may have. For this reason, it is helpful for the selection panel to undertake training about unconscious biases. Awareness of unconscious biases assists individuals in preventing those biases from interfering in their decision making. For example, if there are considerable discrepancies in the assessment scores between two panel members, discussion will be required to ensure bias has not influenced these scores. Allowing team members to acknowledge and recognise prejudices is essential to managing those biases. The following biases should be addressed:

- “Similar-to-me” effect - if interviewers share the same characteristics with the applicants or view those characteristics positively, they are more likely to score them highly;
- “Halo” effect – interviewers may let one quality (such as race, gender, looks, accent, experience, etc.) positively or negatively affect the assessment of the applicant’s other characteristics.

### Due Diligence

It is essential that the local government ensures that the necessary due diligence is undertaken to verify an applicant’s qualifications, experience and demonstrated performance. This includes:

- verifying an applicant’s qualifications such as university degrees and training courses;
- verifying the applicant’s claims (in relation to the applicant’s character, details of work experience, skills and performance) by contacting the applicant’s referees. Referee reports should be in writing in the form of a written report or recorded and verified by the referee;
- requesting that an applicant obtains a national police clearance as part of the application process; and
- ensuring no conflicts of interests arise by looking to outside interests such as board membership and secondary employment.

A council may wish to contact a person who is not listed as an applicant’s referee, such as a previous employer. This may be useful in obtaining further information regarding an applicant’s character and work experience, and verifying related claims. The applicant should be advised of this and be able to provide written comments to the council.

A search of a media material and whether an applicant has an online presence may also assist in identifying potential issues. For example, an applicant may have expressed views which are in conflict with the local government’s values. This should be made clear in the application information.

To ensure the integrity of the recruitment process, a council must act collectively when performing due diligence.

## Selection

Once the application period closes, the council, selection panel or consultant assesses each application and identifies a shortlist of applicants to be interviewed.

In shortlisting applicants for the interview phase, the selection panel should consider the transferable skills of applicants and how these would be of value in the role of CEO. The selection panel should not overlook applicants who do not have experience working in the local government sector.

It is important that the assessment process is consistent for all applicants. For example, each applicant being asked the same interview questions which are related to the selection criteria and being provided with the same information and completing the same assessments.

Elected members should declare any previous association with an applicant or any potential conflict of interest at the time of shortlisting if they are part of the selection panel. Similarly, if the interviews involve the full council, the elected member should make an appropriate declaration before the interviews commence. If the potential conflict of interest is significant or a member's relationship with an applicant may result in claims of nepotism, patronage or bias, the council may need to consider whether to exclude the elected member from the process. The decision should be documented and recorded for future reference.

Selecting an applicant should be based on merit; that is, choosing an applicant that is best suited to the requirements of the position and the needs of the local government. This involves the consideration and assessment of applicants' skills, knowledge, qualifications and experience against the selection criteria required for the role. As part of the selection process, a council may consider it appropriate for each of the preferred candidates to do a presentation to council.

The appointment decision by the council should be based on the assessment of all measures used, including:

- assessment technique(s) used (e.g. interview performance);
- quality of application;
- referee reports;
- verification and sighting of formal qualifications and other claims provided by the applicant; and
- other vetting assessments used (e.g. police checks, integrity checks, etc.).

## Employment contract

In preparing the CEO's employment contract, the council must ensure the contract includes the necessary provisions required under section 5.39 of the Act and associated regulations, that it meets the requirements set out in relevant employment law and that it is legally binding and valid.

Section 5.39 of the Act provides that a CEO's employment contract must not be for a term exceeding five years. The term of a contract for an acting or temporary position cannot exceed one year.

Further, the employment contract is of no effect unless it contains:

- the expiry date of the contract;
- the performance review criteria; and
- as prescribed under regulation 18B of the Administration Regulations, the maximum amount of money (or a method of calculating such an amount) to which the CEO is to be entitled if the contract is terminated before the expiry date, which amount is not to exceed whichever is the lesser of:
  - the value of one year's remuneration under the contract; or
  - the value of the remuneration that the CEO would have been entitled to had the contract not been terminated.

It is recommended that the council seeks independent legal advice to ensure that the contract is lawful and able to be enforced. In particular, advice should be sought if there is any (even slight) doubt as to the meaning of the provisions of the contract.

Councils should be aware that CEO remuneration is determined by the Salaries and Allowances Tribunal and the remuneration package may not fall outside the band applicable to the particular local government.

The CEO's employment contract should clearly outline grounds for termination and the termination process (refer to the termination guidelines in this document for information on the process of termination). The notice periods outlined in the employment contract should be consistent with Australian employment law.

The council of the local government must approve, by absolute majority, the employment contract and the person they appoint as CEO.

## Appointment

Following the decision of council to approve an offer to appoint, with the contract negotiations finalised and the preferred applicant accepting the offer of appointment, council is required to make the formal and final appointment of the CEO. The council is required to endorse the appointment and approve the CEO's employment contract by absolute majority. The employment contract must be signed by both parties.

The council should notify both the successful individual and the remaining unsuccessful applicants as soon as possible before publicly announcing the CEO appointment.

The successful applicant should not commence duties with the local government as CEO until the employment contract has been signed.

The unsuccessful applicants (including those not interviewed) should be notified of the outcome of their application. It is recommended that the local government creates a template letter for unsuccessful applicants that can be easily personalised with the applicants' details and sent out quickly.

The council should keep a record of their assessment of the unsuccessful applicant(s) and provide the unsuccessful applicant(s) with the opportunity to receive feedback on their application, or interview performance if they were granted an interview. Should

an unsuccessful applicant request feedback, it is recommended that a member of the selection panel provides this. If a recruitment consultant is used, they may undertake this task.

### Confidentiality

The local government should ensure that all information produced or obtained during the recruitment and selection process is kept confidential. This includes applicants and their personal details, assessment, the selection report and outcome of the process. This ensures privacy requirements are met and maintains the integrity of the process.

### CEO induction

Local governments should ensure that they provide the CEO with all of the necessary information on the local government's processes, policies, procedures and systems at the commencement of the CEO's employment.

New CEOs are eligible to participate in the Local Government CEO Support Program which is a joint initiative of the Department and LGPro to provide mentoring and general support to those appointed to the position of CEO in a local government for the first time. The program runs for six to nine months from the time a CEO is appointed and involves the CEO being matched with a mentor that best meets the needs of the CEO.

The program provides the CEO with an opportunity (through meetings and on-going regular communications) to discuss a wide range of issues with their appointed mentor in the strictest confidence. The program is aimed at addressing the individual needs of the CEO. Examples of issues that may be covered include the following:

- Role of the CEO
- Governance
- Strategic and long-term planning
- Legislative framework
- Relationships and dealing with council members
- Risk management
- Resource management
- Managing the business of Council
- Family considerations

## Part 2 – Performance Review

### Principles

The standards regarding CEO performance review are based on the principles of fairness, integrity and impartiality.

#### Performance Review Standard

The minimum standard for performance review will be met if:

- S2.1** Key result areas are specific, relevant, measurable, achievable and time-based.
- S2.2** The key result areas and the performance process are recorded in a written document, negotiated with and agreed upon by the CEO and council.
- S2.3** The CEO is informed about how their performance will be managed and the results of their performance assessment.
- S2.4** The collection of evidence regarding key result areas is thorough and comprehensive.
- S2.5** Assessment is made free from bias and based on the CEO's achievement against key result areas and decisions and actions are impartial, transparent and capable of review.
- S2.6** The council has endorsed the performance review assessment by absolute majority.

### Guidelines

Section 5.38 of the Act provides that, for a CEO who is employed for a term of more than one year, the performance of a CEO is to be reviewed formally at least once in every year of their employment.

In addition to this minimum requirement, it is recommended that the council engages in regular discussions with the CEO regarding their performance about key result areas, progress and ways that the CEO can be supported. Any changes to the CEO's performance agreement such as changes to key result areas should also be discussed, and agreed to, between the council and the CEO, as the matter arises.

#### Employment contract and performance agreement

Section 5.39, of the Act requires the employment contract to specify the performance criteria for the purpose of reviewing the CEO's performance. This will include ongoing permanent performance criteria. A local government may wish to have a separate additional document called a "performance agreement" which includes the



performance review criteria in the employment contract, additional criteria (e.g. the performance indicators in relation to specific projects) and how the criteria will be assessed. The performance agreement should be negotiated and agreed upon by the CEO and the council. The performance agreement may also set out the CEO's professional development goals and outline a plan to achieve these goals.

#### Key result areas, performance indicators and goals

Setting the performance criteria is an important step. As one of the CEO's key responsibilities is to oversee the implementation of council's strategic direction, it is important to align the CEO's performance criteria to the goals contained in the council's Strategic Community Plan and Corporate Business Plan. Accordingly, as these plans are updated, the CEO's performance criteria should be updated to reflect the changes.

In leading the administrative arm of a local government, the CEO is responsible for undertaking core tasks, the achievement of which will contribute to the effectiveness of the council. These tasks are called key result areas. Key result areas should be set for each critical aspect of the CEO's role. It is important that each key result area is measurable and clearly defined. These could be in relation to:

- service delivery targets from the council's Strategic Community Plan;
- budget compliance;
- organisational capability;
- operational and project management;
- financial performance and asset management;
- timeliness and accuracy of information and advice to councillors;
- implementation of council resolutions;
- management of organisational risks;
- leadership (including conduct and behaviour) and human resource management; and
- stakeholder management and satisfaction.

Key result areas should focus on the priorities of the council and, if appropriate, could be assigned priority weighting in percentages. The council and CEO should set goals as to the target outcome for future achievement in the key result areas. Goals should be specific, measurable, achievable, relevant and time-based.

Following the determination of the key result areas and goals, the council will need to determine how to measure the outcomes in each key result area. Key performance indicators measure the achievement of the key result areas. It is important to relate performance indicators to the selection criteria used in selecting the CEO. For example, if the CEO has been selected due to their financial experience and ability to improve the local government's finances, indicators regarding improved revenue and reduced expenses are obvious starting points.

Considering the context within which the local government is operating is important. For example, if a significant financial event occurs, such a downturn in the economy, financial performance indicators will likely need to be adjusted. It is important that

such contextual factors are given weight and that goals are flexible to allow regular adjustment. Adjustments may be initiated by either the CEO or the council.

Councils need to be realistic in terms of their expectations of a CEO's performance and provide appropriate resources and support to facilitate the achievement of performance criteria.

#### Performance review panel

It is recommended that the council delegates the CEO performance review to a panel (e.g. comprising certain council members and an independent observer). The panel has a duty to gather as much evidence as possible upon which to base their assessments. The role of the review panel includes developing the performance agreement in the first instance, conducting the performance review and reporting on the findings and recommendations of the review to council.

#### Independent consultant

If a council lacks the resources and expertise to meet the expected standard of performance review, the council should engage an external facilitator to assist with the process of performance appraisal and the development of the performance agreement. The local government should ensure that the consultant has experience in performance management and, if possible, experience in local government or dealing with the performance management of senior executives. The consultant should not have any interest in, or relationship with, the council or the CEO.

With guidance from the performance review panel, a consultant can facilitate the following tasks:

- setting performance goals;
- setting key result areas;
- preparing the performance agreement;
- collecting performance evidence;
- writing the performance appraisal report;
- facilitating meetings between the performance review panel;
- assisting with the provision of feedback to the CEO;
- formulating plans to support improvement (if necessary); and
- providing an objective view regarding any performance management-related matters between the concerned parties.

#### Assessing performance

The process of assessing performance should be agreed to by both parties and documented in the employment contract or performance agreement.

It is essential that CEO performance is measured in an objective manner against the performance criteria alone. It is important that reviews are impartial and not skewed by personal relationships between the review panel and the CEO. Close personal relationships between the panel members and the CEO can be just as problematic as extremely poor relationships.

The council should consider any evidence of CEO performance from two perspectives, namely, current CEO performance and future performance if the CEO's current behaviours continue. Evidence of CEO performance may come from an array of sources, many of which the CEO themselves can and should provide to the council as part of regular reporting. These sources include:

- achievement of key business outcomes;
- interactions with the council and progress that has been made towards implementing the council's strategic vision;
- audit and risk committee reports;
- workforce metrics (e.g. the average time to fill vacancies, retention rate, information about why people leave the organisation and staff absence rate);
- incident reports (e.g. results of occupational health and safety assessments, the number and nature of occupational health and safety incident reports, and the number and nature of staff grievances);
- organisational survey results;
- relationships (e.g. with relevant organisations, stakeholder groups, professional networks and the relevant unions); and
- insights from key stakeholders (this could be done by way of a survey to obtain stakeholder input).

It is important that, in addition to looking at the achievement of KPIs, the council considers the following:

- How the CEO has achieved the outcomes. In particular, whether or not their methods are acceptable and sustainable.
- The extent to which current performance is contingent upon current circumstances. Has the CEO demonstrated skills and behaviours to address and manage changes in circumstances which have affected his or her performance?
- What the CEO has done to ensure the wellbeing of staff and to maintain trust in the local government.

The council should consider the attention the CEO has given to ensuring equal employment opportunity, occupational health and safety, privacy, managing potential conflicts of interest, and complying with procurement process requirements.

### Addressing performance issues

Once the CEO's performance has been assessed, it is essential that any areas requiring attention or improvement are identified, discussed with the CEO and a plan is agreed and put in place to address these. The plan should outline the actions to be taken, who is responsible for the actions and an agreed timeframe.

The performance review panel must decide on an appropriate course of action that will address the performance issue. This may include professional development courses, training, counselling, mediation, mentoring or developing new work routines to ensure specific areas are not neglected. The performance review panel should then arrange for regular discussion and ongoing feedback on the identified performance issues, ensuring improvements are being made.

It is important to keep in mind that a local government falling short of its goals is not always attributable to the CEO. External factors may have resulted in initial performance expectations becoming unrealistic. Failure to meet key result areas does not necessarily mean the CEO has performed poorly and, for this reason, performance and outcome should be considered separately. Where ongoing issues have been identified, the council will need to take a constructive approach and seek to develop the CEO's competency in that area (for example, through an agreed improvement plan).

### Confidentiality

The council should ensure that accurate and comprehensive records of the performance management process are created. Any information produced should be kept confidential.

## Part 3 – Termination

### Principles

The standards for the termination of a local government CEO (other than for reasons such as voluntary resignation or retirement) are based on the principles of fairness and clarity. Procedural fairness is a principle of common law regarding the proper and fair procedure that should apply when a decision is made that may adversely impact upon a person's rights or interests.

#### Termination Standard

The minimum standard for the early termination of a CEO's contract will be met if:

- S3.1** Decisions are based on the assessment of the local government's requirements (such as the documented key result areas) and the CEO's performance is measured against these.
- S3.2** Performance issues have been identified and the CEO informed. The council has given the CEO a reasonable opportunity to improve and implement a plan to remedy the performance issues, but the CEO has not subsequently remedied these issues.
- S3.3** Procedural fairness and the principles of natural justice are applied. The CEO is informed of their rights, entitlements and responsibilities in the termination process. This includes the CEO being provided with notice of any allegations against them, given a reasonable opportunity to respond to those allegations or decision affecting them, and their response is genuinely considered.
- S3.4** Decisions are impartial, transparent and capable of review.
- S3.5** The council of the local government has endorsed the termination by absolute majority.
- S3.6** The required notice of termination (which outlines the reason for termination) is provided in writing.

### Guidelines

#### Reason for termination

The early termination of a CEO's employment may end due to:

- poor performance;
- misconduct; or
- non-performance or repudiation of contract terms.

There is a difference between poor performance and serious misconduct. Poor performance is defined as an employee not meeting the required performance criteria or demonstrating unacceptable conduct and behaviour at work. It includes:

- not carrying out their work to the required standard or not doing their job at all;
- not following workplace policies, rules or procedures;
- unacceptable conduct and behaviour at work, e.g. speaking to people in a disrespectful manner, not attending required work meetings and telling inappropriate jokes;
- disruptive or negative behaviour at work, e.g. constantly speaking negatively about the organisation;
- not meeting the performance criteria set in the employment contract and/or performance agreement unless these are outside the CEO's control;
- not complying with an agreed plan to address performance issues (a plan for improvement);
- failing to comply with the provisions of the *Local Government Act 1995* and other relevant legislation;
- failing to follow council endorsed policies.

Serious misconduct can include when an employee:

- causes serious and imminent risk to the health and safety of another person or to the reputation or revenue of the local government; or
- behaving unlawfully or corruptly; or
- deliberately behaves in a way that's inconsistent with continuing their employment.

Examples of serious misconduct can include:

- matters arising under section 4(a), (b) and (c) of the *Corruption, Crime and Misconduct Act 2003*;
- theft;
- fraud;
- assault;
- falsification of records;
- being under the influence of drugs or alcohol at work; or
- refusing to carry out appropriate and lawful resolutions of council.

Misconduct is also defined in section 4 of the *Corruption, Crime and Misconduct Act 2003* (WA). Under this Act, misconduct can be either serious or minor and the obligation to notify the Public Sector Commission or the Corruption and Crime Commission is paramount.

Termination on the basis of misconduct is covered by employment law. A local government should take all reasonable steps to consider misconduct allegations including ensuring procedural fairness is applied. It should also seek independent legal, employment or industrial relations advice prior to a termination. A council should seek independent advice generally during the termination process including the relevant employment legislation affecting CEO employment and the application of that legislation in the circumstances. This will ensure that a council complies with employment law during the entire termination process.

To meet the termination standard, the local government is required to endorse the decision to terminate the CEO's employment by way of an absolute majority resolution.

## Opportunity to improve and mediation

If a CEO is deemed to have been performing poorly, the council must be transparent and inform the CEO of this. It is important that the CEO is given an opportunity to remedy the issues within a reasonable timeframe as agreed between the CEO and the council. The council should clearly outline the areas in need of improvement, and with the CEO's input, determine a plan to help the CEO improve. If a plan for improvement is put in place and the CEO's performance remains poor, then termination may be necessary.

Where the concerns or issues relate to problematic working relationships or dysfunctional behaviour, it is recommended that a council engages an independent accredited mediator to conduct a mediation between the parties. A mediation session may be useful in assisting parties to understand and address issues before the situation escalates to a breakdown in the working relationship (which affects the ability of the CEO to effectively perform his or her duties) and the subsequent termination of the CEO's employment.

## Independent review of termination report

The council should prepare a termination report which outlines the reasons for termination, the opportunities and assistance provided to the CEO to remedy the issues, and an explanation of the CEO's failure to remedy the issues. It is recommended that the council arranges for the termination report to be reviewed by an independent person (e.g. a person with legal expertise, local government experience or a human resources consultant) to ensure the council has complied with procedural fairness, and provided adequate opportunities and support to the CEO to assist him or her in remedying the issues which form the basis of the termination. In the interests of fairness, the review should take place promptly and before the termination of the CEO's employment.

## Confidentiality

Local governments should ensure that the termination process is kept confidential. The CEO is to be informed of the grounds for termination and avenues for review of the decision. Notice of termination of employment is required to be given in writing. In addition, where possible, the news of termination of employment should be delivered in person. The CEO should be provided with a letter outlining the reasons for, and date of, the termination of the employment.

Before making any public announcements on the termination of the CEO, a council should ensure that the entire termination process is complete, including that the CEO has been informed in person of the termination.

## Disclaimer

It is outside the scope of these guidelines to provide legal advice, and local governments should seek their own legal advice where necessary. Guidance as to legal requirements and compliance in relation to the termination of employment is provided by the Fair Work Commission at [www.fwc.gov.au](http://www.fwc.gov.au), the Fair Work

Ombudsman at [www.fairwork.gov.au](http://www.fairwork.gov.au) and the Western Australian Industrial Relations Commission at [www.wairc.wa.gov.au](http://www.wairc.wa.gov.au).



## Part 4 – Monitoring and enforcement

To ensure that councils are complying with the standards and to address any alleged non-compliance, a process will need to be established to monitor and enforce the standards.

Feedback is sought on potential models and processes for monitoring and enforcement.

One potential model is for the establishment of an independent Local Government Commissioner. This position would provide a quality assurance role over CEO recruitment and selection, performance review and terminations by ensuring that the minimum standards were met.

In relation to performance review, either the CEO 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.

## CEO standards consultation survey

As part of the McGowan Government's commitment to transforming local government in WA, the *Local Government Legislation Amendment Act 2019* introduces model standards covering the recruitment and selection, performance review and early termination of local government Chief Executive Officers (CEOs). These reforms are intended to ensure best practice and greater consistency in these processes among local governments.

It is intended that the standards will be mandatory and inform the drafting of regulations. These will be accompanied by guidelines outlining the recommended practice for local governments undertaking these processes.

This survey is intended to provide the Government with feedback regarding the proposed content of the standards and the guidelines.

Thank you for taking the time to complete this survey.

1. Who are you completing this survey on behalf of?
  - a. Yourself
  - b. An organisation, including a local government, peak body, community organisation or a business
2. What is the name of that organisation?
3. What is your name?
4. What best describes your relationship to local government?
  - a. Resident or ratepayer
  - b. Staff member
  - c. Council member (includes Mayor or President)
  - d. Survey responses are provided on behalf of a local government (council endorsed)
  - e. Peak body
  - f. State Government agency
  - g. Community body
  - h. Other (please specify)
5. What best describes your gender?
  - a. Male
  - b. Female
  - c. Other
  - d. Not applicable/the survey responses are provided on behalf of an organisation
6. What is your age?
  - a. Under 18
  - b. 18-24
  - c. 25-34
  - d. 35-44
  - e. 45-54

- f. 55-64
  - g. 65+
  - h. Not applicable/the survey responses are provided on behalf of an organisation
7. Which local government do you interact with most?
  8. Do you wish for your response to this survey to be confidential?
    - a. Yes
    - b. No
  9. What is your email address?
  10. Have you previously completed a survey or provided a submission regarding the review of the *Local Government Act 1995*?
    - a. Yes
    - b. No
    - c. Unsure
  11. If no, what were your reasons for not previously providing your views to inform the Local Government Act review?
    - a. I was not aware of the Local Government Act review
    - b. I was not interested in providing my views
    - c. I did not have time to provide my views
    - d. Other (please specify)

### Recruitment and selection

12. How frequently should a council be required to re-advertise the CEO position?
  - a. At the conclusion of the term of the CEO's contract
  - b. Where a person has occupied the CEO position for two (2) consecutive terms
  - c. Where a person has occupied the CEO position for ten (10) consecutive years
  - d. When council determines
  - e. Unsure
  - f. Other (please specify)

13. To what extent do you support the following statement?

"A local government should be required to undertake 'blind CV recruitment' (i.e. redacting personal details and any diversity specific information from curriculum vitae) to avoid bias in the early stages of the recruitment process."

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

It is proposed that a council will be required to appoint a selection panel made up of council members to conduct and facilitate the CEO recruitment and selection process.

The selection panel would be responsible for assessing applicants and making a recommendation to council regarding the most suitable applicant.

14. To what extent do you support the following statement?

“The selection panel must include at least one person who is independent of the council to assist the council in selecting the CEO”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

15. If a council is required to have an independent person on the selection panel to assist them in selecting a CEO, who should the independent person be? (please choose one or more of the following options)

<input type="checkbox"/>	A recruitment/human resources consultant
<input type="checkbox"/>	A community member
<input type="checkbox"/>	A person with experience in local government
<input type="checkbox"/>	A person with experience in appointing senior executives
<input type="checkbox"/>	Unsure
<input type="checkbox"/>	Other (please specify)

16. To what extent do you support the following statement?

“If a council is required to have an independent person on the selection panel to assist them in selecting a CEO, the independent person must not be a current council member or staff member of any local government”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

17. Should there be any other restrictions on who the independent person on a selection panel should be?

- Yes
- No
- If yes, please specify

### Performance review

The *Local Government Act 1995* currently requires a council to review the performance of the CEO annually.

18. How frequently should a council review the performance of the CEO?

- Annually
- Twice annually

- c. Quarterly
- d. Every two years
- e. When council determines a performance review is required

19. To what extent do you support the following statement?

“A local government should be required to establish a performance review panel, which must include at least one person who is independent of the council, to assist the council in assessing the performance of a CEO”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

20. If a council is required to have an independent person assist them in assessing the performance of a CEO as part of a performance review panel, who should the independent person be? (please choose one or more of the following options)

<input type="checkbox"/>	A recruitment/human resources consultant
<input type="checkbox"/>	A community member
<input type="checkbox"/>	A person with experience in local government
<input type="checkbox"/>	A person with experience in appointing senior executives
<input type="checkbox"/>	Unsure
<input type="checkbox"/>	Other (please specify)

21. Should there be any restrictions on who the independent person should be?

- a. Yes
- b. No
- c. If yes, please specify

## Termination

22. To what extent do you support the following statement:

“The legislation should provide a minimum notice period that the council provides to the CEO if the council terminates the CEO’s employment before the expiry date of the employment contract”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

23. If the legislation required council to provide the CEO with a minimum notice period of the early termination of the CEO’s employment, what should the minimum notice period be?

- a. Two (2) weeks
- b. Four (4) weeks
- c. Other (please specify)

## Monitoring and enforcement

To ensure that councils are complying with the standards and to address any alleged non-compliance, a process will need to be established to monitor and enforce the standards.

Feedback is sought on potential models and processes for monitoring and enforcement.

24. Who should be responsible for monitoring and enforcing the CEO standards?

- a. Public Sector Commission or other integrity agency
- b. Department of Local Government, Sport and Cultural Industries
- c. Independent office of Local Government Commissioner
- d. Joint Panel consisting of nominees from the WA Local Government Association (WALGA) and the Local Government Professionals WA (LGPro WA)
- e. Local Government Standards Panel (expanded role)
- f. Other (please specify)

25. To what extent do you support the following statement?

“If a Local Government Commissioner were to be established, local governments should be required to pay a levy to fund its establishment and operation”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

26. What powers should the body responsible for monitoring and enforcing the standards have? (please choose one or more of the following options)

<input type="checkbox"/>	To order a local government to restart a process (recruitment, selection, performance review or termination) or remedy a defect
<input type="checkbox"/>	To order that a third party be involved in the performance review process
<input type="checkbox"/>	To order that a local government engages in mediation or arbitration to resolve a dispute (this could be disputes between council members or between council members and the CEO)
<input type="checkbox"/>	To arbitrate or make a ruling on a matter
<input type="checkbox"/>	To prepare a report on contract termination (for potential referral for industrial relations action)
<input type="checkbox"/>	To provide a report to the Minister for Local Government or the Director General of the Department of Local Government, Sport and Cultural Industries for consideration in relation to powers to suspend, dismiss or order remedial action whether in regards to the entire council or individual council members

<input type="checkbox"/>	To order that a local government seeks professional advice or assistance from an independent person
<input type="checkbox"/>	Unsure
<input type="checkbox"/>	Other (please specify)

27. To what extent do you support the following statement?

“If the body responsible for monitoring and enforcing the CEO standards directed a local government to undertake mediation or arbitration to resolve a dispute, the costs of the dispute resolution should be borne by the local government.”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

28. To what extent do you support the following statement?

“If a council has not complied with the standard for a particular process, they should be required to recommence the process”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

29. To what extent do you support the following statement?

“Local governments should be subject to penalties if they do not comply with the CEO standards”

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

30. Do you have any additional comments in relation to the CEO standards?

### **Guidelines accompanying the CEO standards**

The mandatory CEO standards will be accompanied by guidelines outlining the recommended practice for local governments undertaking the processes of recruitment and selection, performance review and early termination of CEOs.

31. How useful are the proposed guidelines?

Extremely useful	Very useful	Moderately useful	Slightly useful	Not at all useful

Please specify why:

32. Do you have any suggestions regarding any changes that need to be made to the proposed guidelines or is there anything else you think should be included in the guidelines? (please specify)
33. Do you have any additional comments in relation to the guidelines?





# Draft Submission

## **Mandatory Code of Conduct for Council Members, Committee Members and Candidates**

**October 2019**

## About WALGA

The WA Local Government Association (WALGA) is working for Local Government in Western Australia. As the peak industry body, WALGA advocates on behalf of 138 Western Australian Local Governments. As the united voice of Local Government in Western Australia, WALGA is an independent, membership-based organisation representing and supporting the work and interests of Local Governments in Western Australia. WALGA provides an essential voice for 1,222 Elected Members, approximately 22,000 Local Government employees (16,500 Full Time Equivalent's) as well as over 2.5 million constituents of Local Governments in Western Australia.

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## Background

The *Local Government Legislation Amendment Act 2019* will introduce new requirements in relation to Mandatory Codes of Conduct for Council Members, Committee Members and Candidates for Local Government Elections (Part 5, Division 9 as amended by the *Local Government Legislation Amendment Act 2019*).

The Department of Local Government, Sport and Cultural Industries have released a draft document – *Mandatory Code of Conduct for Council Members, Committee Members and Candidates* – for consultation.

While WALGA and other invited parties participated in a working group to develop the document, the draft was released without WALGA's endorsement and there are a number of concerns with the draft that will be expanded upon in this submission. WALGA appreciates the opportunity afforded to participate in the working group process and to make a submission on the draft document.

The Department of Local Government, Sport and Cultural Industries is seeking feedback on the draft document by 6 December 2019. It is important that Local Governments also make submissions to the Department on this draft document to ensure the sector's views are received.

WALGA is seeking feedback on this draft submission by 25 October 2019. WALGA's submission, which will be updated following sector feedback, will then be included in the December State Council Agenda for consideration at November Zone meetings, before being considered at the 4 December meeting of State Council.

## General Comments - Councillor Conduct

WALGA has long led its Member Local Government's advocacy for high standards of behaviour by those who are democratically elected to represent the people within their district, and personal responsibility for the consequences when there is a lack of it.

WALGA commenced lobbying for official conduct legislation in 2002, to enable action to be taken against individuals rather than an entire Council. The Sector held the view that Council dismissals, such as occurred at the City of Cockburn (2000), City of South Perth (2002) and City of Joondalup (2005) could possibly have been averted if powers were available to deal with individual Elected Member's behaviour.

The Sector's advocacy for official conduct legislation correlated with a shared frustration that Codes of Conduct, a compulsory requirement of Section 5.103(3) of the *Local Government Act 1995* ('the Act') were unenforceable when behaviours departed from expressed standards. This was due to the absence at that time of a disciplinary framework in the Act to deal with misbehaviour and misconduct by individual council members.

WALGA conducted extensive consultation with the Sector over a number of years, leading to promulgation of the *Local Government (Official Conduct) Amendment Act 2007*, amending the Act to introduce minor, serious and recurrent breach allegation complaint processes, and the commencement in October 2007 of the *Local Government (Rules of Conduct) Regulations* ('the Regulations').

More recently, the Act was amended to introduce powers enabling the Minister for Local Government to suspend or dismiss individual council members failing in their duties or behaving in an egregious manner if '...seriousness or duration of that failure or conduct make it inappropriate for the council member to remain a member of the council.'<sup>1</sup> The amendments contained in the *Local Government (Suspension and Dismissal) Act 2018* commenced in November 2018.

The Rules of Conduct Regulations were reviewed in 2010 and 2016. WALGA acknowledges past amendments improving operational efficiency e.g. Standards Panel may refuse to deal with frivolous, trivial, vexatious etc. allegations,<sup>2</sup> and recent amendments that extend confidentiality provisions<sup>3</sup> and providing the Standards Panel with discretion to refer parties to participate in mediation.<sup>4</sup>

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<sup>1</sup> *Local Government Amendment (Suspension and Dismissal) Bill 2018* Explanatory Memorandum at Page 1.

<sup>2</sup> Section 5.110(3A) of 2016

<sup>3</sup> Section 5.123 of 2019

<sup>4</sup> Section 5.110(3B) of 2019

## Bringing Codes and Rules Together; Uncoupling Codes of Conduct for Council Members and Employees

The Mandatory Code of Conduct will be a departure from the present legislative form that separates Codes of Conduct and the Rules of Conduct Regulations.

It will also depart from the present requirement to adopt one Code of Conduct that is to be observed by council members, committee members and employees.

The new section 5.51A, to commence at another time, will require the CEO to prepare and implement a Code of Conduct to be observed only by employees, aligning with the Sector's view that all matters relating to employees be separated from Council involvement and be contemplated within the CEO's functions under Section 5.41(g) of the Act.<sup>5</sup>

An additional significance is that the Mandatory Code of Conduct will apply to Local Government election candidates in the same way it applies to council members, and an alleged breach of the Code of Conduct by a candidate can only be referred to the Local Government Standards Panel if elected.<sup>6</sup>

This aligns with the Sector's advocacy that a Code of Conduct should apply to candidates<sup>7</sup> and the proposal that any inappropriate behaviour during the election cycle should result in the successful candidate being held accountable under the Rules of Conduct Regulations.<sup>8</sup>

The Department's Draft for Consultation provides further guidance<sup>9</sup> on the new Code:

- *The Act requires that local governments adopt the Code within three months of the amendments taking effect. Until the Code is adopted, the model Code applies.*
- *While local governments are not able to amend Part A or Part C, additional behaviours can be included in Part B that are not inconsistent with the Code.*
- *In considering additional behaviours, the council may give consideration to behaviours that are not currently represented in the Code that it considers are important. This may include introducing a dress standard for members or use of technology, for example.*
- *To adopt the Code, a resolution passed by an absolute majority is required. Once the Code is adopted, it must be published on the local government's official website.*

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<sup>5</sup> 'be responsible for the employment, management supervision, direction and dismissal of other employees'

<sup>6</sup> Local Government Legislation Amendment Bill 2019 Explanatory Memorandum at Page 2.

<sup>7</sup> WALGA State Council Minutes Review of 2011 Local Government Elections' Ref. Resolution 24.2/2012

<sup>8</sup> WALGA State Council Minutes 'Review of 2013 Local Government Elections' Ref. Resolution 44.2/2014

<sup>9</sup> See 'Guidelines' at Page 3

## Specific Feedback

The following pages provide a commentary on the Draft for Consultation document ('the Draft') released by the Department of Local Government, Sport and Cultural Industries. The Draft refers to a 'Mandatory' Code of Conduct whereas amendments to the Local Government Act refer to a 'Model' Code of Conduct. This paper will use the term 'Model' throughout the following commentary.

### Construction of the Model Code

Codes and Rules will be brought together under Section 5.103(2) as amended by the Local Government Legislation Amendment Act 2019:

- (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 informs that the Model Code of Conduct is to be constructed in three Parts:

- **Part A** – Principles [Section 5.103(2)(a)]
- **Part B** – Behaviours [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.

### Part A - Principles

The Preamble to the Model states that 'the purpose of this Code is to guide the decisions, actions and behaviours of council members, committee members and candidates.'

Part A sets out the Principles to be contained in the new Model Code under the headings 'Personal Integrity', 'Relationships with others' and 'Accountability'. This expands upon the 'General principles that guide the behaviour of council members' currently found under Regulation 3 of the *Local Government (Rules of Conduct) Regulations* and are intended to support Part B – Behaviours, and Part C – Rules of Conduct.

## **Part B - Behaviours**

### **I. Application**

It is noted that neither Part B nor Part C of the Model apply to the behaviours of committee members or candidates. No information is provided to clarify why only council members are subject to Parts B and C nor any rationale for the exclusion of committee members and candidates from behavioural standards and Rules of Conduct, particularly noting Section 5.103(3)(b), as amended, states:

*(3) The model code of conduct may include provisions about how the following are to be dealt with –*

*(b) alleged breaches of the rules of conduct by committee members*

The Minister for Local Government, Hon. David Templeman, when introducing the *Local Government Legislation Amendment Bill 2019* to Parliament in the Second Reading Speech, specified the application of the Code to candidates, in an effort to improve behaviour during an election period, stating:

*“Alleged breaches of the rules of conduct during the election campaign will be progressed when the candidate is elected.”<sup>10</sup>*

**WALGA recommends seeking comment from the Department of Local Government, Sport and Cultural Industries on the intended application of Part B – behavioural standards, and Part C – Rules of Conduct to committee members and candidates.**

### **II. New Complaints Provision**

Section 5.103(3)(a) will introduce the discretion for the Model Code of Conduct to deal with alleged breaches of requirements relating to behaviour. This is a significant amendment as the *Local Government Act 1995* has not previously mandated a complaints process relating to behavioural content of a Code of Conduct, but nor has it imposed any restriction.

Under the Model Code, an alleged breach of a Rule of Conduct will continue to be referred to the Local Government Standards Panel. Part B, Rule 2.17 of the Model sets out that Local Governments will be required to deal with allegations made by ‘any person’ of a behavioural breach.

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<sup>10</sup> Extract from Hansard, Legislative Assembly, March 2019 at p1310d to 1312a



Some Local Governments have incorporated in their current Code of Conduct a process for dealing with a behavioural breach that permits ‘any person’ to make a complaint; the majority of Local Governments have not.

The City of Joondalup<sup>11</sup> and City of South Perth<sup>12</sup> are examples of Local Governments that exercised discretion under general competence powers to incorporate a complaints process in their adopted Code of Conduct. No information is currently available on the frequency or management of complaints of a behavioural breach under current Codes of Conduct.

**WALGA seeks comment from Members experienced in dealing with breach allegations relating to their current Code of Conduct to assist with building perspective on processes and consequences associated with managing behavioural breach allegations.**

### **III. Complaint Management**

Rules 2.17 to 2.22 set out the Complaint Management standards, with Rule 2.21 requiring development of a Council-endorsed policy to guide the process. The associated Guidelines provide additional information on tools and resources to assist with policy development, complaints management and resolution. Attachment 1 provides a matrix of possible actions where there is finding of a behavioural breach.

**WALGA seeks comment on the proposed Complaint Management process.**

### **IV. ‘Rules’**

Throughout Part B, the numbered provisions are referred to as ‘Rules’. This has the potential to create confusion with the already-established terminology familiar to the Sector of ‘Rules of Conduct’, which form Part C.

**WALGA recommends a separate nomenclature for numbered provisions in Part B (i.e. ‘Item’ or ‘Clause’) to avoid any potential for confusion between Part B and Part C, particularly when breach allegations arise.**

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<sup>11</sup> ‘City of Joondalup Code of Conduct for Employees, Elected Members and Committee Members’ at Page 21

<sup>12</sup> ‘City of South Perth Code of Conduct’ at Page 9

## **Part C – Rules of Conduct**

As previously discussed, Part C of the Model Code only references council members.

It is noted there are numerous, self-evident typographical errors throughout Part C (i.e. inconsistent referencing and numbering) and it is presumed the Department is aware and will remedy where necessary.

The Rules of Conduct replicate for the most part, the existing provisions from the current Rules of Conduct Regulations. The Model Code adds commentary by including 'Elements of Rule of Conduct'. It is not known whether these Elements will have any influence on the deliberations of the Local Government Standards Panel in the event of a breach allegation under Part C.

**WALGA seeks comment on whether the 'Elements of Rule of Conduct' content adds value or assists council members to understand their responsibility to observe Rules of Conduct.**

## **Misuse of Local Government Resources - Regulation 8 of the current Local Government (Rules of Conduct) Regulations**

The Model Code creates a definition of the term 'resource' which does not appear in the current Rules of Conduct:

*'resource is defined to mean tangible and intangible assets, services or other means of supporting the functions of local government, which are owned or paid for by the local government from public money'*

It is not stated why there is a need to define 'resource' specifically, the potential impact this definition may have upon determining a breach allegation<sup>13</sup> or whether the common dictionary definition is known to be ineffective - *'a stock or supply of money, materials, staff, and other assets that can be drawn on by a person or organization in order to function effectively.'*<sup>14</sup>

## **Securing Personal Advantage of Disadvantaging Others – Regulation 7 of the current Local Government (Rules of Conduct) Regulations**

The Model Code is consistent with the current Regulations.

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<sup>13</sup> Section 6 of the *Interpretation Act 1984* (WA) applies – 'Definitions in a written law, application of'

<sup>14</sup> Oxford English Dictionary

## **Repeated Breaches of Part B – Not currently Regulated**

This new provision will provide an accountability measure where a council member continually breaches the behavioural requirements of Part B of the Model Code and appears to face value to have merit.

Item (iii) of this Rule will require thoughtful consideration, as it requires the Council to make a determination by resolution before a council member, who is found to have committed three or more breaches under Part B, can be referred to the Local Government Standards Panel:

*‘(and) iii. the Council to which the member is elected, decides, via resolution, to make an allegation of a rule of conduct breach under this Part.’*

WALGA notes that this new provision did not appear in early drafts of the Model Code and therefore was not considered at the Working Group convened by the Department of Local Government, Sport and Cultural Industries.

## **Prohibition against Involvement in Administration – Regulation 9 of the current Local Government (Rules of Conduct) Regulations**

The Model Code is consistent with the current Regulations.

## **Relations with Local Government Employees - Regulation 10 of the current Local Government (Rules of Conduct) Regulations**

The Model Code creates a definition of the term ‘employee’ which does not appear in the current Rules of Conduct. This definition references Section 5.36 of the Act, whereas the Act defines ‘employee’ under Section 1.4.

The Model Code proposes to add a further prohibition under Item (iii) that does not currently appear in the Rules of Conduct:

*‘behave in an abusive or threatening manner towards any local government employee’*

## **Unauthorised Disclosure of Information - Regulation 6 of the current Local Government (Rules of Conduct) Regulations**

The Model Code proposes to add a further prohibition under Item (iii) that does not currently appear in the Rules of Conduct:

*‘personal information as defined in the Freedom of Information Act 1992’*

The remainder of the Model Code is consistent with the current Regulations.

## Disclosure of Interest - Regulation 11 of the current Local Government (Rules of Conduct) Regulations

The Model Code amends the definition of the term ‘interest’. It currently reads:

*‘**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’*

It is amended to read:

*‘**interest** means a material interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest’*

It is unclear why it is proposed to amend this definition, given that the terms ‘*kinship, friendship or membership of an association*’ provide useful reference points that presently help council members to understand their responsibility to declare this type of interest.

## Contravention of certain Local Laws - Regulation 4 of the current Local Government (Rules of Conduct) Regulations

This provision is now included in Part B of the Model Code at 2.10 and 2.11.

**WALGA seeks comment on the proposed Part C Model Code provisions.**

# Draft Submission

## **Standards and Guidelines for CEO Recruitment and Selection, Performance Review and Termination**

**October 2019**

## About WALGA

The WA Local Government Association (WALGA) is working for Local Government in Western Australia. As the peak industry body, WALGA advocates on behalf of 138 Western Australian Local Governments. As the united voice of Local Government in Western Australia, WALGA is an independent, membership-based organisation representing and supporting the work and interests of Local Governments in Western Australia. WALGA provides an essential voice for 1,222 Elected Members, approximately 22,000 Local Government employees (16,500 Full Time Equivalent's) as well as over 2.5 million constituents of Local Governments in Western Australia.

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## Background

The *Local Government Legislation Amendment Act 2019* will introduce new requirements in relation to CEO recruitment, performance and termination (Sections 5.39A and 5.39B).

The Department of Local Government, Sport and Cultural Industries have released a draft document – *Standards and Guidelines for Local Government CEO Recruitment and Selection, Performance Review and Termination* – for consultation.

While WALGA and other invited parties participated in a working group to develop the document, the draft was released without WALGA's endorsement and there are a number of concerns with the draft that will be expanded upon in this submission. WALGA appreciates the opportunity afforded to participate in the working group process and to make a submission on the draft document.

The Department of Local Government, Sport and Cultural Industries is seeking feedback on the draft document by 6 December 2019. It is important that Local Governments also make submissions to the Department on this draft document to ensure the sector's views are received.

WALGA is seeking feedback on this draft submission by 25 October 2019. WALGA's submission, which will be updated following sector feedback, will then be included in the December State Council Agenda for consideration at November Zone meetings, before being considered at the 4 December meeting of State Council.



## General Comments – Philosophical Approach

WALGA's fundamental guiding principle is that democratically elected Councils are competent, and should be empowered to undertake their role of governing the Local Government's affairs. This is articulated in WALGA's Strategic Plan, which outlines the vision for Local Government as follows:

*Local Governments will be built on good governance, autonomy, local leadership, democracy, community engagement and diversity.*

WALGA's perspective is that Councils should be empowered to do the job they've been entrusted by the community in democratic elections to do. This includes responsibility for employment of a Chief Executive Officer. Further, WALGA believes that the correct approach is to build the capacity of Councils to undertake this function through the provision of professional services, advice and support, and training.

This is not to downplay the challenges associated with employing and managing a Chief Executive Officer. It is fully acknowledged that this one of Council's most challenging tasks.

Given Council has only one employee – the Chief Executive Officer – it is crucial that the Council makes an informed decision when employing a CEO, and has the processes in place to effectively manage the performance of the CEO. As Councillors are often community representatives, who may not be experienced or qualified in contemporary human resource management practices, employment, management and performance appraisal of the CEO may be one of the Council's most significant challenges.

The *Local Government Act 1995* requires that performance criteria for the purpose of reviewing the CEO's performance are established. Similarly, development of these performance criteria are crucial for the Council to get right.

For these reasons, WALGA offers an Elected Member training course on CEO Performance Appraisals, and provides Elected Members with significant advice and assistance through the CEO recruitment and performance appraisal cycle.

WALGA also recommends that Councils engage a specialised recruitment consultant to assist Councils manage the recruitment process.

The development of guidelines to assist Councils through the Chief Executive Officer employment cycle is supported in principle. However, WALGA believes the approach should be based on capacity building, guidance and support, and help where necessary; not based on the development of rules that create a compliance regime which may create uncertainty, unnecessary administration and risk for Local Governments and Chief Executive Officers.

## Specific Feedback

WALGA has concerns relating to some specific aspects of the draft document. These concerns are outlined below.

### Re-advertising the Position after 10 Years

It is unclear why there is a need for the position of Chief Executive Officer to be advertised after 10 years as a matter of course.

If the Council and the Chief Executive Officer are satisfied with the employment relationship, then forcing the position to be advertised will be disruptive, time-consuming, expensive, and counter-productive for the Local Government. Further, it will create uncertainty for the CEO who may be forced to look for alternative employment 'just in case'.

In addition, if the performance management process is undertaken correctly and thoroughly, there should not be any need for the position to be advertised after a timeframe specified in regulations.

Lastly, as Chief Executive Officers are on fixed term contracts, Councils already have the opportunity to consider whether to renew the incumbent's contract.

WALGA's view is that this requirement should be removed from the guidelines, and not included in regulations.

### Selection Panel – Independent Person

It is unclear why an independent person should be included on the selection panel that makes recommendations to Council about the employment of a Chief Executive Officer.

Employment of the Chief Executive Officer is a fundamental role of Council. Including others on the selection panel risks creating uncertainty and ambiguity about the employment relationship.

The requirement to have an independent person on the selection panel is also impractical and may cause processes and decisions to become protracted. There is no guarantee that the independent person will have knowledge or experience in recruitment, Local Government processes, or Local Government Act requirements. This requirement could also add an unnecessary and unreasonable cost to the recruitment process, particularly for Councils in remote locations.

WALGA fully supports and encourages Councils to utilise a qualified recruitment consultant to guide Councils through the process of recruiting a CEO, but this person would not be a decision-making member of the selection panel.

## Creating Diversity Section

WALGA contends that this section should be renamed “Sound Decision Making”, as this is what this section is primarily about.

It is acknowledged that unconscious biases can be a factor in decision making and building awareness of these biases in the guidelines is supported.

## Independent Review of Termination Report

WALGA acknowledges that decisions and rationale relating to termination need to be documented. The principle that Councils should seek advice from an employee relations or legal advisor when terminating the CEO is acknowledged and supported.

It is not clear that requiring independent review of a termination report adds value. Rather, it will add unnecessary administrative time and risk into the decision making process.

## Feedback on Consultation Questions

WALGA provides the following feedback in response to the consultation survey questions.

### Recruitment and Selection

*Question 12 – How frequently should a council be required to re-advertise the CEO position?*

Council, as the employer, should determine when the position of CEO is advertised.

*Question 13 – To what extent do you support that Local Governments should be required to undertake ‘blind CV recruitment’?*

It is acknowledged that ‘blind CV recruitment’ could be a useful tool in some circumstances, but it should not be a requirement. In addition, in the Western Australian Local Government sector, blind CV recruitment would be almost practically impossible because the applicant’s previous employment experience would mean that they would be identifiable. That is, if an applicant listed “CEO at the Shire of \_\_\_\_\_”, their identity could be determined with a very quick internet search.

*Questions 14-17 – Independent Selection Panel Members*

The requirement to have an independent member on the selection panel is not supported.

## Performance Review

### *Question 18 – How frequently should a Council review the performance of the CEO?*

There is no rationale for why the current annual requirement is unsatisfactory. Clearly, a Council may have reasons to formally review the CEO's performance more frequently than the minimum annual requirement, and as such, the Council should have the discretion to do so.

### *Questions 19-21 – Independent Person on Performance Review Panel*

It is unclear how an independent person on a performance review panel would add any value to the process, given an independent person may have limited knowledge about the CEO's recent performance.

In fact, having a person not involved in the employment relationship involved in the performance review process seems to be contrary to a fair and proper performance review process.

WALGA fully supports Councils utilising an experienced and qualified consultant to facilitate the performance review process, but not to contribute to the substance of the performance review.

## Termination

### *Questions 22 and 23 – Termination Notice Periods*

It is noted that notice periods must comply with the National Employment Standards. There needs to be compliance with employment law at a minimum and, as the role of CEO is a senior position, a greater notice period (in the order of three months) is appropriate.

## Monitoring and Enforcement

### *Questions 24-30 – Monitoring and Enforcement*

As outlined in the general comments section above, WALGA's preferred approach is one based on capacity building, advice and support, and training.

A compliance based approach undermines the intent of having guidelines to assist Local Governments in their decision making processes, and may lead to risks and unintended consequences.

The consultation questions seem to imply that costs that result from consequences stemming from breaching the standards would be borne by the Local Government: for example, if the

process needed to be redone or there was a dispute. Establishment of a compliance and enforcement framework of this nature seems to be unnecessarily putting public money at risk.

WALGA acknowledges that the CEO recruitment process needs to be undertaken properly, and legally, and it is for these reasons that WALGA is advocating for a capacity building approach, with Councils encouraged to engage professional services and advice to ensure the process is undertaken properly.

*Question 25 – To what extent do you support the statement: If a Local Government Commissioner were to be established, local governments should be required to pay a levy to fund its establishment and operation?*

This appears to be a new idea without any supporting information as to the powers, duties and role of a Local Government Commissioner, and is therefore not something that WALGA can support at this stage.

The idea that Local Governments should be levied to fund an apparatus of the State Government is not supported. This would represent a significant cost shift from the State Government to the Local Government sector, for what appears to be a core regulatory role of the Department of Local Government, Sport and Cultural Industries.

## **Guidelines**

*Questions 31-33 – Utility of the guidelines*

In general, there is useful information in the guidelines that will be of assistance to Councils embarking on a CEO recruitment process. As argued in this submission, WALGA's perspective is that the approach should be based on capacity building, support, advice, and training, and not based on a compliance driven approach.

# Attachment

## 9.1.5



Accingo Consulting

Date: 01 Sept 2019

We-Roc Executives

We thank you for the opportunity to work with We-Roc.

Accingo have undertaken a review of mobile assets and plant within scope across the 5 shires with the view to better understand the life cycle of asset management and associated processes within these Local Government Associations. Our combined expectation is to provide We-Roc executives and councilors with an independent view into what is essentially one of the largest spend and maintenance areas for each council. An independent review of mobile assets will provide a basis in which CEO's, Finance teams and works managers can make more informed decisions based on data and recommendations.

Our process for the asset review is built from industry standards however we have undertaken the work with the understanding of requirements within a regional local government environment. With consideration of this variance, and an increased understanding of council requirements through this process, we look to demonstrate areas in which We-Roc can improve financial disciplines through improved asset management practices and approaches to increased return from assets employed.

Sincerely,

Blake Read and Neil Marsh

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## INDEX

1. Scope / Overview
2. Asset Audit
3. Utilisation
4. Reporting and Analysis

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## 1. OVERVIEW

Accingo, through discussions with regional WA local governments over the course of the last decade have identified there is potential value in undertaking an in depth, independent view of assets, from purchase to sale and how learnings and efficiencies adopted in industry can be applied to We-Roc for their financial benefit.

Through valued discussions over the course of this time we do have a genuine understanding of the differences between private industry and local governments taking into account the individual nature of operations, rate payers and the towns requirements. We do however believe this work will provide positive action items for We-Roc executives to review and implement to improve current practices, ultimately for the financial benefit of the region.

Under scope and in this report we provide the following;

- Physical asset review
- Utilisation data / Purchasing / Selling
- Reporting and analysis of assets
- Additional revenue / cost reduction potential

Further to this report we look to continue to explore areas in which we can extract maximum value for We-Roc as we navigate what can be a complex area in managing assets to perform the most efficient method of completing required works within the region.

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## 2. ASSET AUDIT

Prior to evaluating asset performance and actions for review, it is vital that we undertake a full audit of assets under scope. The basis in which we undertook the audit were based on asset register reports or where not available, the operational asset list as provided by the works managers. The assets identified were those under scope which included all mobile assets with a value >\$2,000. As part of the audit we undertook the following;

- a) Physical inspection reconciling to most current asset register
- b) Hours of each machine
- c) Photos of all equipment which were logged into our asset portal

Outcome:

The ability for cost savings to be achieved through improved asset management is reliant firstly on the verification of the asset register to physical assets. This was performed to ensure accuracy of asset registers used for asset control and financial reconciliation to balance sheet. Secondly, review of each asset register was performed to form the basis of the cost efficiency calculations as well as accuracy and timing of data capture. Reporting accuracy and timeliness of information gathering and input is vital in ensuring assets are controlled and financials are accurately recorded. Furthermore, asset management and its large capital nature lends itself to inherent risks financially and therefore tight processes and policies should be maintained and followed with training in these processes to be undertaken.

Accingo have photographed and entered details of all assets under scope into a secure selected asset management portal for future reference.

## FINDINGS

Overall, there was an intimate working knowledge of assets across the 5 shires. Works managers and administration staff were extremely knowledgeable about location, details and requirements of mobile assets in the field. For assets that were perhaps aged or no longer in high usage, the yards were well laid out with assets being adequately stored and recorded.

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Asset lists were found to be mostly accurate however some issues were identified and should be reviewed and/or rectified, those being;

- Timing of data entry for sales and purchase – Sales and purchases of assets is critical for a number of reasons being recognition of a financial transaction, reconciliation of accounts to registers, reconciliation of owned/working assets to registers. Issues can arise whether by fraudulent activity or otherwise where control is difficult to administer. Examples of note;

- Asset purchase where asset register had not been updated for first 6 months of ownership. This may have been due to a few factors of oversight or lack of resources however should be covered off in asset maintenance policies and procedures

Result:

- Item not officially included to Balance Sheet therefore understating asset values
- Depreciation of asset not taking place so book value will not be in line with potential sale value. Profit and loss impact in the month adjustment is made
- Asset sale not recorded in a timely manner. Asset remained on register even though sold.

Result:

- Item not officially removed from Balance Sheet therefore overstating asset value.
- Not recognising Profit or loss on sale of asset
- Process of recording financial information such as up to date values and depreciable amounts were either not in place or not followed or audited.

Result:

Total assets were revalued but not recorded any depreciation from the date of revaluation some 18 months down the track. Of further concern was that the financials had been audited and signed off as being true and correct. Total depreciation amount to the Profit and Loss was somewhere in the vicinity of \$200k+. This means asset value was overstated by this amount and profit and loss accounts were under expensed so profit overstated also by the \$200k+.

Adjustment would be required which would realise the full impact in the month of correction.

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Other notes:

Reporting quality, format and detail was quite varied across all 5 shires with little consistency around detail of ;

- Asset description / Model type
- Identification code / Plant No
- Depreciation rates
- Revaluation vs original cost information
- Hours report

This isn't necessarily a problem in each individual shire as long as it is understood by those entering, using or reporting on the information however standardization of reporting practices would assist cross migration of employees or functions. The standout that should be reviewed however is depreciation rates which should have gazetted rates that are consistent across the 5 shires.

### 3. UTILIZATION

As part of the review, we set out to measure the degree to which each item of equipment was being utilized. Utilisation is reflected as a % and is measured as;

$$\text{UTILISATION \%} = \frac{\text{No of actual hours used}}{\text{Total No of hours available to be used}}$$



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Whilst we understand holding assets in a shire does not just come down to dollars and cents, it is also about meeting ongoing & critical works and those works being satisfactorily performed. There should be an element of understanding of utilisation and what can be done to improve the financials of holding assets within a shire over their life cycle.

Equipment utilization is a universal measurement for efficiency which drives overall unit costings. It should also assist in making up part of the buy, sell, hire decision making process. This measure, when reported and used in management decisions will assist in driving the most efficient outcome financially, balancing ideal requirements of the shires ratepayers. As an additional by-product of such a measure it can also play a part in managing staff whom operate the equipment and perform the works programs.

Equipment used to perform works such as in regional government have 4 main costs;

- Depreciation
- Financing cost / opportunity costs of where funds could better be spent
- Maintenance
- Operators ( when looking at mobile equipment )

An underutilised asset represents an opportunity to attract savings in these costs noted above. In isolation, an increase in utilisation may not seem worth the effort of amending current process or standards of management however when viewed across a fleet of assets, even small increments of utilisation can have material effects on costs and opportunity costs of these amendments to practices.

‘Appendix A’ graphically reflect the utilization across shires and asset types. We have looked here at the equipment that would have material enough effect to make consideration of any changes in process worthwhile.

In this review we have provided a benchmark utilization of 40% to be the target range. This means that of all ‘available’ hours a machine can operate, we believe a nominated achievable target of 40% would provide a significant enough financial benefit to justify implementation of amended practices. Available hours has been set at 200 hours per month which is standard practice as the minimum level of availability.

To provide some background to this target utilization rate, in a private company with similar equipment, a target of circa 65-70% is the target of effective equipment management. As noted, we understand that Local Government are not a private company and equipment is used to perform public services for ratepayers and members of the community. We also note that critical works that are seasonal or sometimes an urgent matter that requires readily available equipment and resources and these nuances must be considered when balancing up efficiencies versus minimum requirements

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When looking at potential cost reductions through utilization increases we generally look at 2 ways in which this can occur. Either an increase in productivity through increased output of works programs with the same equipment, or a reduction in equipment resulting from sharing assets where it remains too inefficient to carry the same level of plant and equipment.

As part of our financial review we have attempted to highlight potential cost savings in dollar terms for incremental increases of utilisation. The calculation performed here is to look at total cost of ownership being depreciation, funding ( or opportunity cost of alternative purchases ) divided by the total hours in use. We then look at the costings at the nominated 40% rate. In normal situations we would also take into account maintenance however we feel this may complicate the initial review and calculations so should be looked at separately. Furthermore, at the 40% costing rate, the hourly / daily holding rate in most cases is very close to an external hire rate. This hire rate should also be used as an alternative costing method when weighing up hire vs buy decisions or to make a blend of both as part of the overall asset mix to perform works.

### Findings:

As per graphical representation in Appendix A, the results reflect a significant disparity between councils in terms of utilization rates and between different plant types. To understand where initial focus can be applied, we have dissected the results both by product across We-Roc as a whole and by each Shire. We know that different classifications of equipment are used for different purposes and some are in more demand than others, i.e. road grading. We also know that the size of the shire and the expected capital and maintenance works differs due to road and infrastructure network, critical works and maintenance works as requested by the ratepayers of the regions.

Therefore these numbers are only part of the story and are not meant to portray any shire or type of equipment as being a poorer performer than another, but a set of data to reflect how things could be looked at differently to be of financial benefit.

*Important Note: Some hours have been materially affected due to process / timing issues in registering or deregistering assets onto the register. For example, where an asset is bought and perhaps used for some time before it makes its way onto the asset register, its key measurement of hours performed over available hours can be materially impacted. As noted in a further section, the process of asset management requires considerable focus in some regions for improved reporting and basis for decision making.*

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To summarise the results in Appendix A we observe the following

Understandably, Graders are the highest utilized assets across the shires at an average of **34.1%**. This is impacted by some older assets that are essentially used for backups or winter grading only. When normalized, the grader fleet averages **43%** which is above the target range suggested.

We do believe there is still room for review as this is the largest capital expense with 17 assets at \$3.8M across the 5 shires within the shown graphs. 4 assets were below 17% although the WDV of these assets was not high so a call would be made based on maintenance and holding costs.

The lowest utilization is across the 5 Graders in Bruce Rock at an average of 18%. In looking at the cost savings of increased utilization, a deeper understanding of maintenance costs would be required. Bruce Rock have an aged fleet in this area which means the holding costs are reduced however as noted we have not included maintenance costs which generally increase as fleet ages. Our discussions locally had identified that utilization of Graders may at times be reduced due to operator availability however this hasn't been confirmed.

The report received from Bruce Rock differed to the type of report provided by the other 4 therefore there may be a data reporting issue which may have impacted our calculations so further investigation is warranted. (Refer back to standardization of reporting requirement)

Wheel Loaders when amalgamated came in at **20.0%** utilization from a much lower asset book value on average with the 15 Wheel Loaders in total worth \$1.84m.

Consistently each shire had 1 Wheel Loader that was heavily impacting this number and strategically may have been available as a back up. Each of these recorded around **200 hours** for the year which is approximately 1 months work in a normal environment.

Rollers totaled 17 units at an asset value of \$1.39m at a utilization rate of **16.0%**. Yilgarn recorded much higher utilization than the other shires at **42%** on their 3 assets.

Rollers were highlighted as being materially underutilized and we believe a review of the hours should be performed to ensure accurate recordings were received by us for the review. Should these hours be correct then a justification review of these assets should be performed. ( Refer recommendation notes )

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### Additional revenue / cost reduction

Having underutilized assets represent an opportunity to improve the shires financial position in 3 ways;

- Reduce holding costs by reducing the amount of assets on the Balance Sheet
- Improve revenues by increasing contracted works to external parties.
- Improve revenues by sale of assets

Some shires had performed well in terms of maximizing equipment potential by increasing contracting opportunities and therefore attracting revenue for otherwise idle machines. From a reporting point of view, allocating revenue through the particular machine(s) was a clear and identifiable way to measure this return. Additionally there was evidence of cross hiring of equipment between regions to reduce overall costs of holding the assets. Where these shires adopted such principles, the P&L impact was evident.

There was no uniform level of focus between the shires on such opportunities however the general principal of seeking contract works for underutilized equipment and/or cross hiring equipment between We-Roc shires was accepted and in parts sought after.

When looking at potential cost savings, we worked on a benchmark of 40% utilization. The holding costs at this level were then balanced against market hire rates. The formula used to work out potential cost savings was;

{Asset cost – depreciation and funding costs ( nominal 5%) – less – hire rate or rate at 40% utilization = additional expense or saving }

Shire	Average utilization	* Potential saving at 40%
Kellerberrin	15.1%	\$79,014
Bruce Rock	12.0%	\$166,391
Westonia	22.0%	\$69,173
Yilgarn	33.0%	\$9,968
Merredin	32.3%	\$7,869
<b>Total</b>	<b>20.9%</b>	<b>\$332,415</b>

- Saving is based on taking various actions to increase asset utilization to 40% or substitute under utilized assets with hire equipment.

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#### 4. REPORTING and ANALYSIS

To effectively manage assets there must be sufficient and accurate data in which to make decisions. Reporting starts with a system that provides the ability to adequately capture the information required and procedures to be followed to ensure information is timely and accurate.

The reports requested as part of this exercise were;

- Financials / Maintenance costs;
- Hours report; and
- Asset register

These reports were used to extract key data from and determine key criteria in which to focus the audit upon.

#### Findings

Upon receipt and analysis of these reports it was evident there is no uniform method in system management, and use of such information is also varied depending on the shire.

The timing of inputs and the accuracy of information requires attention as the ability to obtain consistent data in which to conduct the audit was difficult and often assumptions had to be made due to inability of the system to provide accurate information. Some common issues located were;

- Assets purchased yet not entered onto the asset register for some time. In some cases this may have spanned over 2 financial years, where the asset revaluation may have been the common date of some of these adjustments. The impact of this was a material impact to utilization rates over the life of the asset due to incorrect dates in the system.
- Depreciation of assets in the system in some cases was not evident and in some cases the calculations did not seem to reconcile accurately. One system had not reported any depreciation for over 18 months. The result of this is under depreciation expense to the P&L. A one off large expense must be recorded once rectified however an additional issue may be a loss on sale should the asset be sold. This issue was not picked up in the last financial audit as independently signed off on the audited statements. This should be reviewed for completeness.
- Depreciation rates differ materially between shires. Treatment of assets should follow a standardized and agreed set of rates which allows for a consistently applied unit of measurement and ultimately a uniform holding cost

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- Maintenance of equipment was not consistently applied to individual machines. On the most part the asset codes were used and reports reflected such costs however an ability to transparently record ongoing utilization be requested or desired as a unit of measurement
- Hours reports were not uniformly measured or able to be supplied. This is required to be rectified for future performance to be monitored and measured.

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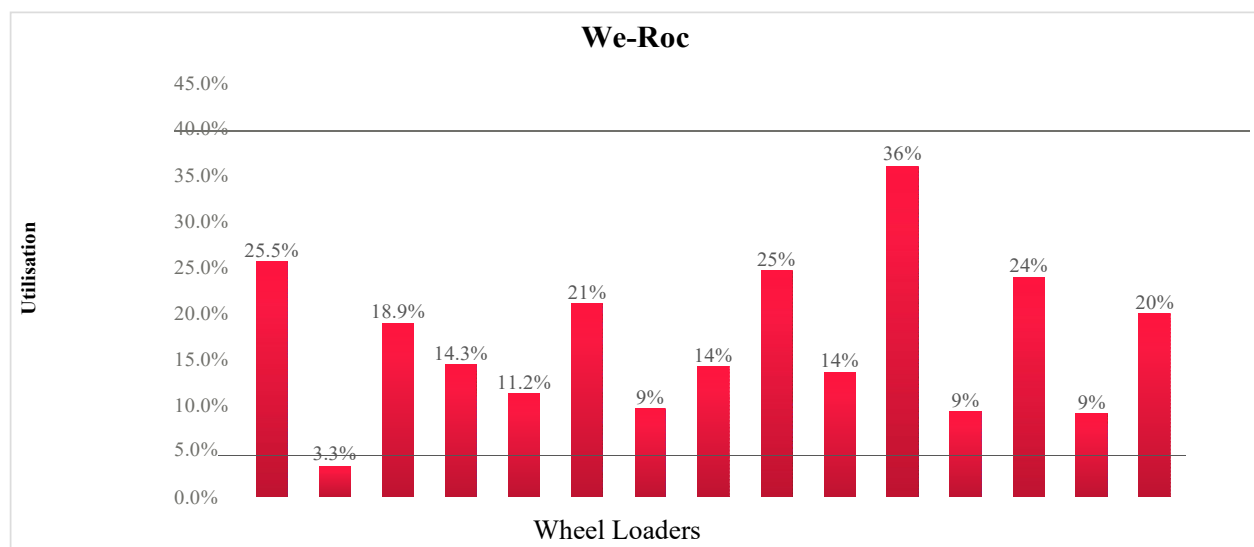
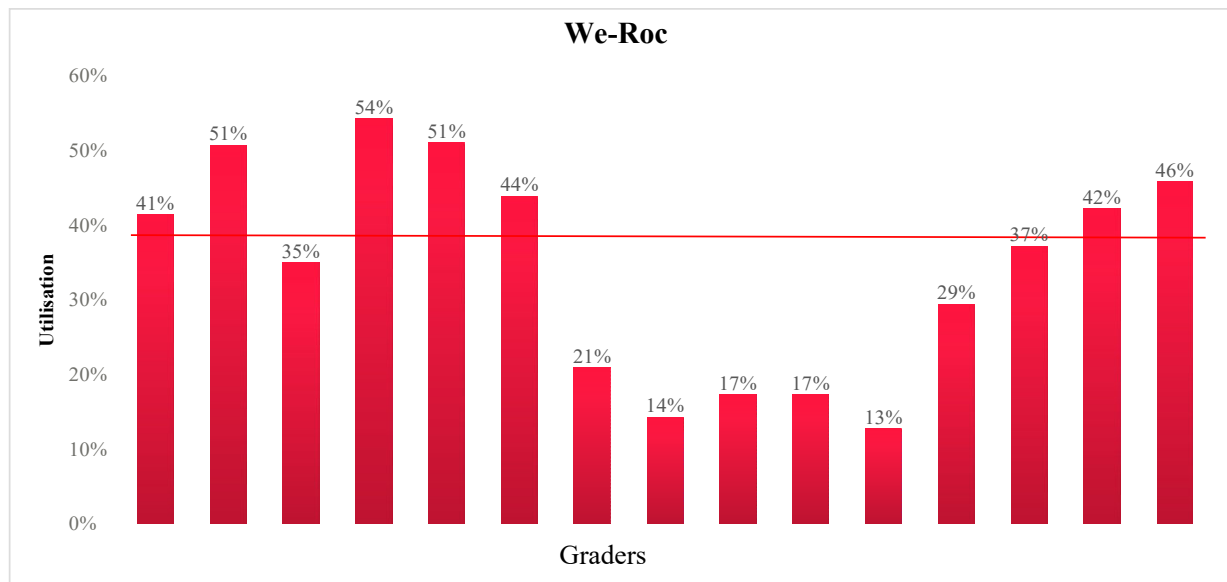
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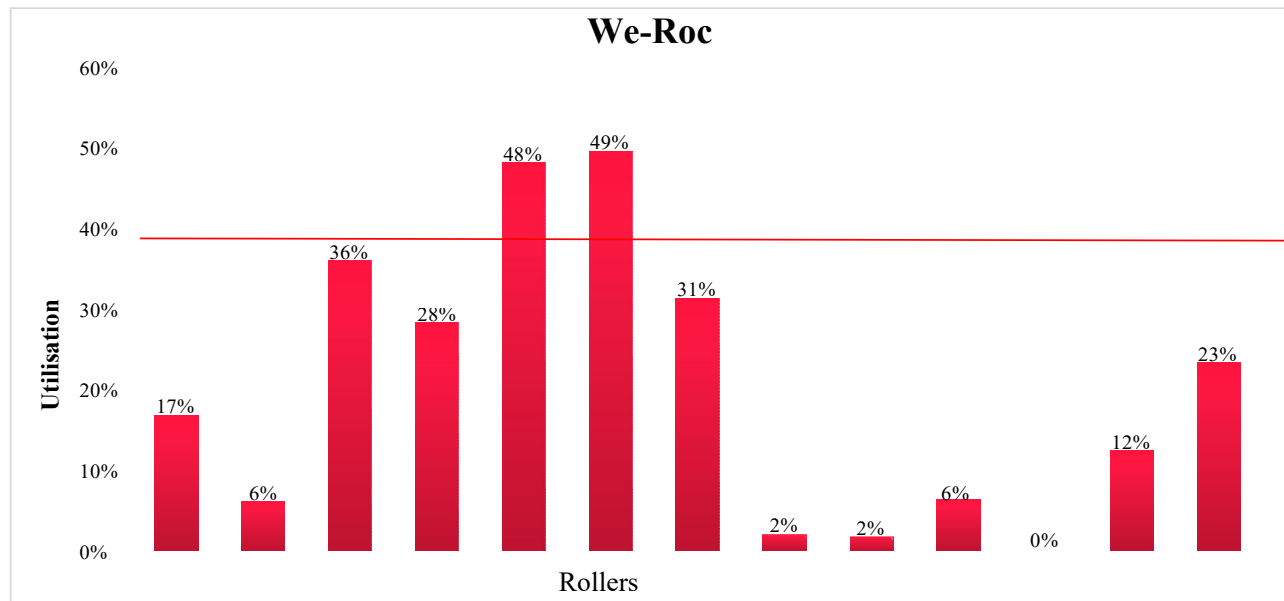
## APPENDIX A



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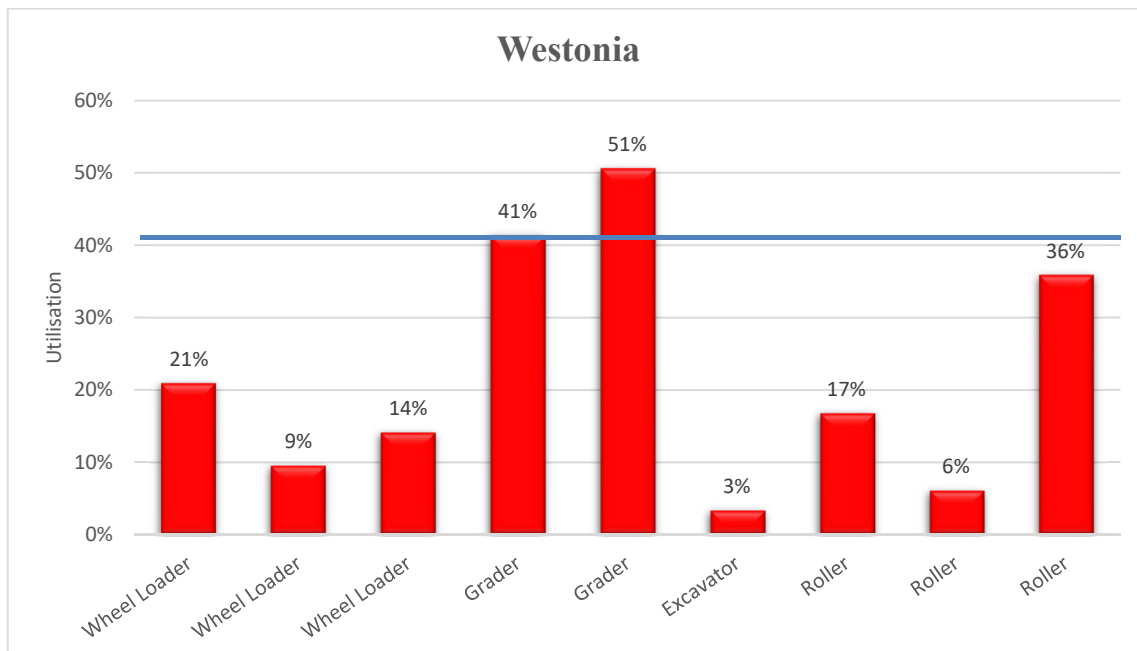
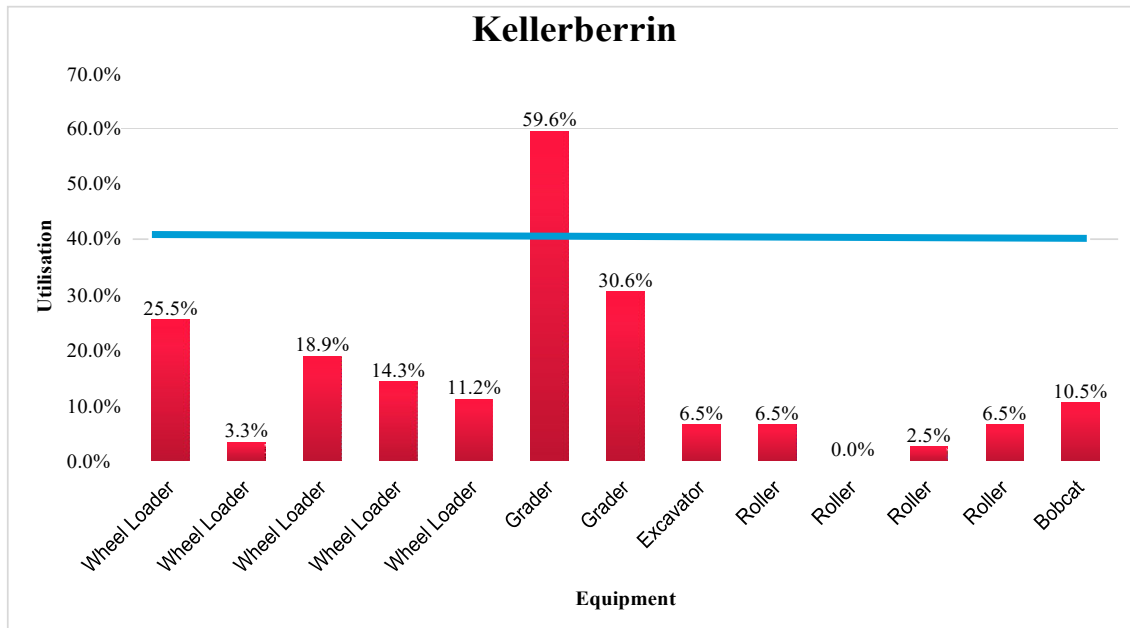
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## BY SHIRE

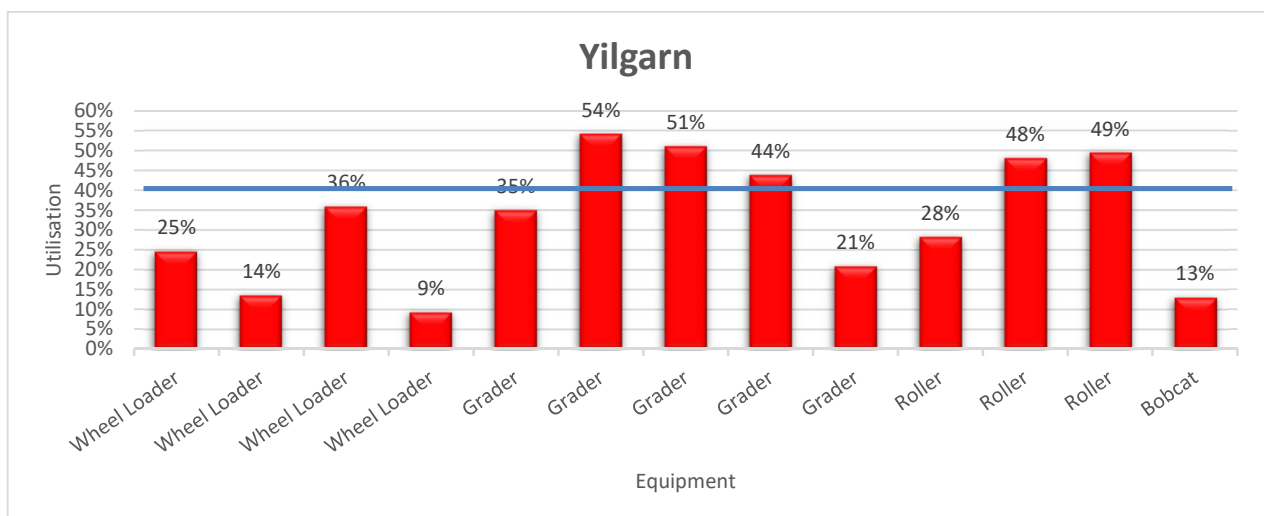
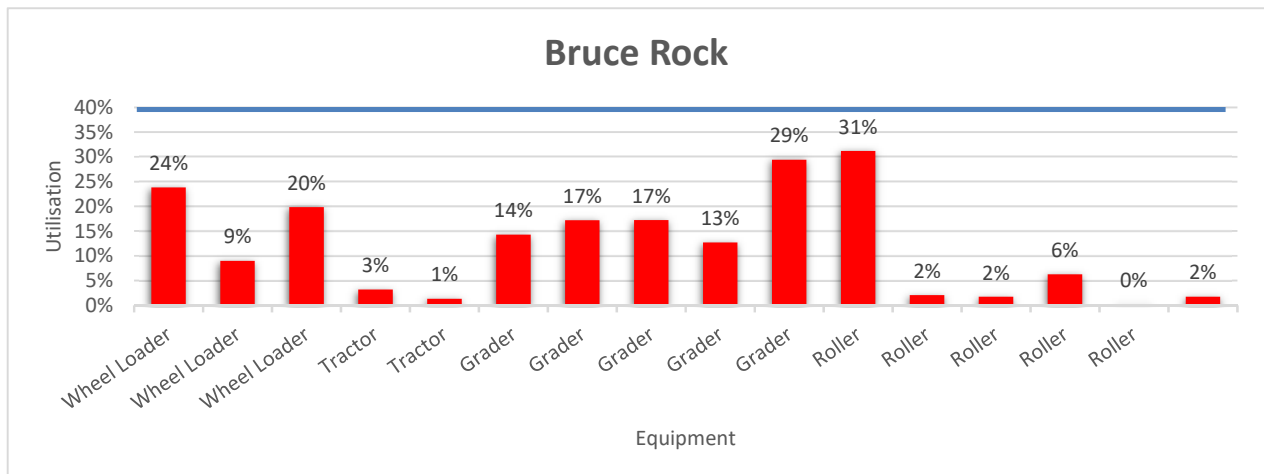


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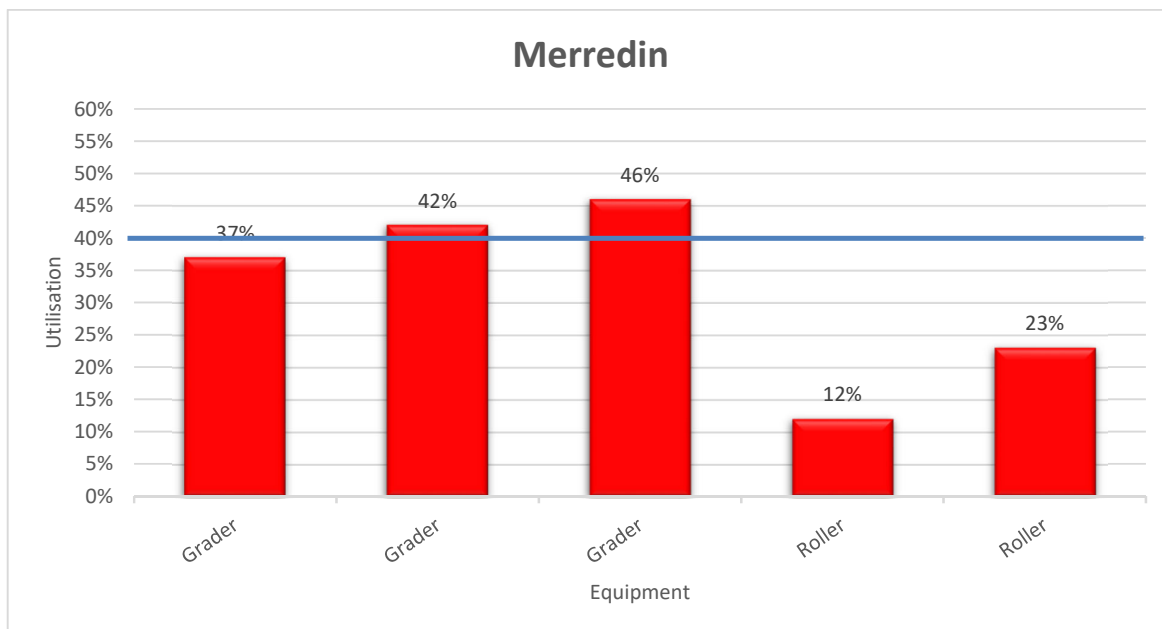
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## ACCINGO RECOMMENDATIONS FOR CONSIDERATION BY WE-ROC EXECUTIVES

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The findings in this report should be used as a basis to commence the actions that will increase opportunity and justify further review and potential actions as a group. Assumptions made in the lead up discussions with WeRoc executives led to our engagement around asset utilization improvements with a view to improve financial performance, however this required justification through data and analysis prior to any broad assumptions being made.

Upon Completion of our review we are able to provide recommendations for the consideration of the We-Roc executive members. These recommendations are categorized in terms of ease of implementation and / or materiality of potential cost saving. Additionally, these suggestions are to be used for the purpose of acceptance or elimination, and prioritisation by the executives and therefore we include all potential options for such review.

These recommendations are based on prior learnings and experience of asset management 'best practice' principals revised for our understanding of the Local Government activities and requirements and focus on providing a foundation in which to generate cost savings and improved financial position of the We-Roc shires. The following recommendations are based on our analysis of the data received however justifications based on any calculations performed should be verified to ensure no anomalies exist in the data provided.

Accingo have experience in operational roll out of such recommendations and can assist We-Roc in the execution of each chosen course of action.

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## RECOMMENDATIONS

### 1) ASSET IDENTIFICATION STANDARDISATION

**DIFFICULTY:** LOW. ADMINISTRATION ONLY

**TIME TAKEN:** MEDIUM. DUE TO VOLUME OF HISTORICAL DATA

Having standardised asset codes and descriptions provides benefits in asset identification, transfer and traceability. Often, assets are known to individual staff due to familiarity however when new staff come on board or assets are transferred, cross hired or sold, non-standardised asset descriptions and lack of any consistency in asset identifiers creates potential risk and administration difficulty.

Currently there is a blend of Alpha numeric and numeric which do not follow any format that is easily recognizable between shires. For example, the Group code in one shire could be PE whilst in another shire it is recorded as the No 3. Asset codes similarly have examples such as 1868 versus in another shire showing P10.

Ideally, anyone internally or externally whether in a finance & administration role, operation or maintenance role should be able to easily recognize & trace an asset by a standardized reference system. As noted, this also assists the transfer of equipment either permanently or temporarily between shires.

#### Suggestion:

Agree on a standardize format which is backed up by an asset register policy and amend current system fields to provide such standardization.

Ideally an Asset Code would be the first 3 letters of the LGA then equipment type & a numerical number based on chronological order in terms of acquisition. i.e. Kellerberrin Wheel Loader is KWL005.

Furthermore, a standard approach to Asset descriptions should be adopted universally across all 5 registers, such as;

Model, Type, Manufacturer. i.e. 770G Grader Caterpillar

At some point in the future the asset may become the property of the Group rather than the LGA ( refer sections further below in this document )



## 2) PURCHASE AND SALE PROCESS REVIEW

**DIFFICULTY:** MEDIUM. POLICY FORMULATION, ADMINISTRATION, AUDITABILITY

**TIME TAKEN:** MEDIUM. CONCEPTION, AGREEMENT & IMPLEMENTATION TIME

This requirement was highlighted by several issues discovered when reconciling asset registers to system reports. Although these discrepancies may have been understood by the administration staff or works managers, there were instances where reporting did not back up the stated position.

Examples to note:

Administrative

**Sale of assets.** An asset was sold however remained on the asset register at the time of the review. It was noted this had been sold however difficult to find record of sale or provision of an updated report noting asset was removed. Further to this, upon discussion there seemed to be a lack of process or knowledge of a working procedure on selling assets.

This can create many issues and should be rectified as soon as possible where no policy or procedure exists for purchase & sale of assets. Administratively this can skew the financial position of the Shire by over/understating asset value and asset audit discrepancies. Financially this opens a potential risk of unintended or intended financial loss.

**Asset purchases.** An asset was purchased however was not recorded on to the asset register for nearly 6 months. Although understanding where this asset may have been working and from a maintenance & operational point of view may not be an issue, this raises several issues administratively & financially. Financially the asset register is incorrect and does not reflect the full asset list, asset values nor will it incur depreciation or holding costs during that period. Administratively, certain key metrics like hours reports, Balance sheet reconciliation etc. cannot be updated. When utilization and financial performance is measured, this is performed by date of acquisition, not date of registering on the asset register. This error results in overstating utilization performance and under expensing of depreciation.



### Suggestion

Review of any current “Sale & Purchase of Asset” policy or similar and check for completeness and whether policies are being followed.

If these are not in place then formulation & implementation of such a policy should be agreed upon.

Further to this, with reference to any LGA risk registers, required sign offs should be adhered too.

Finance, admin or asset management staff need to be noted within this policy with sign off occurring for asset register accuracy and completeness to avoid such discrepancies.

### Operationally

WEROC should standardize the equipment used within the group. This would allow transfer between LGA's and maintain productivity of the machine reduce stock holding across the group of spare parts and service needs and improve OEM services to the group. Once a set of criteria for the equipment is settled on it will allow the group to implement training schedules for the operation and maintenance of the equipment. It would also allow the training of casuals to take place maximizing the use of the assets.

### **3) STANDARDISATION OF DEPRECIATION RATES & USEFUL LIFE**

**DIFFICULTY:** LOW TO MEDIUM ADMINISTRATION & FINANCE

**TIME TAKEN:** LOW. ACCOUNTING ADJUSTMENT & CAPEX FORECAST

**AMENDMENT**

Assets commonly have a uniform set of depreciation rates and useful life expectations which govern a couple of important asset management fundamentals. Depreciation rates are simply a book entry that denotes how quickly an asset is depreciated. At what rate, over how long and whether there is a balloon residual. Although there are guiding principals to benchmark against it is ultimately up to the business unit ( in this case, the Shire ) to determine however it must be understood there are accounting principals that govern management of assets so this should be understood.



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Depreciation rates set an amount in which the asset is written down which should be close to the market value write down of the asset. This rate will impact the profit & loss of the Shire as the depreciation each year is an expense. Should the depreciation not be accurate, 2 things can occur. When the asset is ready to be sold it may be worth much more on the books than the true market value is, and secondly, when a revaluation is performed every 3 years there can be a material hit to the Profit & Loss for write-down of assets.

When looking to see how long an asset is held onto ( replaced ) is generally guided by the expectation that maintenance costs or downtime will not outweigh the costs of having a new machine. When a machine is constantly in need of repair and cannot be used to its full effectiveness, its useful life is determined. Additionally, thoughts about obtaining optimum value on resale is also a consideration. Much like how councils treat personal motor vehicles, there are parallels to how mobile working assets can be managed. Machines can often be cheaper to own when new and resale funds can be made prior to any major maintenance costs such as engine rebuild or major component servicing costs.

Currently there is little uniformity across shires and in some instances within a shire in terms of depreciation rate guidance and application. Furthermore, monitoring of depreciation is not taking place in some shires as there is often issues arising post revaluation or purchase. Depreciation, and importantly book value is critical in terms of managing Balance Sheet health as Sale or revaluation events can materially impact results.

### Suggestion

We suggest a uniform set of depreciation rates be agreed too and implemented via the asset management policy as already discussed. This rate can be set internally or provided by an external source which provides the best basis in which to have good financial management of assets.

Another piece of work can be done around determining useful lives of assets. As already discussed, sweating an asset by maintaining it until it falls over is not always cost effective either. A review of how maintenance costs are captured and reported on and should be done down to machine level. It can be noted that some already do this effectively. At this point not all reports provided accurately reflect maintenance costs down to machine level therefore it is difficult to ascertain the total cost of owning a machine. Referencing point 1 in this report, asset identification and reporting may assist this.

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Review & update of the asset management policy should reflect how maintenance is tracked and standardized depreciation rates to be applied.

#### 4) REVIEW OF UNDERPERFORMING ASSETS

**DIFFICULTY:** MEDIUM. SALE, TRANSFER OF EQUIPMENT, INCREASE SERVICES  
**TIME TAKEN:** HIGH. STEPPED PROCESS WITH MEASUREMENT OF KEY DELIVERABLES

Firstly, an agreed benchmark, or 'Target' utilisation rate needs to be agreed between the 5 shires. This can be done by product type given there is much disparity between the products but also recognizing the criticality of some assets over others. In saying this, there should be some consistency or method in how this target rate is agreed.

The Target rate should be one which drives the financial benefits expected however also can be managed operationally, which is why we suggest this is performed in a staged approach over a period. Throughout our discussions we have nominated a rate of 40%. This is at the lower base of commercial expectations and is essentially a universal rate that often is close to hire rates. Essentially, below 40% utilization of fleet, it is often a more cost-effective exercise to hire the equipment.

As referenced in the below table, these figures are reflective of a hypothetical rate which is a result of idle capacity at levels under 40%. The costs are derived from holding costs only which are depreciation and funding ( or opportunity cost to do other things with the inefficient use of funds in idle equipment ). The real benefits to be identified come in the form of 2 major forms, being;

- 1) Reduction of asset numbers, therefore delivering the same services with less equipment
- 2) Increase hours in which equipment is being productively used. This can be further split into 3 areas;
  - a. Increase services within the shire
  - b. Seek external uses for equipment with local contractors, companies &/or main roads therefore receiving a commercial return on surplus availability of gear.

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- c. Increase equipment productivity time by sharing across the We-Roc group of shires (in conjunction with point 1.)

As noted previously, we have not taken into account local requirements and therefore any suggestions must be weighed up alongside these requirements, restrictions in seasonal availability etc. however we do attempt to explore alternative options to combat seasonality.

### **1) REDUCTION OF ASSET NUMBERS**

This scenario looks at an overall reduction of the fixed number of plant each shire owns based on historical usage patterns and an assumption that each shire is open to explore an alternative method of fleet ownership and management to achieve savings in asset ownership costs.

Furthermore, this can be looked at in a 2-step approach. Firstly, what asset reductions are clearly evident and able to be done now with little or no impact to services and secondly, should We-Roc move to a 'sharing' model ( shown in Item 4 ' We-Roc Consolidation approach' ), a more extensive review of asset reduction can take place.

The overall purpose of reducing asset numbers is to maintain the same output of services with fewer assets, which essentially increases the utilization rate of the assets being held. There are 3 benefits of this approach;

- 1) **Instant cash return on receipt of sales revenue of plant sold**
- 2) **Amended requirement for future asset purchases, and reduced holding costs such as maintenance expenses**
- 3) **Potential to review personnel operating machinery to increase productivity**

Conceptually the process to be undertaken is to identify the underperforming assets, i.e. this under 40% Target rate ( 1<sup>st</sup> round target ) and analyse why this is so. It could be due to the physical amount of work available for this machine or its condition to conduct the works reliably & without hefty maintenance costs. Potentially, in some cases there could also be a lack of available operators to keep the machines at full potential availability.



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To highlight areas of review, the below reflects a high-level summary as reflected in the tabled graphs in the report previously provided. Here we show Category, Number of machines per category, Asset Register Cost & WDV, Average utilization and No of machines that are under 15% which is a number which denotes a material under capacity to justify ownership.

### Summary of position;

CATEGORY	No	Cost	WDV	AVG UTILISATION	No BELOW 15%
Wheel Loaders	15	\$1.8M	\$1.6M	23.0%	8
Grader	17	\$3.8M	\$3.3M	35.0%	2
Roller	17	\$1.4M	\$1.2M	16.3%	10
Excavator	2	\$98K	\$90K	4.9%	2
Tractor	2	\$69K	\$56K	2%	2
Bobcat	3	\$126K	\$102K	8.4%	3
<b>TOTAL</b>	<b>56</b>	<b>\$7.3M</b>	<b>\$6.3M</b>	<b>21%</b>	<b>27</b>
<b>TOTAL</b>	<b>27</b>	<b>\$1.79M</b>	<b>\$1.56M</b>	<b>8.1%</b>	<b>27</b>
(under 15% Utilisation)					

The table above is a starting point in understanding the right balance of equipment required and is the catalyst for further review of underperforming assets. A total of 27 assets are well underperforming and should be reviewed and a sale of such equipment should be explored which would allow for a return of funds back into the balance sheet of each council and would be what we call an opportunity cost of ownership, or, what else can be done with those funds to add more value to rate payers.

Although the number above is reflected on the Balance sheet, as noted in point 3, the depreciation rates, revaluations and timeliness of updating the asset register could have a material impact on actual market value of these assets.



### Suggestion

A review of underperforming assets should be done to firstly understand why this is taking place. It could be the equipment is unreliable or perhaps the need for its services are seldom and remote. Looking forward as to whether a piece of equipment is required needs to demand justification. Without this, ability to recognize savings will be limited. A revaluation of equipment is performed every 3 years and the timing of this review could co-exist with this process of potential sale proceeds. Alternatively, a relationship with an equipment broking house could work on behalf of We-Roc to source buyers which would provide access to buyer's markets and a more timely cash injection through equipment sales. When discussing potential asset sales, it is important to note that items 5 & 6 further in this report play a part in the shire having confidence in this process not impacting services to roads and ratepayers.

When buying new equipment, it should be done on the view that services can be performed effectively & efficiently. There is no doubt new equipment is often required throughout the shires and in fact it can be argued that more needs to be spent that currently is ( should maintenance costs be higher than cost of new ownership ). The identified process of this in some shires is based on a set time rather than based on key metrics around utilization, maintenance or holding costs, hire v buy, or from any review of more effective equipment management practices. Again, this should be revisited in conjunction with potential synergies coming from Items 5 & 6 further in this document.

## **2) INCREASE HOURS IN WHICH THE EQUIPMENT IS BEING PRODUCTIVELY USED**

The 3 points raised in this section effectively go to the core of what we are trying to achieve. Improving the effectiveness of asset ownership by improving utilization and reducing ownership costs. The 3 points above were;

- a. Increase services within the shire
- b. Seek external uses for equipment with local contractors, companies &/or main roads therefore receiving a commercial return on surplus availability of gear.
- c. Increase equipment productivity time by sharing across the We-Roc group of shires (in conjunction with point 1.)

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Point a) may be a relatively moot point as I'm sure each council is doing all they can with the resources they have however it is obviously one way to increase utilization. Point b) is a financially effective way of increasing profitability within shires by using surplus downtime of gear. We observed some shires have taken on a more proactive view of this opportunity than others. It is agreed that some shires have more opportunity to provide equipment to commercial businesses or main roads however it is also evident that opportunities exist above what is being done.

Once reporting and ease of asset tracking is complete, it becomes a matter of focus in sourcing opportunities for equipment to be on hired. Targets of utilization can therefore not only be a lag indicator of a resources effectiveness but can also drive behaviors in achieving an improved financial position by sourcing such opportunities. Local councils understand what opportunities are around for this to occur more than we do, we are simply providing an independent view of what can be focused on to provide efficiencies.

### Suggestions

Once we understand surplus capacity, we then need to review logistics of having underutilised equipment moving to areas of need, tracking & reporting efficiently & effectively and looking for Sales opportunities ( cross hiring / transfer ). A target should be set between the shires to drive these behaviors and actions agreed to & monitored.

There are localised opportunities e.g. local contractor or business currently contracts a dry or wet hire piece of machinery and an operator from Perth where this could be facilitated locally. Now whether this opportunity exists ( having a surplus water cart or loader ) for that shire is debatable however when we look at opportunities, we need to look at this as a We-Roc opportunity as there is access to a wider pool of potential solutions. When thinking about contracted opportunities we need to also look at implementation of points 5 & 6 to follow as part of the solution.



## 5) IMPLEMENTATION OF TECHNOLOGY SOLUTIONS

**DIFFICULTY:** MEDIUM TO HIGH. ASSET TRACKING, REPORTING & FACILITATION OF UTILISATION IMPROVEMENTS

**TIME TAKEN:** MEDIUM TO HIGH. IMPLEMENTATION, TRAINING AND INFORMATION UPLOAD

Administration of assets can be time consuming, difficult to maintain accuracy and completeness and we understand this review may be perceived as adding additional burden to the current workload of each shire, at least initially. Implementation of asset management systems can also feel like an expensive and unnecessary step so its important to understand the why, how & what of such a move.

In order to successfully implement some of the recommendations noted in points 4 & 6 we recognise this may take considerable administrative effort to manage and resources may not be available. There are a few off the shelf solutions or a more bespoke solution could be built to suit the requirements of We-Roc to allow this to occur. Accingo have sought such products and have relationships in this area. We also have experience in implementing & training staff to use such products should this be agreed that value would be created for the group.

In essence, this product would allow all assets to be housed on a web and App based solution whereby works managers, finance managers and CEO's can;

- view available assets in the total fleet
- have real time reporting on usage, location and availability, &
- track job costings, maintenance schedules and all financial data at We-Roc level, Shire level, plant type or individual machine level

The benefits of this approach are;

- Reduced reliance on administration
- A true picture of asset availability through the entire We-Roc group
- Provide a platform in which true efficiencies can be worked towards
- Improve buy / sell decisions at a group level

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- Improve sharing opportunities to complete works in a cost-effective manner by increasing overall utilization

Although at this stage, the technology adoption is stand alone and does not work on the assumption of physically ‘pooled’ assets in 1 location, the approach has provided an ability for works managers to plan for scheduled & unscheduled works by selecting equipment for a task or job. They would select from 2 areas;

- Owned fleet
- Fleet owned within the group that has been ‘flagged’ for sharing purposes

A task would then have selected equipment allocated to the task. Equipment would then be allocated to that task and requests for external equipment would be accepted or rejected by the owner(s). Costs associated with ownership or an ‘agreed’ rental rate internally would remain with that equipment & simply be charged to that cost centre.

It may be difficult to identify with such an approach however with the ease of application and due to the logistical & administrative ease of cross hiring equipment, the following can occur;

- Improved utilization of equipment over its life cycle
- Reduced need for surplus gear across the We-Roc fleet ( see points 3 & 4 above )
- Potential to also wet hire machines and improve recoverables should there be downtime of an employee operator
- Recovery of maintenance & ownership costs by asset owner for an otherwise underutilised asset
- Permanent or temporary transfer of equipment to other We-Roc shire balance sheets
- Improved buy / sell decisions to ensure the group as a whole has the optimum amount of equipment

A further benefit of adopting such technology is the ability to then progress towards a more ‘group orientated’ approach of combining assets into a physical pool ( refer point 6 below )



## 6) CENTRALISATION OF ASSET / ASSET MANAGEMENT

**DIFFICULTY:** MEDIUM TO HIGH. PHYSICAL ASSET CONTROL, MAINTENANCE & LOGISTICS

**TIME TAKEN:** MEDIUM TO HIGH. STEPPED PROCESS WITH MEASUREMENT OF KEY DELIVERABLES

Asset ownership is in the top 2 expenses of a shire, along with its people.

Inefficiencies are created when focus is not put on the cost base or operational expense of maintaining or operating such assets. The level of reporting and analysis on these costs is evident that this has not been a priority however the fact that a review has been requested provides the underpinning belief that there can be some improvements in effective fiscal management of such a large cost base.

Each shire has its own equipment deemed necessary to perform the works and this approach has resulted in materially underutilized assets as shown in the utilization graphs provided.

In this report we have touched on areas that highlight the need for focus and potentially what actions can be undertaken to lift the profile of its importance to the financial viability of the We-Roc group of shires. In this section we provide a bold but what we see, necessary solution to have the material impact required for the financial benefit of the group.

In point 5 we discuss the technological step to provide a group view of assets in the fleet which are used to perform critical & noncritical works within your shire. This is a step that not only improves focus through reporting, analysis and potential allocation of 'pooled' equipment resources, but also allows a completely different view of asset ownership and what it means to have assets 'available' to perform works. In that stage we are not suggesting gear is physically moved however what we are promoting is that you don't need to own it or have it sitting physically in your yard, or even your region, for it to be available for use.



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Stepping forward once this is understood & adopted, is the potential to physically pool gear in a strategically centered location. This doesn't mean to say ownership has changed, it simply resides somewhere else until such time as a participant in the WeRoc asset sharing needs it. We attempt to point out in this section that although this is a difficult concept to comprehend, the material benefits mean this should be explored.

We have listened to each shire about the requirement for the assets and the need of the ratepayers and we are not doubting there are scenarios to work through when taking on such a bold concept such as;

- Seasonal work all at one time
- Lack of physical ownership means that scheduled & unscheduled works may not be performed
- Trust
- Who pays for what
- Future budgets & funds will be negatively impacted.

All are valid reasons to explore & work through however our independent assessment is that none of these issues should prevent adopting this model

### THE MODEL

For this concept to be explored, it needs common agreement and mindset that an alternative model can work, through communication and a desire to improve the financial outcome for each region.

We suggest that ( post technological adoption ) One (1) physical location be chosen as the asset hub within the We-Roc region. From here it needs to be approached in stages.

Stage 1 - all non-critical gear is moved to the chosen location in an asset holding yard. The holding yard is will be the We-Roc asset resource centre ( RC ). The RC is responsible for ;

- Fulfillment of works manager's needs – ( measured on strict KPI's & deliverables )
- All maintenance activity
- Parts holding & distribution

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- Transport & logistics of gear
- Hire of equipment ( back up )
- Buy / Sell recommendations to We-Roc executives / works managers

There will be a need to form an asset committee or the like, made up from a representative of each council. This will have combined accountability for the smooth operation of the business unit.

Stage 2 – A review of the combined asset holding will be undertaken. This review will take place to identify the optimum level of asset holding for each plant type based on works requirements. Given this is a new concept this may take place over a period once the model settles and confidence in the ability of the RC is gained. Upon assessment of required equipment, a formal sale process of underutilized equipment is undertaken with acquired funds returning to individual councils who own the equipment. Alternatively, these funds can be held by the RC for the purchase of future assets for the region.

Stage 3 – Procuring a hire agreement with a reputable equipment hiring company to backfill short term requirements will provide confidence of continued works in times of shortfall. The asset fleet size should not be managed to a level that covers for the ‘just in case’, this should be managed by rigid asset management practices to create a truly efficient model.

Stage 4 - Upon successful operations of the RC and with confidence in the model, the option of bringing all gear to the RC should be explored. This will maximise savings of such an approach and further justify the expense of the technology platform and set up costs.

At this time a further review of utilization should be analysed with the view to sell equipment which is now surplus to the overall needs of the works managers.

The overall model is based on removing much of the duplication in the management of assets across the 5 councils. It allows for the reduction in overall capital tied up in mobile plant whilst also releasing initial funds from the sale of plant.



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As noted previously in this report, maintenance is not measured in many councils down to machine level so it is difficult to understand the total ownership costs however a broad assumption must be made that the older the equipment, the more that will be spent on maintenance. With the model just highlighted, We-Roc can look to decrease the average age of its working fleet. With newer equipment comes lower maintenance costs, fewer breakdowns therefore reducing downtime for its operators, and more OEM support for warranty claims etc. Funds released should be employed to acquire this new equipment ( note item on Sale & Purchase policy ).

### SUMMARY

Through this review it has become evident that the level of understanding of full asset spend and inefficiencies in asset utilization is low. This is in part due to lack of visibility of reporting but also to the fact that there are limited controls, drivers or requirements to monitor such spend or activity. The level of local understanding of owned equipment is undoubtedly there but we look to provide detailed solutions to maximizing the capability of a combined We-Roc network approach to asset management. Now we have thoroughly reviewed the current position of the 5 individual councils, we envisage the most effective & efficient outcome is a position with a reduced fleet size, owning newer model equipment, resulting in lower maintenance costs & higher utilization outcomes, backed up by a cross hiring network, plus an external hiring capability to maintain or even improve service to the community. Providing more value to the ratepayers and more surplus funds to create the opportunity for alternative investment within the region.

The We-Roc group of shires has an ability to create a unique marketplace, with improved purchasing power, better OEM support of parts and repair, an efficient maintenance hub and a best of class technology solution to asset management & logistics that will lead the way above other LGA's. Roles & responsibilities can also be recreated into alternative functions that add more value to the administration of the councils.

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Some of our takeaways from discussions or observations were;

- Individual shires only have enough resources to look after themselves
- Physical ownership of gear is seen as a necessity to conduct works ( this is not the case in all instances )
- Ability to share equipment across the shire network is administratively difficult
- Lack of detail in the reporting is evident but rarely challenged
- Capex budgets are being squeezed
- Cost reductions are met with lower level of external funding and can cost jobs

Whilst there will be challenges both ways in the above points, it is evident there is a clear need for an improved financial position for some shires and we believe managing one of the highest expenses for the region more effectively will deliver savings and a well intended approach will conclude that reduction of jobs and budgets is not necessarily the outcome, in fact, better management of assets should create jobs and more funding.

We also believe that different levels of thinking can open up opportunities. Some additional conversation starters are that the funds saved by such a bold move in asset management could be matched by additional regional program funding for economic activity or skills training. Or perhaps if one shire is turned into the asset & maintenance hub, that other shires can invest the surplus funds into other activities to provide alternative jobs for their staff. From our external and independent review, we see a material benefit for the region by implementing improvements to the asset management practices and we would welcome further involvement to assist in making this happen.

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We appreciate the opportunity to work with each individual council & the We-Roc executives and we look forward to working with you in implementing any or all of the above strategies going forward.

Regards

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## ACCINGO RECOMMENDATIONS FOR CONSIDERATION BY WE-ROC EXECUTIVES

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Our findings in this report are to be used as a basis to justify further review and potential actions to be undertaken as a group collective within WeRoc. Assumptions made in the lead up discussions with WeRoc executives led to our engagement around asset utilization improvements with a view to improve financial performance, however this required justification through data and analysis prior to any broad assumptions being made.

Upon Completion of our review we are able to provide recommendations for the consideration of the We-Roc executive members. These recommendations are categorized in terms of ease of implementation and / or materiality of potential cost saving. Additionally, these suggestions are to be used for the purpose of acceptance or elimination, and prioritisation by the executives and therefore we include all potential options for such review.

These recommendations are based on prior learnings and experience of asset management 'best practice' principals revised for our understanding of the Local Government activities and requirements and focus on providing a foundation in which to generate cost savings and improved financial position of the We-Roc shires.

The following recommendations are based on our analysis of the data received however justifications based on any calculations performed should be verified to ensure no anomalies exist in the data provided.

Accingo have experience in operational roll out of such recommendations and can assist We-Roc in the execution of each chosen course of action.

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## RECOMMENDATIONS

### 1) ASSET IDENTIFICATION STANDARDISATION

**DIFFICULTY:** LOW. ADMINISTRATION ONLY

**TIME TAKEN:** MEDIUM. DUE TO VOLUME OF HISTORICAL DATA

Having standardised asset codes and descriptions provides benefits in asset identification, transfer and traceability. Often, assets are known to individual staff due to familiarity however when new staff come on board or assets are transferred, cross hired or sold, non-standardised asset descriptions and lack of any consistency in asset identifiers creates potential risk and administration difficulty.

Currently there is a blend of Alpha numeric and numeric which do not follow any format that is easily recognizable between shires. For example, the Group code in one shire could be PE whilst in another shire it is recorded as the No 3. Asset codes similarly have examples such as 1868 versus in another shire showing P10.

Ideally, anyone internally or externally whether in a finance & administration role, operation or maintenance role should be able to easily recognize & trace an asset by a standardized reference system. As noted, this also assists the transfer of equipment either permanently or temporarily between shires.

#### Suggestion:

Agree on a standardize format which is backed up by an asset register policy and amend current system fields to provide such standardization.

Ideally an Asset Code would be the first 2 letters of the equipment type & a numerical number based on chronological order in terms of acquisition. i.e. Wheel Loader is WL005.

Furthermore, a standard approach to Asset descriptions should be adopted universally across all 5 registers, such as;

Model, Type, Manufacturer. i.e. 770G Grader Caterpillar



## 2) PURCHASE AND SALE PROCESS REVIEW

**DIFFICULTY:** MEDIUM. POLICY FORMULATION, ADMINISTRATION, AUDITABILITY  
**TIME TAKEN:** MEDIUM. CONCEPTION, AGREEMENT & IMPLEMENTATION TIME

This requirement was highlighted by several issues discovered when reconciling asset registers to system reports. Although these discrepancies may have been understood by the administration staff or works managers, there were instances where reporting did not back up the stated position.

Examples to note:

**Sale of assets.** An asset was sold however remained on the asset register at the time of the review. It was noted this had been sold however difficult to find record of sale or provision of an updated report noting asset was removed. Further to this, upon discussion there seemed to be a lack of process or knowledge of a working procedure on selling assets.

This can create many issues and should be rectified as soon as possible where no policy or procedure exists for purchase & sale of assets. Administratively this can skew the financial position of the Shire by over/understating asset value and asset audit discrepancies. Financially this opens a potential risk of unintended or intended financial loss.

**Asset purchases.** An asset was purchased however was not recorded on to the asset register for nearly 6 months. Although understanding where this asset may have been working and from a maintenance & operational point of view may not be an issue, this raises several issues administratively & financially. Financially the asset register is incorrect and does not reflect the full asset list, asset values nor will it incur depreciation or holding costs during that period. Administratively, certain key metrics like hours reports, Balance sheet reconciliation etc. can not be updated. When utilization and financial performance is measured, this is performed by date of acquisition, not date of registering on the asset register. This error results in overstating utilization performance and under expensing of depreciation.



Suggestion

Review of any current “Sale & Purchase of Asset” policy or similar and check for completeness and whether policies are being followed.

If these are not in place then formulation & implementation of such a policy should be agreed upon.

Further to this, with reference to any LGA risk registers, required sign offs should be adhered too.

Finance, admin or asset management staff need to be noted within this policy with sign off occurring for asset register accuracy and completeness to avoid such discrepancies.

**3) STANDARDISATION OF DEPRECIATION RATES & USEFUL LIFE**

**DIFFICULTY:** LOW TO MEDIUM ADMINISTRATION & FINANCE

**TIME TAKEN:** LOW. ACCOUNTING ADJUSTMENT & CAPEX FORECAST

**AMENDMENT**

Assets commonly have a uniform set of depreciation rates and useful life expectations which govern a couple of important asset management fundamentals. Depreciation rates are simply a book entry that denotes how quickly an asset is depreciated. At what rate, over how long and whether there is a balloon residual. Although there are guiding principals to benchmark against it is ultimately up to the business unit ( in this case, the Shire ) to determine however it must be understood there are accounting principals that govern management of assets so this should be understood.

Depreciation rates set an amount in which the asset is written down which should be close to the market value write down of the asset. This rate will impact the profit & loss of the Shire as the depreciation each year is an expense. Should the depreciation not be accurate, 2 things can occur. When the asset is ready to be sold it may be worth much more on the books than the true market value is, and secondly, when a revaluation is performed every 3 years there can be a material hit to the Profit & Loss for write-down of assets.

When looking to see how long an asset is held onto ( replaced ) is generally guided by the expectation that maintenance costs or downtime will not outweigh the costs of having a new machine. When a machine is constantly in need of repair and can not be used to its full effectiveness, its useful life is determined. Additionally, thoughts about obtaining optimum value on resale is also a consideration.



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Much like how councils treat personal motor vehicles, there are parallels to how mobile working assets can be managed. Machines can often be cheaper to own when new and resale funds can be made prior to any major maintenance costs such as engine rebuild or major component servicing costs.

Currently there is little uniformity across shires and in some instances within a shire in terms of depreciation rate guidance and application. Furthermore, monitoring of depreciation is not taking place in some shires as there is often issues arising post revaluation or purchase. Depreciation, and importantly book value is critical in terms of managing Balance Sheet health as Sale or revaluation events can materially impact results.

### Suggestion

We suggest a uniform set of depreciation rates be agreed too and implemented via the asset management policy as already discussed. This rate can be set internally or provided by an external source which provides the best basis in which to have good financial management of assets.

Another piece of work can be done around determining useful lives of assets. As already discussed, sweating an asset by maintaining it until it falls over is not always cost effective either. A review of how maintenance costs are captured and reported on and should be done down to machine level. It can be noted that some already do this effectively. At this point not all reports provided accurately reflect maintenance costs down to machine level therefore it is difficult to ascertain the total cost of owning a machine. Referencing point 1 in this report, asset identification and reporting may assist this. Review & update of the asset management policy should reflect how maintenance is tracked and standardized depreciation rates to be applied.



#### 4) REVIEW OF UNDERPERFORMING ASSETS

**DIFFICULTY:** MEDIUM. SALE, TRANSFER OF EQUIPMENT, INCREASE SERVICES  
**TIME TAKEN:** HIGH. STEPPED PROCESS WITH MEASUREMENT OF KEY  
**DELIVERABLES**

Firstly, an agreed benchmark, or 'Target' utilisation rate needs to be agreed between the 5 shires. This can be done by product type given there is much disparity between the products but also recognizing the criticality of some assets over others. In saying this, there should be some consistency or method in how this target rate is agreed.

The Target rate should be one which drives the financial benefits expected however also can be managed operationally, which is why we suggest this is performed in a staged approach over a period. Throughout our discussions we have nominated a rate of 40%. This is at the lower base of commercial expectations and is essentially a universal rate that often is close to hire rates. Essentially, below 40% utilization of fleet, it is often a more cost-effective exercise to hire the equipment.

As referenced in the below table, these figures are reflective of a hypothetical rate which is a result of idle capacity at levels under 40%. The costs are derived from holding costs only which are depreciation and funding ( or opportunity cost to do other things with the inefficient use of funds in idle equipment ). The real benefits to be identified come in the form of 2 major forms, being;

- 1) Reduction of asset numbers, therefore delivering the same services with less equipment
- 2) Increase hours in which equipment is being productively used. This can be further split into 3 areas;
  - a. Increase services within the shire
  - b. Seek external uses for equipment with local contractors, companies &/or main roads therefore receiving a commercial return on surplus availability of gear.
  - c. Increase equipment productivity time by sharing across the We-Roc group of shires (in conjunction with point 1.)



## Accingo Consulting

As noted previously, we have not taken into account local requirements and therefore any suggestions must be weighed up alongside these requirements, restrictions in seasonal availability etc. however we do attempt to explore alternative options to combat seasonality.

### **1) REDUCTION OF ASSET NUMBERS**

This scenario looks at an overall reduction of the fixed number of plant each shire owns based on historical usage patterns and an assumption that each shire is open to explore an alternative method of fleet ownership and management to achieve savings in asset ownership costs.

Furthermore, this can be looked at in a 2-step approach. Firstly, what asset reductions are clearly evident and able to be done now with little or no impact to services and secondly, should We-Roc move to a 'sharing' model ( shown in Item 4 ' We-Roc Consolidation approach' ), a more extensive review of asset reduction can take place.

The overall purpose of reducing asset numbers is to maintain the same output of services with fewer assets, which essentially increases the utilization rate of the assets being held. There are 3 benefits of this approach;

- 1) Instant cash return on receipt of sales revenue of plant sold**
- 2) Amended requirement for future asset purchases, and reduced holding costs such as maintenance expenses**
- 3) Potential to review personnel operating machinery to make them more productive**

Conceptually the process to be undertaken is to identify the underperforming assets, i.e. this under 40% Target rate ( 1<sup>st</sup> round target ) and analyse why this is so. It could be due to the physical amount of work available for this machine or its condition to conduct the works reliably & without hefty maintenance costs. Potentially, in some cases there could also be a lack of available operators to keep the machines at full potential availability.

To highlight areas of review, the below reflects a high-level summary as reflected in the tabled graphs in the report previously provided. Here we show Category, Number of machines per category, Asset

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## Accingo Consulting

Register Cost & WDV, Average utilization and No of machines that are under 15% which is a number which denotes a material under capacity to justify ownership.

Summary of position;

CATEGORY	No	Cost	WDV	AVG UTILISATION	No BELOW 15%
Wheel Loaders	15	\$1.8M	\$1.6M	23.0%	8
Grader	17	\$3.8M	\$3.3M	35.0%	2
Roller	17	\$1.4M	\$1.2M	16.3%	10
Excavator	2	\$98K	\$90K	4.9%	2
Tractor	2	\$69K	\$56K	2%	2
Bobcat	3	\$126K	\$102K	8.4%	3
<b>TOTAL</b>	<b>56</b>	<b>\$7.3M</b>	<b>\$6.3M</b>	<b>21%</b>	<b>27</b>
<b>TOTAL</b>	<b>27</b>	<b>\$1.79M</b>	<b>\$1.56M</b>	<b>8.1%</b>	<b>27</b>
(under 15% Utilisation)					

The table above is a starting point in understanding the right balance of equipment required and is the catalyst for further review of underperforming assets. A total of 27 assets are well underperforming and should be reviewed and a sale of such equipment should be explored which would allow for a return of funds back into the balance sheet of each council and would be what we call an opportunity cost of ownership, or, what else can be done with those funds to add more value to rate payers.

Although the number above is reflected on the Balance sheet, as noted in point 3, the depreciation rates, revaluations and timeliness of updating the asset register could have a material impact on actual market value of these assets.

### Suggestion

A review of underperforming assets should be done to firstly understand why this is taking place. It could be the equipment is unreliable or perhaps the need for its services are seldom and remote. Looking forward as to whether a piece of equipment is required needs to require justification. Without this, ability to recognize savings will be limited.

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A revaluation of equipment is performed every 3 years and the timing of this review could co-exist with this process of potential sale proceeds. Alternatively, some form of relationship with a machine broking house could work on behalf of We-Roc to source buyers.

When discussing potential asset sales, it is important to note that items 5 & 6 further in this report play a part in the shire having confidence in this process not impacting services to roads and ratepayers.

When buying new equipment, it should be done on the view that services can be performed effectively & efficiently. There is no doubt new equipment is often required throughout the shires and in fact it can be argued that more needs to be spent that currently is ( should maintenance costs be higher than cost of new ownership ). The identified process of this in some shires is based on a set time rather than based on key metrics around utilization, maintenance or holding costs, hire v buy, or from any review of more effective equipment management practices. Again, this should be revisited in conjunction with potential synergies coming from Items 5 & 6 further in this document.

### **2) INCREASE HOURS IN WHICH THE EQUIPMENT IS BEING PRODUCTIVELY USED**

The 3 points raised in this section effectively go to the core of what we are trying to achieve. Improving the effectiveness of asset ownership by improving utilization and reducing ownership costs. The 3 points above were;

- a. Increase services within the shire
- b. Seek external uses for equipment with local contractors, companies &/or main roads therefore receiving a commercial return on surplus availability of gear.
- c. Increase equipment productivity time by sharing across the We-Roc group of shires (in conjunction with point 1.)

Point a) may be a relatively moot point as I'm sure each council is doing all they can with the resources they have however it is obviously one way to increase utilization.



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Point b) is a financially effective way of increasing profitability within shires by using surplus downtime of gear. We observed some shires have taken on a more proactive view of this opportunity than others. It is agreed that some shires have more opportunity to provide equipment to commercial businesses or main roads however it is also evident that opportunities exist above what is being done.

Once reporting and ease of asset tracking is complete, it becomes a matter of focus in sourcing opportunities for equipment to be on hired. Targets of utilization can therefore not only be a lag indicator of a resources effectiveness but can also drive behaviors in achieving an improved financial position by sourcing such opportunities. Local councils understand what opportunities are around for this to occur more than we do, we are simply providing an independent view of what can be focused on to provide efficiencies.

### Suggestions

Once we understand surplus capacity, we then need to review logistics of having underutilised equipment moving to areas of need, tracking & reporting efficiently & effectively and looking for Sales opportunities ( cross hiring / transfer ). A target should be set between the shires to drive these behaviors and actions agreed to & monitored.

There are localised opportunities e.g. local contractor or business currently contracts a dry or wet hire piece of machinery and an operator from Perth where this could be facilitated locally. Now whether this opportunity exists ( having a surplus water cart or loader ) for that shire is debatable however when we look at opportunities, we need to look at this as a We-Roc opportunity as there is access to a wider pool of potential solutions. When thinking about contracted opportunities we need to also look at implementation of points 5 & 6 to follow as part of the solution.



## 5) IMPLEMENTATION OF TECHNOLOGY SOLUTIONS

**DIFFICULTY:** MEDIUM TO HIGH. ASSET TRACKING, REPORTING & FACILITATION OF UTILISATION IMPROVEMENTS

**TIME TAKEN:** MEDIUM TO HIGH. IMPLEMENTATION, TRAINING AND INFORMATION UPLOAD

Administration of assets can be time consuming, difficult to maintain accuracy and completeness and we understand this review may be perceived as adding additional burden to the current workload of each shire, at least initially. Implementation of asset management systems can also feel like an expensive and unnecessary step so its important to understand the why, how & what of such a move.

In order to successfully implement some of the recommendations noted in points 4 & 6 we recognise this may take considerable administrative effort to manage and resources may not be available. There are a few off the shelf solutions or a more bespoke solution could be built to suit the requirements of We-Roc to allow this to occur. Accingo have sought such products and have relationships in this area. We also have experience in implementing & training staff to use such products should this be agreed that value would be created for the group.

In essence, this product would allow all assets to be housed on a web and App based solution whereby works managers, finance managers and CEO's can;

- view available assets in the total fleet
- have real time reporting on usage, location and availability, &
- track job costings, maintenance schedules and all financial data at We-Roc level, Shire level, plant type or individual machine level

The benefits of this approach are;

- Reduced reliance on administration
- A true picture of asset availability through the entire We-Roc group
- Provide a platform in which true efficiencies can be worked towards
- Improve buy / sell decisions at a group level
- Improve sharing opportunities to complete works in a cost-effective manner by increasing overall utilization



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Although at this stage, the technology adoption is stand alone and does not work on the assumption of physically 'pooled' assets in 1 location, the approach has provided an ability for works managers to plan for scheduled & unscheduled works by selecting equipment for a task or job. They would select from 2 areas;

- Owned fleet
- Fleet owned within the group that has been 'flagged' for sharing purposes

A task would then have selected equipment allocated to the task. Equipment would then be allocated to that task and requests for external equipment would be accepted or rejected by the owner(s). Costs associated with ownership or an 'agreed' rental rate internally would remain with that equipment & simply be charged to that cost centre.

It may be difficult to identify with such an approach however with the ease of application and due to the logistical & administrative ease of cross hiring equipment, the following can occur;

- Improved utilization of equipment over its life cycle
- Reduced need for surplus gear across the We-Roc fleet ( see points 3 & 4 above )
- Potential to also wet hire machines and improve recoverables should there be downtime of an employee operator
- Recovery of maintenance & ownership costs by asset owner for an otherwise underutilised asset
- Permanent or temporary transfer of equipment to other We-Roc shire balance sheets
- Improved buy / sell decisions to ensure the group as a whole has the optimum amount of equipment

A further benefit of adopting such technology is the ability to then progress towards a more 'group orientated' approach of combining assets into a physical pool ( refer point 6 below )



## 6) CENTRALISATION OF ASSET / ASSET MANAGEMENT

**DIFFICULTY:** MEDIUM TO HIGH. PHYSICAL ASSET CONTROL, MAINTENANCE & LOGISTICS

**TIME TAKEN:** MEDIUM TO HIGH. STEPPED PROCESS WITH MEASUREMENT OF KEY DELIVERABLES

Asset ownership is in the top 2 expenses of a shire, along with its people.

Inefficiencies are created when focus is not put on the cost base or operational expense of maintaining or operating such assets. The level of reporting and analysis on these costs is evident that this has not been a priority however the fact that a review has been requested provides the underpinning belief that there can be some improvements in effective fiscal management of such a large cost base.

Each shire has its own equipment deemed necessary to perform the works and this approach has resulted in materially underutilized assets as shown in the utilization graphs provided.

In this report we have touched on areas that highlight the need for focus and potentially what actions can be undertaken to lift the profile of its importance to the financial viability of the We-Roc group of shires. In this section we provide a bold but what we see, necessary solution to have the material impact required for the financial benefit of the group.

In point 5 we discuss the technological step to provide a group view of assets in the fleet which are used to perform critical & noncritical works within your shire. This is a step that not only improves focus through reporting, analysis and potential allocation of 'pooled' equipment resources, but also allows a completely different view of asset ownership and what it means to have assets 'available' to perform works. In that stage we are not suggesting gear is physically moved however what we are promoting is that you don't need to own it or have it sitting physically in your yard, or even your region, for it to be available for use.



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Stepping forward once this is understood & adopted, is the potential to physically pool gear in one location. This doesn't mean to say ownership has changed, it simply resides somewhere else until such time as you need it. We attempt to point out in this section that although this is a difficult concept to comprehend, the material benefits mean this should be explored.

We have listened to each shire about the requirement for the assets and the need of the ratepayers and we are not doubting there are scenarios to work through when taking on such a bold concept such as;

- Seasonal work all at one time
- Lack of physical ownership means that scheduled & unscheduled works may not be performed
- Trust
- Who pays for what
- Future budgets & funds will be negatively impacted.

All are valid reasons to explore & work through however our independent assessment is that none of these issues should prevent adopting this model

### THE MODEL

For this concept to be explored, it needs common agreement and mindset that an alternative model can work, through communication and a desire to improve the financial outcome for each region.

We suggest that ( Post technological adoption ) One (1) physical location be chosen as the asset hub within the We-Roc region. From here it needs to be approached in stages.

Stage 1 - all non-critical gear is moved to the chosen location in an asset holding yard. The holding yard is will be the We-Roc asset resource centre ( RC ). The RC is responsible for ;

- Fulfillment of works manager's needs – ( measured on strict KPI's & deliverables )
- All maintenance activity
- Parts holding & distribution
- Transport & logistics of gear
- Hire of equipment ( back up )
- Buy / Sell recommendations to We-Roc executives / works managers

There will be a need to form an asset committee or the like, made up from a representative of each council. This will have combined accountability for the smooth operation of the business unit.

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Stage 2 – A review of the combined asset holding will be undertaken. This review will take place to identify the optimum level of asset holding for each plant type based on works requirements. Given this is a new concept this may take place over a period once the model settles and confidence in the ability of the RC is gained. Upon assessment of required equipment, a formal sale process of underutilized equipment is undertaken with acquired funds returning to individual councils who own the equipment. Alternatively, these funds can be held by the RC for the purchase of future assets for the region.

Stage 3 – Procuring a hire agreement with a reputable equipment hiring company to backfill short term requirements will provide confidence of continued works in times of shortfall. The asset fleet size should not be managed to a level that covers for the ‘just in case’, this should be managed by rigid asset management practices to create a truly efficient model.

Stage 4 - Upon successful operations of the RC and with confidence in the model, the option of bringing all gear to the RC should be explored. This will maximise savings of such an approach and further justify the expense of the technology platform and set up costs.

At this time a further review of utilization should be analysed with the view to sell equipment which is now surplus to the overall needs of the works managers.

The overall model is based on removing much of the duplication in the management of assets across the 5 councils. It allows for the reduction in overall capital tied up in mobile plant whilst also releasing initial funds from the sale of plant.

As noted previously in this report, maintenance is not measured in many councils down to machine level so it is difficult to understand the total ownership costs however a broad assumption must be made that the older the equipment, the more that will be spent on maintenance. With the model just highlighted, We-Roc can look to decrease the average age of its working fleet. With newer equipment comes lower maintenance costs, fewer breakdowns therefore reducing downtime for its operators, and more OEM support for warranty claims etc. Funds released should be employed to acquire this new equipment ( note item on Sale & Purchase policy ).

## SUMMARY

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Through this review it has become evident that the level of understanding of full asset spend and inefficiencies in asset utilization is low. This is in part due to lack of visibility of reporting but also to the fact that there are limited controls, drivers or requirements to monitor such spend or activity. The level of local understanding of owned equipment is undoubtedly there but we look to provide detailed solutions to maximizing the capability of a combined We-Roc network approach to asset management.

Now we have thoroughly reviewed the current position of the 5 individual councils, we envisage the most effective & efficient outcome is a position with a reduced fleet size, owning newer model equipment, resulting in lower maintenance costs & higher utilization outcomes, backed up by a cross hiring network, plus an external hiring capability to maintain or even improve service to the community. Providing more value to the ratepayers and more surplus funds to create the opportunity for alternative investment within the region.

The We-Roc group of shires has an ability to create a unique marketplace, with improved purchasing power, better OEM support of parts and repair, an efficient maintenance hub and a best of class technology solution to asset management & logistics that will lead the way above other LGA's. Roles & responsibilities can also be recreated into alternative functions that add more value to the administration of the councils.

Some of our takeaways from discussions or observations were;

- Individual shires only have enough resources to look after themselves
- Physical ownership of gear is seen as a necessity to conduct works ( this is not the case in all instances )
- Ability to share equipment across the shire network is administratively difficult
- Lack of detail in the reporting is evident but rarely challenged
- Capex budgets are being squeezed
- Cost reductions are met with lower level of external funding and can cost jobs

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Whilst there will be challenges both ways in the above points, it is evident there is a clear need for an improved financial position for some shires and we believe managing one of the highest expenses for the region more effectively will deliver savings.

We also believe that different levels of thinking can open up opportunities. Some additional conversation starters are that the funds saved by such a bold move in asset management could be matched by additional regional program funding for economic activity or skills training. Or perhaps if we turn one shire into the asset & maintenance hub, that other shires can invest the surplus funds into other activities to provide alternative jobs for their staff.

From our external and independent review, we see a material benefit for the region by implementing improvements to the asset management practices and we would welcome further involvement to assist in making this happen

We appreciate the opportunity to work with each individual council & the We-Roc executives and we look forward to working with you in implementing any or all of the above strategies going forward.

Regards

Blake Read & Neil Marsh

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# Attachment

## 9.1.6

# WHEATBELT EAST REGIONAL ORGANISATION OF COUNCILS INC

## CONSTITUTION

as at 9 October 2019

**Commented [HW1]:** Once WEROC has adopted a final draft for submission to the Department of Mines Industry Regulation and Safety for approval the WEROC logo will be applied.

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# **Constitution of Wheatbelt East Regional Organisation of Councils Inc**

## **1. NAME**

The name of the Association is "The Wheatbelt East Regional Organisation of Councils Inc" referred to in these Rules as "WEROC".

## **2. INTERPRETATION**

In the event of any question arising as to the interpretation or application of these Rules, the Board, shall decide the matter, subject to an appeal for a final decision to a general meeting of WEROC.

### **2.1 Definitions**

The following definitions apply in this Constitution unless the context otherwise requires:

- (a) "absolute majority" means the smallest whole number greater than one half of the current Members of WEROC, Board or Committee as appropriate;
- (b) "Act" means the *Associations Incorporation Act 2015*;
- (c) "Association" means the incorporated association to which these Rules apply;
- (d) "Board" means the Board of WEROC as described in Rule 11;
- (e) "Central Eastern Wheatbelt Region" means the area covered by the local government areas of the Shires of Bruce Rock, Kellerberrin, Merredin, Westonia and Yilgarn together with any adjoining area so determined by a Special Resolution adopted by a general meeting of the Association;
- (f) "Executive" means the Chair, Deputy Chair Secretary/Treasurer and Executive Officer of WEROC;
- (g) "financial year" of WEROC runs from 1 July – 30th June each year;
- (h) "Member", means the Local Government as detailed in Rule 2.1 (e);
- (i) "Representative" means the Councillor Representatives of their Local Government who are nominated in accordance with Rule 6.1;
- (j) "Rule" means Rule of this Constitution;
- (k) "register of members" means the register of members referred to in section 53 of the Act.

### **3. NOT FOR PROFIT BODY**

3.1 The property and income of WEROC must be applied solely towards the promotion of the objects or purposes of WEROC and no part of that property or income may be paid or otherwise distributed, directly or indirectly, to any Member or Representative, except in good faith in the promotion of those objects or purposes.

3.2 A payment may be made to a Member or Representative out of the funds of WEROC only if it is authorised under Rule 3.2(a).

(a) A payment to a Member or Representative out of the funds of WEROC is authorised if it is;

- (i) the payment in good faith as reasonable remuneration for any services provided to WEROC, or for goods supplied to WEROC, in the ordinary course of business; or
- (ii) the payment of interest, on money borrowed by WEROC from the Member or Representative, at a rate not greater than the cash rate published from time to time by the Reserve Bank of Australia; or
- (iii) the payment of reasonable rent to the Member or Representative for premises leased by the Member to WEROC; or
- (iv) the reimbursement of reasonable expenses properly incurred by the Member or Representative on behalf of WEROC.

### **4. OBJECTS**

The Objects of WEROC shall be:

- (a) To effectively represent the businesses, community and local governments of the Central Eastern Wheatbelt Region in its broadest sense and to promote the economic, cultural and environmental development of the region;
- (b) To take an active interest in all matters of the moment affecting the Central Eastern Wheatbelt Region with the view to improving, promoting and protecting the interests of Members and the Community;
- (c) To establish a rapport with civic, business, ethnic and other sectors of the Community;
- (d) Be recognised as representing and presenting the view of community to the relevant agencies and communities of the participating Members;
- (e) To keep Members informed on important matters affecting the economic, cultural and environmental development of the region;
- (f) To consider and respond to and advocate the amendment of Commonwealth or State legislation, regulations and policies and the local laws, regulations and policies of local government bodies and other corporations directly or indirectly affecting the interests of the Central

Eastern Wheatbelt Region and for such purposes to take all such steps or proceedings as may be expedient;

- (g) To gain greater recognition of the Central Eastern Wheatbelt Region;
- (h) To encourage Government and private enterprise to support the Central Eastern Wheatbelt Region;
- (i) To deliver projects considered beneficial to the whole of the Central Eastern Wheatbelt Region.

## **5. POWERS**

In carrying out its Objects, WEROC shall have the following powers:

- (a) To purchase, lease, acquire, sell, let on lease or otherwise dispose of, or deal with, any real or personal property for purposes which are, or are likely to be, in furtherance of, or consistent with the Objects of WEROC and, without limiting the generality of the foregoing:
  - (i) To invest any monies not immediately required for any of the above Objects in such manner, or in such security, as may to WEROC seem appropriate;
  - (ii) To draw, accept and negotiate cheques, bills of exchange, payments, promissory notes and other negotiable instruments;
  - (iii) To obtain, collect, generate, produce, earn and receive money, income and funds, by way of contributions, donations, subscriptions, legacies, license fees, grants or any other lawful method, and to accept and receive gifts of property of any description whether subject to any special trusts or not;
  - (iv) To erect, maintain and improve or make alterations to any land or buildings or other property in the care, control, custody or ownership of WEROC;
  - (v) To undertake such activities as may be necessary or expedient for the production, earning, generation or procuring of income, donations or contributions to enable WEROC to further its Objects;
  - (vi) To conduct bank accounts that are deemed necessary by WEROC;
- (b) To join, cooperate or affiliate with, or support, any other person or group of persons, or corporate bodies, for purposes that are consistent with the above Objects;
- (c) In furtherance of the objectives of WEROC, to lend or advance money or give credit, to any person or body corporate, to guarantee and give guarantees and indemnities for the payment of money, or the performance of contracts or obligations by any person or body corporate, and otherwise to grant financial assistance to any person or body corporate;



- (d) To enter into any arrangements with a Government or authority, Commonwealth, State, Local or otherwise that may be conducive to the attainment of the Objects of WEROC;
- (e) To obtain from or grant to any such Government or authority any rights, privileges, concessions and obligations which to the Board seem desirable to obtain or grant, and to carry out, exercise and comply with any such arrangements, rights, privileges, concessions and obligations;
- (f) To engage by contracts of service or for services for remuneration, professional assistance of any kind to perform services for WEROC in furtherance of the above-mentioned Objects;
- (g) To employ executive staff and employees and pay them salaries, wages, gratuities and superannuation or as a contractor;
- (h) To affiliate with bodies whose objectives are similar or conducive to the objectives of WEROC;
- (i) To print and publish electronically or non-electronically, all or any of newspapers, periodicals, pamphlets, circulars, bulletins, web pages, newsletters etc;
- (j) To use or cause to be used, any form of media, radio or television, e-mail or facsimile to promote to the community or to Members any of the Objects of WEROC. All Media Releases must be approved by the Presidents of the Member Councils;
- (k) To do all such other things as WEROC or its Members may deem to be necessary, incidental or conducive to the attainment of the above Objects and the exercise of these powers;
- (l) To make by-laws for the better management and day to day operation of WEROC or any of its committees.

## **6. MEMBERSHIP**

The membership of the WEROC Board shall consist of:

### **6.1 Representation on WEROC Board**

- o two (2) members of the Shire of Bruce Rock and appointed by the Council of the Shire of Bruce Rock;
- o two (2) members of the Shire of Kellerberrin and appointed by the Council of the Shire of Kellerberrin;
- o two (2) members of the Shire of Merredin and appointed by the Council of the Shire of Merredin;
- o two (2) members of the Shire of Westonia and appointed by the Council of the Shire of Westonia; and
- o two (2) members of the Shire of Yilgarn and appointed by the Council of the Shire of Yilgarn.

Representatives are to be nominated at least biannually by each Local Government and notified to the Executive Officer in writing.

6.2 Proxies

A nominated proxy can act as Proxy if required with voting rights.

6.3 Voting rights

Each of the Members as detailed in 6.1 shall have one vote each except the Chair who shall have a second vote in the event that any vote is tied.

6.4 Representatives qualifications

Representatives of Local Governments must be sitting Councillors or the Chief Executive Officer and must be approved by WEROC Board.

**Commented [HW2]:** This clause has been amended as per the resolution of the WEROC Executive on 25 September 2019

6.5 Withdrawal of nominees

Written notice of the revocation of power as Representative must be given by the Local Government Member to the Executive Officer of WEROC along with the name of the succeeding representative.

## 7. TERMINATION

7.1 Termination of Membership

A Member shall cease to be a Member if they:

- (a) Do not pay outstanding debts owed to WEROC within 3 months of the debt becoming due unless the Board resolves to extend the period for a further 3 months in which case the amount must be paid within 6 months of first becoming due;
- (b) As a Local Government become defunct or is wound up.

7.2 Resignation

Members wishing to resign must give 3 month's written notice to the Executive Officer. Resignation does not take effect until the end of the financial year.

Resignation or termination of membership does not clear debts owed to WEROC. Upon resignation or termination of membership for whatever reason, Members must pay any outstanding debts including arrears of subscriptions, owed to WEROC.

7.3 Reinstatement

The Board may reinstate by absolute majority, the membership of any former Member to WEROC once that Member has cleared all debts owed to WEROC as outlined Rule 7.1(a).

## 8. EXPULSION

WEROC reserves its right to expel any Member or Representative whose behavior is prejudicial to the Objects of the group and may do so by:

- (a) Calling a Special General Meeting to expressly consider the question of "a motion of expulsion";

- (b) Giving the Member or Representative who is the subject of the motion written notice, setting out the grounds for complaint, 7 days before the scheduled Special General Meeting;
- (c) securing the votes of the Representatives present at the Special General Meeting of at least:
  - (i) 80% of Representatives when voting to expel a Representative: or
  - (ii) Two thirds of Representatives when voting to expel a local government.

## 9. REGISTER OF MEMBERS

- 9.1 WEROC Executive must keep and maintain a Register in accordance with section 53 of the Act, containing:
  - a) The name of each Member;
  - b) The residential, postal or email address of each Member;
  - c) The date of entry to WEROC of each Member.
- 9.2 Inspecting and copying the Register
  - a) WEROC will make register available for inspection free of charge for any current Member upon written request to the Executive.
  - b) A Member may make a copy of entries in the Register.
  - c) A Member must not use or disclose any information in the Register for any purpose other than a purpose that:
    - i. is directly connected with the affairs of WEROC; or
    - ii. relates to the administration of the Act.

## 10. SUBSCRIPTIONS

- 10.1 Annual Subscriptions
 

Members are not required to pay a membership fee or annual subscription but may be required to pay an annual financial contribution as determined by the Association with such contributions to be in equal shares.
- 10.2 Financial Contributions by New Members
 

Where a new Member is admitted to WEROC, a financial contribution to be made by the new Member, in addition to the annual financial contribution, will be as determined by the Board.

**Commented [HW3]:** This clause has been inserted as per the resolution of the WEROC Executive on 25 September 2019

## **11. BOARD**

### **11.1 Composition of Board**

- (a) The management and control of WEROC and its affairs and property shall be vested in the Board.
- (b) The Board may co-opt any person for their expertise when required. Such persons shall have no vote.
- (f) All Members must hold office until their successors are appointed but the elected positions must be declared vacant immediately prior to the Annual General Meeting.

### **11.2 Vacancies on Board**

A position on the Board will be deemed vacant if a Representative:

- (a) Resigns by notice in writing sent to the Chair;
- (b) Is removed at a Special General Meeting of Members of WEROC;
- (c) In the event that a Representative cease to be a Councillor or Chief Executive Officer for their Member;
- (d) Dies, or departs for more than 6 months from the State of Western Australia; or
- (e) Is convicted of an offence under the Act.

### **11.3 Chair Ineligible**

- (a) In the event of death, disqualification, or resignation of the Chair, the Deputy Chair shall become the interim Chair until the next Annual General Meeting.
- (b) If the Deputy Chair is not prepared to act, then any Member of the Board may be elected as interim Chair.

## **12. POWERS OF THE BOARD**

### **12.1 Powers of the Board**

The Board is empowered to do all things required for the management of WEROC and for the furtherance of WEROC's Objects, except those things, which, according to this Constitution must be done by WEROC in General or Special Meetings.

### **12.2 Appoint or Dismiss Staff**

The Board may from time to time, appoint or dismiss any Executive Officer and staff as it deems to be necessary for the purpose of carrying out the Objects of WEROC and may pay or allow salaries, allowances, superannuation and recompenses that the Board, from time to time, deems appropriate.

12.3 Entering into Contracts

The Board may enter into contracts on behalf of WEROC that it deems advisable and at all times may dispose of funds of WEROC that it deems to be in the best interest of and for carrying out the Objects of WEROC.

**13. COMMITTEES OF THE BOARD**

13.1 Committees Appointed

The Board may appoint committees to provide advice to the Board consisting of at least 4 Members, to consider any specific matters. Any 3 Members or at least 51% of Members, whichever is greater, of the committee, will constitute a quorum.

13.2 Co-opting Committee members

The Board may co-opt people with suitable qualifications to these committees.

**14. ELECTIONS**

14.1 Elections at Annual General Meeting

- (a) Elections for Chair, Deputy Chair, Secretary/Treasurer and Board members will take place at the Annual General Meeting of WEROC where the Chair will declare all positions vacant.
- (b) The Chair and Deputy Chair must be from a different Local Government.
- (c) Subject to Rule 14.2, a Board member's term will be from his or her election at an annual general meeting until the election at the next annual general meeting after his or her election, but he or she is eligible for re-election to membership of the Board.

14.2 Where a vacancy on the Board occurs after 31 March in any year:

- (a) the position can remain vacant until the next Annual General Meeting or;
- (b) an election to fill the vacancy is to take place at a Special meeting called for that purpose.

**Commented [HW4]:** This clause has been amended as per the resolution of the WEROC Executive on 25 September 2019

**15. PROCEDURES OF BOARD MEETINGS**

15.1 Meetings

The Board will, unless otherwise determined by WEROC in general meeting, meet at least four times a year, on a day that the Board determines from time to time. Special Board meetings may be convened by the Chair, or in their absence the Deputy Chair, or by any 4 other Board members.

15.2 Notice of Meeting

Notice of a meeting of the Board, stating the business of the meeting and including reports and supporting documentation must be given by the Executive Officer to each Representative at least 5 business days prior to the meeting.

- 15.3 Chair of Meetings  
The Chair, or in their absence, the Deputy Chair, shall be the Chair of all meetings of the Board, or in their absence, the Board may elect a Member to chair the meeting.
- 15.4 Quorum  
No business will be transacted at any Board meeting unless a quorum of at least 51% of Board Members is present at the time when the meeting proceeds to business.

## 16. EXECUTIVE OFFICER

- 16.1 Executive Officer Appointed  
The Board is empowered to appoint an Executive Officer for a contract period not exceeding five years or to remove an Executive Officer from WEROC and to decide upon his or her remuneration and duties. The contract of an Executive Officer so appointed may be renewed from time to time at the discretion of the Board.
- 16.2 Executive Officer's role  
The Executive Officer will act as Secretary/Treasurer of WEROC and non-voting member of the Board and will:
- (a) Receive all monies on behalf of WEROC, give receipts thereof on the official receipt form of WEROC, and pay such monies into such account or accounts at such bank as the Board may, from time to time, decide upon. These accounts shall be operated upon generally for the good conduct of the affairs of WEROC in such a manner as the Board shall, from time to time, determine.
  - (b) Keep the accounts of WEROC and shall make up an annual statement of accounts and balance sheet of WEROC to June 30 in each year, which shall, after audit, be circulated amongst the Members of WEROC with the notice of the Annual General Meeting. The Executive Officer shall also prepare a statement of receipts and expenditure for each meeting of the Board.
  - (c) Maintain a Register of Members.
  - (d) Unless the Members resolve otherwise at a general meeting, have custody of all books, documents, records and registers of WEROC.
  - (e) Compile Minutes, Grant applications and acquittals, arrange Guest Speakers and collective Board Member training.
  - (f) Undertake all other duties as directed by the Board.

**Commented [HW5]:** This clause has been amended as per the resolution of the WEROC Executive on 25 September 2019

## 17. FINANCE

- 17.1 The financial year for WEROC will be as detailed in Rule 2.1(g).
- 17.2 The Board will ensure sound financial management;

- 17.3 The Board will prepare and approve the annual budget at least 1 month before the end of the financial year.
- 17.4 Any operating expense or capital expenditure not included in the budget must be approved by the Board prior to being incurred.
- 17.5 The Executive Officer will be responsible for arranging the keeping of a correct and up to date accounting record with full details of all receipts and expenditure connected with the work of WEROC.
- 17.6 The Executive Officer will present to each meeting of the Board, a true and correct financial statement comparing actual to budget for the period up to the end of the prior month.
- 17.7 The financial statement, or summary of the financial statement, will form a part of the minutes of the meeting at which it is presented.
- 17.8 The financial statement of WEROC may be published from time to time as the Board determines or otherwise made available to Members.

## **18. MINUTES**

- 18.1 Minutes to be kept  
Proper minutes must be kept of all proceedings of general meetings and meetings of the Board and Committees.
- 18.2 Circulation of minutes  
Copies of minutes of the last general meeting or meeting of the Board will be circulated with or prior to the notice summoning the next general meeting or meeting of the Board, as the case may require. Minutes will be taken as read unless a majority of those present at the subsequent meeting decide to the contrary.
- 18.3 Minutes to be Adopted  
All minutes of general meetings or meetings of the Board must be confirmed at the next meeting.

## **19. MEETINGS**

- 19.1 Annual General Meeting  
The Annual General Meeting of WEROC is to be held not later than 31 December in each year for the purpose of:
  - (a) Receiving the Chair's Annual Report;
  - (b) Receiving the audited financial statement of accounts for the previous financial year;
  - (c) The election of the Board for the ensuing year;
  - (c) The appointment of a firm of auditors of WEROC in accordance with Rule 22; and

- (e) Dealing with any other business of which it has been given notice of at least 21 days before the meeting.
- 19.2 Special General Meetings

The Board may whenever it deems appropriate, and the Chair will on requisition of at least 20% of Members of WEROC, convene a Special General Meeting of WEROC. The requisition must:

  - (a) be in writing; and
  - (b) state the purpose for which the meeting is being called.
- 9.3 Notice of Meetings

A notice of all Annual General Meetings or Special General Meetings must state the business of the meeting and notice must be given to all Members at least 14 days prior to the meeting.
- 19.4 Quorum

No business will be transacted at an Annual or Special General Meeting of WEROC unless a quorum of at least 51% of Representatives is present.

If a quorum is not present within 30 minutes after the time appointed for the General Meeting in the notice:

  - (a) where the meeting is convened on the requisition of Representatives, the meeting must be automatically dissolved; and
  - (b) in any other case:
    - (i) the meeting stands adjourned to a day and at a time and place as the Board decides or, if no decision is made by the Board, to the same day in the next week at the same time and place; and
    - (ii) if no quorum is present at the resumed meeting within 30 minutes after the time appointed for the meeting, provided at least 2 Representatives are Present at the resumed meeting, they will be taken to constitute a quorum.
- 19.5 Chair

The Chair or, in their absence, the Deputy Chair will be the Chair of all Annual or Special General Meetings. If neither the Chair nor the deputy Chair is present, the meeting will elect a Chair of that meeting.
- 19.6 Voting

All Representatives present at the Annual or Special General Meetings are entitled to one vote each. Voting at all Annual or Special General Meetings will be done by a show of hands. In the event of equality of votes, the Chair of the meeting will have a second vote.



19.7 Decisions

Except where otherwise required in these Rules, decisions of WEROC at a General Meeting will be passed by a majority of Representatives present and voting. In the event of equality of votes, the Chair of the meeting will have a second vote.

**20. COMMON SEAL**

20.1 Custody of Seal

WEROC will have a Common Seal, which will be in the custody of the Executive Officer at the office for the time being of WEROC.

20.2 Affixing Seal

The Seal will be affixed:

- (a) to all deeds, instruments and documents that need to be under seal;
- (b) pursuant to a resolution of the Board of WEROC; and
- (c) in the presence of 2 Representatives from different member Local Governments.

**21. ALTERATION OF CONSTITUTION**

This Constitution may at any time be altered by 'Special Resolution' in a manner resolved by 75% of Representatives present and entitled to vote and voting at the Annual General Meeting or at a Special General Meeting of WEROC convened for that purpose.

**22. AUDIT**

WEROC must comply with all financial reporting obligations imposed under the Act.

22.1 Auditor's Access to records

The auditor must audit the accounts of WEROC once a year and is entitled to full and free access to all accounts, records, documents and papers of WEROC relating directly or indirectly to the receipt and payment of monies or to the acquisition, receipt, custody or disposal of assets by WEROC.

22.2 Auditor's Report

Before the Annual General Meeting the Auditor will examine the accounts and records of WEROC for the previous financial year and report on whether the accounts and records give a true and fair view of the financial affairs of WEROC, and on any other matters arising out of the records that the Auditor considers should be reported to the Members.

**23. APPOINTMENT OF AUDITOR**

WEROC will, at each Annual General Meeting, appoint an Auditor for a period of 1 year, who is not a Member of WEROC. The Auditor will be eligible for

reappointment by WEROC and WEROC Board has the power to fill any temporary vacancy in the office of Auditor.

#### **24. INSPECTION OF RECORDS, ETC OF ASSOCIATION**

A Representative may at any reasonable time inspect without charge the books, documents, records and securities of WEROC.

#### **25. DISPUTES & MEDIATION**

- a) The grievance procedure set out in this rule applies to disputes under these rules between-
  - (i) a Member / Representative and another Member / Representative; or
  - (ii) a Member / Representative and WEROC; or
  - (iii) Non-Members who receive services from WEROC, and WEROC.
- b) The parties to the dispute must meet and discuss the matter in dispute, and, if possible, resolve the dispute within 14 days after the dispute comes to the attention of all of the parties.
- c) If the parties are unable to resolve the dispute at the meeting, or if a party fails to attend that meeting, then the parties must, within 10 days, hold a meeting in the presence of a mediator.
- d) The mediator must be:
  - (i) in the case of a dispute between a Member / Representative and another Member / Representative, a person appointed by the Board of WEROC; or
  - (ii) in the case of a dispute between a Member / Representative, or non-Member and WEROC, a person who is a mediator appointed to, or employed with, a not for profit organisation.
- e) A Member of WEROC can be a mediator.
- f) The mediator cannot be a Member or Representative who is a party to the dispute.
- g) The parties to the dispute must, in good faith, attempt to settle the dispute by mediation.
- h) The mediator, in conducting the mediation, must-
  - (i) give the parties to the mediation process every opportunity to be heard;
  - (ii) allow due consideration by all parties of any written statement submitted by any party; and
  - (iii) ensure that natural justice is accorded to the parties to the dispute throughout the mediation process.

- i) The mediator must not determine the dispute.
- j) The mediation must be confidential and without prejudice.
- k) If the mediation process does not result in the dispute being resolved, the parties may seek to resolve the dispute in accordance with the Act or otherwise at law.

## **26. DISSOLUTION**

- 26.1. WEROC may be dissolved or wound up by a resolution at any General Meeting or at a Special General Meeting called for that purpose.
- 26.2. Upon the winding up or cancellation of WEROC, any Surplus Property will not be paid to or distributed among the Members, but will be distributed to one or more organisations listed in section 24 of the Act with Objects similar to the Objects.

# Attachment

## 9.2.1



**SHIRE OF YILGARN**  
**MONTHLY FINANCIAL REPORT**  
**(Containing the Statement of Financial Activity)**  
**For the Period Ended 30 September 2019**

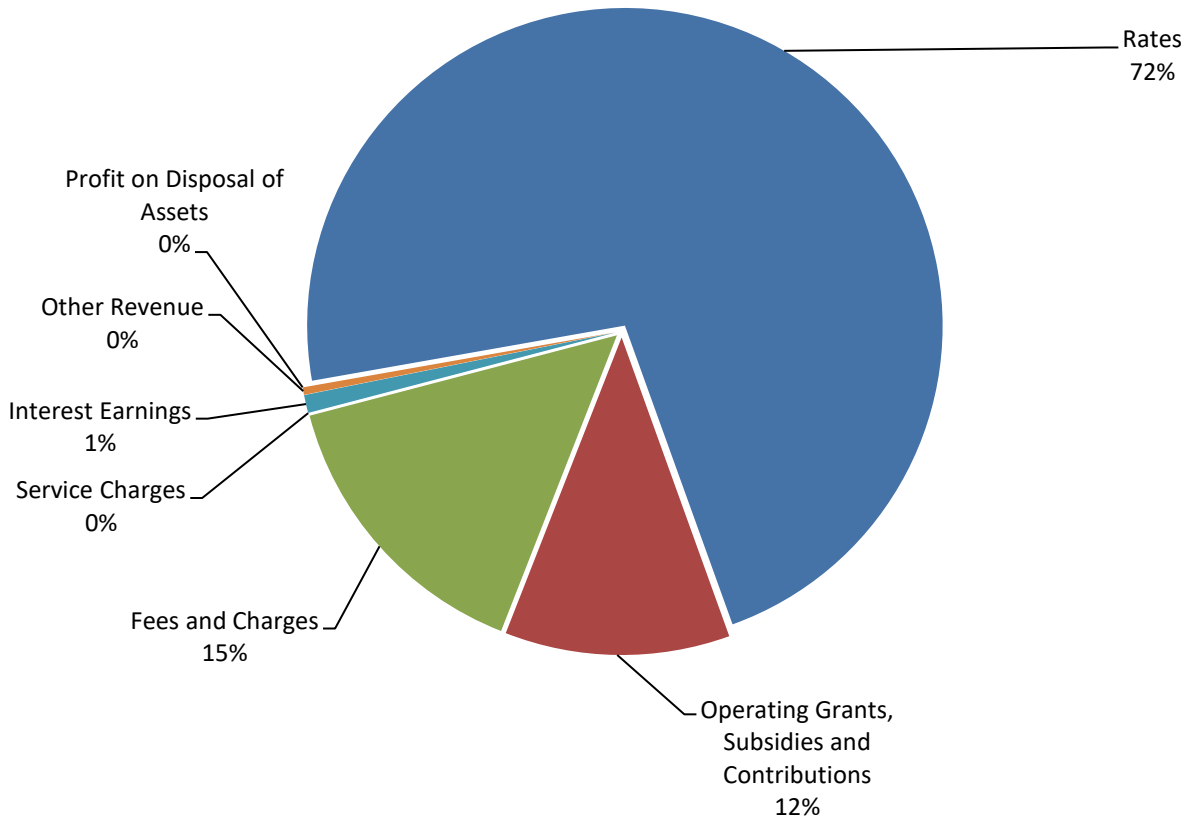
**LOCAL GOVERNMENT ACT 1995**  
**LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

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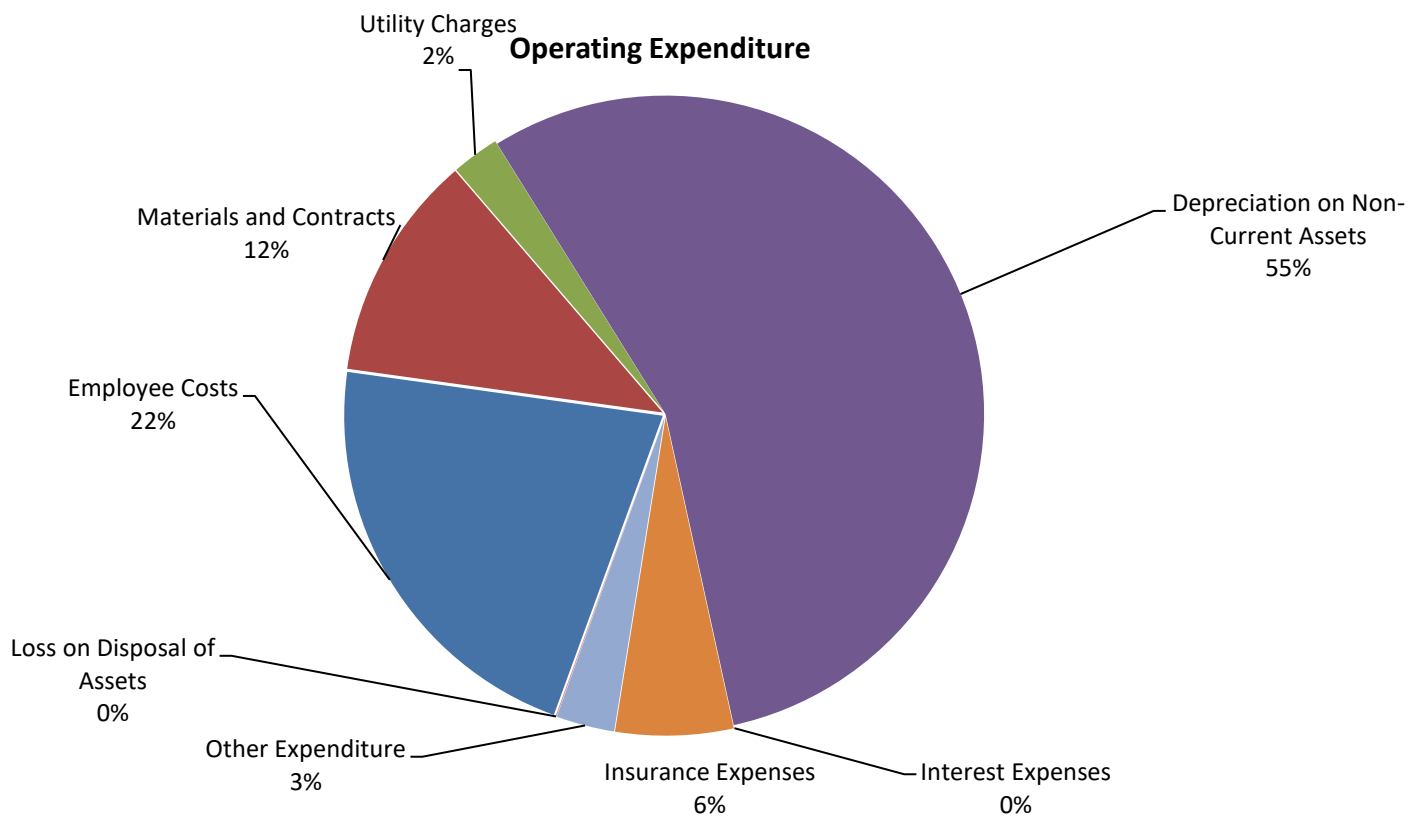
Monthly Summary Information	2 - 3
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**SHIRE OF YILGARN**  
**Information Summary**  
**For the Period Ended 30 September 2019**

**Operating Revenue**



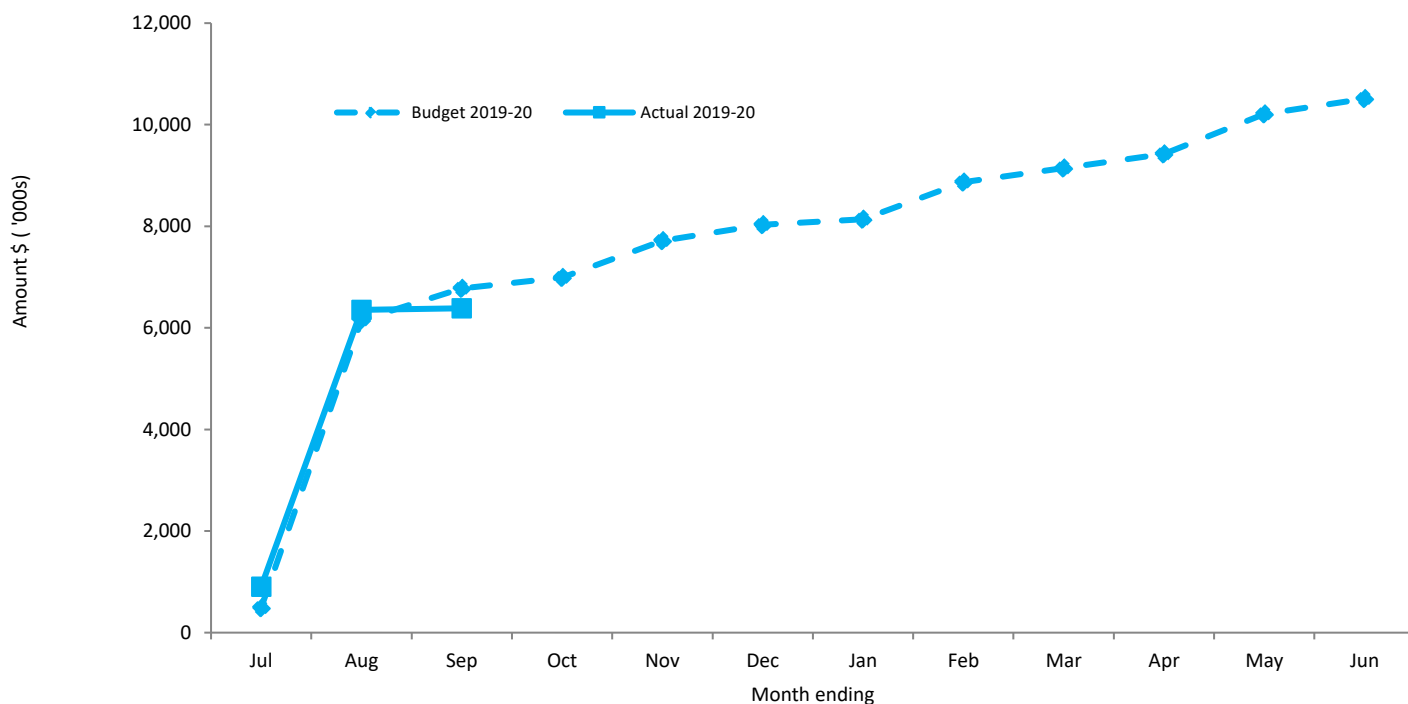
**Operating Expenditure**



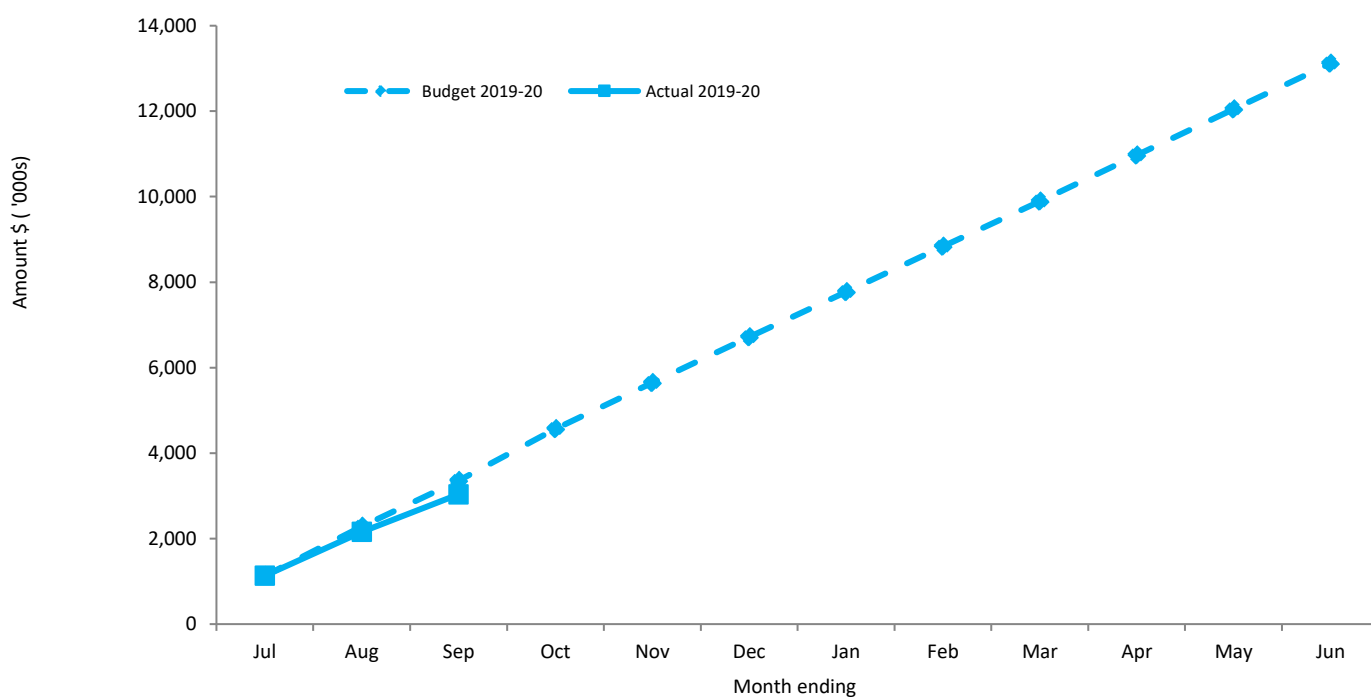
This information is to be read in conjunction with the accompanying Financial Statements and Notes.

**SHIRE OF YILGARN**  
**Information Summary**  
**For the Period Ended 30 September 2019**

**Budget Operating Revenues -v- Actual (Refer Note 2)**



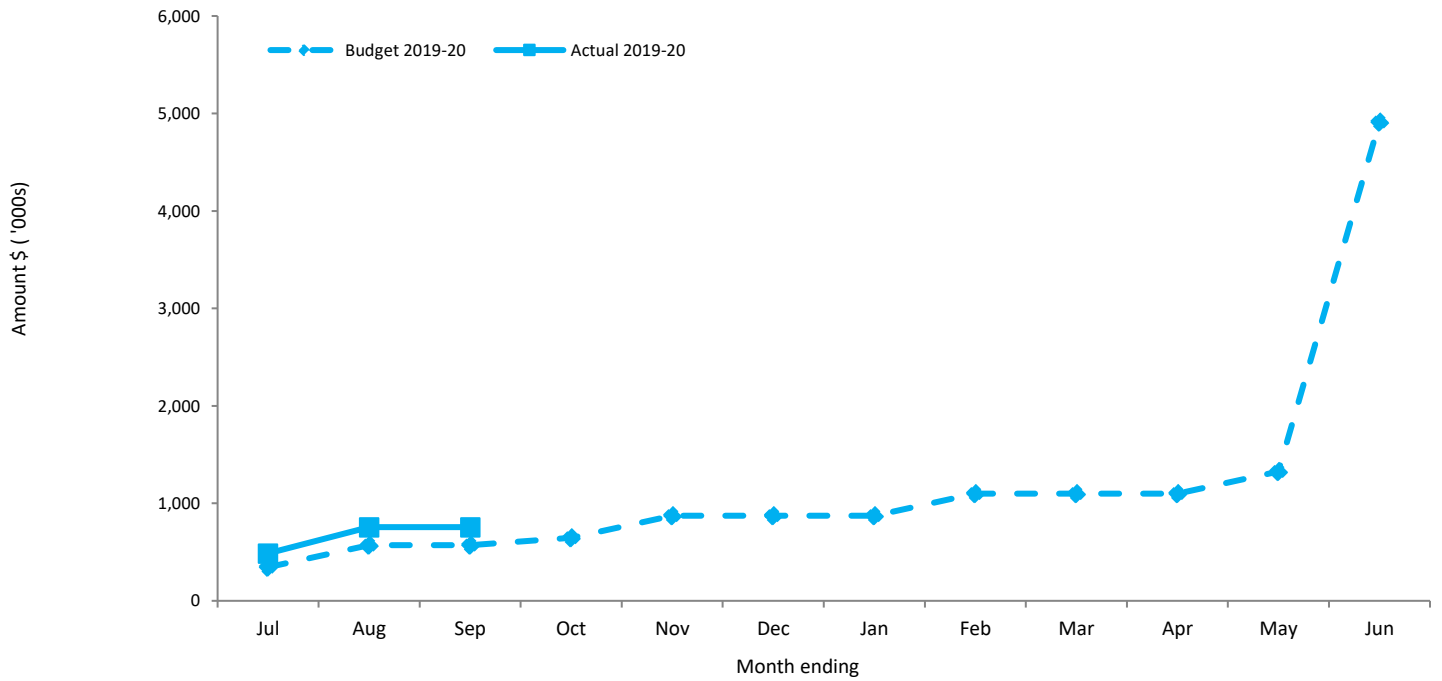
**Budget Operating Expenses -v- YTD Actual (Refer Note 2)**



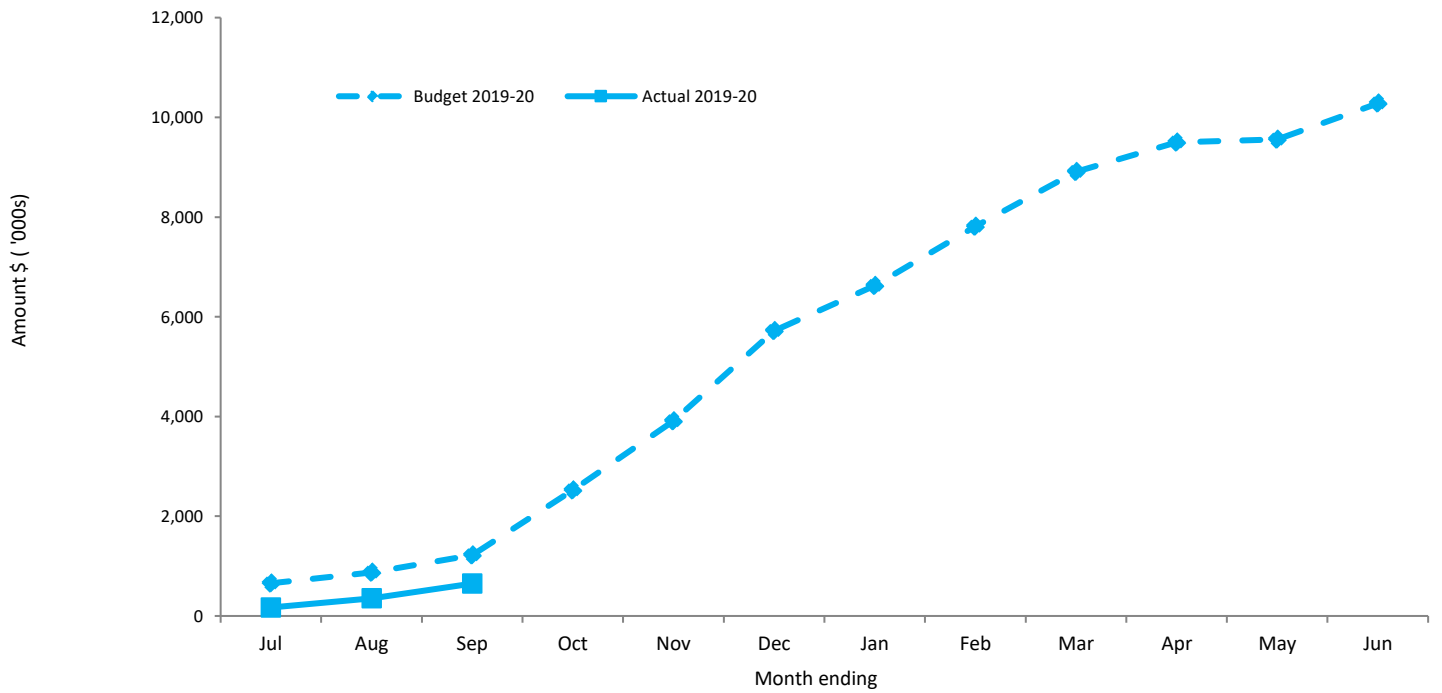
This information is to be read in conjunction with the accompanying Financial Statements and Notes.

**SHIRE OF YILGARN**  
**Information Summary**  
**For the Period Ended 30 September 2019**

**Budget Capital Revenue -v- Actual (Refer Note 2)**



**Budget Capital Expenses -v- Actual (Refer Note 2)**



This information is to be read in conjunction with the accompanying Financial Statements and Notes.



**SHIRE OF YILGARN**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**(Statutory Reporting Program)**  
**For the Period Ended 30 September 2019**

		Amended	Amended YTD	YTD	Var. \$	Var. %	
	Note	Annual Budget	Budget (a)	Actual (b)	(b)-(a)	(b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
<b>Opening Funding Surplus(Deficit)</b>	3	3,369,672	3,369,672	<b>8,753,969</b>	5,384,296	160%	
<b>Revenue from operating activities</b>							
Governance		0	0	<b>0</b>	0		
General Purpose Funding - Rates	9	4,018,009	4,018,009	<b>4,051,506</b>	33,497	1%	
General Purpose Funding - Other		1,873,299	479,192	<b>417,747</b>	(61,445)	(13%)	▼
Law, Order and Public Safety		73,567	23,975	<b>566</b>	(23,409)	(98%)	
Health		1,000	249	<b>1,006</b>	757	304%	
Education and Welfare		175,932	47,720	<b>47,605</b>	(115)	(0%)	
Housing		78,000	19,494	<b>19,653</b>	159	1%	
Community Amenities		680,544	592,549	<b>582,122</b>	(10,427)	(2%)	
Recreation and Culture		60,700	1,995	<b>1,817</b>	(179)	(9%)	
Transport		78,900	7,119	<b>6,359</b>	(760)	(11%)	
Economic Services		725,170	404,937	<b>457,520</b>	52,583	13%	▲
Other Property and Services		135,464	32,487	<b>43,190</b>	10,703	33%	
		<b>7,900,585</b>	<b>5,627,726</b>	<b>5,629,091</b>			
<b>Expenditure from operating activities</b>							
Governance		(491,927)	(160,990)	<b>(159,289)</b>	(1,701)	(1%)	
General Purpose Funding		(304,155)	(76,779)	<b>(42,672)</b>	(34,107)	(44%)	▼
Law, Order and Public Safety		(512,919)	(128,516)	<b>(131,542)</b>	3,026	2%	
Health		(282,389)	(68,550)	<b>(56,663)</b>	(11,887)	(17%)	
Education and Welfare		(546,516)	(136,572)	<b>(122,714)</b>	(13,858)	(10%)	
Housing		(376,542)	(96,189)	<b>(65,141)</b>	(31,048)	(32%)	▼
Community Amenities		(1,114,688)	(273,468)	<b>(188,158)</b>	(85,310)	(31%)	▼
Recreation and Culture		(1,814,142)	(456,862)	<b>(409,269)</b>	(47,593)	(10%)	▼
Transport		(6,386,386)	(1,590,057)	<b>(1,433,192)</b>	(156,865)	(10%)	
Economic Services		(1,197,851)	(300,941)	<b>(301,133)</b>	192	0%	
Other Property and Services		(89,327)	(62,723)	<b>(125,973)</b>	63,250	101%	
		<b>(13,116,842)</b>	<b>(3,351,647)</b>	<b>(3,035,747)</b>			
<b>Operating activities excluded from budget</b>							
Add back Depreciation		6,661,650	1,665,384	<b>1,654,362</b>	(11,022)	(1%)	
Adjust (Profit)/Loss on Asset Disposal	8	4,050	0	<b>1,621</b>	1,621		
Adjust Provisions and Accruals		0	0	<b>0</b>	0		
<b>Amount attributable to operating activities</b>		<b>1,449,443</b>	<b>3,941,463</b>	<b>4,249,326</b>			
<b>Investing Activities</b>							
Non-operating Grants, Subsidies and Contributions	11	2,610,131	804,069	<b>757,245</b>	(46,824)	(6%)	
Proceeds from Disposal of Assets	8	286,500	0	<b>16,182</b>	16,182		
Land Held for Resale		0	0	<b>0</b>	0		
Land and Buildings	13	(5,265,794)	(174,271)	<b>(38,821)</b>	(135,450)	(78%)	▼
Infrastructure Assets - Roads	13	(2,852,669)	(541,791)	<b>(433,116)</b>	(108,675)	(20%)	▼
Infrastructure Assets - Other	13	(3,401,852)	(41,871)	<b>(44,385)</b>	2,514	6%	
Plant and Equipment	13	(1,056,800)	(46,500)	<b>(35,000)</b>	(11,500)	(25%)	
Furniture and Equipment	13	(27,500)	(27,500)	<b>(10,430)</b>	(17,070)	(62%)	
<b>Amount attributable to investing activities</b>		<b>(9,707,984)</b>	<b>(27,864)</b>	<b>211,675</b>			
<b>Financing Activities</b>							
Proceeds from New Debentures		0	0	<b>0</b>	0		
Proceeds from Advances		0	0	<b>0</b>	0		
Self-Supporting Loan Principal		0	0	<b>0</b>	0		
Transfer from Reserves	7	3,586,154	0	<b>0</b>	0		
Advances to Community Groups		0	0	<b>0</b>	0		
Repayment of Debentures	10	0	0	<b>0</b>	0		
Transfer to Reserves	7	(1,162,610)	0	<b>(34,024)</b>	34,024		▼
<b>Amount attributable to financing activities</b>		<b>2,423,544</b>	<b>0</b>	<b>(34,024)</b>			
<b>Closing Funding Surplus(Deficit)</b>	3	<b>(2,627,796)</b>	<b>7,283,271</b>	<b>13,180,945</b>			

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.  
Refer to Note 2 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and notes.

**SHIRE OF YILGARN**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**(By Nature or Type)**  
**For the Period Ended 30 September 2019**

	Note	Amended Annual Budget	Amended YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
<b>Opening Funding Surplus (Deficit)</b>	3	3,454,351	3,454,351	<b>8,753,969</b>	5,299,617	153%	
<b>Revenue from operating activities</b>							
Rates	9	4,018,009	4,018,009	<b>4,051,506</b>	33,497	1%	
Operating Grants, Subsidies and Contributions	11	2,024,419	694,751	<b>641,565</b>	(53,186)	(8%)	
Fees and Charges		1,329,608	803,233	<b>839,995</b>	36,762	5%	
Service Charges		0	0	<b>0</b>	0		
Interest Earnings		244,799	61,197	<b>51,251</b>	(9,946)	(16%)	
Reimbursements		137,200	25,293	<b>23,382</b>	(1,911)	(8%)	
Other Revenue		89,000	25,243	<b>21,392</b>	(3,851)	(15%)	
Profit on Disposal of Assets	8	57,550	0	<b>0</b>	0		
		<b>7,900,585</b>	<b>5,627,726</b>	<b>5,629,091</b>			
<b>Expenditure from operating activities</b>							
Employee Costs		(3,077,786)	(814,518)	<b>(645,945)</b>	(168,573)	(21%)	▼
Materials and Contracts		(2,538,579)	(625,662)	<b>(343,629)</b>	(282,033)	(45%)	▼
Utility Charges		(498,052)	(124,455)	<b>(72,307)</b>	(52,148)	(42%)	▼
Depreciation on Non-Current Assets		(6,661,650)	(1,665,384)	<b>(1,654,362)</b>	(11,022)	(1%)	
Interest Expenses		0	0	<b>0</b>	0		
Insurance Expenses		(267,332)	(112,245)	<b>(178,405)</b>	66,160	59%	▲
Other Expenditure		(258,993)	(111,652)	<b>(88,339)</b>	(23,313)	(21%)	
Loss on Disposal of Assets	8	(61,600)	0	<b>(1,621)</b>	1,621		
		<b>(13,363,992)</b>	<b>(3,453,916)</b>	<b>(2,984,608)</b>			
<b>Operating activities excluded from budget</b>							
Add back Depreciation		6,661,650	1,665,384	<b>1,654,362</b>	(11,022)	(1%)	
Adjust (Profit)/Loss on Asset Disposal	8	4,050	0	<b>1,621</b>	1,621		
Adjust Provisions and Accruals		0	0	<b>0</b>	0		
<b>Amount attributable to operating activities</b>		<b>1,202,293</b>	<b>3,839,194</b>	<b>4,300,466</b>			
<b>Investing activities</b>							
Grants, Subsidies and Contributions	11	2,610,131	804,069	<b>757,245</b>	(46,824)	(6%)	
Proceeds from Disposal of Assets	8	286,500	0	<b>16,182</b>	16,182		
Land Held for Resale		0	0	<b>0</b>	0		
Land and Buildings	13	(5,265,794)	(174,271)	<b>(38,821)</b>	(135,450)	(78%)	▼
Infrastructure Assets - Roads	13	(2,852,669)	(541,791)	<b>(433,116)</b>	(108,675)	(20%)	▼
Infrastructure Assets - Other	13	(3,401,852)	(41,871)	<b>(44,385)</b>	2,514	6%	
Plant and Equipment	13	(1,056,800)	(46,500)	<b>(35,000)</b>	(11,500)	(25%)	
Furniture and Equipment	13	(27,500)	(27,500)	<b>(10,430)</b>	(17,070)	(62%)	
<b>Amount attributable to investing activities</b>		<b>(9,707,984)</b>	<b>(27,864)</b>	<b>211,675</b>			
<b>Financing Activities</b>							
Proceeds from New Debentures		0	0	<b>0</b>	0		
Proceeds from Advances		0	0	<b>0</b>	0		
Self-Supporting Loan Principal		0	0	<b>0</b>	0		
Transfer from Reserves	7	3,586,154	0	<b>0</b>	0		
Advances to Community Groups		0	0	<b>0</b>	0		
Repayment of Debentures	10	0	0	<b>0</b>	0		
Transfer to Reserves	7	(1,162,610)	0	<b>(34,024)</b>	(34,024)		
<b>Amount attributable to financing activities</b>		<b>2,423,544</b>	<b>0</b>	<b>(34,024)</b>			
<b>Closing Funding Surplus (Deficit)</b>	3	<b>(2,627,796)</b>	<b>7,265,681</b>	<b>13,232,085</b>			

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.  
Refer to Note 2 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and notes.

**SHIRE OF YILGARN**  
**STATEMENT OF CAPITAL ACQUISITIONS AND CAPITAL FUNDING**  
**For the Period Ended 30 September 2019**

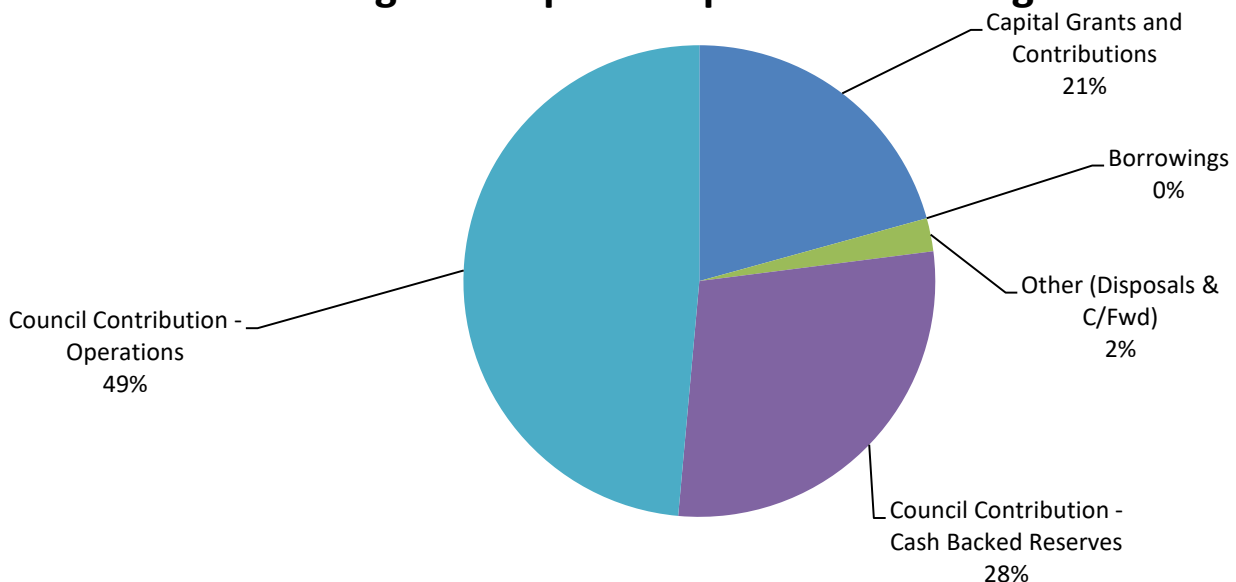
**Capital Acquisitions**

	Note	YTD Actual New /Upgrade (a)	YTD Actual (Renewal Expenditure) (b)	Amended YTD Budget (d)	Amended Annual Budget	YTD Actual Total (c) = (a)+(b)	Variance (d) - (c)
		\$	\$	\$	\$	\$	\$
Land Held for Resale	13	0	0	0	0	0	0
Land and Buildings	13	1,653	37,168	174,271	5,265,794	38,821	135,450
Infrastructure Assets - Roads	13	433,116	0	541,791	2,852,669	433,116	108,675
Infrastructure Assets - Footpaths	13	0	0	0	78,971	0	0
Infrastructure Assets - Refuse	13	1,364	0	0	56,200	1,364	(1,364)
Infrastructure Assets - Sewerage	13	1,576	0	6,999	28,000	1,576	5,423
Infrastructure Assets - Drainage	13	0	0	0	14,172	0	0
Infrastructure Assets - Parks & Ovals	13	0	0	4,872	69,509	0	4,872
Infrastructure Assets - Other	13	41,445	0	30,000	3,155,000	41,445	(11,445)
Plant and Equipment	13	35,000	0	46,500	1,056,800	35,000	11,500
Furniture and Equipment	13	10,430	0	10,430	27,500	10,430	0
<b>Capital Expenditure Totals</b>		<b>524,584</b>	<b>37,168</b>	<b>814,863</b>	<b>12,604,615</b>	<b>561,752</b>	<b>253,111</b>

**Capital acquisitions funded by:**

Capital Grants and Contributions	<b>1,150,569</b>	<b>2,610,131</b>	<b>755,995</b>
Borrowings	<b>0</b>	<b>0</b>	<b>0</b>
Other (Disposals & C/Fwd)	<b>0</b>	<b>286,500</b>	<b>16,182</b>
Council Contribution - Cash Backed Reserves	<b>0</b>	<b>3,586,154</b>	<b>0</b>
Council Contribution - Operations	<b>(335,706)</b>	<b>6,121,830</b>	<b>(210,425)</b>
<b>Capital Funding Total</b>	<b>814,863</b>	<b>12,604,615</b>	<b>561,752</b>

**Budgeted Capital Acquisitions Funding**



**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 1: Significant Accounting Policies**

**(a) Basis of Accounting**

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments 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 statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

**Critical Accounting Estimates**

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

**(b) The Local Government Reporting Entity**

All Funds through which the Council controls resources to carry on its functions have been included in this statement. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 12.

**(c) Rounding Off Figures**

All figures shown in this statement are rounded to the nearest dollar.

**(d) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government 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.

**(e) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

**(f) Cash and Cash Equivalents**

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

**(g) 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.

**(h) Inventories**

**General**

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**Land Held for Resale**

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed. Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point. Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 1: Significant Accounting Policies**

**(i) Fixed Assets**

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets

Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 10 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
bituminous seals	30 years
asphalt surfaces	25 years
Gravel Roads	
formation	not depreciated
pavement	50 years
gravel sheet	15 years
Formed roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	12 years
Sewerage piping	50 years
Water supply piping & drainage systems	50 years
Airfields and runways	30 years
Refuse disposal sites	not depreciated

**(k) Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council 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.

**(l) Employee Benefits**

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

*(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)*

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Shire has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Shire expects to pay and includes related on-costs.

*(ii) Annual Leave and Long Service Leave (Long-term Benefits)*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the project unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the Shire does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

**(m) Interest-bearing Loans and Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 1: Significant Accounting Policies**

**Borrowing Costs**

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

**(n) Provisions**

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one of item included in the same class of obligations may be small.

**(o) 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 Council's operational cycle. In the case of liabilities where Council 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 resale where it is held as non current based on Council's intentions to release for sale.

**(p) Nature or Type Classifications**

**Rates**

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude administration fees, interest on instalments, interest on arrears and service charges.

**Operating Grants, Subsidies and Contributions**

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

**Non-Operating Grants, Subsidies and Contributions**

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

**Profit on Asset Disposal**

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

**Fees and Charges**

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

**Service Charges**

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations 1996 identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

**Interest Earnings**

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

**Other Revenue / Income**

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

**Employee Costs**

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

**Materials and Contracts**

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

**Utilities (Gas, Electricity, Water, etc.)**

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

**Insurance**

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

**Loss on asset disposal**

Loss on the disposal of fixed assets.

**Depreciation on non-current assets**

Depreciation expense raised on all classes of assets.

**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 1: Significant Accounting Policies**

**Interest expenses**

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

**Other expenditure**

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

**(r) Program Classifications (Function/Activity)**

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

**GOVERNANCE**

**Objective:**

To provide a decision making process for the efficient allocation of scarce resources.

**Activities:**

Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

**GENERAL PURPOSE FUNDING**

**Objective:**

To collect revenue to allow for the provision of services.

**Activities:**

Rates, general purpose government grants and interest revenue.

**LAW, ORDER, PUBLIC SAFETY**

**Objective:**

To provide services to help ensure a safer and environmentally conscious community.

**Activities:**

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

**HEALTH**

**Objective:**

To provide an operational framework for environmental and community health.

**Activities:**

Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.

**EDUCATION AND WELFARE**

**Objective:**

To provide services to disadvantaged persons, the elderly, children and youth.

**Activities:**

Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.

**HOUSING**

**Objective:**

To provide and maintain elderly residents housing.

**Activities:**

Provision and maintenance of elderly residents housing.

**COMMUNITY AMENITIES**

**Objective:**

To provide services required by the community.

**Activities:**

Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.

**RECREATION AND CULTURE**

**Objective:**

To establish and effectively manage infrastructure and resource which will help the social well being of the community.

**Activities:**

Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.

**TRANSPORT**

**Objective:**

To provide safe, effective and efficient transport services to the community.

**Activities:**

Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.

**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 1: Significant Accounting Policies**

**ECONOMIC SERVICES**

**Objective:**

To help promote the shire and its economic wellbeing.

**Activities:**

Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building Control.

**OTHER PROPERTY AND SERVICES**

**Objective:**

To monitor and control Shire overheads operating accounts.

**Activities:**

Private works operation, plant repair and operation costs and engineering operation costs.



**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 2: Explanation of Material Variances**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.

The material variance adopted by Council for the 2018/19 year is \$30,000 or 10% whichever is the greater.

Reporting Program	Var. \$	Var. %	Var.	Timing/ Permanent	Explanation of Variance
<b>Operating Revenues</b>	\$	%			
General Purpose Funding - Other	(61,445)	(13%)	▼	Permanent	Lower than expected FAG and Untied Roads Grants.
Economic Services	52,583	13%	▲	Permanent	Greater than expected recoup of Standpipe Water usage.
<b>Operating Expense</b>					
General Purpose Funding	(34,107)	(44%)	▼	Permanent	Significantly less take-up of full payment of rates to obtain discount.
Housing	(31,048)	(32%)	▼	Timing	Schedule wide expenditure unders
Community Amenties	(85,310)	(31%)	▼	Timing	Schedule wide expenditure unders
Recreation and Culture	(47,593)	(10%)	▼	Timing	Schedule wide expenditure unders
<b>Capital Expenses</b>					
Land and Buildings	(135,450)	(78%)	▼	Timing	Mt Hampton Fire Shed and Depot & Admin Improvements yet to be completed.
Infrastructure - Roads	(108,675)	(20%)	▼	Timing	Capital Works delayed due to late budget adoption

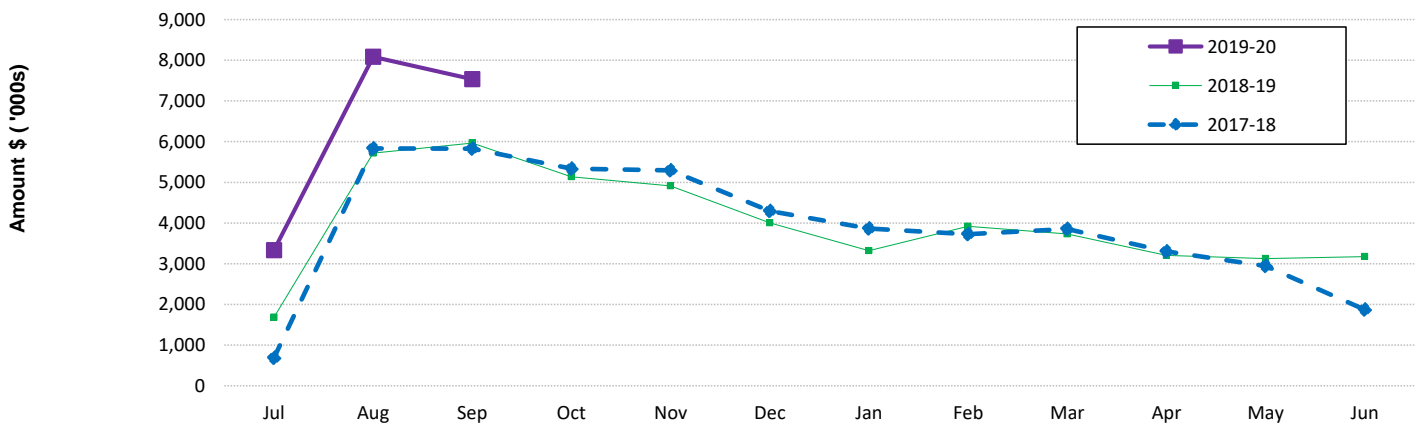
**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 3: Net Current Funding Position**

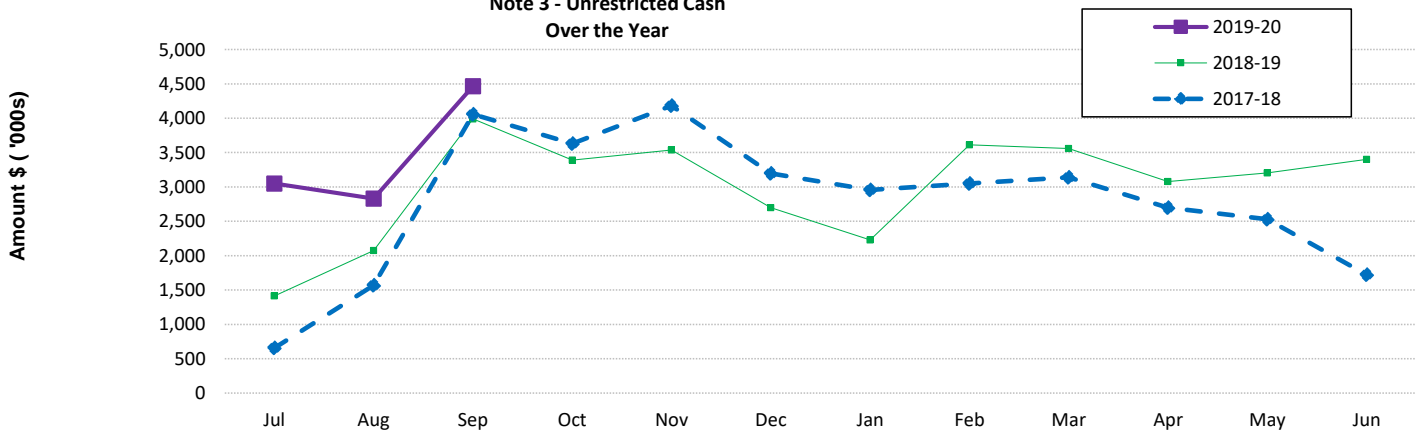
Positive=Surplus (Negative=Deficit)

	Note	Last Years Closing 30 Jun 2019	This Time Last Year 30 Sep 2018	Current 30 Sep 2019
		\$	\$	\$
<b>Current Assets</b>				
Cash Unrestricted	4	3,400,902	3,989,944	4,465,180
Cash Restricted	4	6,581,762	6,143,585	6,615,786
Receivables - Rates	6	459,689	2,439,705	3,615,853
Receivables - Other	6	62,763	57,585	738,940
Interest/ATO Receivable/Trust		49,360	0	33,509
Loans Receivable-Clubs/Institutions		0	0	(6,000)
Inventories		29,909	40,484	19,653
		10,584,383	12,671,303	15,482,921
<b>Less: Current Liabilities</b>				
Payables		(282,077)	(159,287)	(146,370)
Provisions		(550,488)	(274,790)	(258,643)
		(832,565)	(434,077)	(405,012)
Less: Cash Reserves	7	(6,581,762)	(6,143,585)	(6,615,786)
Less: Loans Receivables - Clubs/Institutions		(6,000)	0	0
Add back Leave Reserve		290,294	199,810	291,845
<b>Net Current Funding Position</b>		<b>3,454,351</b>	<b>6,293,451</b>	<b>8,753,969</b>

**Note 3 - Liquidity Over the Year**



**Note 3 - Unrestricted Cash Over the Year**



**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 4: Cash and Investments**

	Unrestricted	Restricted	Trust	Total Amount	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$			
<b>(a) Cash Deposits</b>							
Muni Funds - Bank Working Acc	544,660			1,481,506	Westpac	0.10%	At Call
Muni Funds - Bank Investment Acc	1,974,580			1,974,784	Westpac	0.15%	At Call
Trust Fund Bank			295,611	295,611	Westpac	0.10%	At Call
Cash On Hand	1,350			1,350			
<b>(b) Term Deposits</b>							
Muni Funds - Notice Saver (31 Days)	1,944,590			1,944,590	Westpac	1.90%	31 Days from Call
Muni Funds - Notice Saver (60 Days)				0	Westpac	1.95%	60 Days from Call
Muni Funds - Notice Saver (90 Days)				0	Westpac	2.00%	90 Days from Call
Reserve Funds - Notice Saver (90 Days)		6,615,786		6,615,786	Westpac	2.00%	90 Days from Call
<b>Total</b>	<b>4,465,180</b>	<b>6,615,786</b>	<b>295,611</b>	<b>12,313,627</b>			

**Comments/Notes - Investments**

**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 5: Budget Amendments**

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

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
	<b>Budget Adoption</b>			\$	\$	\$	\$
	Nil						0
	<b>Changes Due to Timing</b>						0
	Nil						0
				0	0	0	0

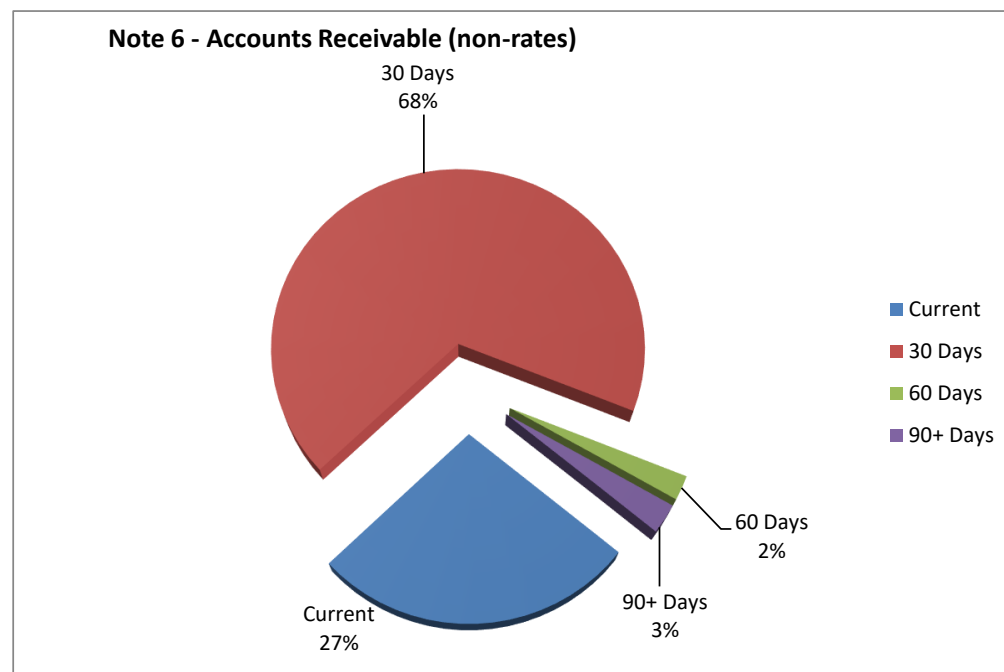
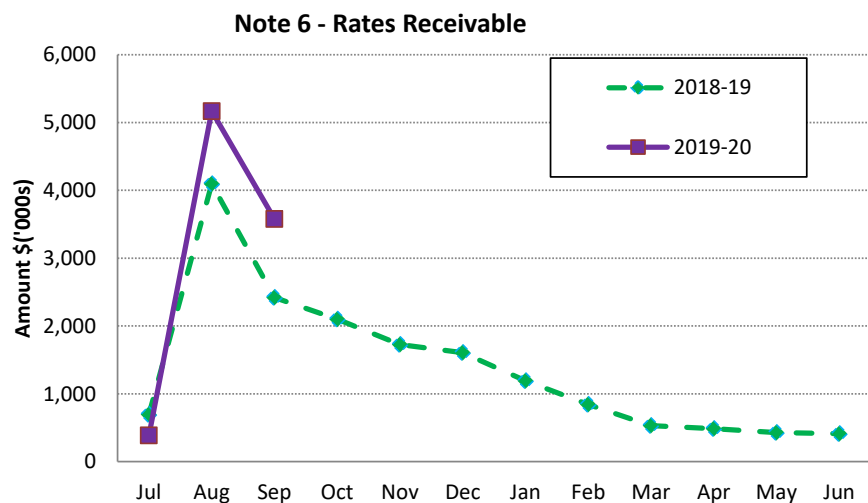
**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 6: Receivables**

Receivables - Rates Receivable	30 Sep 2019	30 June 2018
	\$	\$
Opening Arrears Previous Years	465,179	776,986
Levied this year	4,118,115	3,901,988
<u>Less</u> Collections to date	(939,270)	(4,213,795)
Equals Current Outstanding	<b>3,644,025</b>	<b>465,179</b>
<b>Net Rates Collectable</b>	<b>3,644,025</b>	<b>465,179</b>
% Collected	20.49%	90.06%

Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$
Receivables - General	200,193	503,191	16,055	19,501	738,940
<b>Balance per Trial Balance</b>					
Sundry Debtors					738,940
Receivables - Other					0
<b>Total Receivables General Outstanding</b>					<b>738,940</b>

Amounts shown above include GST (where applicable)



Comments/Notes - Receivables General

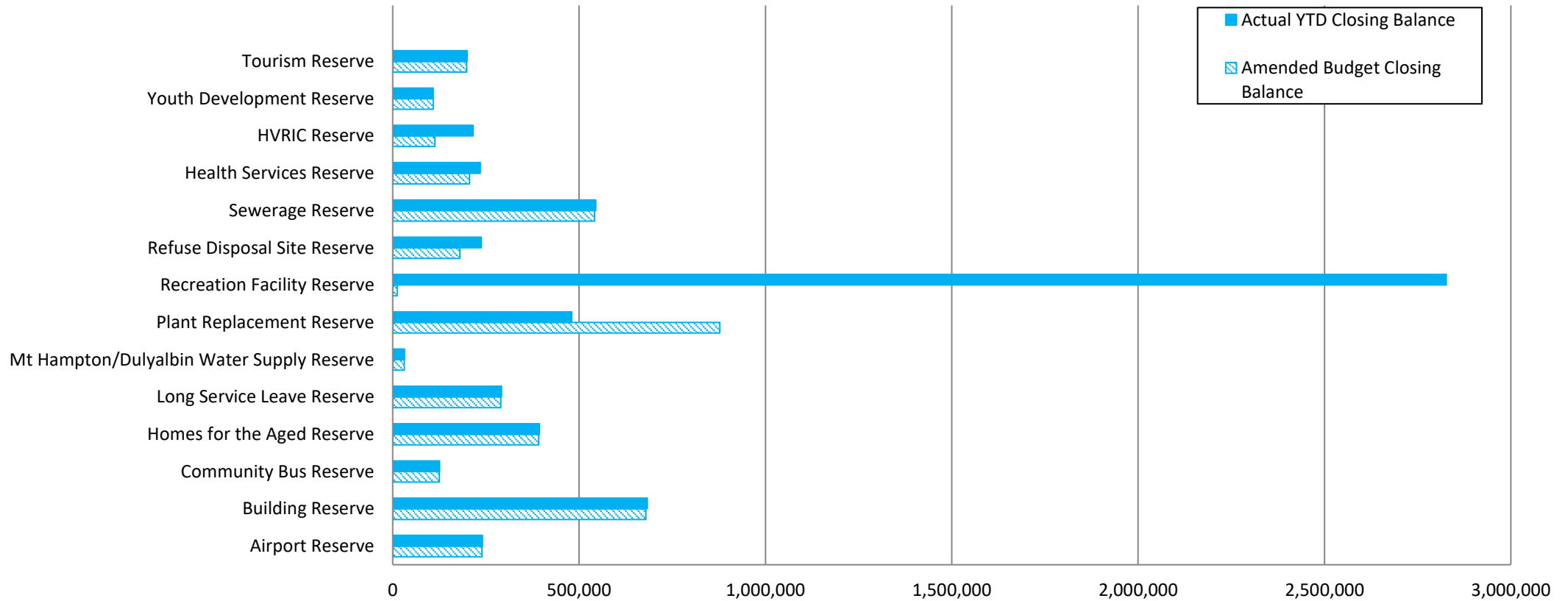
**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 7: Cash Backed Reserve**

<b>Name</b>	<b>Opening Balance</b>	<b>Amended Budget Interest Earned</b>	<b>Actual Interest Earned</b>	<b>Amended Budget Transfers In (+)</b>	<b>Actual Transfers In (+)</b>	<b>Amended Budget Transfers Out (-)</b>	<b>Actual Transfers Out (-)</b>	<b>Amended Budget Closing Balance</b>	<b>Actual YTD Closing Balance</b>
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Airport Reserve	239,753		1,281	0	0	0	0	239,753	241,034
Building Reserve	679,390		3,631	0	0	0	0	679,390	683,020
Community Bus Reserve	125,339		670	0	0	0	0	125,339	126,009
Homes for the Aged Reserve	391,595		2,093	0	0	0	0	391,595	393,687
Long Service Leave Reserve	290,294		1,551	0	0	0	0	290,294	291,845
Mt Hampton/Dulyalbin Water Supply Reserve	31,277		167	0	0	0	0	31,277	31,444
Plant Replacement Reserve	477,612		2,553	400,000	0	0	0	877,612	480,164
Recreation Facility Reserve	2,811,956		15,028	600,000	0	(3,400,000)	0	11,956	2,826,984
Refuse Disposal Site Reserve	236,542		1,264	0	0	(56,200)	0	180,342	237,806
Sewerage Reserve	541,713		2,895	0	0	0	0	541,713	544,608
Health Services Reserve	233,803		1,250	0	0	(28,000)	0	205,803	235,053
HVRIC Reserve	215,451		0	0	0	(101,954)	0	113,497	215,451
Youth Development Reserve	108,521		580	0	0	0	0	108,521	109,101
Tourism Reserve	198,517		1,061	0	0	0	0	198,517	199,578
	<b>6,581,762</b>	<b>0</b>	<b>34,024</b>	<b>1,000,000</b>	<b>0</b>	<b>(3,586,154)</b>	<b>0</b>	<b>3,995,608</b>	<b>6,615,786</b>

**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 7 - Year To Date Reserve Balance to End of Year Estimate**



**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 8: Disposal of Assets**

Asset Number	Asset Description	YTD Actual				Amended Budget			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	<b>Plant and Equipment</b>								
1876	ROLLER - CAT VIBRATORY - YL595					191,500	45,000		(146,500)
1877	TRUCK - 2012 MITSUBISHI 8 WHEEL TIP - YL698					219,000	60,000		(159,000)
1851	LOADER - SKID STEER - CAT - YL5302					85,000	30,000		(55,000)
1891	UTE - MAZDA BT-50 - BUILDER	17,803	16,182	0	(1,621)	17,500	16,200		(1,300)
2008	UTE - 2016 TOYOTA HILUX 2.8 DIESEL 4x4 - YL121					32,500	20,000		(12,500)
2016	2017- TOYOTA HILUX 4x4 2.8L DSL D/C 6AT SR5 - YL150					26,400	32,500	6,100	
2009	UTE - 2016 TOYOTA LANDCRUISER 70 SERIES SINGLE CAB - YL333					24,600	38,000	13,400	
2004	CAR - 2015 TOYOTA CAMRY ALTISE -YL290					26,000	12,000		(14,000)
2014	WAGON - 2016 TOYOTA KLUGER AWD V6 WAGON A/T GXL - YL50					24,000	28,500	4,500	
		<b>17,803</b>	<b>16,182</b>	<b>0</b>	<b>(1,621)</b>	<b>646,500</b>	<b>282,200</b>	<b>24,000</b>	<b>(388,300)</b>



**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
For the Period Ended 30 September 2019

**Note 9: Rating Information**

	Rate in	Number of Properties	Rateable Value	YTD Actual			Total Revenue	Amended Budget			Total Revenue
				Rate Revenue	Interim Rates	Back Rates		Rate Revenue	Interim Rate	Back Rate	
RATE TYPE	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Differential General Rate</b>											
Non - Rateable	0.0000	129	324,916	0	0	0	0	0	0	0	0
GRV - Residential/Industrial	11.2332	509	3,565,582	441,269	0	0	441,269	383,250	0	0	383,250
GRV - Commercial	7.9074	42	1,010,886	77,588	0	0	77,588	78,349	0	0	78,349
GRV - Minesite	15.8148	7	531,973	83,750	0	0	83,750	83,750	0	0	83,750
GRV - Single Persons Quarters	15.8148	12	781,934	123,491	0	0	123,491	123,493	0	0	123,493
UV - Rural	1.7575	398	104,207,876	1,820,467	0	0	1,820,467	1,826,358	0	0	1,826,358
UV - Mining Tenement	17.3923	583	8,618,039	1,451,042	0	0	1,451,042	1,451,040	0	0	1,451,040
<b>Sub-Totals</b>		<b>1,551</b>	<b>119,041,206</b>	<b>3,997,607</b>	<b>0</b>	<b>0</b>	<b>3,997,607</b>	<b>3,946,240</b>	<b>0</b>	<b>0</b>	<b>3,946,240</b>
<b>Minimum Payment</b>	<b>Minimum</b>										
	<b>\$</b>										
GRV - Residential/Industrial	500.00	117	153,808	0	0	0	0	58,500	0	0	58,500
GRV - Commercial	400.00	7	20,061	2,800	0	0	2,800	2,800	0	0	2,800
GRV - Minesite	400.00	3	2,408	1,200	0	0	1,200	1,200	0	0	1,200
GRV - Single Persons Quarters	400.00	2	1,075	800	0	0	800	800	0	0	800
UV - Rural	400.00	39	289,145	16,400	0	0	16,400	15,600	0	0	15,600
UV - Mining Tenement	400.00	248	275,026	99,600	0	0	99,600	99,600	0	0	99,600
<b>Sub-Totals</b>		<b>416</b>	<b>741,523</b>	<b>120,800</b>	<b>0</b>	<b>0</b>	<b>120,800</b>	<b>178,500</b>	<b>0</b>	<b>0</b>	<b>178,500</b>
		<b>1,967</b>	<b>119,782,729</b>	<b>4,118,407</b>	<b>0</b>	<b>0</b>	<b>4,118,407</b>	<b>4,124,740</b>	<b>0</b>	<b>0</b>	<b>4,124,740</b>
Concession							(66,901)				(140,000)
<b>Amount from General Rates</b>							<b>4,051,506</b>				<b>3,984,740</b>
Ex-Gratia Rates							0				33,270
							<b>4,051,506</b>				<b>4,018,010</b>

**Comments - Rating Information**

**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 10: Information on Borrowings**

*(a) Debenture Repayments*

The Shire of Yilgarn has no loan borrowings in 2019/20.

*(b) New Debentures*

The Shire of Yilgarn has not budgeted to raise any new budgeted funds during 2019/20.

**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 11: Grants and Contributions**

	Grant Provider	Type	Opening Balance (a)	Amended Budget Operating	Capital	YTD Budget	Annual Budget (d)	Expected (d)+(e)	YTD Actual Revenue	(Expended) (c)	Unspent Grant (a)+(b)+(c)
				\$	\$	\$			\$	\$	\$
<b>General Purpose Funding</b>											
Grants Commission - General	WALGGC	Operating	0	835,000	0	208,750	835,000	835,000	195,649	(195,649)	0
Grants Commission - Roads	WALGGC	Operating	0	765,000	0	191,250	765,000	765,000	164,739	(164,739)	0
<b>Law, Order and Public Safety</b>											
FESA Grant - Operating Bush Fire Brigade	Dept. of Fire & Emergency Serv.	Operating - Tied	0	54,967	0	13,741	54,967	54,967	0	0	0
FESA Grant - Capital Bush Fire Brigade	Dept. of Fire & Emergency Serv.	Non-operating	0	0	47,000	47,000	47,000	47,000	0	0	0
<b>Education &amp; Welfare</b>											
DRD Grant - Community Resource Centre Operations	Regional Development	Operating - Tied	0	102,252	0	25,563	102,252	102,252	25,563	(25,563)	0
Centrelink Commissions	Centrelink	Operating	0	5,000	0	5,000	5,000	5,000	6,864	(6,864)	0
Sport & Recreation Grant - Kidsport	Dept. Sport & recreation	Operating - Tied	0	1,000	0	249	1,000	1,000	0	0	0
Grant - Seniors Week	Council on the Aged	Operating - Tied	0	800	0	198	800	800	0	0	0
<b>Community Amenities</b>											
Grants - Various Community Development Programs	Various	Operating	Various	1,000	0	0	1,000	1,000	0	0	0
<b>Recreation and Culture</b>											
Sport & Recreation Grant - Swimming Pool	Dept. Sport & recreation	Non-operating	0	0	525,000	346,500	525,000	525,000	0	0	0
<b>Transport</b>											
Main Roads - Direct Grant	Main Roads WA	Non-operating	0	0	345,050	345,050	345,050	345,050	345,050	(345,050)	0
HVRIC - WA Salt	WA Salt	Non-operating	0	0	45,000	0	45,000	45,000	0	0	0
Roads To Recovery Grant - Cap	Roads to Recovery	Non-operating	0	0	906,911	226,727	906,911	906,911	114,477	(114,477)	0
RRG Grants - Capital Projects	Regional Road Group	Non-operating	0	0	741,170	185,292	741,170	741,170	296,468	(296,468)	0
								0	0	0	0
<b>Economic Services</b>											
Skeleton Weed LAG Program	State Skeleton Weed Committee	Operating - Tied	0	250,000	0	250,000	250,000	250,000	250,000	(101,800)	148,200
<b>TOTALS</b>			<b>0</b>	<b>2,015,019</b>	<b>2,610,131</b>	<b>1,845,320</b>	<b>4,625,150</b>	<b>4,625,150</b>	<b>1,398,810</b>	<b>(1,250,610)</b>	<b>148,200</b>
<b>SUMMARY</b>											
Operating	Operating Grants, Subsidies and Contributions			1,606,000	0	405,000	1,606,000	1,606,000	367,252	(367,252)	0
Operating - Tied	Tied - Operating Grants, Subsidies and Contributions		0	409,019	0	289,751	409,019	409,019	275,563	(127,363)	148,200
Non-operating	Non-operating Grants, Subsidies and Contributions		0	0	2,610,131	1,150,569	2,610,131	2,610,131	755,995	(755,995)	0
<b>TOTALS</b>			<b>0</b>	<b>2,015,019</b>	<b>2,610,131</b>	<b>1,845,320</b>	<b>4,625,150</b>	<b>4,625,150</b>	<b>1,398,810</b>	<b>(1,250,610)</b>	<b>148,200</b>

**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 12: 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 01 Jul 2019	Amount Received	Amount Paid	Closing Balance 30 Sep 2019
	\$	\$	\$	\$
Police Licensing	5,757	681,919	(681,920)	5,756
Builders Levy	5,340	3,251	(1,863)	6,728
Transwa Bookings	3,789	15,467	(15,496)	3,760
Staff Personal Dedns	42,937	49,533	(72,726)	19,744
Housing Tenancy Bonds	10,660	1,180	(440)	11,400
Hall Hire Bonds And Deposits	3,108	0	(3,108)	0
Security Key System - Key Bonds	1,530	700	(2,180)	50
Skeleton Weed	53,887	0	0	53,887
Clubs & Groups	2,754	3,550	(2,355)	3,949
Third Party Contributions	6,548	883	(1,083)	6,348
Rates Overpaid	15,756	10,118	(14,329)	11,545
Medical Services Provision	107,093	0	0	107,093
YBTC Sinking Fund	26,664	6,666	0	33,330
SXFC Sinking Fund	2,000	1,000	0	3,000
Museum Trust	15,813	14,574	(2,691)	27,696
	<b>303,636</b>	<b>789,161</b>	<b>(798,191)</b>	<b>294,606</b>

**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 13: Capital Acquisitions**

		YTD Actual			Amended Budget			
Assets	Account	New/Upgrade	Renewal	Total YTD	Annual Budget	YTD Budget	YTD Variance	Strategic Reference / Comment
		\$	\$	\$	\$	\$	\$	
<div><div></div><div>Level of completion indicator, please see table at the end of this note for further detail.</div></div>								
Land & Buildings								
Law & Order								
<div></div>	Fire Shed Construction - Land & Building Capital - Mt Hampton Fire Appl Shed	E05252	0	0	0	(47,000)	(47,000)	47,000
	Law & Order Total		0	0	0	(47,000)	(47,000)	47,000
Health								
Medical Services								
<div></div>	Medical Centre - Land & Building Capital	E07451	0	0	0			
<div></div>	Install Automatic Doors		0	0	0	(20,000)	0	0
<div></div>	New Cabinetary in Treatment Room		0	0	0	(8,000)	0	0
	Health Total		0	0	0	(28,000)	0	0
Housing								
<div></div>	2 Libra Place - Electrical Rewire - Full House	E09251	0	0	0	(10,500)	0	0
<div></div>	120 Antares Street -Replace North side of Asbestos Fence	E09413	0	0	0	(20,806)	0	0
<div></div>	91A Antares Street - Update Kitchen & Bath, Paint and Replace Floor coverings	E09551	0	0	0	(11,000)	0	0
	Housing Total		0	0	0	(42,306)	0	0
Community Amenities								
<div></div>	Construction of Public Toilets - Construction Unisex Toilet Constellation Park	E10750	0	0	0	(30,000)	0	0
<div></div>	Reserve 9895(Old Shire Depot) Men's Shed -Install Kitchenette	J10712	(187)	0	(187)	(16,878)	0	(187)
	Community Amenities Total		(187)	0	(187)	(46,878)	0	(187)
Recreation And Culture								
Swimming Areas and Beaches								
<div></div>	Swimming Pool - Land & Building Capital - Facility Design & Project Management	E11250	0	0	0	(1,434,682)	(50,000)	50,000
<div></div>	Swimming Pool - Infrastructure Capital	E11251	0	0	0	(2,960,000)	0	0
Other Recreation & Sport								
<div></div>	Yilgarn Bowls & Tennis Club - Land & Building Capital - Replace Soft Fall Surface	E11341	0	0	0	(50,000)	(12,498)	12,498
<div></div>	SX Sports Complex Building - Replace Asbestos Roof, Various internal Repairs	SPRT10	0	0	0	(365,059)	0	0
Heritage								
<div></div>	Yilgarn History Museum - Replace Toilet with Ambulant Toilet, paint rooms	J11502	0	(3,109)	(3,109)	(106,016)	0	(3,109)






















SHIRE OF YILGARN  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
For the Period Ended 30 September 2019

Note 13: Capital Acquisitions

Assets	Account	YTD Actual			Amended Budget			Strategic Reference / Comment
		New/Upgrade	Renewal	Total YTD	Annual Budget	YTD Budget	YTD Variance	
		\$	\$	\$	\$	\$	\$	
<b>Recreation And Culture Total</b>	<b>re Total</b>	<b>0</b>	<b>(3,109)</b>	<b>(3,109)</b>	<b>(4,915,757)</b>	<b>(62,498)</b>	<b>59,389</b>	
<b>Transport</b>								
Depot - Capital Works - Upgrade Nursery Shed, Old Depot Office Painting	J14602	0	(34,059)	(34,059)	(64,773)	(64,773)	30,714	
<b>Transport Total</b>		<b>0</b>	<b>(34,059)</b>	<b>(34,059)</b>	<b>(64,773)</b>	<b>(64,773)</b>	<b>30,714</b>	
<b>Economic Services</b>								
Caravan Park Improvements	J13203	(1,466)	0	(1,466)	(79,576)	0	(1,466)	
<b>Economic Services Total</b>		<b>(1,466)</b>	<b>0</b>	<b>(1,466)</b>	<b>(79,576)</b>	<b>0</b>	<b>(1,466)</b>	
<b>Other Property &amp; Services</b>								
Administration Centre - Land & Building - Replace Facades & Exterior Paint	J14601	0	0	0	(41,504)	0	0	
<b>Other Property &amp; Services Total</b>	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(41,504)</b>	<b>0</b>	<b>0</b>	
<b>Land &amp; Buildings Total</b>		<b>(1,653)</b>	<b>(37,168)</b>	<b>(38,821)</b>	<b>(5,265,794)</b>	<b>(174,271)</b>	<b>135,450</b>	
<b>Furniture &amp; Office Equip.</b>								
<b>Other Property &amp; Services</b>								
Depot - Furniture & Equipmment	E12352	(10,430)	0	(10,430)	(27,500)	(13,750)	3,320	
<b>Other Property &amp; Services Total</b>		<b>(10,430)</b>	<b>0</b>	<b>(10,430)</b>	<b>(27,500)</b>	<b>(13,750)</b>	<b>3,320</b>	
<b>Furniture &amp; Office Equip Total</b>		<b>(10,430)</b>	<b>0</b>	<b>(10,430)</b>	<b>(27,500)</b>	<b>(13,750)</b>	<b>3,320</b>	
<b>Plant , Equip. &amp; Vehicles</b>								
<b>Recreation And Culture</b>								
YL 121 Toyota Hilux - 2.8 Diesel 4x4 - Replace Asset 2008	E11357	0	0	0	(52,500)	0	0	
<b>Recreation And Culture Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(52,500)</b>	<b>0</b>	<b>0</b>	











**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 13: Capital Acquisitions**

		YTD Actual			Amended Budget			
Assets	Account	New/Upgrade	Renewal	Total YTD	Annual Budget	YTD Budget	YTD Variance	Strategic Reference / Comment
		\$	\$	\$	\$	\$	\$	
Transport								
	YL 595 - Roller Cat - Vibe Steel - Replace Asset 1876	E12350		0	(236,500)	0	0	
	YL 698 - Mitsubishi -Truck 8 wheel - Replace Asset 1877	E12350		0	(279,000)	0	0	
	YL 5302 - Cat - Skid Steere Loader - Replace Asset 1851	E12350		0	(115,000)	0	0	
	YL150 - Toyota Hilux SR5 - 4x4 Ute (EMI)- Replace Asset 2016	E12350		0	(58,900)	0	0	
	Upgrade Asset 1874 - Line Marker SP	E12350		0	(14,500)	0	0	
	New Asset - Water Tank	E12350		0	(28,500)	0	0	
	YL 333- Toyota LandCruiser - 4x4 Ute(Works) - Replace Asset 2009	E12350		0	(62,600)	0	0	
	YL 363- Mazda BT - 50 2WD Traytop - Ute - Replace Asset 1891	E12350	(35,000)	0	(35,300)	0	(35,000)	
Transport Total		(35,000)	0	(35,000)	(830,300)	0	(35,000)	
Economic Services								
Skeleton Weed Eradication Committee								
	Skeleton Weed - Plant & Equipment Capital - Replace of Lease Vehicle	E13750		0	(50,000)	0	0	
	Replacement of Boom Spray	E13750	(42,930)	(42,930)	(46,500)	(46,500)	3,570	
Economic Services Total		0	0	0	(96,500)	(46,500)	3,570	
Other Property & Services								
	YL 50 - Toyota Kluger - AWD V6 Wagon A/T GXL(EMCS) - Replace Asset 2014	E14750		0	(52,500)	0	0	
	Fixed Back up Generator			0	(25,000)	0	0	
Other Property & Services Total		0	0	0	(77,500)	0	0	
Plant , Equip. & Vehicles Total		(35,000)	0	(35,000)	(1,056,800)	(46,500)	(31,430)	
Infrastructure - Roads (Non Town)								
	R2030 - M40 - 10 Mm Bitumen Reseal - Slk 9.0 - 15.0(19/20)	RRG10	(537)	0	(537)	(187,251)	0	(537)
	R2030 - Koolyanobbing Road - Construct to 7 mSeal - slk 8.0 - 11.0(19/20)	RRG11	(211,650)	0	(211,650)	(593,163)	(296,583)	84,933
	R2030 - Koolyanobbing Road -10 Mm Reseal - slk 5.0 - 8.0(19/20)	RRG12	0	0	(98,221)	0	0	
	R2030 - Moorine South Rd 10Mm Bitumen Reseal - Slk 8.5 - 16.5(19/20)	RRG13	0	0	(263,119)	0	0	
	R2R - Crampthorn Road - Bitumen Seal- slk 7.0 - 8.5(19/20)	R2R16	0	0	(51,131)	0	0	
	R2R - Crampthorn Road - Formation & Gravel Overlay - slk 19.3 - 21(19/20)	R2R17	(82,465)	0	(82,465)	(114,477)	(114,474)	32,009
	R2R - Bodallin South Road - Bitumen Reseal - slk 0.0 - 2.7(19/20)	R2R18	0	0	(89,248)	0	0	
	R2R - Bodallin South Road - Construct to 7M Seal - slk 4.9 - 6.0(19/20)	R2R19	0	0	(390,582)	0	0	
	R2R - Southern Cross South Rd- Formation & Gravel Overlay slk 13.4 -16.4(19/20)	R2R20	(19,800)	0	(19,800)	(142,375)	(71,186)	51,386
	R2R - Gatley Road - Formation & Gravel Overlay - slk 0.0 -2.5(19/20)	R2R21	(16,500)	0	(16,500)	(119,098)	(59,548)	43,048

SHIRE OF YILGARN  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
For the Period Ended 30 September 2019








Note 13: Capital Acquisitions

		YTD Actual			Amended Budget			Strategic Reference / Comment
Assets	Account	New/Upgrade	Renewal	Total YTD	Annual Budget	YTD Budget	YTD Variance	
		\$	\$	\$	\$	\$	\$	
 Rru - Kent Road - Formation & Gravel -slk 18.3-20.3(19/20)	RRU12	0	0	0	(93,157)	0	0	
 Rru - Nulla Nulla Sth Road - Formation & Gravel -slk 35.5-37.5(19/20)	RRU13	(98,026)	0	(98,026)	(93,527)	0	(98,026)	
 Rru - Cockatoo Tank Road - Formation & Gravel Overlay - slk 5.0 -7.0(19/20)	RRU14	0	0	0	(108,745)	0	0	
 Rru - Emu Fence Road - Formation & Gravel Overlay - slk 135.5 - 137.5(19/20)	RRU15	0	0	0	(97,745)	0	0	
 Rru - Koolyanobbing Road Bitumen Reseal - Slk 25.0 - 27.0(19/20)	RRU16	(4,138)	0	(4,138)	(56,733)	0	(4,138)	
<b>Infrastructure - Roads (Non Town) Total</b>		<b>(433,116)</b>	<b>0</b>	<b>(433,116)</b>	<b>(2,498,572)</b>	<b>(541,791)</b>	<b>108,675</b>	
<b>Infrastructure - Roads (Non Town) Total</b>		<b>(433,116)</b>	<b>0</b>	<b>(433,116)</b>	<b>(2,498,572)</b>	<b>(541,791)</b>	<b>108,675</b>	
<b>Infrastructure - Roads (Town)</b>								
 TRU - Achener Street - Bitumen Reseal, Altair - Spica St (19/20)	TRU05	0	0	0	(59,757)	0	0	
 TRU - Antares St - Sealing & Kerbing Corner Parking Area(19/20)	TRU06	0	0	0	(32,859)	0	0	
<b>Infrastructure - Roads (Town) Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(92,616)</b>	<b>0</b>	<b>0</b>	
<b>Infrastructure - Roads (Town) Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(92,616)</b>	<b>0</b>	<b>0</b>	
<b>Infrastructure - HVRIC</b>								
 HVRIC - Three Boys Road - Construct To 7M Seal -Slk 1.9 -3.3(19/20)	HVRIC7	0	0	0	(261,481)	0	0	
<b>Infrastructure - HVRIC Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(261,481)</b>	<b>0</b>	<b>0</b>	
<b>Infrastructure - HVRIC Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(261,481)</b>	<b>0</b>	<b>0</b>	
<b>Infrastructure - Road Total</b>		<b>(433,116)</b>	<b>0</b>	<b>(433,116)</b>	<b>(2,852,669)</b>	<b>(541,791)</b>	<b>108,675</b>	
<b>Infrastructure - Footpaths</b>								
<b>Transport</b>								
 Concrete Footpath - Lennenberg St - Marvel Loch	J12100	0	0	0	(37,816)	0	0	
 Concrete Footpath - Spica Street - Southern Cross	J12101	0	0	0	(41,155)	0	0	
<b>Infrastructure - Footpaths Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(78,971)</b>	<b>0</b>	<b>0</b>	
<b>Infrastructure - Footpaths Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(78,971)</b>	<b>0</b>	<b>0</b>	





SHIRE OF YILGARN  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
For the Period Ended 30 September 2019

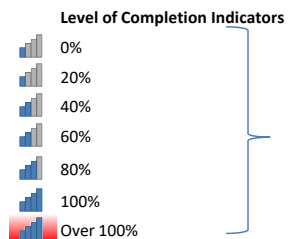
Note 13: Capital Acquisitions

Assets	Account	YTD Actual			Amended Budget			Strategic Reference / Comment
		New/Upgrade	Renewal	Total YTD	Annual Budget	YTD Budget	YTD Variance	
		\$	\$	\$	\$	\$	\$	
Infrastructure - Refuse								
Community Amenities								
	SX Refuse Disposal Site - Capital -Concrete pad For Recycle,Washdown Shower	J10107	(1,364)	0	(1,364)	(56,200)	0	(1,364)
Infrastructure - Refuse Total			(1,364)	0	(1,364)	(56,200)	0	(1,364)
Infrastructure - Refuse Total			(1,364)	0	(1,364)	(56,200)	0	(1,364)
Infrastructure - Sewerage								
Community Amenities								
	SX Sewerage Scheme - Capital - Access Chamber Upgrade	E10350	(1,576)	0	(1,576)	(17,500)	(4,374)	2,798
	ML SewerageScheme - Capital - Access Chamber Upgrade	E10450	0	0	0	(10,500)	(2,625)	2,625
Infrastructure - Sewerage Total			(1,576)	0	(1,576)	(28,000)	(6,999)	5,423
Infrastructure - Sewerage Total			(1,576)	0	(1,576)	(28,000)	(6,999)	5,423
Infrastructure - Drainage								
Community Amenities								
	Southern Cross Drainage - Upgrades	J10901	0	0	0	(14,172)	0	0
Infrastructure - Drainage Total			0	0	0	(14,172)	0	0
Infrastructure - Drainage Total			0	0	0	(14,172)	0	0
Infrastructure - Parks & Ovals								
Community Amenities								
	Rotary Park- Replace 3x Picnic settings/Seating & Install Water Fountain	J10711	0	0	0	(19,509)	(4,872)	4,872
Recreation & Culture								
	Toddler Playground Equipment - Constellation Park	E11352	0	0	0	(50,000)	0	0
Infrastructure - Parks & Ovals Total			0	0	0	(69,509)	(4,872)	4,872
Infrastructure - Parks & Ovals Total			0	0	0	(69,509)	(4,872)	4,872
Infrastructure - Other								
Recreation & Culture								
Public Halls & Civic Centres								
	Southern Cross War Memorial - Capital Infrastructure - Other	J11151	0	0	0	(50,000)	0	0
Public Halls & Civic Centres Total			0	0	0	(50,000)	0	0

**SHIRE OF YILGARN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 30 September 2019**

**Note 13: Capital Acquisitions**

Assets	Account	YTD Actual			Amended Budget			Strategic Reference / Comment
		New/Upgrade	Renewal	Total YTD	Annual Budget	YTD Budget	YTD Variance	
		\$	\$	\$	\$	\$	\$	
<b>Swimming Areas and Beaches</b>								
 Swimming Pool - Infrastructure Capital	E11251	0	0	0	(2,960,000)	0	0	
<b>Swimming Areas and Beaches Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,960,000)</b>	<b>0</b>	<b>0</b>	
<b>Economic Services</b>								
<b>Tourism &amp; Area Promotion</b>								
Caravan Park Infrastructure - Capital - Storm Water Drainage Improvements	E13256	0	0	0	(25,000)	0	0	
<b>Tourism &amp; Area Promotion Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(25,000)</b>	<b>0</b>	<b>0</b>	
<b>Economic Services</b>								
 Standpipe Upgrade - Automated Controllers	E13401	(41,445)	0	(41,445)	(120,000)	(30,000)	(11,445)	
<b>#REF!</b>		<b>(41,445)</b>	<b>0</b>	<b>(41,445)</b>	<b>(120,000)</b>	<b>(30,000)</b>	<b>(11,445)</b>	
<b>Infrastructure - Other Total</b>		<b>(41,445)</b>	<b>0</b>	<b>(41,445)</b>	<b>(3,155,000)</b>	<b>(30,000)</b>	<b>(11,445)</b>	
<b>Capital Expenditure Total</b>		<b>(524,584)</b>	<b>(37,168)</b>	<b>(561,752)</b>	<b>(12,604,615)</b>	<b>(818,183)</b>	<b>213,501</b>	



Percentage YTD Actual to Annual Budget  
Expenditure over budget highlighted in red.

# Attachment

## 9.2.2

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
40827	13/09/2019	LGRCEU	Payroll deductions	A		20.50
40828	13/09/2019	SHIRE OF YILGARN	Payroll deductions	A		1,365.00
40829	13/09/2019	SHIRE OF YILGARN	CHEMIST LEASE RETAINED IN TRUST - AUGUST 2019	A		550.00
40830	13/09/2019	TELSTRA	PHONE - AUGUST 2019 - MC ALARM	A		1,388.82
40831	27/09/2019	BULLFINCH PROGRESS ASSOCIATION	REIMBURSEMENT - MANAGEMENT OF BULLFINCH CARAVAN PARK (RECEIPT #95716)	A		600.00
40832	27/09/2019	LGRCEU	Payroll deductions	A		20.50
40833	27/09/2019	SHIRE OF YILGARN	Payroll deductions	A		1,365.00
40834	27/09/2019	SHIRE OF YILGARN	RATES 2019/2020 - A4400 - 35 SPICA (SPORTS COMPLEX)	A		35,058.00
40835	27/09/2019	TELSTRA	PHONE - AUGUST 2019 - MANAGER MOBILES - EMRS	A		472.42

**REPORT TOTALS**

Bank Code	Bank Name	TOTAL
A	MUNICIPAL FUND	40,840.24
<b>TOTAL</b>		<b>40,840.24</b>

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
EFT9208	13/09/2019	13 IT PTY LTD	KYOCERA ECOSYS P6230CDN - A4 COLOUR LASER PRINTER	A		1,335.50
EFT9209	13/09/2019	AMPAC DEBT RECOVERY (WA) PTY LTD	COMMISSIONS AND COSTS FOR THE MONTH OF AUGUST 2019 - RATES - GST	A		3,171.69
EFT9210	13/09/2019	AUSTRALIA POST	POST CHARGES - AUGUST 2019	A		1,414.78
EFT9211	13/09/2019	AVON WASTE	RECYCLABLE COLLECTION	A		15,526.62
EFT9212	13/09/2019	BOC GASES	CONTAINER SERVICE CHARGES - AUGUST 2019	A		61.51
EFT9213	13/09/2019	CAMERON WATSON	TELEPHONE BUNDLE REIMBURSEMENT - AUGUST 2019	A		90.00
EFT9214	13/09/2019	CHADSON ENGINEERING PTY LTD	KEMIO SOFT CASE KIT - KEMS10DIS	A		2,707.10
EFT9215	13/09/2019	AUST. GOVERNMENT CHILD SUPPORT AGENCY	Payroll deductions	A		488.05
EFT9216	13/09/2019	COURIER AUSTRALIA	FREIGHT CHARGES - 24.08.19	A		258.45
EFT9217	13/09/2019	GERALDTON CENTRAL REGIONAL TAFE	YEAR 4, SEMESTER 2 COURSE FEES - CERT III MOBILE PLANT TECHNOLOGY	A		1,740.50
EFT9218	13/09/2019	FIESTA CANVAS & PILOT SEATING WA	SUNBLIND END CAPS INCLUDING POSTAGE	A		41.60
EFT9219	13/09/2019	GILBA DOWNS	2/9/2019 - 10 HOURS ROADTRAIN HIRE KOOLYANOBING ROAD	A		13,282.50
EFT9220	13/09/2019	PM & DL GORDON	REIMBURSEMENT - CUTLERY FOR CARAVAN PARK	A		48.00
EFT9221	13/09/2019	GRANICH CONTRACTORS	27/8/19 ROAD TRAIN HIRE CRAMPHORNE ROAD	A		5,005.00
EFT9222	13/09/2019	GREAT SOUTHERN FUEL SUPPLIES	BULK DIESEL	A		26,648.60
EFT9223	13/09/2019	INDUSTRIAL AUTOMATION GROUP P/L	STANDARD STANDPIPE SWIPE CARD CONTROLLER - AS PER QUOTE 11178	A		32,729.40

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
EFT9224	13/09/2019	JASON SIGNMAKERS	1500X1000 NON REFLECTIVE WITH UV OVERLAMINATE, 1.6 ALUMINIUM WITH 3 X UNISTRUTS - RURAL LANDFILL SIGNS	A		1,226.28
EFT9225	13/09/2019	JB HIFI SOLUTIONS	APPLE IPHONE 8 64GB (SPACE GRAY) - SKU 505260, MODEL 3801000055	A		1,986.50
EFT9226	13/09/2019	WESFARMERS KLEENHEAT GAS PTY LTD	LPG BULK - AUGUST 2019	A		692.87
EFT9227	13/09/2019	LANDGATE	COPY OF C/T 2094-948, 41 LENNEBERG ST, MARVEL LOCH, 6426 - 02.08.2019	A		78.60
EFT9228	13/09/2019	LIBERTY OIL RURAL PTY LTD	BULK DIESEL	A		26,636.67
EFT9229	13/09/2019	WA LOCAL GOVERNMENT ASSOCIATION	2019 WA LOCAL GOVERNMENT CONVENTION	A		4,854.00
EFT9230	13/09/2019	LOCAL GOVERNMENT PROFESSIONALS AUSTRALIA WA	LG PROFESSIONALS MEMBERSHIP	A		531.00
EFT9231	13/09/2019	LOCK, STOCK & FARRELL LOCKSMITH PTY LTD	- ABLOY KEYS ATX2, CP VARIOUS SPARES INCLUDING FREIGHT	A		15.00
EFT9232	13/09/2019	MISMATCH WORKSHOP	LANDFILL FENCING	A		3,500.00
EFT9233	13/09/2019	MJ & SL SYMES	GRAVEL PURCHASE 5,000M2 - CRAMPHORNE ROAD	A		5,500.00
EFT9234	13/09/2019	IXOM OPERATIONS PTY LTD	MONTHLY CHLORINE RENTAL	A		235.97
EFT9235	13/09/2019	HILTON HOTELS OF AUSTRALIA PTY LTD	LG CONVENTION ARRIVE 06/08/2019 DEPART 09/08/2019	A		2,649.40
EFT9236	13/09/2019	PAYWISE PTY LTD	PAYROLL DEDUCTIONS - NOVATED LEASE	A		505.38
EFT9237	13/09/2019	PERFECT COMPUTER SOLUTIONS PTY LTD	IT CONSULTANCY/SUPPORT SERVICES - 2019/2020 DEPOT - 28/08/19 & 29/08/19	A		1,317.50
EFT9238	13/09/2019	ROBERT JAMES BOSENBERG	PHONE REIMBURSEMENT - JUNE - AUGUST 2019	A		270.00
EFT9239	13/09/2019	R & E NICHOLSON & SON	27.8.19 ROAD TRAIN HIRE CRAMPHORNE ROAD	A		5,486.25

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
EFT9240	13/09/2019	SHAC ELECTRICAL SERVICES	REPLACE EXTERNAL ROOF LIGHTS WITH LED FLOODS ON SEPARATE SWITCH. REPLACE CIRCUIT BREAKERS WHERE REQUIRED. DISCONNECT LAUNDRY GPO'S. LABEL SWITCHBOARD, REPLACE EMERGENCY EXIT LIGHTS & INSTALL LED EMERGENCY LIGHTING	A		9,655.25
EFT9241	13/09/2019	YILGARN SHIRE SOCIAL CLUB	Payroll deductions	A		132.00
EFT9242	13/09/2019	FOODWORKS - SRI DEVESH PTY LTD	FOODWORKS PURCHASES - AUGUST 2019	A		438.68
EFT9243	13/09/2019	SOUTHERN CROSS HARDWARE AND NEWS	4 X PALLETS INDUSTRIAL HYDRATED LIME	A		7,017.72
EFT9244	13/09/2019	SOUTHERN CROSS MOTOR MART	CLUTCH DRUM HT75, SPARKPLUG, BLADES, FUEL TANK GUARD	A		327.95
EFT9245	13/09/2019	SOUTHERN CROSS TYRE SERVICES	C7931 FIT NEW GRADER TYRE P2011	A		6,287.03
EFT9246	13/09/2019	SYNERGY	POWER - AUGUST 2019	A		18,908.38
EFT9247	13/09/2019	TOTAL EDEN WATERING SYSTEMS PTY LTD	HUNTER I25 POP UP SPRINKLERS	A		1,634.03
EFT9248	13/09/2019	T-QUIP	TORO GROUNDMASTER 360 BLADES	A		690.00
EFT9249	13/09/2019	WREN OIL	OIL FILTER DRUM EXCHANGE 28/08/2019	A		176.00
EFT9250	13/09/2019	YILGARN AGENCIES	214560 ROUNDUP ULTRAMAX 20LITRE	A		11,042.88
EFT9251	13/09/2019	YILGARN AUTO ELECTRICS	MOUNT SOCKET LOW VOLTAGE	A		41.33
EFT9252	13/09/2019	YILGARN PLUMBING AND GAS	(RHEEM GAS 275LT) HWS	A		9,043.98
EFT9253	20/09/2019	AUSTRALIAN TAXATION OFFICE	AUGUST 2019, BAS, PAYG, GST LIABILITY GST CREDITS AND ECG	A		41,962.00
EFT9254	27/09/2019	A DELLA BOSCA AND SONS	CART 200 TONNE 10MM AGGREAGTE FROM MCS DOODLAKINE QUARRY TO METAL DUMPSITE LOCATE ON KOOLYANOBING ROAD	A		5,635.41

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
EFT9255	27/09/2019	AFGRI EQUIPMENT	AT362406 LAMP	A		1,638.26
EFT9256	27/09/2019	AIRPORT ALLIANCE CONTRACTING	12 X ALS ELF EDGE LIGHTS WITH CLEAR LENSES ANS LED LIGHT SOURCE	A		3,267.00
EFT9257	27/09/2019	ALL-WAYS FOODS	EC2188 EARTHCARE HANDTOWELS J10714	A		258.26
EFT9258	27/09/2019	ANALYTICAL REFERENCE LABORATORY	TREATED EFFLUENT SAMPLES	A		297.00
EFT9259	27/09/2019	ANNETTE FAYE TOBIN	REIMBURSEMENT - BIRD DETERRENTS (RUBBER SNAKES)	A		47.95
EFT9260	27/09/2019	BANNER EXCAVATIONS & ROCKBREAKING	GRAVEL PUSHUP - 6000M3 - CARNICELLI GRAVEL PIT - R2R20	A		46,543.20
EFT9261	27/09/2019	AUST. GOVERNMENT CHILD SUPPORT AGENCY	Payroll deductions	A		492.54
EFT9262	27/09/2019	J & S CIABARRI	PREPARE AND REPAINT FRONT PICKET FENCE	A		1,500.00
EFT9263	27/09/2019	BRYAN CLOSE	ORDINARY COUNCIL MEETING - 15TH AUGUST 2019 - SITTING FEES	A		1,000.00
EFT9264	27/09/2019	COPIER SUPPORT	COPIER METRE READINGS - 26/08/19 - 20/09/19 - CRC	A		1,744.65
EFT9265	27/09/2019	COURIER AUSTRALIA	FREIGHT CHARGES 03/09/19	A		734.25
EFT9266	27/09/2019	DAVID JOHN PASINI	ORDINARY COUNCIL MEETING - 15TH AUGUST 2019 - SITTING FEES	A		400.00
EFT9267	27/09/2019	EASTERN DISTRICTS PANEL BEATERS & RADIATOR SPECIALISTS	818656 MITS. FUSO FIGHTER SCREEN	A		550.00
EFT9268	27/09/2019	GARY MICHAEL GUERINI	ORDINARY COUNCIL MEETING - 15TH AUGUST 2019 - SITTING FEES	A		893.06
EFT9269	27/09/2019	GILBA DOWNS	10/9/2018 - 10 HOURS ROAD TRAIN HIRE KOOLYANOBBING ROAD	A		14,437.50
EFT9270	27/09/2019	GRANICH CONTRACTORS	13/9/2019 - 10HRS ROAD TRAIN HIRE KOOLYANOBBING ROAD (DOC # 09865)	A		11,068.75



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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
EFT9271	27/09/2019	IAN DEREK CHRISTIE	CHECK ROOF LADDERS COMMUNITY CENTRE FOR REPORTED DAMAGE - HAVE BROKEN WELD REPAIRED BY BLACKMAN FABRICATION	A		100.00
EFT9272	27/09/2019	LGIS RISK MANAGEMENT	5 DAY OSH REPRESENTATIVES COURSE	A		1,566.09
EFT9273	27/09/2019	LOCK, STOCK & FARRELL LOCKSMITH PTY LTD	REKEY SUPPLIED LEVER SINGLE SIDED ENTRANCE SETS TO NEW Y 16 - CP RESIDENCE J13201	A		119.30
EFT9274	27/09/2019	MINERAL CRUSHING SERVICES	SUPPLY 50 TONNE CRACKER DUST	A		705.38
EFT9275	27/09/2019	MISMATCH WORKSHOP	WEEKLY LANDFILL ATTENDANT AS PER CONTRACT - PER WEEK	A		2,300.00
EFT9276	27/09/2019	MODUS AUSTRALIA RESTROOMS & TOILET BUILDINGS - PERTH	DEPOSIT - MUSEUM TOILET - BURTON-1 TOILET BUILDING IN CLASSIC CREAM WITH VERANDA, DELIVERED TO SOUTHERN CROSS W.A.	A		3,388.00
EFT9277	27/09/2019	OFFICE NATIONAL	SAMSUNG TONER CARTRIDGE BLK	A		574.51
EFT9278	27/09/2019	ONIDA TANIA TRURAN	ORDINARY COUNCIL MEETING - 15TH AUGUST 2019 - SITTING FEES	A		1,400.00
EFT9279	27/09/2019	IXOM OPERATIONS PTY LTD	70KG CHLORINE GAS CYLINDERS	A		1,471.80
EFT9280	27/09/2019	PAYWISE PTY LTD	PAYROLL DEDUCTIONS - NOVATED LEASE	A		505.38
EFT9281	27/09/2019	PERFECT COMPUTER SOLUTIONS PTY LTD	IT CONSULTANCY/SUPPORT SERVICES - 2019/2020 06/09/2019, 10/09/19	A		977.50
EFT9282	27/09/2019	PHILIP SPENCER NOLAN	ORDINARY COUNCIL MEETING - 15TH AUGUST 2019 - SITTING FEES	A		1,097.03
EFT9283	27/09/2019	WA CONTRACT RANGER SERVICES	PROVISION OF TWICE MONTHLY RANGER DUTIES	A		4,234.17
EFT9284	27/09/2019	R & E NICHOLSON & SON	17/9/2019 - 10.5 HOURS ROADTRAIN HIRE CRAMPHORNE ROAD	A		13,860.00
EFT9285	27/09/2019	SUSAN ELIZABETH SHAW	ORDINARY COUNCIL MEETING - 15TH AUGUST 2019 - SITTING FEES	A		800.00

Date: 08/10/2019  
Time: 8:32:54AM

SHIRE OF YILGARN

USER: Kayla Cuffe  
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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
EFT9286	27/09/2019	SHAC ELECTRICAL SERVICES	RESOLVE LIGHTING FAULTS IN HALL. REMOVE AGED FLUOROS AND INSTALL 2 X LED BATTENS INSIDE. DISCONNECT VERANDA LIGHTS AS NOT NEEDED AND VERY OLD.	A		4,126.50
EFT9287	27/09/2019	DAIMLER TRUCKS PERTH	QLFC 01- 32731-635 BELT-10 RIB 1635MM	A		149.08
EFT9288	27/09/2019	YILGARN SHIRE SOCIAL CLUB	Payroll deductions	A		132.00
EFT9289	27/09/2019	FOODWORKS - SRI DEVESH PTY LTD	Rates refund for assessment A3590 22 ANTARES STREET SOUTHERN CROSS 6426	A		242.15
EFT9290	27/09/2019	STARTRACK EXPRESS	FREIGHT CHARGES - 22ND AUGUST 2019 - HERSEY'S CONNOTE#S30601761	A		47.29
EFT9291	27/09/2019	WAYNE ALAN DELLA BOSCA	ORDINARY COUNCIL MEETING - 19TH SEPTEMBER 2019 - SITTING FEES	A		600.00
EFT9292	27/09/2019	WESTRAC EQUIPMENT PTY LTD	155-4777 TANK WIPER WASHER	A		114.67
EFT9293	27/09/2019	TELSTRA	PHONE - AUGUST 2019 - WHISPIR	A		159.50
EFT9294	27/09/2019	YILGARN PLUMBING AND GAS	CHECK SEWER LOCATION BEHIND COMMUNITY HALL & REPLACE ACCESS CHAMBER LID	A		4,558.52

REPORT TOTALS

Bank Code	Bank Name	TOTAL
A	MUNICIPAL FUND	401,128.65
TOTAL		401,128.65

Date: 08/10/2019  
Time: 8:34:08AM

**SHIRE OF YILGARN**

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
1549	06/09/2019	MOTORCHARGE LIMITED	FUEL CARD - AUGUST 2019	A		935.83
1550	09/09/2019	CANON FINANCE AUSTRALIA PTY LTD	PHOTOCOPIER LEASE - SEPTEMBER 2019	A		333.96
1551	12/09/2019	TELCO CHOICE - COMMANDER CENTRE NORTH PERTH	COMMANDER TELEPHONE FEES - SEPTEMBER 2019	A		250.00
1551	13/09/2019	WESTPAC BANKING CORPORATION	CEO CREDIT CARD - AUGUST 2019	A		34.64
1552	18/09/2019	WESTPAC BANKING CORPORATION	NET PAYROLL PPE 17.09.2019	A		84,138.99
1552	13/09/2019	WESTPAC BANKING CORPORATION	EMCS CREDIT CARD - AUGUST 2019	A		195.89
1553	16/09/2019	TELCO CHOICE - COMMANDER CENTRE NORTH PERTH	COMMANDER TELEPHONE FEES - AUGUST 2019 (CALLS & DATA & EQUIPMENT)	A		1,388.70
1553	02/10/2019	WESTPAC BANKING CORPORATION	NET PAYROLL PPE 01.10.2019	A		84,837.32
1554	01/10/2019	SOUTHERN CROSS GENERAL PRACTICE	MONTHLY PAYMENT TO THE DOCTOR - OCTOBER 2019	A		6,600.00

**REPORT TOTALS**

Bank Code	Bank Name	TOTAL
A	MUNICIPAL FUND	178,715.33
TOTAL		178,715.33

Date: 08/10/2019  
Time: 8:39:31AM

SHIRE OF YILGARN

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
DD13981.1	17/09/2019	WALGS PLAN	Payroll deductions	A		12,240.30
DD13981.2	17/09/2019	AUSTRALIAN SUPER	Payroll deductions	A		405.54
DD13981.3	17/09/2019	PRIME SUPER	Payroll deductions	A		381.89
DD13981.4	17/09/2019	HOSTPLUS EXECUTIVE SUPERANNUATION FUND	Payroll deductions	A		770.02
DD13981.5	17/09/2019	BT SUPER FOR LIFE ACCOUNT	Payroll deductions	A		893.95
DD13981.6	17/09/2019	THE GARY AND JOSIE KENT SUPERANNUATION FUND	Superannuation contributions	A		415.16
DD13981.7	17/09/2019	REST (RETAIL EMPLOYEES SUPERANNUATION TRUST)	Superannuation contributions	A		388.89
DD13981.8	17/09/2019	BEATON FARMING CO SUPERANNUATION FUND	Superannuation contributions	A		608.89
DD13981.9	17/09/2019	BT SUPERWRAP	Superannuation contributions	A		1,642.28
DD13981.10	17/09/2019	HESTA SUPER FUND	Superannuation contributions	A		758.05
DD13981.11	17/09/2019	VISION SUPER SAVER	Superannuation contributions	A		694.72

REPORT TOTALS

Bank Code	Bank Name	TOTAL
A	MUNICIPAL FUND	19,199.69
TOTAL		19,199.69
GRAND TOTAL		38,712.40

Date: 08/10/2019  
Time: 8:40:27AM

SHIRE OF YILGARN

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
DD14021.1	01/10/2019	WALGS PLAN	Payroll deductions	A		12,207.45
DD14021.2	01/10/2019	AUSTRALIAN SUPER	Payroll deductions	A		537.96
DD14021.3	01/10/2019	PRIME SUPER	Payroll deductions	A		381.26
DD14021.4	01/10/2019	HOSTPLUS EXECUTIVE SUPERANNUATION FUND	Payroll deductions	A		770.02
DD14021.5	01/10/2019	BT SUPER FOR LIFE ACCOUNT	Payroll deductions	A		894.12
DD14021.6	01/10/2019	THE GARY AND JOSIE KENT SUPERANNUATION FUND	Superannuation contributions	A		420.69
DD14021.7	01/10/2019	REST (RETAIL EMPLOYEES SUPERANNUATION TRUST)	Superannuation contributions	A		388.26
DD14021.8	01/10/2019	BEATON FARMING CO SUPERANNUATION FUND	Superannuation contributions	A		613.68
DD14021.9	01/10/2019	BT SUPERWRAP	Superannuation contributions	A		1,654.88
DD14021.10	01/10/2019	HESTA SUPER FUND	Superannuation contributions	A		818.73
DD14021.11	01/10/2019	VISION SUPER SAVER	Superannuation contributions	A		825.66

REPORT TOTALS

Bank Code	Bank Name	TOTAL
A	MUNICIPAL FUND	19,512.71
TOTAL		19,512.71

Date: 08/10/2019  
Time: 8:35:24AM

**SHIRE OF YILGARN**

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Cheque /EFT No	Date	Name	Invoice Description	Bank Code	INV Amount	Amount
402458	13/09/2019	BUILDING COMMISSION	BUILDING SERVICES LEVY - AUGUST REMITTANCE	E		113.30
402459	19/09/2019	TRANSWA PUBLIC TRANSPORT AUTHORITY OF WA	TRANSWA TICKET SALES - AUGUST 2019	E		1,533.35
402460	19/09/2019	SHIRE OF YILGARN	TRANSWA COMMISSION AUGUST 2019	E		342.25
402461	07/10/2019	SHIRE OF YILGARN	REFUND OF MICROCHIP PAYMENT TO COVER POUNDAGE FEES AS PER ATTACHED CORRESPONDENCE	E		55.00

**REPORT TOTALS**

Bank Code	Bank Name	TOTAL
E	TRUST FUND	<b>2,043.90</b>
<b>TOTAL</b>		<b>2,043.90</b>

Date: 08/10/2019  
Time: 8:36:15AM

**SHIRE OF YILGARN**

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<b>Cheque /EFT No</b>	<b>Date</b>	<b>Name</b>	<b>Invoice Description</b>	<b>Bank Code</b>	<b>INV Amount</b>	<b>Amount</b>
6194	06/09/2019	DEPARTMENT OF TRANSPORT	LICENSING 02.09.19 - 06.09.19	E		15,688.10
6195	13/09/2019	DEPARTMENT OF TRANSPORT	LICENSING 09.09.19 - 13.09.19	E		13,437.35
6196	20/09/2019	DEPARTMENT OF TRANSPORT	LICENSING 16.09.19 - 20.09.19	E		13,800.35
6197	27/09/2019	DEPARTMENT OF TRANSPORT	LICENSING 23.09.19 - 27.09.19	E		8,113.45

**REPORT TOTALS**

<b>Bank Code</b>	<b>Bank Name</b>	<b>TOTAL</b>
E	TRUST FUND	<b>51,039.25</b>
<b>TOTAL</b>		<b>51,039.25</b>

**SHIRE OF YILGARN**  
**Accounts for Payment – October 2019**

<b>Chq Number</b>	<b>Payee</b>	<b>Description</b>	<b>Amount</b>	<b>Date</b>
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**Municipal Cheques**

1549	MOTORCHARGE LIMITED	FUEL CARD - AUGUST 2019	\$935.83	06/09/2019
1550	CANON FINANCE AUSTRALIA PTY LTD	PHOTOCOPIER LEASE - SEPTEMBER 2019	\$333.96	09/09/2019
1551	TELCO CHOICE - COMMANDER CENTRE NORTH PERTH	COMMANDER TELEPHONE FEES - SEPTEMBER 2019	\$250.00	12/09/2019
1551	WESTPAC BANKING CORPORATION	CEO CREDIT CARD - AUGUST 2019	\$34.64	13/09/2019
1552	WESTPAC BANKING CORPORATION	NET PAYROLL PPE 17.09.2019	\$84,138.99	18/09/2019
1552	WESTPAC BANKING CORPORATION	EMCS CREDIT CARD - AUGUST 2019	\$195.89	13/09/2019
1553	TELCO CHOICE - COMMANDER CENTRE NORTH PERTH	COMMANDER TELEPHONE FEES - AUGUST 2019 (CALLS & DATA & EQUIPMENT)	\$1,388.70	16/09/2019
1553	WESTPAC BANKING CORPORATION	NET PAYROLL PPE 01.10.2019	\$84,837.32	02/10/2019
1554	SOUTHERN CROSS GENERAL PRACTICE	MONTHLY PAYMENT TO THE DOCTOR - OCTOBER 2019	\$6,600.00	01/10/2019
		<b>Total</b>	<b>\$178,715.33</b>	

**Trust Cheques**

402458	BUILDING COMMISSION	BUILDING SERVICES LEVY - AUGUST REMITTANCE	\$113.30	13/09/2019
402459	TRANSWA PUBLIC TRANSPORT AUTHORITY OF WA	TRANSWA TICKET SALES - AUGUST 2019	\$1,533.35	19/09/2019
402460	SHIRE OF YILGARN	TRANSWA COMMISSION AUGUST 2019	\$342.25	19/09/2019
402461	SHIRE OF YILGARN	REFUND OF MICROCHIP PAYMENT TO COVER POUNDAGE FEES AS PER ATTACHED CORRESPONDENCE	\$55.00	07/10/2019
		<b>Total</b>	<b>\$2,043.90</b>	

**DPI Cheques**

6194	DEPARTMENT OF TRANSPORT	LICENSING 02.09.19 - 06.09.19	\$15,688.10	06/09/2019
6195	DEPARTMENT OF TRANSPORT	LICENSING 09.09.19 - 13.09.19	\$13,437.35	13/09/2019
6196	DEPARTMENT OF TRANSPORT	LICENSING 16.09.19 - 20.09.19	\$13,800.35	20/09/2019
6197	DEPARTMENT OF TRANSPORT	LICENSING 23.09.19 - 27.09.19	\$8,113.45	27/09/2019
		<b>Total</b>	<b>\$51,039.25</b>	



# Attachment

## 9.4.1

Minutes of the Shire of Yilgarn Bush Fire Advisory Committee meeting held in the Shire of Yilgarn Council Chambers on Tuesday 1<sup>st</sup> October 2019.

## **1 ATTENDANCE**

Ron Burro	CBFCO
Jeremy Willis	DFES
Rob Pownall	Central
Wayne Della Bosca	Central/Shire of Yilgarn
Callum Wesley	Central
Ryan Burro	Central
Trevor Major	Yilgarn South
Gary Guerini	Shire of Yilgarn
Graham Maddock	Moorine
Steve Rose	Mt Hampton
Adrian Wesley	Central
Peter Clarke	Shire of Yilgarn
Peter Dunbar	Miners Settlement
Kelvin Kent	Bodallin
Rolie Blair	Central
Peter Goodhill	Mt Hampton
Nic Warren	Shire of Yilgarn

## **APOLOGIES**

John Roberts	Deputy CBFCO (Northern)/Bullfinch
Brodie Roberts	Bullfinch
Alan Nicholson	Deputy CBFCO (Southern)/Moorine Rock
Clint Della Bosca	Mt Hampton
Tony Dal Busco	SXVFRS
Gary Kenward	St Johns

The CBFCO welcomed all in attendance and declared the meeting open at 7:00pm.

## **2 ANNUAL ELECTIONS**

All positions declared vacant by returning officer J. Willis.

### **2.1 Chief Bushfire Control Officer**

#### **Nominations:**

Ron Burro (Moved T. Major, Seconded P Goodhill)  
R Burro accepted nomination.

No other nominations.

**Chief Bush Fire Control Officer: Ron Burro**

## **2.2 Deputy Chief Bush Fire Control Officer North**

### **Nominations:**

John Roberts (Moved R. Burro (Ron), Seconded R. Pownall)  
J Roberts accepted nomination (pre-advised)

No other nominations.

**Deputy Chief Bush Fire Control Officer North: John Roberts**

## **2.3 Deputy Chief Bush Fire Control Officer South**

### **Nominations:**

Alan Nicholson (Moved P. Goodhill, Seconded W. Della Bosca)  
A. Nicholson accepted nomination (Pre-advised)

No Other Nominations

**Deputy Chief Bush Fire Control Officer South: Alan Nicholson**

## **3 MINUTES**

### **3.2 Confirmation of Minutes of the Shire of Yilgarn Bush Fire Officers Advisory Committee Meeting on Thursday 28<sup>th</sup> March 2019.**

*Moved:* W. Della Bosca  
*Seconded:* G. Guerini  
*Carried.*

### **3.3 BUSINESS ARISING FROM THE MINUTES**

- 3.2.1 BART: N. Warren will look to get system up and running, and will contact members in due course with instructions for accessing.
- 3.2.2 J. Willis raised following from minutes;
- Not required to call 000 for incidents, however it is recommended as it will be logged by DFES, which will add to protect responders if incident during response occurs;
  - Reports that Pathways was being disbanded are not fully accurate, new title given to training called "streams" and will still have prerequisites for certain courses.

## **4 NEW NOMINATIONS FOR FIRE CONTROL OFFICERS**

Nil

## **5 FIRE REPORTS**

Nil

## **6 OTHER REPORTS**

### **6.2 CHIEF BUSH FIRE CONTROL OFFICERS REPORT – R Burro**

- Light fuel load;
- Bush is dry;
- Kelvin Kent FCO for doing permits.
- Ryan Burro FCO for doing permits.
- Speaking with corporates regarding fire breaks.
- Raised increasing penalties and increasing requirements for onsite water during harvest through by-laws. P. Clarke advised there were no by-laws, however requirements could be placed in the Fire Break Notice for next year. Advised N. Warren would look into other Shire's notices to see what requirements they had.

### **6.3 DEPUTY BUSH FIRE CONTROL OFFICERS REPORT – A Nicholson**

- Written Submission

*The South side of the Shire had a fairly quiet year as far as fires go with few stubble or grass burning fires escaping Moorine Rock for I only attended 3 fires, none stubble.*

*Is good to have reliable FCO's around the Shire it is an important job that only becomes apparent when heaven forbid we have a big fire.*

*Moorine Brigade has a new shed.*

*Mount Hampton has a new FCO, thank you Steve and is getting a new shed also.*

*Fuel Loadings this year in the South will be medium even with the dry season because of good July rains.*

*Looking forward to another quiet fire season*

*Alan Nicholson DCBFCO*

### **6.4 DEPUTY BUSH FIRE CONTROL OFFICERS REPORT – J Roberts**

Nil

### **6.5 DFES DISTRICT OFFICERS REPORT – J Willis**

- Four months in the role of Acting/Office Central Wheatbelt;
- Yilgarn run out of Northam Office;
- Indications are busy fire season;
- Planning mitigation work, being slashing and burns
- Looking to set up MOU's with mine sites. (P. Clarke advised to liaise with N. Warren to provide contacts for lesser known mines that have been speaking with Council).

### **6.6 DOAC – W Della Bosca**

- DPAW prefers slashing/scrub rolling over burning fire breaks. Undertaken at Mt Hampton. Will hold fire, but is slow moving. Are trialling mulching. Reason is fire prenotes regrowth.

## **7 MATTERS FOR DISCUSSION**

Nil

## **8 CORRESPONDENCE**

### **8.2 Correspondence In**

- Amendments to the Bush Fire Regulations 1954 – Total Fire Ban Exemptions
  - o DFES advised that certain activities were not required to seek an exemption during a total fire ban.
  - o W. Della Bosca advised that the notice times, of between 24 hours to 30 minutes prior to commencement, for local governments were to small, especially if over a weekend.

### **8.3 Correspondence Out**

- Nil

## **9 GENERAL BUSINESS:**

### **9.2 T. Major**

- 9.2.1 Raised mobile coverage issues and if we could rally State/Federal Government. N, Warren advised of the Mobile Blackspot Program run previously by Federal Government of which Shire put in submission, but that money for upgrades would go to higher populated areas. C. Wesley queried if Telstra Boosters could be installed in vehicles, J Willis said they could and would look into whether DFES is rolling out or if can be covered under ESL.

### **9.3 W. Della Bosca**

- 9.3.1 Raised the amendment of the Regs (see correspondence in) and issues with notice period being insufficient.
- 9.3.2 DOAC Meeting
  - Provides access to Director and Minister;
  - DPAW planning to put some focus on Yilgarn, undertaking scrub rolling and slashing. BFAC should compile a list of high risk areas to send through. Mentioned Moorine School requiring more mitigation work

### **9.4 P. Goodhill**

- 9.4.1 Advised he would be handing over control of Mt Hampton vehicle to Steve Rose.

### **9.5 R. Pownall**

- 9.5.1 During servicing of trucks found some were being brought back with empty water tanks. Reiterated that they are emergency vehicles and should be ready to go at any time, even in off season.
- 9.5.2 Identified further issues with Bodallin truck since being returned from stint at Coolgardie fires. (R Burro mentioned to J Willis that people who used vehicles at fire were not competent to drive in terrain/conditions and this should be looked at for future incidents)
- 9.5.3 5 Units left to be serviced.

**9.6 A. Wesley**

9.6.1 Raised his desire to see action taken against those not complying with firebreak requirements.

**9.7 G. Maddock**

9.7.1 Queried access to bush fire sheds. N. Warren advised that all vehicle keys will have a key attached that will gain access to all sheds, however those wanting a personal key are to see N Warren to be issued one.

**9.8 P. Dunbar**

9.8.1 Spoke with company at field day, who advised plastic will melt at 70 degrees, which creates a risk to farmers using plastic tanks on their fire appliances.

**9.9 Ron Burro**

9.9.1 Raised the issue of water requirements onsite when harvesting. Advised the current requirement was 600 Litres. R. Burro queried if there should also be a distance requirement, so the fire appliance is within a suitable distance at all times. P. Clarke advised again the firebreak notice was the best way to require water, and that the Shire would look into what other Shire's are doing, and bring it to the next BFAC meeting for a decision to be made

**10 RADIO CALL UP**

It was advised the radio weather call ups would commence on the 14<sup>th</sup> October 2019.

**11 CLOSURE**

There being no further business to discuss the meeting was declared closed at 8:10 pm.

# Attachment

## 9.4.2

# MINUTES AGM

9<sup>th</sup> October 2019

Minutes from the Yilgarn Local Action Group of the State Skeleton Weed Management Committee meeting held on 9<sup>th</sup> October at the Council Chambers, Shire of Yilgarn, Antares St, Southern Cross, commenced at 6pm.

## 1. RECORD OF ATTENDANCE & APOLOGIES

Peter Clarke, Nic Warren, Wayne Della Bosca, Gary Guerini, Martin Atwell, Kelly Manning, Paul Manera, Kim Chrisp, Brad Auld, Gary Guerini, Rohan Day, Robert Dal Busco, Paul Guerini and Judy Guerini.

Apologies:

Kelvin Kent, Clint Della Bosca, David Auld, Alan Nicholson and Rolly Blair

## 2. CONFIRMATION OF PREVIOUS MINUTES

*Moved Wayne Della Bosca, Seconded Gary Guerini that the Minutes of the previous A.G.M meeting of The Skeleton Weed Management Committee on 10<sup>th</sup> October 2018, were confirmed as a true and correct record of that meeting.*

Carried.

## 3. BUSINESS ARISING FROM PREVIOUS MINUTES

Nil

## 4. CORRESPONDENCE

A Letter of valuation for the old boom spray, from Gary Kenward of Yilgarn Agencies.

## 5. TREASURER'S REPORT

A financial report was presented at the meeting by Kim Chrisp, Yilgarn Local Action Group Admin Support Officer. (End of financial year spreadsheet over page).

Unspent funds from 2018/19 (\$28,484.06) carried over to 2019/20 therefore taken off the approved DPIRD funding from budgeted amount. There is also a transfer from reserve of \$43,637.42 to our operating funds. Total budget for 2019/20 is \$312,676.12.


1<sup>st</sup> quarter report was also tabled. Funds are currently sitting at \$133,753.76 with forward forecasting of \$9,445.37 to be our net position at the end of financial year.

*Moved Kim Chrisp, Seconded Wayne Della Bosca that the Treasurer's report be accepted.*

Carried



statement:  
On behalf of the  
Executive Officer.



Signature of Shire CEO

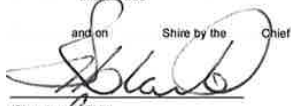
PETER CLARK

Name of Shire CEO

# MINUTES AGM

## 9<sup>th</sup> October 2019

LOCAL ACTION GROUP				
OPENING FUNDING BALANCE				\$0.00
EXPENDITURE				
GROUP	Salary	E1	.18	
	Superannuation		\$10,914.88	
	Annual	E1		
	Other	E1	\$6,162.80	
ADMINISTRA	Salary	E1	\$20,906.77	,302.86
	Superannuation	E13702:		
	Annual	E13718:		
	Other	E13718:		
OTHER				24.38
	Annual			
	Other allowances			
VEHICLE				\$0.00
	FBT			
	Fuel/Operating		\$9,000.00	
	Hire		\$5,394.00	
	Repairs		\$1,500.00	
WI	Contract			
	Chemical	Fallowboss	\$66,000.00	
COMMUNICATIONS	Mobile		,440.00	
	Home			
PROMOTION	Promotional materials			,440.00
	Advertising			
MEETINGS	Local			\$2,000.00
	SW			
	Sprayer			\$1,000.00
				\$46,229.00
			\$12,000.00	
	Other		\$1,700.00	,700.00
				\$312,676.12
	Tools			\$0.00
				\$0.00
TOTAL EXPENDITURE				\$312,676.12

this is a true  
 and on Shire by the Chief  
  
 (Signature of Shire)  
 Peter

## **MINUTES AGM**

**9<sup>th</sup> October 2019**

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### **6. LOCAL SKELETON WEED COORDINATOR'S REPORT**

Mr Robbie Della Bosca – Yilgarn Local Action Group Coordinator

#### **6.1: Winter Spraying Update**

Spraying began in June 2019, completed by Mid August. Total area sprayed 527.43ha compared to 327ha last season. The initial spray program was going to be 776.88ha. 250ha were taken off and put on the Lontrel list. 967.5kg of Lontrel issued to farmers through July August over 7858ha. 120 new finds were reported for the previous season.

Remaining chemical includes 27, 20litre drums (540ltrs) of Fallowboss, 3kg of granulated Lontrel.

The old boom spray was sold for \$4,000.00. These funds went towards the purchase of the new boom spray. The new boom spray was picked up from Sonic in Narembeen. There were initial issues but this was due to the spray program and not the boom itself. Robbie stated that the boom was very efficient and cut time down with the automated booms.

Robbie thanked DPIRD and the Grain, Hay & Seed Committee for issue of Lontrel to our farmers this year. The Lontrel program was well received from the farmers.

Looking forward to this season he is not expecting a big skeleton weed infestation. It is looking to be a smaller program.

### **7. STATE SKELETON WEED REPRESENTATIVE**

Rohan Day (Grain, Hay & Seed Committee)

Rohan was happy to report that there is a full committee appointed to the IFS.

The annual report will be out at the end of October.

There are no changes to the contribution rates this year.

A review of the State Skeleton weed program is underway. The committee will be looking at the effectiveness of the program and see if there is a better way to conduct the program as well as reviewing the efficiency and relevance of the program. Recommendations will be out early next year and this will also include a cost benefit analysis.

CBH Eyefoss will be running again this year for detection of Bedstraw seeds. CBH will conduct samples again at a cost of \$12 per sample. This is a 50/50 partnership with CBH and the IFS.

There is the opportunity for Growers to opt out of the scheme. 16 growers took the option which equates to approximately \$7,000.00 refunded.

## MINUTES AGM

9<sup>th</sup> October 2019

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### 8. Department of Primary Industries & Regional Development Report DPIRD Representatives- Martin Atwell

A review of the Skeleton Weed program is underway. The last review was in 2008. Terms of reference and time lines have been set for the review. It was previously recommended that the program to be shut down. However this was not sustained following considerable consultation with Farmer Groups and Key Stakeholders, which overwhelmingly wanted the program continued. A consultation process will be available after the review is completed and all interested parties will be able to place submissions to the review.

Martin was happy to hear the positive feedback from Robbie in regards to the issue and usage of Lontrel this year.

Over the last couple of years DPIRD has been reviewing the process of how we currently treat Skeleton weed. With the trials it has shown that how we currently treat Skeleton weed is best practice. There are now apparent “new” chemicals available for the treatment of Skeleton Weed in broad-acre farming.

Changes to the Skeleton weed program this year is that Contractor payment have risen to \$9/ha and farmers search payments have risen from \$4/ha to \$6/ha. Payments will be made to Code 1 and Code 3 paddocks. The addition to these payments is if skeleton weed is found on a code 2 paddock, a full search will be required and then the grower will be eligible for search payment also. There is \$2 (plus) million in the budget this year for search assistance payments.

There is 46,000 to 48,000ha's planned for surveillance searching this year. UAV surveillance has been allocated 20,000ha's. DPIRD will be engaging the same UAV contractors as last year.

All of the LAG groups this year received significant funding and DPIRD are looking at adding another LAG (“Avon South”) to the program in 2020.

Wayne Della Bosca asked if DPIRD will look at the current protocol for spraying the squares as he had significant radish issues in the squares that were sprayed for Skeleton weed with Tordon.

Martin replied that in Corrigin they have been trialing reduced rates of Tordon, as a pre-seeding part and/or whole paddock application. An analysis is due of this after the trial is complete.

## MINUTES AGM

### 9<sup>th</sup> October 2019

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#### 9. PRESIDENT'S REPORT

Mr Bradley Auld- Yilgarn Local Action Group Chairman

A verbal report was presented at the meeting.

In short Brad thanked Robbie Della Bosca and Kim Chrisp for their work this year. Brad also thanked Nic Warren and his fellow growers for their support for the year.

#### 10. ELECTION OF NEW LAG and CHAIRMAN

All seats were declared open by Wayne Della Bosca

Chairman nominations called:

Robbie Della Bosca nominated Brad Auld	Accepted
--	----------

General committee members:

Paul Guerini nominated as committee member.	Accepted.
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Wayne Della Bosca nominated as committee member.	Accepted
--	----------

Peter Dunbar nominated as committee member.	To be confirmed
---	-----------------

Adrian Wesley nominated as committee member.	To be confirmed
--	-----------------

Ron Burro nominated as committee member.	Accepted
--	----------

Kelvin Kent nominated as a committee member.	To be confirmed
--	-----------------

Alan Nicholson nominated as a committee member.	To be confirmed
---	-----------------

Rolly Blair nominated as a committee member.	To be confirmed
--	-----------------

#### Election Results:

**Chairman: Brad Auld**

**Committee Members:**

**Confirmed:** Ron Burro, Paul Guerini and Wayne Della Bosca

**To be confirmed:** Peter Dunbar, Adrian Wesley, Kelvin Kent, Alan Nicholson and Rolly Blair

# MINUTES AGM

9<sup>th</sup> October 2019

## 11. GENERAL BUSINESS

### 11.1: New Utility

Kim Chrisp ran through the requirements and quotation for a new Utility for the YLAG. Tenders were sent out and 3 were received.

Company	Vehicle	Purchase Price (ex gst)	Local Supplier Adjusted Price (ex gst)
Merredin Isuzu Ute	Isuzu D-Max 4x4	\$42,625.45	\$40,494.18
Merredin Toyota	Toyota Hilux SR 4x4	\$45,959.09	\$43,661.14
Golden City Motors	Holden Colorado LS	\$42,171.45	\$41,117.16

The committee had discussion and the following was received

*Wayne Della Bosca Moved a motion that the Shire of Yilgarn will purchase a Toyota Hilux SR 4x4 from Merredin Toyota on behalf of the Yilgarn Local Action Group of the value of \$45,959.09. Seconded Gary Guerini. Carried*

### 11.2: Staffing

Brad Auld recommended that going forward the YLAG need to place a strategic plan in place for future staffing. Robbie will be looking to retire in the next few years and as a back up we need to look for and budget for a person that will be able to do his position.

Martin Atwell said there is room in the budget this year for 5 casuals if needed.

A proposal will be put forward at the next meeting to place funding in the budget for a staff member to join the team.

### 11.3 General Comments

Wayne Della Bosca marked his disappointment with the lack of growers that turned up at the meeting. The committee will look at changing dates for the meetings. Robbie will get some feedback from farmers to see what our best options will be going forward.

Paul Guerini said he thought the Lontrel this year was a good idea.

## 12. CLOSURE

The next meeting was agreed to be held in April 2020. The meeting was declared closed at 7.08pm.

*Supper followed.*

# Attachment

## 12.1



Mr Peter Clarke  
Chief Executive Officer  
Shire of Yilgarn

via email: [yilgarn@yilgarn.wa.gov.au](mailto:yilgarn@yilgarn.wa.gov.au)

Dear Mr Clarke

**REFERRAL OF A LICENCE AMENDMENT UNDER THE *ENVIRONMENTAL PROTECTION ACT 1986* – INVITATION TO COMMENT**

The Department of Water and Environmental Regulation (DWER) has recently received an application from Tianye SXO Gold Mining Pty Ltd for an amendment to licence L4597/1988/14 under Division 3 Part V of the *Environmental Protection Act 1986* (EP Act)] at Marvel Loch Mine, Marvel Loch WA 6426. The application is in relation to the dewatering of Jaccoletti Pit and the discharge of the effluent to Marvel Loch Pit under the following category:

- Category 6 – Mine Dewatering: premises on which water is extracted and discharged into the environment to allow mining of ore.

In accordance with section 54 of the EP Act, the Chief Executive Officer (CEO) of DWER considers that you may have a direct interest in the subject matter of the application, and invites your comment on the proposal.

The CEO will, after having taken into account any comments received and subject to section 60 of the EP Act, either amend the licence or refuse the amendment.

Please find attached and excerpt of the application form provided by the applicant.

Please forward any comments to the address below or forward via email to [info@dwer.wa.gov.au](mailto:info@dwer.wa.gov.au) within 14 days from the date of this letter and please quote L4597/1988/14 on future correspondence and enquiries.

If you have any queries, please contact the Environmental Officer listed above.

Yours sincerely

Tim Gentle  
Manager – Industry Regulation  
Regulatory Services

*Officer delegated under section 20 of the Environmental Protection Act 1986*

10 October 2019

Attached: Application Form Excerpt





**Part 1: Application type**

**INSTRUCTIONS:**

- Completion of this form is a statutory requirement under section 54(1)(a) of the *Environmental Protection Act 1986* (WA) (EP Act) for works approval applications; section 57(1)(a) for licence applications; section 59B(1)(a) for applications for an amendment; and under regulation 5B(2)(a) of the *Environmental Protection Regulations 1987* (WA) (EP Regulations) for applications for registration of premises.
- The instructions set out in this application form are general in nature.
- A reference to 'you' in these instructions is a reference to the applicant.
- The information provided to you by the Department of Water and Environmental Regulation (DWER) in relation to making applications does not constitute legal advice. DWER recommends that you obtain independent legal advice.
- Applicants seeking further information relating to requirements under the EP Act and/or EP Regulations are directed to the Parliamentary Counsel's Office website ([www.legislation.wa.gov.au](http://www.legislation.wa.gov.au)). Schedule 1 of the EP Regulations contains the categories of prescribed premises.
- For prescribed premises where activities fall within more than one category, **ALL** applicable categories must be identified. This applies for existing prescribed premises seeking renewal or amendment, as well as new prescribed premises.
- The application form must be completed with all relevant information attached. If there is insufficient space on any part of this form, please continue on a separate sheet of paper and attach to this form. If an application form has been submitted which is incomplete or materially incorrect, the Chief Executive Officer (CEO) of DWER will decline to deal with the application and advise the applicant accordingly.
- On completing this application form, please submit it to DWER in line with the instructions in Part 14 of the form.

**1.1 This is an application for:**  
[select only one option]  
under Part V, Division 3 of the EP Act

Please see [Guidance Statement: Decision Making](#) for more information relating to the process for assessing and determining applications.

- ☐ Works approval
- ☐ Licence  
Existing registration number(s): [       ]  
Existing works approval number(s): [       ]
- ☐ Renewal  
Existing licence number: [       ]
- ☒ Amendment  
Number of the existing licence or works approval to be amended: L4597/1988/14
- ☐ Registration (works approval already obtained)  
Existing works approval number(s): [       ]

**1.2 This application is for the following categories of prescribed premises:**

[6] Mine Dewatering

☒ All activities that meet the definition of a prescribed premises as set out in Schedule 1 of the EP Regulations have been specified above (tick, if yes).

Completion Matrix			
The matrix below explains what sections are required to be completed for different types of applications.			
Application Form Section	New Application/ Registration	Renewal	Amendment
Part 1: Application type	•	•	•
Part 2: Applicant details – sections 2.1	•	•	•
Part 2: Applicant details – section 2.1 onwards	•	•	Δ
Part 3: Premises details	•	•	Δ
Part 4: Proposed activities	•	•	•
Part 5: Index of Biodiversity Surveys for Assessment	If required.	If required.	If required.
Part 6: Other DWER approvals	•	•	•
Part 7: Other approvals and consultation	•	•	•
Part 8: Fit and competent operator	•	•	Δ
Part 9: Emissions, discharges, and waste	•	•	Δ
Part 10: Siting and location	•	•	N/A
Part 11: Submission of any other relevant information	•	•	If required.
Part 12: Proposed fee calculation	•	•	•
Part 13: Commercially sensitive or confidential information	•	•	•
Part 14: Submission of application	•	•	•
Part 15: Declaration and signature	•	•	•
Attachment 1A: Proof of occupier status	•	•	N/A
Attachment 1B: ASIC company extract	•	•	N/A
Attachment 1C: Authorisation to act as a representative of the occupier	If required.	If required.	If required.
Attachment 2: Premises map/s	•	•	Δ
Attachment 3A: Proposed activities	•	•	Δ
Attachment 3B: Map of area proposed to be cleared (only applicable if clearing is proposed)	•	•	•
Attachment 3C: Additional information for clearing assessment	If required.	If required.	If required.
Attachment 4: Biodiversity surveys (only applicable if biodiversity surveys included in application)	•	•	•
Attachment 5: Other approvals and consultation documentation	•	•	Δ
Attachment 6A: Emissions and discharges	If required.	If required.	If required.
Attachment 6B: Waste acceptance	If required.	If required.	If required.
Attachment 7: Siting and location	•	•	Δ
Attachment 8: Additional information submitted	If required.	If required.	If required.
Attachment 9: Proposed fee calculation	•	•	•
Attachment 10: Request for exemption from publication	If required.	If required.	If required.
<b>Key:</b> • Must be submitted Δ to the extent changed/required in relation to the amendment N/A Not required with application, but may be requested subsequently depending on DWER records “If required” Sections for applicants to determine.			

## Part 2: Applicant details

## INSTRUCTIONS:

- The applicant (the occupier of the premises) must be an individual(s), a company, body corporate, or public authority, but not a partnership, trust, or joint-venture name. Applications made by or on behalf of business names or unincorporated associations will not be accepted.
- If applying as an individual, your full legal name must be inserted.
- If applying as a company, body corporate, or public authority, the full legal entity name must be inserted.
- Australian Company Number's (ACN) must be provided for all companies or body corporates.
- DWER prefers to send all correspondence electronically via email. We request that you consent to receiving all correspondence relating to instruments and notices under Part V of the EP Act ("Part V documents") electronically via email, by indicating your consent in Section 2.3.
- Companies or body corporates making an application must nominate an authorised representative from within their organisation. Proof of authorisation will be required.
- Details of a contact person must be provided for DWER enquiries in relation to your application. This contact person can be a consultant if authorised to represent the applicant. Written evidence of this authorisation must be provided.
- Details of the occupier of the premises must be provided. One of the options must be selected and if you have been asked to specify, please provide details. For example, if 'lease holder' has been selected, please specify the type of lease (for example, pastoral lease, mining lease, or general lease) and provide a copy of the lease document(s). Note that contracts for sale of land will not be sufficient evidence of occupancy status.

2.1	<b>Applicant name/s (full legal name/s):</b> [the proposed holder of the works approval, licence or registration]	[REDACTED]				
	<b>ACN (if applicable):</b>	[REDACTED]				
2.2	<b>Trading as (if applicable):</b>	[REDACTED]				
2.3	<b>Authorised representative details:</b> [the person authorised to receive correspondence and Part V documents on behalf of the applicant under the EP Act.  Where 'yes' is selected, all correspondence will be sent to you via email, to the email address provided in this section.  Where 'no' has been selected, Part V documents will be posted to you in hard copy to the postal / business address specified in section 2.4. Other general correspondence may still be sent to you via email.]	Name	[REDACTED]			
		Position	[REDACTED]			
		Telephone	[REDACTED]			
		Email	[REDACTED]			
		<i>I consent to all written correspondence between myself (the applicant) and DWER, regarding the subject of this application, being exclusively via email, using the email address I have provided above.</i>		<table border="1"> <thead> <tr> <th data-bbox="1299 1279 1358 1323">Yes</th> <th data-bbox="1378 1279 1437 1323">No</th> </tr> </thead> <tbody> <tr> <td data-bbox="1299 1413 1358 1458">X</td> <td data-bbox="1378 1413 1437 1458"><input type="checkbox"/></td> </tr> </tbody> </table>	Yes	No
Yes	No					
X	<input type="checkbox"/>					
2.4	<b>Registered business address for receipt of Part V documents under the EP Act:</b> [this must be a physical address to which a Part V document may be delivered.					
2.5	<b>Postal address for all other correspondence:</b> [if different from section 2.4]					

Part 2: Applicant details				
2.6	<b>Contact person details for DWER enquiries relating to the application (if different from the authorised representative):</b> [for example, could be a consultant or a site based employee]	Name	[REDACTED]	
		Position	[REDACTED]	
		Organisation	[REDACTED]	
		Address	[REDACTED] [REDACTED]	
		Telephone	[REDACTED]	
		Email	[REDACTED]	
2.7	<b>Occupier status:</b> [Occupier is defined in section 3 of the EP Act and includes a person in occupation or control of the premises, or occupying a different part of the premises whether or not that person is the owner.]	Registered proprietor on certificate of title	<input type="checkbox"/>	
		Lease holder (please specify, including date of expiry of lease)	<input type="checkbox"/>	
		Public authority that has care, control or management of the land	<input type="checkbox"/>	
		Other (please specify – for example, joint venture operating entity, contract, or other legal document)	<input type="checkbox"/>	
<b>Attachments</b>			<b>N/A</b>	<b>Yes</b>
2.8	<b>Attachment 1A: Proof of occupier status</b>	Copies of certificate of title, lease or other instruments evidencing proof of occupier status, including the expiry date or confirmation that there is no expiry date, have been provided and labelled as Attachment 1A.	<input type="checkbox"/>	<input type="checkbox"/>
2.9	<b>Attachment 1B: ASIC company extract</b>	A current company information extract purchased from the ASIC website(s) for all new applications/registrations has been provided and labelled as Attachment 1B.	<input type="checkbox"/>	<input type="checkbox"/>
2.10	<b>Attachment 1C: Authorisation to act as representative of the occupier</b>	A copy of the documentation authorising the applicant to act on the occupier's behalf as their authorised agent/representative has been provided and labelled as Attachment 1C.	<input type="checkbox"/>	<input type="checkbox"/>

Part 3: Premises details			
3.1	<b>Premises legal description (whole or part to be specified):</b> [Include the land description (volume and folio number, lot or location number/s); Crown lease or reserve number; pastoral lease number; or mining tenement number (as appropriate), of all properties, as shown on title details registered with Landgate.]		
	<b>Premises street address</b> [Include the suburb.]		
	<b>Premises name (if applicable):</b>		
3.2	<b>Local Government Authority area:</b> [City, Town or Shire]		
3.3	<b>GPS or map coordinates:</b> [GPS coordinates (latitude and longitude) must be provided where cadastre or mining tenements are not used as the premises boundary]		
Attachments		N/A	Yes
3.4	<b>Attachment 2: Premises map/s</b> An aerial photograph, map and site plan of the premises must be included as an attachment to this application form and labelled Attachment 2. You must provide an aerial photograph of sufficient scale showing the prescribed premises. You must also provide a map or maps of the prescribed premises, identifying: <ul style="list-style-type: none"> <li>• layout of key infrastructure and buildings, clearly labelled;</li> <li>• the premises boundary;</li> <li>• emission and discharge points (with GPS coordinates where available);</li> <li>• sensitive receptors and land uses; and</li> <li>• all areas proposed to be cleared (if applicable).</li> </ul> Maps must contain a north arrow, clearly marking the area in which the activities are carried out. The map or maps must be of reasonable clarity and have a visible scale.	<input type="checkbox"/>	X

Part 4: Proposed activities	
<b>INSTRUCTIONS:</b> <ul style="list-style-type: none"> <li>• You must provide a description and the scope, size and scale of all prescribed activities of Schedule 1 to the EP Regulations including the maximum production or design capacity of each prescribed activity.</li> <li>• If applying for a works approval or licence amendment involving the construction of new infrastructure, you must provide information on infrastructure to be constructed and how long construction is expected to take. You must confirm if commissioning is to occur and how long it will take.</li> <li>• If applying for a works approval or licence amendment <i>not</i> involving the construction of new infrastructure, provide details of the proposed amendment.</li> <li>• You must identify all emission sources on the premises map/s.</li> <li>• You must also provide information on activities which directly relate to the prescribed premises category which have, or are likely to result in, an emission or discharge.</li> <li>• If clearing activities are proposed provide a description and details. If a relevant exemption under Schedule 6 of the EP Act or regulation 5 of the <i>Environmental Protection (Clearing of Native Vegetation) Regulations 2004 (WA)</i> (Clearing Regulations) may apply, provide details.</li> </ul>	



**Part 4: Proposed activities**

**4.1 Description/overview:**

This amendment is to facilitate inclusion of Marvel Loch Pit as Containment Infrastructure for Mine Dewater in Table 1.2.1 of L4597/1998/14.

Feasibility Studies are underway and approvals being sought to develop the Jaccoletti Underground Project, ~500m west of Marvel Loch town on M77/112. The Jaccoletti pit is currently filled to ~ 50m depth (403mRL) with groundwater (400,00kL @ 20 August 2019), due to its role as storage for dewater from the Nevoria underground mine, approximately 12km south. Water is currently sent from Nevoria to the Marvel Loch processing plant, with surplus diverted to Jaccoletti. In the short-term, this water will need to be removed to allow access to the base of the pit for completion of geotechnical studies. Longer term, the Jaccoletti Underground mine will require dewatering over the Life of Mine.

Stage 1 of the Geotechnical Study for Jaccoletti has been completed, with the report recommending additional work (Stage 2), including:

- Inspection of proposed portal sites to assess ground support and optimise portal location;
- Open Pit Slope Monitoring to confirm current assessments of wall stability.

Stage 2 cannot proceed until the Pit has been emptied of water and the mine design cannot be completed until this work is done. This has direct impacts on environmental and financial approvals, and hence project timeframes. Scheduled start-up of mining Jaccoletti Underground is 2nd quarter of 2020.

A hydrogeological study for Jaccoletti is underway, to underpin long-term infrastructure requirements and pumping strategies. Jaccoletti underground has an initial two-year life, with extensions likely as drilling progresses further with mining. The long-term dewatering rate is unknown at this stage. It is projected to be similar to the current Marvel Loch underground rate of 15L/second., however there is potential for higher rates if large, water-bearing fissures are intersected during mining.

A detailed water balance will be developed as a component of the hydrogeological study, incorporating mill supply requirements, current and projected Nevoria dewatering rates and proposed Jaccoletti dewatering rates. A basic balance however, requires ~ 70L/second supply to the mill. In winter ~ 40% of water used can be recovered from the Tailings Storage Facility (TSF). External supply of ~40L/second is required, currently provided by Nevoria (45L/second) and Marvel Loch Underground (15L/second). Supply from Marvel Loch underground has been continued, to maintain access and prevent flooding of underground infrastructure.

The supply surplus of ~ 20L/second is sent to Jaccoletti. Jaccoletti pit is licensed to receive dewater, however Marvel Loch pit is not included as a dewater storage pit on Licence L4597/1988/14 (Table 1.2.1). Storage of the water in Marvel Loch pit is the preferred option for dewater from Jaccoletti water plus Nevoria surplus to mill requirements. Mine dewater will be used preferentially in the process plant rather than being discharged.

The capacity of Marvel Loch pit is ~ 49,000,000kL, allowing 10m freeboard. Water quality in Marvel Loch underground is hypersaline; the last sample in June 2019 measured pH 6.8, electrical conductivity (EC) of 88,000uS/cm and Total Dissolved Solids (TDS) of 76,000mg/L. The Nevoria groundwater currently in Jaccoletti is hypersaline, measuring pH of 6.8, EC of 190,000uS/cm and TDS of 190,000mg/L.

The underground pumps at Marvel Loch, which have maintained access to the underground workings and a supply source if Nevoria line is out of service will be decommissioned once pumping from Jaccoletti commences. Projected discharge to Marvel Loch pit to end December is estimated at approximately 480,000kL. This is a broad estimate, based on 400,000m3 of water in Jaccoletti at last survey (20Aug) and additional 80,000kL (10L/second surplus supply from Nevoria) from end-September till end December.

Nevoria dewatering rates vary by significant amounts, from 40L/second up to 120L/second in recent times, due to intersection of large, water bearing structures. Currently the rate is at the lower end and can be managed via discharge south to the Yilgarn Star pit. At the time of writing, all Nevoria water is directed south to Yilgarn Star, Jaccoletti water is being pumped at ~40L/second to the process Water Pond (PWD) for use in the mill and the Marvel Loch underground pumps have been turned off.

Projected discharge to Marvel Loch pit is likely to reduce in early 2020 and potentially reverse in the short term as mill demand may outstrip supply. Commissioning of the new TSF3 will generate zero water recovery and discharge will then depend on the dewatering rate from Nevoria and Jaccoletti underground mines. Nevoria is scheduled for completion in approximately 12 months. There is ample storage in Marvel Loch pit to manage the long-term volumes anticipated.

Part 4: Proposed activities			
<p>Based on an estimated long term dewatering rate for Jaccoletti of 15L/second, plus approximately 20L/second of Nevoria dewater (not used by the mill), approximately 35L/second or 1,100,000kL per annum will report to Marvel Loch Pit.</p> <p>Peak volumes in the short term will be up to approximately 80L/second as dewatering of the open pit is progressed as quickly as possible to enable completion of the geotechnical studies. The 80L/second rate is understood to be the original design specifications of the Jaccoletti pipeline, being capable of transferring 60L/second from Nevoria and 20L/second from Marvel Loch underground. Existing bunding and spill containment sumps are installed along the current pipeline route.</p> <p>The existing pipeline is being inspected and pumping equipment being designed to match its maximum safe capacity. A pump shut-off communications system will be installed on the system, similar to the system currently in operation at the Aquarius Project. This will ensure that pumps are shut down quickly in the event of a leak being detected. Spill containment sumps will be inspected and refurbished if required, to ensure they are sized to contain the maximum potential volume generated within the system's shut-off time-period.</p>			
4.2	<b>Estimated operating period of the project / premises (e.g. based on estimated infrastructure life):</b>	10 years	
4.3	<b>Proposed date/s for commencement of works (if applicable):</b>	15 September 2019	
4.4	<b>Proposed date/s for conclusion of works construction (if applicable):</b> [This date should coincide with the submission to DWER of an Environmental Compliance Report and/or a Critical Containment Infrastructure Reports as required]	30 September 2019	
4.5	<b>Proposed date/s for commissioning of works (if applicable):</b>	30 September 2019	
4.6	<b>Proposed date/s for commencement of operations under works approval (if applicable):</b>	30 September 2019	
4.7	<b>Maximum production or design capacity for each category applied for (based on infrastructure operating 24 hours a day, 7 days a week):</b> [Refer to categories listed in 1.2. Units must be consistent with Schedule 1 of the EP Regulations]	No change from current total volume: 6,000,000kL/annum	
4.8	<b>Estimated/actual throughput for each category applied for:</b> [Refer to categories listed in 1.2. Units must be consistent with Schedule 1 of the EP Regulations]	Estimated Marvel Loch pit to receive approximately 1,100,000	
4.9	<b>Proposed activities:</b> You must provide details of proposed activities, identifying: <ul style="list-style-type: none"> <li>• scope, size and scale, including details as to frequency and production or design capacity;</li> <li>• key infrastructure and equipment;</li> <li>• description of processes or operations (a process flow chart may be included as an attachment);</li> <li>• emission/discharge points;</li> <li>• locations of waste storage or disposal; and</li> <li>• activities occurring during construction, commissioning and operation (if applicable).</li> </ul> Additional information relating to the proposed activities may be included in Attachment 3A (see 4.10 below). See Figure 1. Dewatering volume rates on L4597/1988/14 will not change.		
<b>Attachments</b>		<b>N/A</b>	<b>Yes</b>
4.10	<b>Attachment 2: Premises map</b> Emission/discharge points are clearly labelled on the map/s required for Part 3.4 (Attachment 2).	<input type="checkbox"/>	X

Part 4: Proposed activities				
4.11	<b>Attachment 3A: Proposed activities</b>	Additional information relating to the proposed activities has been included in Attachment 3A (if required).	<input type="checkbox"/>	X
<b>Clearing activities</b> [4.12 to 4.18 are only required if the application includes clearing of native vegetation]				
4.12	<b>Proposed clearing area (hectares and/or number of individual trees to be removed):</b>	NA		
4.13	<b>Details of any relevant exemptions:</b> [refer to DWER's <a href="#">A guide to the exemptions and regulations for clearing native vegetation</a> ]	NA		
4.14	<b>Proposed method of clearing:</b>	NA		
4.15	<b>Period within which clearing is proposed to be undertaken:</b> [for example, May 2019 – June 2019]	NA		
4.16	<b>Purpose of clearing:</b> NA			
<b>Clearing activities – Attachments</b>			<b>N/A</b>	<b>Yes</b>
4.17	<b>Attachment 3B: Map of area proposed to be cleared</b>	You must provide an aerial photograph or map of sufficient scale showing the proposed clearing area and prescribed premises boundary OR if you have the facilities, a suitable portable digital storage device of the area proposed to be cleared as an ESRI shapefile with the following properties: <ul style="list-style-type: none"> <li>Geometry type: Polygon Shape</li> <li>Coordinate system: GDA 1994 (Geographic latitude/longitude)</li> </ul> Datum: GDA 1994 (Geocentric Datum of Australia 1994).	X	<input type="checkbox"/>
4.18	<b>Attachment 3C: Additional information for clearing assessment</b>	Additional information to assist in the assessment of the clearing proposal may be attached to this application (for example, reports on salinity, fauna or flora studies or other environmental reports conducted for the site).	X	<input type="checkbox"/>

Part 5: Index of Biodiversity Surveys for Assessments (IBSA)				
<b>INSTRUCTIONS:</b>				
<ul style="list-style-type: none"> <li>Biodiversity surveys submitted to support this application must meet the requirements of the EPA's <i>Instructions for the preparation of data packages for the Index of Biodiversity Surveys for Assessments (IBSA)</i>.</li> <li>If these requirements are not met, DWER will decline to deal with the application.</li> </ul>				
<b>Attachments</b>			<b>N/A</b>	<b>Yes</b>
5.1	<b>Attachment 4: Biodiversity surveys</b>	All biodiversity surveys submitted with this application meet the requirements of the EPA's <a href="#">Instructions for the preparation of data packages for the Index of Biodiversity Surveys for Assessments (IBSA)</a> .	X	<input type="checkbox"/>



Part 6: Other DWER approvals	
<b>INSTRUCTIONS:</b> <ul style="list-style-type: none"> <li>If you have applied, or intend to apply, for other approvals within DWER that may be relevant to this application, you must provide relevant details.</li> <li>If you have referred, or intend to refer, your proposal to the Environmental Protection Authority (EPA), you must provide details.</li> </ul>	
<b>Pre-application scoping</b>	
6.1	<b>Have you had any pre-application / pre-referral / scoping meetings with DWER regarding any planned applications?</b> <div> <input type="checkbox"/> No  <input checked="" type="checkbox"/> Yes – provide details: [Discussed project with Manager Licensing; Tim Gentle on 2/09/2019. ] </div>
<b>Environmental Impact Assessment (Part IV of the EP Act)</b>	
6.2	<b>Have you referred or do you intend to refer the proposal to the EPA?</b> <p>Section 37B(1) of the EP Act defines a 'significant proposal' as "a proposal likely, if implemented, to have a significant effect on the environment".</p> <p>If DWER considers that the proposal in this application is likely to constitute a 'significant proposal', DWER is required under section 38(5) of the EP Act to refer the proposal to the EPA for assessment under Part IV, if such a referral has not already been made.</p> <p>If a relevant Ministerial Statement already exists, please provide the MS number in the space provided.</p> <div> <input type="checkbox"/> Yes (referred) – reference (if known): [       ]  <input type="checkbox"/> Yes – intend to refer (proposal is a 'significant proposal')  <input type="checkbox"/> Yes – intend to refer (proposal will require a section 45C amendment to the current Ministerial Statement): MS [       ]  <input type="checkbox"/> No – a valid Ministerial Statement applies: MS [       ]  <input checked="" type="checkbox"/> No – not a 'significant proposal' </div>
<b>Clearing of Native Vegetation (Part V, Division 2 of the EP Act and Country Area Water Supply Act 1947)</b>	
6.3	<b>Have you applied or do you intend to apply for a native vegetation clearing permit?</b> <p>In accordance with the <a href="#">Guidance Statement: Decision Making</a>, where clearing of native vegetation is of an exempt kind under the <i>Environmental Protection (Clearing of Native Vegetation) Regulations 2004</i> (WA), or is being assessed by a relevant authority which would lead to an exemption under Schedule 6 of the EP Act, the clearing will not be assessed by DWER or be subject to any additional controls by DWER.</p> <p>If the proposed clearing action is to be assessed in accordance with, or under, an <i>Environment Protection and Biodiversity Conservation Act 1999</i> (Cth) (EPBC Act) accredited process, such as the assessment bilateral agreement, <a href="#">Form Annex C7 – Assessment bilateral agreement</a> must be completed and attached to your clearing permit application.</p> <div> <input type="checkbox"/> Yes – clearing application reference (if known): [       ]  <input type="checkbox"/> No – this application includes clearing (please complete questions 4.11 to 4.17)  <input type="checkbox"/> No – a valid permit applies: CPS [       ]  <input type="checkbox"/> No – exemption applies (explain why): [       ]  <input checked="" type="checkbox"/> No – permit not required </div>
6.4	<b>Have you applied or do you intend to apply for a Country Area Water Supply Act 1947 licence?</b> <p>If a clearing exemption applies in a <i>Country Area Water Supply Act 1947</i> (CAWS) controlled catchment, or if compensation has previously been paid to retain the subject vegetation, a <i>Country Area Water Supply Act 1947</i> clearing licence is required.</p> <p>If yes, contact the nearest DWER regional office for a Form 1 <i>Application for licence</i>.</p> <p><a href="#">Map of CAWS Act controlled catchments</a></p> <div> <input type="checkbox"/> Yes – application reference (if known): [       ]  <input type="checkbox"/> No – a valid licence applies: [       ]  <input checked="" type="checkbox"/> No – licence not required </div>

Part 6: Other DWER approvals	
<b>Water Licences and Permits (<i>Rights in Water and Irrigation Act 1914</i>)</b>	
6.5 <b>Have you applied, or do you intend to apply for:</b> <ol style="list-style-type: none"> <li>a licence or amendment to a licence to take water (surface water or groundwater); or</li> <li>a licence to construct wells (including bores and soaks); or</li> <li>a permit or amendment to a permit to interfere with the bed and banks of a watercourse?</li> </ol>	<input type="checkbox"/> Yes –application reference (if known): [       ] X No – a valid licence / permit applies: [GWL 59227(9)] <input type="checkbox"/> No – licence / permit not required

Part 7: Other approvals and consultation			
<b>INSTRUCTIONS:</b> <ul style="list-style-type: none"> <li>Please provide copies of all relevant documentation indicated below, including any conditions, exclusions, or expiry dates.</li> <li>Major Project means:               <ul style="list-style-type: none"> <li>A State Development Project, where the lead agency is the Department of Jobs, Tourism, Science and Innovation (including projects to which a State Agreement applies); or</li> <li>A Level 2 or 3 Major Resource Project, as defined in the Lead Agency Framework.</li> </ul> </li> </ul>			
		<b>N/A</b>	<b>No</b>
7.1	Is the proposal a Major Project?	X	<input type="checkbox"/>
7.2	Is the proposal subject to a State Agreement Act?	X	<input type="checkbox"/>
	If yes, specify which Act:		
7.3	Has the proposal been allocated to a "Lead Agency"?	X	<input type="checkbox"/>
	If yes, specify Lead Agency contact details:		
7.4	Has the proposal been referred and/or assessed under the EPBC Act (Commonwealth)?	<input type="checkbox"/>	X
	If yes, please specify referral, assessment and/or approval number:		
7.5	Has the proposal obtained all relevant planning approvals?	<input type="checkbox"/>	X
	<b>If planning approval is necessary but has not been obtained, please provide details indicating why:</b>  Approvals for mining of the Jaccoletti Underground Project have not been obtained yet. Studies are currently underway to underpin submission and approval of a Mining Proposal under the Mining Act 1978. The project will also be referred to the EPA due to the proximity to the town of Marvel Loch and potential for noise issues.  This application however, is for an amendment to the existing Prescribed Premise Licence to authorise discharge of mine dewater from the Jaccoletti and Nevoria mines to Marvel Loch pit only. No other planning approvals are required for this activity.		
	<b>If planning approval is not necessary, please provide details indicating why:</b>  		
7.6	For renewals or amendment applications, are the relevant planning approvals still valid (that is, not expired)?	<input type="checkbox"/>	X
7.7	Has the proposal obtained all other necessary statutory approvals (not including any other DWER approvals identified in Part 6)?	<input type="checkbox"/>	X
	If no, please provide details of approvals already obtained, outstanding approvals, and expected dates for obtaining these outstanding approvals:		

Part 7: Other approvals and consultation				
		N/A	No	Yes
7.8	<b>Has consultation been undertaken with parties considered to have a direct interest in the proposal (that is, interested parties or persons who are considered to be directly affected by the proposal)?</b> DWER will give consideration to submissions from interested parties or persons in accordance with the <a href="#">Guidance Statement: Decision Making</a> .	X	<input type="checkbox"/>	<input type="checkbox"/>
<b>Attachments</b>			N/A	Yes
7.9	<b>Attachment 5: Other approvals and consultation documentation</b> Details of other approvals specified in Part 7 of this application, including copies of relevant decisions and any consultation undertaken with direct interest stakeholders have been provided and labelled Attachment 5.		X	<input type="checkbox"/>

Part 8: Applicant history				
<b>Note:</b> <ul style="list-style-type: none"> <li>Under this section, DWER will undertake an internal due diligence of the applicant's fitness and competency based on DWER's compliance records.</li> <li>If you wish to provide additional information for DWER to consider in making this assessment, you may provide that information as a separate attachment (see Part 11).</li> </ul>				
		N/A	No	Yes
8.1	If the applicant is an individual, has the applicant previously held, or do they currently hold, a licence or works approval under Part V of the EP Act?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.2	If the applicant is a corporation, has any director of that corporation previously held, or do they currently hold, a licence or works approval under Part V of the EP Act?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.3	If yes to 8.1 or 8.2 above, specify the name of company and/or licence or works approval number:			
8.4	If the applicant is an individual, has the applicant ever been convicted, or paid a penalty, for an offence under a provision of the EP Act, its subsidiary legislation, or similar environmental protection or health-related legislation in Western Australia or elsewhere in Australia?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.5	If the applicant is a corporation, has any director of that corporation ever been convicted, or paid a penalty, for an offence under a provision of the EP Act, its subsidiary legislation, or similar environmental protection or health-related legislation in Western Australia or elsewhere in Australia?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.6	If the applicant is a corporation, has any person concerned in the management of the corporation, as referred to in section 118 of the EP Act, ever been convicted of, or paid a penalty, for an offence under a provision of the EP Act, its subsidiary legislation, or similar environmental protection or health-related legislation in Western Australia or elsewhere in Australia?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.7	If the applicant is a corporation, has any director of that corporation ever been a director of another corporation that has been convicted, or paid a penalty, for an offence under a provision of the EP Act, its subsidiary legislation, or similar environmental protection or health-related legislation in Western Australia or elsewhere in Australia?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.8	With regards to the questions posed in 8.4 to 8.7 above, have any legal proceedings been commenced, whether convicted or not, against the applicant for an offence under a provision of the EP Act, its subsidiary legislation, or similar environmental protection or health-related legislation in Western Australia or elsewhere in Australia?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Part 8: Applicant history			
8.9	Has the applicant had a licence or other authority suspended or revoked due to a breach of conditions or an offence under the EP Act or similar environmental protection or health-related legislation in Western Australia or elsewhere in Australia?	<input type="checkbox"/>	<input type="checkbox"/>
8.10	If the applicant is a corporation, has any director of that corporation ever had a licence or other authority suspended or revoked due to a breach of conditions or an offence under the EP Act or similar environmental protection or health-related legislation in Western Australia or elsewhere in Australia?	<input type="checkbox"/>	<input type="checkbox"/>
8.11	If the applicant is a corporation, has any director of that corporation ever been a director of another corporation that has ever had a licence or other authorisation suspended or revoked due to a breach of conditions or an offence under the EP Act or similar environmental protection or health-related legislation in Western Australia or elsewhere in Australia?	<input type="checkbox"/>	<input type="checkbox"/>
8.12	If yes to any of 8.4 to 8.11 above, you must provide details of any charges, convictions, penalties paid for an offence, and/or licences or other authorisations suspended or revoked:		



## Part 9: Emissions, discharges, and waste

## INSTRUCTIONS:

- Please see [Guidance Statement: Risk Assessments](#) and provide all information relating to emission sources, pathways and receptors relevant to the application.
- You must provide details on sources of emissions (for example, kiln stack, baghouses or discharge pipelines) including fugitive emissions (for example, noise, dust or odour), types of emissions (physical, chemical, or biological), and volumes, concentrations and durations of emissions.
- The potential for emissions should be considered for all stages of the proposal (where relevant), including during construction, commissioning and operation of the premises.

	No	Yes
9.1 Are there potential emissions or discharges arising from the proposed activities?	<input type="checkbox"/>	X

If yes, identify all potential emissions and discharges arising from the proposed activities and complete the Emission Table below.

- |  |  |
|--|--|
| <input type="checkbox"/> Gaseous and particulate emissions (e.g. emissions from stacks, chimneys or baghouses)   | <input type="checkbox"/> Dust (e.g. from equipment, unsealed roads and/or stockpiles)  |
| <input type="checkbox"/> Wastewater discharges (e.g. treated sewage, wash water, or process water discharged to lands or waters)   | <input type="checkbox"/> Waste and leachate (e.g. emissions through seepage, leaks and spills of waste from storage, process and handling areas) |
| <input type="checkbox"/> Noise (e.g. from machinery operations and/or vehicle operations)  | <input type="checkbox"/> Odour (e.g. from wastes accepted at putrescible landfills)  |
| <input type="checkbox"/> Contaminated or potentially contaminated stormwater (e.g. stormwater with the potential to come into contact with chemicals or waste materials) | <input type="checkbox"/> Electromagnetic radiation*  |
| X Other (please specify) [ Groundwater ]   |  |

\*For electromagnetic radiation, copies/details of other relevant approvals (such as from the Department of Mines, Industry Regulation and Safety or the Radiological Council) must be provided where applicable.

Details of any pollution control equipment or waste treatment system, including any control mechanisms used to ensure proper operation of this equipment, must be included in the proposed controls column of the 'Emissions and discharges table' below. Details of management measures employed to control emissions should also be included.

Additional rows may be added as required and/or further information may be included as an attachment (see section 9.3).

## Emissions and discharges table:

	Source of emission or discharge	Emission or discharge type	Volume and frequency	Proposed controls	Location (on site layout plan – see 3.4)
	Underground and open pits	Groundwater	Direct discharge to pit	Pipe bunding, Telemetry.	See Figure 1

Part 9: Emissions, discharges, and waste																												
			No	Yes																								
9.2	<b>Is there waste accepted, buried, stored, or recycled on the premises?</b> (includes leachate and contaminated storm water generated and stored on the premises)		<input type="checkbox"/>	<input type="checkbox"/>																								
<p>Solid waste types must be described with reference to <i>Landfill Waste Classification and Waste Definitions 1996</i> (as amended December 2009) and the <i>Environmental Protection (Controlled Waste) Regulations 2004</i>. Liquid waste types must be described with reference to the <i>Environmental Protection (Controlled Waste) Regulations 2004</i>. Detail must be provided on storage type (for example, hardstand and containment infrastructure), capacity, likely storage volumes, and containment features (for example, lining and bunding). Additional rows may be added as required and/or further information may be included as an attachment (see section 9.4).</p> <p><b>Waste acceptance table:</b></p> <table border="1"> <thead> <tr> <th></th> <th>Waste type</th> <th>Quantity (e.g. tonnes, litres, cubic metres)</th> <th>Storage infrastructure (including specifications)</th> <th>Monitoring (if applicable)</th> <th>Location (on site layout plan – see 3.4)</th> </tr> </thead> <tbody> <tr> <td></td> <td>Groundwater</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>						Waste type	Quantity (e.g. tonnes, litres, cubic metres)	Storage infrastructure (including specifications)	Monitoring (if applicable)	Location (on site layout plan – see 3.4)		Groundwater																
	Waste type	Quantity (e.g. tonnes, litres, cubic metres)	Storage infrastructure (including specifications)	Monitoring (if applicable)	Location (on site layout plan – see 3.4)																							
	Groundwater																											
<b>Attachments</b>			N/A	Yes																								
9.3	<b>Attachment 6A: Emissions and discharges</b> (if required)	If required, further information for Part 9.1 has been included as an attachment labelled Attachment 6A.	<input type="checkbox"/>	<input type="checkbox"/>																								
9.4	<b>Attachment 6B: Waste acceptance</b> (if required)	If required, further information for Part 9.2 has been included as an attachment labelled Attachment 6B.	<input type="checkbox"/>	<input type="checkbox"/>																								

Part 10: Siting and Location				
10.1	What is the distance to the nearest sensitive land uses (that is, a residence or other land use which may be affected by an emission or discharge associated with the proposed activities):			
			No	Yes
10.2	Is the premises located within, or within close proximity to, any specified ecosystems, or any environmentally sensitive areas (ESAs) as declared under the <i>Environmental Protection (Environmentally Sensitive) Notice 2005</i> ? (See <a href="#">Guidance Statement: Environmental Siting</a> )		<input type="checkbox"/>	<input type="checkbox"/>
If no, identify the distance in which there are no specified ecosystems and/or ESAs. If yes, provide details of the specified ecosystems and/or ESAs, and the distance to these:				
10.3	<p>If yes to 10.2, you must also provide further information including details on topography, geology, soil type, depth to groundwater and quality of groundwater at the premises.</p> <p>For premises answering no to 10.2, additional information including topography, geology, soil type, groundwater depth, and water quality is recommended to be included if this information is available.</p>			
<b>Attachments</b>			N/A	Yes
10.4	<b>Attachment 7: Siting and location</b>	You must provide details and a map describing the siting and location of the premises, including identification of distances to sensitive land uses and/or any specified ecosystems.	<input type="checkbox"/>	X

Part 11: Submission of any other relevant information				
Attachments			No	Yes
11.1	<b>Attachment 8: Additional information submitted</b>	Applicants seeking to submit further information may include information labelled Attachment 8. If submitting multiple additional attachments, label them 8A, 8B, etc.  Where supplementary documentation is submitted, please specify the name of documents below.	X	<input type="checkbox"/>
List title of supplementary document/s attached:				



Part 12: Proposed fee calculation		
<b>INSTRUCTIONS:</b>  To pay a fee via BPoint, or for information for paying via secure electronic funds transfer or cheque, consult DWER's website at <a href="https://dwer.wa.gov.au/make-a-payment">https://dwer.wa.gov.au/make-a-payment</a> . If paying by credit card, select biller code "Industry Regulation".  Fee calculators are available online to assist in completing this section. • Licence: <a href="http://www.der.wa.gov.au/LicenceFeeCalculator">www.der.wa.gov.au/LicenceFeeCalculator</a> • Works approval: <a href="http://www.der.wa.gov.au/WorksApprovalFeeCalculator">www.der.wa.gov.au/WorksApprovalFeeCalculator</a> • Amendment: <a href="http://www.der.wa.gov.au/AmendmentFeeCalculator">www.der.wa.gov.au/AmendmentFeeCalculator</a>  Different fee units apply for different fee components. Fee units may also have different amounts depending on the period in which the calculation is made.  Further information on fees can be found in the <a href="#">Fact Sheet: Industry Regulation fees</a> , available from DWER's website.		
12.1	Only the relevant fee calculations are to be completed as follows: [mark the box to indicate sections completed]	<input type="checkbox"/> Section 12.3 for works approval applications <input type="checkbox"/> Section 12.4 for licence applications <input type="checkbox"/> Section 12.5 for registration applications <input checked="" type="checkbox"/> Section 12.6 for amendment applications <input type="checkbox"/> Section 12.7 for applications requiring clearing of native vegetation
12.2	All information and data used for the calculation of proposed fees has been provided in accordance with section 12.8.	<input type="checkbox"/>
12.3	<b>Proposed works approval fee</b>	
<b>Proposed works approval fee (see Schedule 3 of the EP Regulations)</b>  Fees relate to the cost of the works, including all capital costs (inclusive of GST) associated with the construction and establishment of the works proposed under the works approval application. This includes, for example, costs associated with earth works, hard stands, drainage, plant hire, equipment, processing plant, relocation of equipment and labour hire.  <b>Costs exclude:</b> - the cost of land; - the cost of buildings to be used for purposes unrelated to the purposes in respect of which the premises are, or will become, prescribed premises; costs for buildings unrelated to the prescribed premises activity or activities; and - consultancy fees relating to the works.		
Fee component		Proposed fee
Cost of works: \$		\$

<b>12.4 Proposed licence fee</b>		
<b>Detailed licence fee calculations</b>		
<p><b>Part 1 Premises component</b> (see regulation 5D and Part 1 of Schedule 4 of the EP Regulations)</p> <p>The production or design capacity should be the maximum capacity of the premises. For most categories the production or design capacity refers to an annual rate. The figure should be based on 24 hour operation for 365 days, unless there is another regulatory approval or technical reason that restricts operation.</p> <p>The premises component fee applies to the category in Part 1, Schedule 4 incurring the higher or highest amount of fee units in accordance with regulation 5D(2) of the EP Regulations.</p> <p>List all categories (insert additional rows as required). Use only the higher or highest amount of fee units to determine the Part 1 fee component.</p>		
<b>Category</b>	<b>Production or design capacity</b>	<b>Fee units</b>
Using the higher or highest amount of fee units, Part 1 component subtotal		
<p><b>Part 2 Waste</b> (see regulation 5D(1a)(b) and Part 2 of Schedule 4 of the EP Regulations)</p> <p>If your premises includes one or more of the following categories specify any applicable Part 2 waste amounts. Do not include Part 3 waste components of these discharges in the below sections.</p> <p>Categories: 5, 6, 7, 8, 9, 12, 14, 44, 46, 53, 54A, 70, 80, or 85B</p> <p>Part 2 waste means waste consisting of –</p> <ul style="list-style-type: none"> <li>(a) tailings; or</li> <li>(b) bitterns; or</li> <li>(c) water to allow mining of ore; or</li> <li>(d) flyash; or</li> <li>(e) waste water from a desalination plant.</li> </ul> <p>If the premises does not fall into one of the categories listed above, or there are no applicable Part 2 waste amounts, the sub total for this section will be \$0.</p> <p>Insert additional rows as required. Sum all Part 2 waste fees to determine the sub total.</p>		
<b>Discharge quantity (tonnes/year)</b>	<b>Fee units</b>	
Part 2 component subtotal		
<p><b>Part 3 Waste</b> - Discharges to air, onto land, into waters (see Part 3 of Schedule 4 of the EP Regulations)</p> <p>Choose the appropriate location of the discharge and enter the discharge amount(s) in the units specified in the EP Regulations. This should be the amount of waste expected to be discharged over the next 12 months, expressed in the units and averaging period applicable for that waste kind (for example, g/minute or kg/day). Amounts can be measured, calculated, or estimated and can be based on data acquired over the previous 12 months, but should be based on the maximum premises capacity and not the forecast operating hours.</p> <p>Where there are discharges, all prescribed waste types must be considered in the fee calculation. If a specified waste type is not present in the discharge, this must be justified using an appropriate emission estimation technique (for example, sampling data, industry sector guidance notes, National Pollution Inventory guides and emission factors).</p>		



Discharges to air			
Discharges to air	Discharge rate (g/min)	Discharges to air	Discharge rate (g/min)
Carbon monoxide		Nickel	
Oxides of nitrogen		Vanadium	
Sulphur oxides		Zinc	
Particulates (Total PM)		Vinyl chloride	
Volatile organic compounds		Hydrogen sulphide	
Inorganic fluoride		Benzene	
Pesticides		Carbon oxysulphide	
Aluminium		Carbon disulphide	
Arsenic		Acrylates	
Chromium		Beryllium	
Cobalt		Cadmium	
Copper		Mercury	
Lead		TDI (toluene-2, 4-di-iso-cyanate)	
Manganese		MDI (diphenyl-methane di-iso-cyanate)	
Molybdenum		Other waste	
Part 3 component subtotal		\$ 0	
Discharges onto land or into waters		Discharge rate	
1. Liquid waste that can potentially deprive receiving waters of oxygen (for each kilogram discharged per day) —	(a) biochemical oxygen demand (in the absence of chemical oxygen demand limit)		
	(b) chemical oxygen demand (in the absence of total organic carbon limit)		
	(c) total organic carbon		
2. Bio-stimulants (for each kilogram discharged per day) —	(a) phosphorus		
	(b) total nitrogen		
3. Liquid waste that physically alters the characteristics of naturally occurring waters —	(a) total suspended solids (for each kilogram discharged per day)		
	(b) surfactants (for each kilogram discharged per day)		
	(c) colour alteration (for each platinum cobalt unit of colour above the ambient colour of the waters in each megalitre discharged per day)		
	(d) temperature alteration (for each 1°C above the ambient temperature of the waters in each megalitre discharged per day) —		
	(i) in the sea south of the Tropic of Capricorn (ii) in other waters		

4. Waste that can potentially accumulate in the environment or living tissue (for each kilogram discharged per day) —	(a) aluminium	
	(b) arsenic	
	(c) cadmium	
	(d) chromium	
	(e) cobalt	
	(f) copper	
	(g) lead	
	(h) mercury	
	(i) molybdenum	
	(j) nickel	
	(k) vanadium	
	(l) zinc	
	(m) pesticides	
	(n) fish tainting wastes	
	(o) manganese	
5. <i>E. coli</i> bacteria as indicator species (in each megalitre discharged per day) —	(a) 1,000 to 5,000 organisms per 100 ml	
	(b) 5,000 to 20,000 organisms per 100 ml	
	(c) more than 20,000 organisms per 100 ml	
6. Other waste (per kilogram discharged per day) —	(a) oil and grease	
	(b) total dissolved solids	
	(c) fluoride	
	(d) iron	
	(e) total residual chlorine	
	(f) other	
Part 3 component subtotal		
<b>Summary – Proposed licence fee</b>		
Part 1 Component		
Part 2 Component		
Part 3 Component		
Total proposed licence fees:		

<b>12.5 Prescribed fee for registration</b>	
A fee of 24 units applies for an application for registration of premises, unless the occupier of the premises holds a licence in respect of the premises, in accordance with regulation 5B(2)(c) of the EP Regulations.	<input type="checkbox"/> (Tick to acknowledge)
<b>12.6 Works approval amendment or licence amendment fee</b>	
<p>Proposed works approval amendment or licence amendment fee (see Schedule 4 Part 1 of the EP Regulations). The fee prescribed for an application for an amendment to a works approval or licence is calculated in accordance with regulation 5BB(1)(a) of the EP Regulations:</p> <ul style="list-style-type: none"> <li>for a single category of prescribed premises to which the works approval or licence relates, by using the fee unit number corresponding to the prescribed premises category and relevant production or design capacity threshold in Schedule 4 Part 1 of the EP Regulations.</li> <li>for multiple categories of prescribed premises to which the works approval or licence relates, by using the highest fee unit number corresponding to the prescribed premises categories and production design or capacity threshold in Schedule 4 Part 1 of the EP Regulations.</li> </ul> <p>The relevant fee unit under Schedule 4 Part 1 of the EP Regulations for calculating the application form amendment fee is to be determined by reference to the actual production or design capacity reported for the preceding year's annual licence fee. If an annual licence fee has not previously been paid or is not applicable as is the case for works approvals, the fee unit for an application for amendment is to be determined by reference to the production or design capacity currently prescribed in the licence or works approval.</p>	
<b>Fee Units</b>	<b>Proposed fee</b>
	
<b>12.7 Prescribed fee for clearing permit</b>	
<p>In accordance with the <a href="#">Guidance Statement: Decision Making</a>, where an application for clearing of native vegetation is made as part of an application for a works approval or licence, DWER may elect to either jointly or separately determine the clearing component of the application. Where DWER separately determines the clearing component of an application, the application will be deemed to be an application for a clearing permit under section 51E of the EP Act and the CEO will waive the payment of the fee prescribed in the Clearing Regulations for an application for clearing permit.</p> <p>Note: If a clearing permit application has been separately submitted and accepted by DWER, a refund for the clearing permit application will not be provided where DWER determines to address clearing requirements as part of a related works approval application.</p>	<input type="checkbox"/> (Tick to acknowledge)
<b>12.8 Information and data used to calculate proposed fees</b>	
The detailed calculations of fee components, including all information and data used for the calculations are to be provided as attachments to this application, labelled as <b>Attachment 9</b> , with an appropriate suffix (for example 9A, 9B etc.). Please specify the relevant attachment number in the space/s provided below.	
<b>Proposed fee for works approval</b>	<b>Attachment No</b>
Details for cost of works	
<b>Proposed fee for licence</b>	<b>Attachment No</b>
Part 1: Premises	
Part 2: Waste types	
Part 3: Discharges to air, onto land, into waters	

Part 13: Commercially sensitive or confidential information	
<p><b>NOTE:</b>  Information submitted as part of this application will be made publicly available. If you wish to submit commercially sensitive or confidential information, please identify the information in Attachment 10, and include a written statement of reasons why you request each item of information be kept confidential.</p> <p>Information submitted later in the application process may also be made publicly available at DWER's discretion. For any commercially sensitive or confidential information, please follow the same process as described above.</p> <p>DWER will take reasonable steps to protect genuinely confidential or commercially sensitive information. Please note in particular that all submitted information may be the subject of an application for release under the <i>Freedom of Information Act 1992</i>.</p>	
All information which you would propose to be exempt from public disclosure has been separately placed in <b>Attachment 10</b> (located at the end of this form). Grounds for claiming exemption in accordance with Schedule 1 to the <i>Freedom of Information Act 1992</i> must be specified.	<input type="checkbox"/>
Part 14: Submission of application	
<p>Check one of the boxes below to nominate how you will submit your application.</p> <p>Files larger than 50MB cannot be received via email by DWER. Files larger than 50MB can be sent via File Transfer. Alternatively, email DWER to make other arrangements.</p>	
A full, signed, electronic copy of the application form including all attachments has been submitted via email to <a href="mailto:info@dwer.wa.gov.au">info@dwer.wa.gov.au</a> ; <b>OR</b>	X
A signed, electronic copy of the application form has been submitted via email to <a href="mailto:info@dwer.wa.gov.au">info@dwer.wa.gov.au</a> and attachments have been submitted via File Transfer, or electronically by other means as arranged with DWER; <b>OR</b>	<input type="checkbox"/>
A full, signed hard copy has been sent to: APPLICATION SUBMISSIONS Department of Water and Environmental Regulation Locked Bag 10 Joondalup DC WA 6919	<input type="checkbox"/>

Part 15: Declaration and signature

**General**

I/We confirm and acknowledge that:

- the information contained in this application is true and correct and I/we acknowledge that knowingly providing information which is false or misleading in a material particular constitutes an offence under section 112 of the *Environmental Protection Act 1986* (WA) and may incur a penalty of up to \$50,000;
- I/We have legal authority to sign on behalf of the applicant (where authorisation provided);
- I/We have not altered the requirements and instructions set out in this application form;
- I/We have provided a valid email address in Part 2.3 for receipt of correspondence electronically via email from DWER in relation to this application;
- I/We acknowledge that successful delivery to my/our server constitutes receipt of correspondence sent electronically via email from DWER in relation to this application; and
- I/We have provided a valid postal and/or business address in Part 2.4 for the service of all Part V documents.

**Publication**

I/We confirm and acknowledge:

- this application (including all attachments apart from the sections identified in Attachment 10) is a public document and may be published;
- biodiversity surveys provided in accordance with Part 5 will be published and used, for the purposes of the IBSA project, in accordance with your declaration made in the *Metadata and Licensing Statement*;
- all necessary consents for the publication of information have been obtained from third parties;
- information considered exempt from public disclosure has been placed in Attachment 10 with reasons as to why the information should be exempt in accordance with the grounds specified in Schedule 1 to the *Freedom of Information Act 1992* (WA);
- subsequent information provided in relation to this application will be a public document and may be published unless written notice has been given to DWER by the applicant, at the time the information is provided, claiming that the information is considered exempt from public disclosure; and
- the decision to not publish information will be at the discretion of the CEO of DWER and will be made consistently with the provisions of the *Freedom of Information Act 1992* (WA).

Signature

Date

Name

Position

Signature

Date

Name

Position

**NOTE: This form may be signed:**

- if the applicant is an individual, by the individual;
- if the applicant is a corporation, by:
  - the common seal being affixed in accordance with the *Corporations Act 2001*; or
  - two directors; or
  - a director and a company secretary; or
  - if a proprietary company has a sole director who is also the sole company secretary, by that director; and
- by a person with legal authority to sign on behalf of the applicant.

**ATTACHMENT 10 – Confidential or commercially sensitive information**

Request for exemption from publication	
Information which you consider should not be published, on the grounds of a relevant exemption found in Schedule 1 to the <i>Freedom of Information Act 1992</i> (WA), must be specified in this Attachment.	
<b>NOT FOR PUBLICATION IF GROUNDS FOR EXEMPTION ARE DETERMINED</b>	
Section [x]:	Ground for claiming exemption:
Section [x]:	Ground for claiming exemption:
<div style="border-bottom: 1px solid black; height: 1.2em; margin-bottom: 5px;"></div> Full Name and Signature	