

SHIRE OF WEST ARTHUR



NOTICE OF ORDINARY COUNCIL MEETING

The next Ordinary Meeting of the Shire of West Arthur Council will be held on
20 April 2021 in the Shire Chambers,
Darkan commencing at 6.00pm

Nicole Wasmann

CHIEF EXECUTIVE OFFICER

Date: 16 April 2021

1.	DECLARATION OF OPENING	2
2.	RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE	2
3.	PUBLIC QUESTION TIME	2
4.	RECORD OF ATTENDANCES/APOLOGIES/LEAVE OF ABSENCE.....	2
5.	PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS	2
6.	CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS	2
7.	ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION.....	2
8.	REPORTS.....	2
8.1	OFFICER REPORTS.....	3
	ITEM 8.1.1 – FINANCIAL REPORT MARCH 2021.....	3
	ITEM 8.1.2 – ACCOUNTS FOR PAYMENT.....	22
	ITEM 8.1.3 – BUDGET REVIEW – MARCH 2021	26
	ITEM 8.1.4 - MINUTES OF ANNUAL ELECTORS' MEETING HELD 9 FEBRUARY 2021.....	32
	ITEM 8.1.5 – CEO STANDARDS – RECRUITMENT, PERFORMANCE AND TERMINATION.....	39
	ITEM 8.1.6 – CODE OF CONDUCT FOR COUNCIL MEMBERS, COMMITTEE MEMBERS AND CANDIDATES.....	48
	ITEM 8.1.7 – POLICY – COMPLAINT HANDLING DIVISION 3 CODE OF CONDUCT.....	58
	ITEM 8.1.8 – REVIEW OF DELEGATION TO COMMITTEE	69
	ITEM 8.1.9 – LAKE TOWERRINNING JETTY REPAIRS	70
	ITEM 8.1.10 – DARKAN PUMP TRACK.....	72
8.2	COMMITTEE REPORTS	74
	ITEM 8.2.1 – 2019-20 SIGNIFICANT ADVERSE TREND –RATIOS.....	74
8.3	ELECTED MEMBER REPORTS.....	76
9.	MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN.....	76
10.	NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING ...	76
11.	CONFIDENTIAL ITEMS	76
12.	CLOSURE OF MEETING	76

ORDINARY COUNCIL MEETING AGENDA

- 1. DECLARATION OF OPENING**
- 2. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**
- 3. PUBLIC QUESTION TIME**
- 4. RECORD OF ATTENDANCES/APOLOGIES/LEAVE OF ABSENCE**
- 5. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS**
- 6. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**
 - 6.1 Ordinary Meeting of Council held 16 March 2021.

That the Minutes of the Ordinary Meeting of Council held 16 March 2021 be confirmed.
- 7. ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION**
- 8. REPORTS**

8.1 OFFICER REPORTS

ITEM 8.1.1– FINANCIAL REPORT MARCH 2021

LOCATION/ADDRESS: N/A
NAME OF APPLICANT: N/A
FILE REFERENCE: N/A
DISCLOSURE OF INTEREST: N/A
DATE OF REPORT: 14 April 2021

SUMMARY:

Consideration of the financial reports for the period ending 28 February 2021 and 31 March 2021.

BACKGROUND:

The financial reports for the periods ending 28 February 2021 and 31 March 2021 are included as attachments.

The February report was included in the agenda for the March meeting however required a change to year to date budget estimate of allocations and therefore is included for acceptance in the April meeting.

COMMENT:

If you have any questions regarding details in the financial reports, please contact the office prior to Council meeting so that sufficient time is given to research the query. This will enable the information to be provided at the Council meeting.

CONSULTATION:

Not applicable.

STATUTORY ENVIRONMENT:

Section 34 (1) (a) of the Local Government (Financial Management) Regulations 1996 states that a Local Government is to prepare monthly statement of financial activity including annual budget estimates, monthly budget estimates, actual monthly expenditure, revenue and income, material variances between monthly budget and actual figures and net current assets on a monthly basis.

POLICY IMPLICATIONS:

Not applicable.

FINANCIAL IMPLICATIONS:

Not applicable.

STRATEGIC IMPLICATIONS:

Not applicable.

VOTING REQUIREMENTS:

Simple majority

OFFICER RECOMMENDATION – ITEM 8.1.1

That the financial reports for the periods ending 28 February 2021 and 31 March 2021, as presented, be accepted.

ATTACHMENTS:

- Financial Reports – 28 February 2021.
- Financial Reports – 31 March 2021.

SHIRE OF WEST ARTHUR
STATEMENT OF FINANCIAL ACTIVITY
(By Nature or Type)
For the Period Ended 28 February 2021

	Note	Amended Annual Budget 2020/2021 \$	YTD Budget (a) \$	YTD Actual (b) \$	Var. \$ (b)-(a) \$	Var. % (b)-(a)/(a) %
Opening Funding Surplus (Deficit)	2	1,199,648	1,199,648	1,199,648	0	0%
Revenue from operating activities						
Rates		1,727,022	1,727,022	1,727,941	919	0%
Operating Grants, Subsidies and Contributions	6	625,608	502,370	513,384	11,014	2%
Fees and Charges		273,365	202,302	207,201	4,899	2%
Interest Earnings		56,364	13,146	10,055	(3,091)	(24%)
Other Revenue		169,739	54,779	56,178	1,399	3%
Profit on Disposal of Assets		19,137	0	0	0	
		2,871,235	2,499,619	2,514,759	15,140	
Expenditure from operating activities						
Employee Costs		(1,714,206)	(1,349,381)	(1,200,260)	149,121	11%
Less Allocated to Capital			230,000	222,910	(7,090)	
Materials and Contracts		(780,665)	(523,250)	(483,043)	40,207	8%
Less Plant Allocations to Capital			102,977	99,803	(3,174)	
Utility Charges		(91,700)	(53,492)	(47,261)	6,231	12%
Depreciation on Non-Current Assets		(2,137,367)	(345,224)	(345,468)	(244)	(0%)
Interest Expenses		(30,457)	(15,863)	(15,863)	0	0%
Insurance Expenses		(93,484)	(93,484)	(93,484)	0	0%
Other Expenditure		(36,000)	(7,125)	(7,235)	(110)	(2%)
Loss on Disposal of Assets		(18,307)	0	0	0	
		(4,902,186)	(2,054,841)	(1,869,901)	184,940	
Operating activities excluded from budget						
Add back Depreciation		2,137,367	345,224	345,468	244	0%
Adjust (Profit)/Loss on Asset Disposal		(830)	0	0	0	
Adjust Provisions and Accruals		0	(23,137)	(23,137)	0	0%
Amount attributable to operating activities		105,586	766,865	967,189	200,324	
Investing activities						
Grants, Subsidies and Contributions	6	1,246,368	387,512	387,512	0	0%
Proceeds from Disposal of Assets		52,000	0	0	0	
Land and Buildings	7	(225,000)	(12,000)	(11,801)	199	2%
Infrastructure Assets - Roads	7	(1,255,157)	(710,000)	(700,422)	9,578	1%
Infrastructure Assets - Other	7	(635,238)	0	0	0	
Plant and Equipment	7	(532,000)	0	0	0	
Furniture and Equipment	7	0	0	0	0	
Amount attributable to investing activities		(1,349,027)	(334,488)	(324,711)	9,777	
Financing Activities						
Proceeds from Self Supporting Loan - repayments		27,174	13,475	13,475	0	0%
Transfer from Reserves	5	797,089	0	0	0	
Repayment of Debentures		(95,630)	(47,180)	(47,180)	0	0%
Transfer to Reserves	5	(684,840)	(150)	(162)	(12)	(8%)
Amount attributable to financing activities		43,793	(33,855)	(33,867)	(12)	
Closing Funding Surplus (Deficit)	2	0	1,598,170	1,808,259	210,089	13%

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

Refer to Note 1 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 WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 28 February 2021

Note 1: 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 2020/21 year is \$10,000 or 10% whichever is the greater.

Operating Grants, Subsidies & Contributions

8990 General Purpose above budget

3157 WALGGC - Local Roads Grant above budget

850 Library Digital Grant unbudgeted.

Employee

Costs

149,121 Employee costs are below budget due to staff vacancies.

Materials and Contracts

40,207 Materials are below budget. This is made up of several non reportable variances.

Budget Amendments

Materials and Contracts Expenditure from operating activities

The following projects which were budgeted under the Community Infrastructure will be materials - originally included in capital budget.

HRC - kitchen modifications	(2,500)
School pool shade structure	(4,500)
Darkan town hall	(3,500)
Water fountain at football oval	(4,000)

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 28 February 2021

Note 2: Net Current Funding Position

Positive=Surplus (Negative=Deficit)

		Last Years Closing	Current
	Note	30 June 2020	28 Feb 2021
		\$	\$
Current Assets			
Cash Unrestricted	3	1,170,147	1,877,912
Cash Restricted	5	2,403,335	2,403,497
Receivables - Rates	4	116,050	196,096
Receivables - Other	4	42,915	13,004
Inventories		22,531	22,531
		3,823,985	4,513,040
Less: Current Liabilities			
Payables		(151,995)	(87,163)
Unspent reimbursements (insurance)		0	(62,785)
Unspent grants, contributions		(69,007)	(151,336)
		(221,002)	(301,284)
Less: Cash Reserves	5	(2,403,335)	(2,403,497)
Net Current Funding Position		1,199,648	1,808,259

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 28 February 2021

Note 3: Cash and Investments

	Unrestricted	Restricted	Trust	Total Amount	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$			
(a) Cash Deposits							
Municipal Bank Account	310,440			310,440	NAB	0.01%	At Call
Municipal Bank - Bendigo	239,540			239,540	Bendigo	0.05%	At Call
Municipal Cash Maximiser	20,000			20,000	NAB	0.05%	At Call
Bendigo Cash Maximiser	7,532			7,532	Bendigo	0.05%	At Call
Trust Bank Account			4,943	4,943	NAB	0.05%	At Call
Trust Cash Maximiser			8,114	8,114	NAB	0.05%	At Call
Trust - Bendigo			1,781	1,781	Bendigo	0.05%	At Call
Reserve Cash Maximiser		146		146	NAB	0.05%	At Call
Bendigo Reserve		16		16	Bendigo	0.05%	At Call
(b) Term Deposits							
Municipal term deposit	300,000			300,000	NAB	0.80%	27/04/2021
Municipal term deposit	1,000,000				Bendigo	0.75%	24/04/2021
Reserve term deposit		803,335		803,335	NAB	0.92%	29/06/2021
Reserve term deposit		1,600,000		1,600,000	Bendigo	0.95%	29/06/2021
Trust term deposit			60,000	60,000	NAB	0.80%	27/04/2021
Total	1,877,512	2,403,497	74,838	3,295,847			

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 28 February 2021

Note 4: Receivables

Receivables - Rates Receivable	28 Feb 2021	30 June 2020	Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	\$	\$		\$	\$	\$	\$	\$
Opening Arrears Previous Years	199,932	181,873	Receivables - General	10,496	798	40	2,520	13,854
Levied this year (incl rubbish & ESL)	1,823,745	1,799,818						
Less Collections to date	(1,743,699)	(1,781,759)	Balance per Trial Balance					
Equals Current Outstanding	279,978	199,932	Sundry Debtors					0
			Receivables - Other					0
Net Rates Collectable	279,978	199,932	Total Receivables General Outstanding					13,854
% Collected	86.16%	90.05%						
Less Recognised as doubtful	(83,882)	(83,882)						

Amounts shown above include GST (where applicable)

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 28 February 2021

Note 5: Cash Backed Reserve

Name	Opening Balance	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
		Interest Earned	Interest Earned	Transfers In (+)	Transfers In (+)	Transfers Out (-)	Transfers Out (-)	Transfers Out (-)	Transfers Out (-)
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Leave Reserve	208,619	1,878	14	0	0	0	0	210,497	208,633
Plant Reserve	319,812	2,878	22	313,801	0	(480,000)	0	156,491	319,834
Building Reserve	691,332	6,222	47	60,109	0	(130,000)	0	627,663	691,379
Town Development Reserve	70,672	636	5	0	0	(70,000)	0	1,308	70,677
Recreation Reserve	121,685	1,095	8	40,000	0	0	0	162,780	121,693
Heritage Reserve	5,343	48	0	300	0	0	0	5,691	5,343
Community Housing Reserve	131,406	1,183	9	20,000	0	(25,000)	0	127,589	131,415
Waste Management Reserve	121,282	1,092	8	0	0	(60,000)	0	62,374	121,290
Darkan Swimming Pool Reserve	38,734	349	3	5,000	0	0	0	44,083	38,737
Information Technology Reserve	46,885	422	3	3,000	0	0	0	50,307	46,888
Darkan Sport and Community Centre Reserve	257,208	2,315	17	30,000	0	0	0	289,523	257,225
Arthur River Country Club Renewal Reserve	27,795	250	2	6,000	0	0	0	34,045	27,797
Museum Reserve	128,102	1,153	9	0	0	(5,000)	0	124,255	128,111
Moodiarrup Sports Club Reserve	9,475	85	1	5,000	0	0	0	14,560	9,476
Landcare Reserve	42,763	385	3	0	0	(27,089)	0	16,059	42,766
Corporate Planning and Valuation Reserve	34,526	311	2	0	0	0	0	34,837	34,528
Kids Central Members Reserve	670	6	0	0	0	0	0	676	670
The Shed Reserve	11,550	104	1	0	0	0	0	11,654	11,551
Recreation Trails Reserve	1,203	11	0	0	0	0	0	1,214	1,203
Community Gym Reserve	8,367	75	1	0	0	0	0	8,442	8,368
Economic Development Reserve	43,229	389	3	40,000	0	0	0	83,618	43,232
Road Reserve	82,677	743	6	150,000	0	0	0	233,420	82,683
	2,403,335	21,630	162	673,210	0	(797,089)	0	2,301,086	2,403,497

Note: Reserve transfers are generally completed at year end unless funds are required sooner.

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 28 February 2021

Note 6: Grants and Contributions	Grant Provider	Type	Opening Balance (a)	Budget Operating (b)	Capital (c)	YTD Actual Revenue (f)	(Expended) (g)	Unspent Grant (a)+(f)+(g)	Comment
				\$	\$	\$	\$	\$	
General Purpose Funding									
	Grants Commission - General	WALGGC - General Purpose Grant	0	226,526	0	178,885	0	0	Final allocations will be \$238,526, \$11,986 above budget.
	Grants Commission - Roads	WALGGC - Local Roads Grant	0	229,428	0	175,228	0	0	Final allocations will be \$233,637, \$4,209 above budget.
	Federal Road & Community Infrastructure	Dept. of Infrastructure (Fed)	0	0	253,187	183,347	(34,237)	149,110	
Law, Order and Public Safety									
	FESA Grant - Operating Bush Fire Brigade	Dept. of Fire & Emergency Services	0	39,479	0	29,609	(29,609)	0	
Education and Welfare									
	Age Friendly and Dementia Community Awareness	Department of Communities	0	3,620	0	3,620	(2,244)	1,376	Carried forward from prior year.
Recreation and Culture									
	Redevelopment of play and youth area	Lotterywest	0	0	30,000	0	0	0	Darkan Railway Reserve
	CRC Technology and Digital Inclusion	State Library of WA	0	0	0	850	0	850	Unbudgeted successful grant application
Transport									
	Roads To Recovery Grant - Cap	Roads to Recovery	0	0	329,877	63,699	(63,699)	0	
	Roads To Recovery Grant - Cap	Roads to Recovery	0	0	65,387	65,387	(65,387)	0	Carried forward from prior year
	RRG Grants - Capital Projects	Regional Road Group	0	0	365,987	224,189	(224,189)	0	Shown as a liability until spent, then recognised as income
	Federal Road & Community Infrastructure	Dept. of Infrastructure, Transport, Regional	0	0	113,507	0	0	0	
	Direct Grant	Development and Communications	0	127,175	0	127,175	0	0	
		Main Roads - Direct Grant	0	0	0	0	0	0	
Economic Development									
	Kylie Dam Project	Department of Water	0	0	88,423	0	0	0	Kylie Dam
TOTALS			0	626,228	1,246,368	1,051,989	(419,365)	151,336	
SUMMARY									
	Operating	Operating Grants, Subsidies and Contributions	0	583,129	0	481,288	0	0	
	Operating - Tied	Tied - Operating Grants, Subsidies and Contributions	0	43,099	0	34,079	(31,853)	2,226	
	Non-operating	Non-operating Grants, Subsidies and Contributions	0	0	1,246,368	536,622	(387,512)	149,110	
TOTALS			0	626,228	1,246,368	1,051,989	(419,365)	151,336	

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 28 February 2021

Note 7: Capital Acquisitions

Assets	Account	YTD Actual			Amended Budget			Variance	Comment
		Wages and Plant	Materials and Contractors	Total YTD	Wages and Plant	Materials and Contractors	Total Budget	Total YTD to Budget	
		\$	\$	\$	\$	\$	\$		
Buildings									
Housing									
Renovations to existing joint venture community housing units		0	0	0	0	(25,000)	(25,000)	25,000	
Community Amenities									
Chalet		(317)	(1,926)	(2,243)	(20,000)	(110,000)	(130,000)	127,757	
Other Property & Services									
Staff Housing		0	0	0	(20,000)	(50,000)	(70,000)	70,000	
	Buildings Total	(317)	(1,926)	(2,243)	(40,000)	(185,000)	(225,000)	222,757	
Infrastructure									
Community Amenities									
Darkan Refuse Site		0	0	0	(20,000)	(100,000)	(120,000)	120,000	
Recreation And Culture									
Darkan Railway Reserve Community Space		0	0	0	(15,000)	(150,000)	(165,000)	165,000	
Lake boat ramp		0	0	0	(4,834)	(6,000)	(10,834)	10,834 Community Infrastructure funded (Council decision Sep 20)	
Lake Towerrinning jetties		0	0	0	(4,995)	(110,000)	(114,995)	114,995 Community Infrastructure funded (Council decision Sep 20)	
Arthur River Hall kitchen		0	0	0	0	(14,000)	(14,000)	14,000 Community Infrastructure funded (Council decision Sep 20)	
Seating at football oval		0	0	0	(490)	(8,800)	(9,290)	9,290 Community Infrastructure funded (Council decision Sep 20)	
Moodiarrup Hall -		0	0	0	0	(12,000)	(12,000)	12,000 Community Infrastructure funded (Council decision Sep 20)	
Darkan Railway Reserve redevelopment including outdoor shelter and/or pump track		0	0	0	0	(32,000)	(32,000)	32,000 Community Infrastructure funded (Council decision Sep 20)	
Moodiarrup Complex - ceiling (based on 50% cost)		0	0	0	0	(6,000)	(6,000)	6,000 Community Infrastructure funded (Council decision Sep 20)	
Lake playground retaining and fence and playground		0	0	0	(4,195)	(16,500)	(20,695)	20,695 Community Infrastructure funded (Council decision Sep 20)	
Economic Development									
Kylie Dam Water Project		0	0	0	(12,608)	(100,512)	(113,120)	113,120	
Nissen Hut upgrade/restoration		(9,300)	(259)	(9,559)	(560)	(16,744)	(17,304)	7,745 Community Infrastructure funded (Council decision Sep 20)	
	Infrastructure Total	(9,300)	(259)	(9,559)	(62,682)	(572,556)	(635,238)	625,679	

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 28 February 2021

Note 7: Capital Acquisitions

Assets	Account	YTD Actual			Amended Budget			Variance	Comment
		Wages and Plant	Materials and Contractors	Total YTD	Wages and Plant	Materials and Contractors	Total Budget	Total YTD to Budget	
		\$	\$	\$	\$	\$	\$		
Plant , Equip. & Vehicles									
Transport									
	Prime Mover	0	0	0	0	(170,000)	(170,000)	170,000	
	Side Tipping Trailer	0	0	0	0	(100,000)	(100,000)	100,000	
	Large Vibe Roller	0	0	0	0	(150,000)	(150,000)	150,000	
	Utes	0	0	0	0	(101,000)	(101,000)	101,000	
	Mower	0	0	0	0	(11,000)	(11,000)	11,000	
	Plant, Equip & Vehicles Total	0	0	0	0	(532,000)	(532,000)	532,000	
Roads									
Regional Road Group									
	Boyup Brook Arthur Road	(122,935)	(140,290)	(263,225)	(142,075)	(159,300)	(301,375)	38,150	
	Bowelling Duranillin Road	(17,666)	(71,294)	(88,960)	(117,508)	(140,175)	(257,683)	168,723	
	Regional Road Group Total	(140,601)	(211,584)	(352,185)	(259,583)	(299,475)	(559,058)	206,873	
Roads to Recovery									
	Darkan South Road - Slip Lane and Intersection	(7,799)	(746)	(8,545)	(81,264)	(27,790)	(109,054)	100,509	
	Darkan South Road - Widening Corners	0	(1,980)	(1,980)	(74,308)	(28,040)	(102,348)	100,368	
	Old Collie Road	(39,469)	(7,916)	(47,385)	(58,371)	(8,208)	(66,579)	19,194	
	Bowelling McAlinden Road	(21,529)	(13,048)	(34,577)	(33,125)	(30,914)	(64,039)	29,462	
	Bokal East Arthur Road	(27,226)	(43,940)	(71,166)	(26,408)	(39,300)	(65,708)	(5,458)	Additional material expenditure due to greater area cement stab.
	Roads to Recovery Total	(96,023)	(67,630)	(163,653)	(273,476)	(134,252)	(407,728)	244,075	
Road and Community Infrastructure Program									
	Centre line - Bowelling Duranillin, Darkan South, Moodi-Changerup Rds	(12,867)	(7,420)	(20,287)	0	(40,000)	(40,000)	19,713	W Tree Gully project removed Community Infrastructure funded (Council decision Sep 20)
	Bunce-King Road Bridge	0	0	0	(3,867)	(35,000)	(38,867)	38,867	Community Infrastructure funded (Council decision Sep 20)
	Lake Towerrinning Entrance and Car Park	(3,544)	(22,491)	(26,035)	(1,000)	(25,000)	(26,000)	(35)	Community Infrastructure funded (as per budget)
	Growden Place - Drainage, seal, reseal original section	(28,312)	(4,067)	(32,379)	(14,038)	(30,150)	(44,188)	11,809	Community Infrastructure funded (as per budget)
	Shire Funded Total	(44,723)	(33,978)	(78,701)	(18,905)	(130,150)	(149,055)	70,354	
Shire Funded									
	Growden Place - Intersection	(31,133)	(60,233)	(91,366)	(24,149)	(59,480)	(83,629)	(7,737)	Additional allocations of time and plant.
	Airlee Road	(616)	(13,662)	(14,278)	(510)	(8,000)	(8,510)	(5,768)	Additional material expenditure due to greater area.
	Collie South East Road	0	0	0	(510)	(5,000)	(5,510)	5,510	
	Jackson Road	0	(238)	(238)	(39,845)	(1,822)	(41,667)	41,429	
	Shire Funded Total	(31,749)	(74,133)	(105,882)	(65,014)	(74,302)	(139,316)	33,434	
	Roads Total	(313,096)	(387,325)	(700,421)	(616,978)	(638,179)	(1,255,157)	554,736	
	Capital Expenditure Total	(322,713)	(389,510)	(712,223)	(719,660)	(1,927,735)	(2,647,395)	1,935,172	

SHIRE OF WEST ARTHUR
STATEMENT OF FINANCIAL ACTIVITY
(By Nature or Type)
For the Period Ended 31 March 2021

	Note	Amended Annual Budget 2020/2021	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)
		\$	\$	\$	\$	%
Opening Funding Surplus (Deficit)	2	1,199,648	1,199,648	1,199,648	0	0%
Revenue from operating activities						
Rates		1,727,022	1,727,022	1,728,455	1,433	0%
Operating Grants, Subsidies and Contributions	6	625,608	501,044	514,253	13,209	3%
Fees and Charges		273,365	228,853	234,993	6,140	3%
Interest Earnings		56,364	13,146	13,218	72	1%
Other Revenue		169,739	93,516	99,406	5,890	6%
Profit on Disposal of Assets		19,137	19,137	1,642	(17,495)	
		2,871,235	2,582,718	2,591,967	9,249	
Expenditure from operating activities						
Employee Costs		(1,714,206)	(1,526,649)	(1,352,361)	174,288	11%
Less Allocated to Capital			295,000	288,850	(6,150)	
Materials and Contracts		(789,465)	(661,022)	(605,807)	55,215	8%
Less Plant Allocations to Capital			133,581	130,796	(2,785)	
Utility Charges		(91,700)	(61,133)	(53,461)	7,672	13%
Depreciation on Non-Current Assets		(2,137,367)	(388,377)	(389,863)	(1,486)	(0%)
Interest Expenses		(30,457)	(23,321)	(23,321)	0	0%
Insurance Expenses		(93,484)	(93,484)	(93,484)	0	0%
Other Expenditure		(36,000)	(14,250)	(14,439)	(189)	(1%)
Loss on Disposal of Assets		(18,307)	0	0	0	
		(4,910,986)	(2,339,656)	(2,113,090)	226,566	
Operating activities excluded from budget						
Add back Depreciation		2,137,367	388,377	389,863	1,486	0%
Adjust (Profit)/Loss on Asset Disposal		(830)	(19,137)	(1,642)	17,495	(91%)
Adjust Provisions and Accruals		0	(23,137)	(23,137)	0	0%
Amount attributable to operating activities		96,786	589,165	843,961	254,796	
Investing activities						
Grants, Subsidies and Contributions	6	1,246,368	491,151	491,151	0	0%
Proceeds from Disposal of Assets		52,000	35,000	17,618	(17,382)	(50%)
Land and Buildings	7	(225,000)	(45,000)	(42,581)	2,419	5%
Infrastructure Assets - Roads	7	(1,255,157)	(836,771)	(856,508)	(19,737)	(2%)
Infrastructure Assets - Other	7	(626,438)	0	0	0	
Plant and Equipment	7	(532,000)	(150,000)	(131,221)	18,779	13%
Furniture and Equipment	7	0	0	0	0	
Amount attributable to investing activities		(1,340,227)	(505,620)	(521,541)	(15,921)	
Financing Activities						
Proceeds from Self Supporting Loan - repayments		27,174	20,296	20,296	0	0%
Transfer from Reserves	5	797,089	0	0	0	
Repayment of Debentures		(95,630)	(71,243)	(71,244)	(1)	(0%)
Transfer to Reserves	5	(684,840)	(200)	(162)	38	19%
Amount attributable to financing activities		43,793	(51,147)	(51,110)	37	
Closing Funding Surplus (Deficit)	2	0	1,232,046	1,470,958	238,912	19%

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

Refer to Note 1 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 WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 March 2021

Note 1: 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 2020/21 year is \$10,000 or 10% whichever is the greater.

Operating Grants, Subsidies & Contributions

8990 General Purpose above budget

3157 WALGGC - Local Roads Grant above budget

850 Library Digital Grant unbudgeted.

Profit on Disposal of Assets

(17,495) Profit on sale of Roller will be lower as sale price lower than budgeted. Purchase of trade roller also lower so transfer from plant reserve to fund trade will be \$1,397 lower.

Employee

Costs

174,288 Employee costs are below budget due to staff vacancies.

Materials and Contracts

8,000 Refuse site maintenance is below budget

8,470 Landcare officer is below budget.

9,000 Footpath maintenance below budget.

29,745 The balance is made up of several non reportable variances including councillor training, housing maintenance, sports clubs, football oval, cultural events, building surveyor, economic development.

Adjust (Profit)/Loss on Asset Disposal

17,495 Profit on roller below budget.

Proceeds from Disposal of Assets

(17,382) Proceeds from sale of roller below budget.

Infrastructure Assets - Roads

(19,737) See Capital Report for explanation of variance.

Plant and Equipment

18779 Roller purchase was below budget.

Budget Amendments

Materials and Contracts Expenditure from operating activities

The following projects which were budgeted under the Community Infrastructure will be materials - originally included in capital budget.

HRC - kitchen modifications	-2500
School pool shade structure	-4500
Darkan town hall	-3500
Seating at footy grounds	-8800
Water fountain at football oval	-4000

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 March 2021

Note 2: Net Current Funding Position

Positive=Surplus (Negative=Deficit)

		Last Years Closing	Current
	Note	30 June 2020	31 Mar 2021
		\$	\$
Current Assets			
Cash Unrestricted	3	1,170,147	1,757,191
Cash Restricted	5	2,403,335	2,403,497
Receivables - Rates	4	116,050	160,587
Receivables - Other	4	42,915	21,915
Inventories		22,531	22,531
		3,823,985	4,365,721
Less: Current Liabilities			
Payables		(151,995)	(71,930)
Unspent reimbursements (insurance)		0	(23,715)
Unspent grants, contributions		(69,007)	(395,621)
		(221,002)	(491,266)
Less: Cash Reserves	5	(2,403,335)	(2,403,497)
Net Current Funding Position		1,199,648	1,470,958

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 March 2021

Note 3: Cash and Investments

	Unrestricted	Restricted	Trust	Total Amount	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$			
(a) Cash Deposits							
Municipal Bank Account	132,185			132,185	NAB	0.01%	At Call
Municipal Bank - Bendigo	147,074			147,074	Bendigo	0.05%	At Call
Municipal Cash Maximiser	170,000			170,000	NAB	0.05%	At Call
Bendigo Cash Maximiser	7,532			7,532	Bendigo	0.05%	At Call
Trust Bank Account			4,993	4,993	NAB	0.05%	At Call
Trust Cash Maximiser			8,114	8,114	NAB	0.05%	At Call
Trust - Bendigo			1,781	1,781	Bendigo	0.05%	At Call
Reserve Cash Maximiser		146		146	NAB	0.05%	At Call
Bendigo Reserve		16		16	Bendigo	0.05%	At Call
(b) Term Deposits							
Municipal term deposit	300,000			300,000	NAB	0.80%	27/04/2021
Municipal term deposit	1,000,000				Bendigo	0.75%	24/04/2021
Reserve term deposit		803,335		803,335	NAB	0.92%	29/06/2021
Reserve term deposit		1,600,000		1,600,000	Bendigo	0.95%	29/06/2021
Trust term deposit			60,000	60,000	NAB	0.80%	27/04/2021
Total	1,756,791	2,403,497	74,888	3,175,176			

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 March 2021

Note 4: Receivables

Receivables - Rates Receivable	31 Mar 2021	30 June 2020	Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	\$	\$		\$	\$	\$	\$	\$
Opening Arrears Previous Years	199,932	181,873	Receivables - General	18,607	49	699	2,560	21,915
Levied this year (incl rubbish & ESL)	1,823,745	1,799,818						
<u>Less Collections to date</u>	(1,779,208)	(1,781,759)	Balance per Trial Balance					
Equals Current Outstanding	244,469	199,932	Sundry Debtors					0
			Receivables - Other					0
Net Rates Collectable	244,469	199,932	Total Receivables General Outstanding					21,915
% Collected	87.92%	90.05%						
Less Recognised as doubtful	(83,882)	(83,882)						

Amounts shown above include GST (where applicable)

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 March 2021

Note 5: Cash Backed Reserve

Name	Opening Balance	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual YTD
		Interest Earned	Interest Earned	Transfers In (+)	Transfers In (+)	Transfers Out (-)	Transfers Out (-)	Closing Balance	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Leave Reserve	208,619	1,878	14	0	0	0	0	210,497	208,633
Plant Reserve	319,812	2,878	22	313,801	0	(480,000)	0	156,491	319,834
Building Reserve	691,332	6,222	47	60,109	0	(130,000)	0	627,663	691,379
Town Development Reserve	70,672	636	5	0	0	(70,000)	0	1,308	70,677
Recreation Reserve	121,685	1,095	8	40,000	0	0	0	162,780	121,693
Heritage Reserve	5,343	48	0	300	0	0	0	5,691	5,343
Community Housing Reserve	131,406	1,183	9	20,000	0	(25,000)	0	127,589	131,415
Waste Management Reserve	121,282	1,092	8	0	0	(60,000)	0	62,374	121,290
Darkan Swimming Pool Reserve	38,734	349	3	5,000	0	0	0	44,083	38,737
Information Technology Reserve	46,885	422	3	3,000	0	0	0	50,307	46,888
Darkan Sport and Community Centre Reserve	257,208	2,315	17	30,000	0	0	0	289,523	257,225
Arthur River Country Club Renewal Reserve	27,795	250	2	6,000	0	0	0	34,045	27,797
Museum Reserve	128,102	1,153	9	0	0	(5,000)	0	124,255	128,111
Moodiarrup Sports Club Reserve	9,475	85	1	5,000	0	0	0	14,560	9,476
Landcare Reserve	42,763	385	3	0	0	(27,089)	0	16,059	42,766
Corporate Planning and Valuation Reserve	34,526	311	2	0	0	0	0	34,837	34,528
Kids Central Members Reserve	670	6	0	0	0	0	0	676	670
The Shed Reserve	11,550	104	1	0	0	0	0	11,654	11,551
Recreation Trails Reserve	1,203	11	0	0	0	0	0	1,214	1,203
Community Gym Reserve	8,367	75	1	0	0	0	0	8,442	8,368
Economic Development Reserve	43,229	389	3	40,000	0	0	0	83,618	43,232
Road Reserve	82,677	743	6	150,000	0	0	0	233,420	82,683
	2,403,335	21,630	162	673,210	0	(797,089)	0	2,301,086	2,403,497

Note: Reserve transfers are generally completed at year end unless funds are required sooner.

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 March 2021

Note 6: Grants and Contributions	Grant Provider	Type	Opening Balance (a)	Budget Operating (b)	Capital (c)	YTD Actual Revenue (f)	(Expended) (g)	Unspent Grant (a)+(f)+(g)	Comment
				\$	\$	\$	\$	\$	
General Purpose Funding									
	Grants Commission - General	WALGGC - General Purpose Grant	0	226,526	0	178,885	0	0	Final allocations will be \$238,526, \$11,986 above budget.
	Grants Commission - Roads	WALGGC - Local Roads Grant	0	229,428	0	175,228	0	0	Final allocations will be \$233,637, \$4,209 above budget.
	Federal Road & Community Infrastructure	Dept. of Infrastructure (Fed)	0	0	253,187	253,187	(75,866)	177,321	
Law, Order and Public Safety									
	FESA Grant - Operating Bush Fire Brigade	Dept. of Fire & Emergency Services	0	39,479	0	29,609	(29,609)	0	
Education and Welfare									
	Age Friendly and Dementia Community Awareness	Department of Communities	0	3,620	0	3,620	(2,244)	1,376	Carried forward from prior year.
Recreation and Culture									
	Redevelopment of play and youth area	Lotterywest	0	0	30,000	0	0	0	Darkan Railway Reserve
	CRC Technology and Digital Inclusion	State Library of WA	0	0	0	850	(850)	0	Unbudgeted successful grant application
Transport									
	Roads To Recovery Grant - Cap	Roads to Recovery	0	0	329,877	311,220	(125,709)	185,511	
	Roads To Recovery Grant - Cap	Roads to Recovery	0	0	65,387	65,387	(65,387)	0	Carried forward from prior year
	RRG Grants - Capital Projects	Regional Road Group	0	0	365,987	224,189	(224,189)	0	Funding shown as a liability until spent, then recognised as income
	Federal Road & Community Infrastructure	Dept. of Infrastructure, Transport, Regional Development and Communications	0	0	113,507	31,413	0	31,413	
	Direct Grant	Main Roads - Direct Grant	0	127,175	0	127,175	0	0	
Economic Development									
	Kylie Dam Project	Department of Water	0	0	88,423	0	0	0	Kylie Dam - will not be completed this year.
TOTALS			0	626,228	1,246,368	1,400,763	(523,854)	395,621	
SUMMARY									
	Operating	Operating Grants, Subsidies and Contributions	0	583,129	0	481,288	0	0	
	Operating - Tied	Tied - Operating Grants, Subsidies and Contributions	0	43,099	0	34,079	(32,703)	1,376	
	Non-operating	Non-operating Grants, Subsidies and Contributions	0	0	1,246,368	885,396	(491,151)	394,245	
TOTALS			0	626,228	1,246,368	1,400,763	(523,854)	395,621	

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 March 2021

Note 7: Capital Acquisitions

Assets	YTD Actual			Amended Budget			Variance	Comment
	Wages and Plant	Materials and Contractors	Total YTD	Wages and Plant	Materials and Contractors	Total Budget	Total YTD to Budget	
	\$	\$	\$	\$	\$	\$	\$	
Buildings								
Housing								
Renovations to community housing units	0	0	0	0	(25,000)	(25,000)	25,000	
Community Amenities								
Chalet	(317)	(28,633)	(28,950)	(20,000)	(110,000)	(130,000)	101,050	
Other Property & Services								
Staff Housing	0	0	0	(20,000)	(50,000)	(70,000)	70,000	
Buildings Total	(317)	(28,633)	(28,950)	(40,000)	(185,000)	(225,000)	196,050	
Infrastructure								
Community Amenities								
Darkan Refuse Site	0	0	0	(20,000)	(100,000)	(120,000)	120,000	
Recreation And Culture								
Darkan Railway Reserve Community Space	0	0	0	(15,000)	(150,000)	(165,000)	165,000	
Lake boat ramp	0	0	0	(4,834)	(6,000)	(10,834)	10,834	LRCI (Council decision Sep 20)
Lake Towerrinning jetties	0	0	0	(4,995)	(110,000)	(114,995)	114,995	LRCI (Council decision Sep 20)
Arthur River Hall kitchen	0	0	0	0	(14,000)	(14,000)	14,000	LRCI (Council decision Sep 20)
Moodiarrup Hall - ceiling	0	0	0	0	(12,000)	(12,000)	12,000	LRCI (Council decision Sep 20)
Darkan Railway Reserve redevelopment	0	0	0	0	(32,000)	(32,000)	32,000	LRCI (Council decision Sep 20)
Moodiarrup Complex - ceiling	0	0	0	0	(6,000)	(6,000)	6,000	LRCI (Council decision Sep 20)
Lake playground fence and playground	0	0	0	(4,195)	(16,500)	(20,695)	20,695	LRCI (Council decision Sep 20)
Economic Development								
Kylie Dam Water Project	0	0	0	(12,608)	(100,512)	(113,120)	113,120	
Nissen Hut upgrade/restoration	(12,099)	(1,531)	(13,630)	(1,050)	(16,744)	(17,794)	4,164	LRCI (Council decision Sep 20), allocations above budget.
Infrastructure Total	(12,099)	(1,531)	(13,630)	(62,682)	(563,756)	(626,438)	612,808	

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 March 2021

Note 7: Capital Acquisitions

Assets	YTD Actual			Amended Budget			Variance	Comment
	Wages and Plant	Materials and Contractors	Total YTD	Wages and Plant	Materials and Contractors	Total Budget	Total YTD to Budget	
	\$	\$	\$	\$	\$	\$	\$	
Plant , Equip. & Vehicles								
Transport								
Prime Mover	0	0	0	0	(170,000)	(170,000)	170,000	Not likely this year due to supply issues.
Side Tipping Trailer	0	0	0	0	(100,000)	(100,000)	100,000	
Large Vibe Roller	0	(131,221)	(131,221)	0	(150,000)	(150,000)	18,779	
Utes	0	0	0	0	(101,000)	(101,000)	101,000	Expect to purchase two utes, not three as budgeted.
Mower	0	0	0	0	(11,000)	(11,000)	11,000	Ordered.
Plant, Equip & Vehicles Total	0	(131,221)	(131,221)	0	(532,000)	(532,000)	400,779	
Roads								
Regional Road Group								
Boyup Brook Arthur Road	(125,912)	(140,290)	(266,202)	(142,075)	(159,300)	(301,375)	35,173	
Bowelling Duranillin Road	(92,568)	(92,205)	(184,773)	(117,508)	(140,175)	(257,683)	72,910	
Regional Road Group Total	(218,480)	(232,495)	(450,975)	(259,583)	(299,475)	(559,058)	108,083	
Roads to Recovery								
Darkan South Road - Slip Lane and Intersection	(8,891)	(746)	(9,637)	(81,264)	(27,790)	(109,054)	99,417	
Darkan South Road - Widening Corners	0	(1,980)	(1,980)	(74,308)	(28,040)	(102,348)	100,368	
Old Collie Road	(44,308)	(7,916)	(52,224)	(58,371)	(8,208)	(66,579)	14,355	
Bowelling McAlinden Road	(25,055)	(31,034)	(56,089)	(33,125)	(30,914)	(64,039)	7,950	
Bokal East Arthur Road	(27,226)	(43,940)	(71,166)	(26,408)	(39,300)	(65,708)	(5,458)	Additional material expenditure due to greater area cement stab.
Roads to Recovery Total	(105,480)	(85,616)	(191,096)	(273,476)	(134,252)	(407,728)	216,632	
Road and Community Infrastructure Program								W Tree Gully project removed
Centre line - 3 roads	(12,954)	(7,622)	(20,576)	0	(40,000)	(40,000)	19,424	LRCI (Council decision Sep 20), allocations above budget.
Bunce-King Road Bridge	0	0	0	(3,867)	(35,000)	(38,867)	38,867	LRCI (Council decision Sep 20)
Lake Towerrinning Entrance and Car Park	(3,544)	(22,492)	(26,036)	(1,000)	(25,000)	(26,000)	(36)	LRCI (as per budget)
Growden Place - Drainage, seal, reseal	(32,028)	(26,921)	(58,949)	(14,038)	(30,150)	(44,188)	(14,761)	LRCI (as per budget), allocations above budget
Shire Funded Total	(48,526)	(57,035)	(105,561)	(18,905)	(130,150)	(149,055)	43,494	
Shire Funded								
Growden Place - Intersection	(34,128)	(60,233)	(94,361)	(24,149)	(59,480)	(83,629)	(10,732)	Additional allocations of time and plant.
Airlee Road	(616)	(13,662)	(14,278)	(510)	(8,000)	(8,510)	(5,768)	Additional material expenditure due to greater area.
Collie South East Road	0	0	0	(510)	(5,000)	(5,510)	5,510	
Jackson Road	0	(238)	(238)	(39,845)	(1,822)	(41,667)	41,429	
Shire Funded Total	(34,744)	(74,133)	(108,877)	(65,014)	(74,302)	(139,316)	30,439	
Roads Total	(407,230)	(449,279)	(856,509)	(616,978)	(638,179)	(1,255,157)	398,648	
Capital Expenditure Total	(419,646)	(610,664)	(1,030,310)	(719,660)	(1,918,935)	(2,638,595)	1,608,285	

ITEM 8.1.2 – ACCOUNTS FOR PAYMENT

LOCATION/ADDRESS: N/A
NAME OF APPLICANT: N/A
FILE REFERENCE: N/A
DISCLOSURE OF INTEREST: N/A
DATE OF REPORT: 13 April 2021

SUMMARY:
Council to note payments of accounts as presented.

BACKGROUND:
The schedule of accounts is included as an attachment for Council information.

COMMENT:
If you have any questions regarding payments in the listing, please contact the office prior to the Council meeting.

CONSULTATION:
There has been no consultation.

STATUTORY ENVIRONMENT:
Section 12 of the Local Government (Financial Management) Regulations 1996 states that

- 12 (1) A list of creditors is to be compiled for each month showing –
- (a) The payee's name;
 - (b) The amount of the payment;
 - (c) Sufficient information to identify to transaction; and
 - (d) The date of the meeting of the council to which the list is to be resented.

POLICY IMPLICATIONS:
There are no policy implications.

FINANCIAL IMPLICATIONS:
There are no financial implications.

STRATEGIC IMPLICATIONS:
No strategic implications.

VOTING REQUIREMENTS:
Simple majority

OFFICER RECOMMENDATION – ITEM 8.1.2

That in accordance with section 13 of the Financial Management Regulations of the Local Government Act 1995 and in accordance with delegation, payment of Municipal Fund vouchers 18032021.1 - 18032021.31, 25032021.1 - 25032021.20, 30032021.1 - 30032021.7, CHEQUE 20059, Licensing, Salaries and Wages and EFT Transfers, Direct Debit totalling \$544,787.51 listed (attached) be noted as approved for payment.

ATTACHMENTS:

- Cheque Listing

Shire of West Arthur
Cheque Detail
 March 10 through April 12, 2021

Date	Num	Name	Amount
18/03/2021	18032021.1	AUSTRALIA POST	982.62
		POSTAGE COMMUNITY SCORE CARDS POSTAGE, STAMPS, RATES INSTALMENT NOTICES	
18/03/2021	18032021.2	BLACKWOOD BASIN GROUP (INC)	1,293.60
		LANDCARE SUPPORT FOR THE PERIOD FEB 2021	
18/03/2021	18032021.3	BUNNINGS WAREHOUSE	1,213.29
		KITCHEN NISSEN HUT WORKS	
18/03/2021	18032021.4	CJD EQUIPMENT PTY LTD	2,032.07
		WINDSCREEN FOR LOADER	
18/03/2021	18032021.5	COAST MAC TRAILERS	4,150.00
		TRAILER FOR MOWER	
18/03/2021	18032021.6	DARDANUP BUTCHERING COMPANY	228.86
		MEAT ORDER FOR SENIORS MEALS	
18/03/2021	18032021.7	DARKAN AGRI SERVICES	907.15
		PARKS & GARDENS & BUILDING SUPPLIES, FORKLIFT GAS, CEMENT, SAFTY GEAR, PIPE FITTINGS	
18/03/2021	18032021.8	DURANILLIN AGENCIES	26.95
		HEX HEAD SCREWS AND SILICONE FOR LAKE	
18/03/2021	18032021.9	FLEAYS STORE	139.30
		VEGETABLES & SUPPLIES FOR SENIOR MEALS FOR THE 4 & 10 MARCH	
18/03/2021	18032021.10	GCM AGENCIES PTY LTD	144,343.10
		SUPPLY & DELIVERY SELF PROPELLED SMOOTH DRUM VIBRATORY ROLLER	
18/03/2021	18032021.11	GRILLEX	12,119.80
		TABLES AND BENCHES	
18/03/2021	18032021.12	JAMES WISNIEWSKI	298.00
		WORKS CLOTHES AND BOOTS	
18/03/2021	18032021.13	JI & LA RILEY	72,355.25
		1ST & 2ND PROGRESS PAYMENT FOR CHALET CONSTRUCTION	
18/03/2021	18032021.14	KING MELINDA	40.00
		REFUND MEALS CANCELLED ORDER	
18/03/2021	18032021.15	MM ELECTRICAL MERCHANDISING	249.04
		FLOODLIGHT FOR LAKE TOWERRINNING	
18/03/2021	18032021.16	MOTORPASS	5.50
		FEEES FOR ARTHUR RIVER FUEL CARD	
18/03/2021	18032021.17	NARROGIN FREIGHTLINES	195.38
		FREIGHT FOR POOL CHEMICAL	
18/03/2021	18032021.18	OFFICE OF THE AUDITOR GENERAL	32,230.00
		AUDIT FEES FOR YEAR 30 JUNE 2020	
18/03/2021	18032021.19	OFFICEWORKS	954.95
		GRANT FUNDED IPAD, TABLET AND CASES FOR LIBRARY	
18/03/2021	18032021.20	PUTLAND MOTORS	975.25
		SPARK PLUGS PLATE COMPACTOR, SEATBELT & AIR FILTER WORK UTE, PIPE REPAIR WATER TANKER & GREASE	
18/03/2021	18032021.21	SHIRE OF NARROGIN (SUPPLIER)	1,651.00
		HEALTH OFFICER SERVICES	
18/03/2021	18032021.22	SIGMA CHEMICALS- COMPANIES GROUP PTY LTD	390.50
		COMPARATOR DISC PLUS FREIGHT	
18/03/2021	18032021.23	SOUTH WEST ISUZU	327.18
		OIL AND FUEL FILTERS FOR TRUCK	
18/03/2021	18032021.24	TANYA, THAW	39.99
		REIMB TIMER STOPWATCH	
18/03/2021	18032021.25	TELFER BONNIE	61.74
		REIMB GOODS FOR SENIOR MEALS	
18/03/2021	18032021.26	THINKWATER BUNBURY	220.00
		WATER METER	

Shire of West Arthur
Cheque Detail
 March 10 through April 12, 2021

Date	Num	Name	Amount
18/03/2021	18032021.27	TOLL TRANSPORT PTY LTD	37.74
		FREIGHT FOR FIRE FIGHTER PPE, LAKE AND POOL SAMPLES FOR TESTING	
18/03/2021	18032021.28	WA TREASURY CORPORATION	31,521.53
		LOAN PAYMENTS	
18/03/2021	18032021.29	WERNER KANDERS NOMINEES PTY LTD	1,320.00
		600M3 GRAVEL PURCHASED	
18/03/2021	18032021.30	WEST ARTHUR COMMUNITY RESOURCE CENTRE	671.77
		LAMINATING SIGNS & MEDICAL SERVICES DOCTORS HOURS	
18/03/2021	18032021.31	WESTRAC BUNBURY	1,485.31
		WIPER ASSEMBLY FOR GRADER	
18/03/2021	EFT	SALARIES & WAGES	51,030.88
		PAYROLL	
25/03/2021	25032021.1	CR ADAM SQUIRES	555.00
		SITTING FEES & COMMUNICATIONS ALLOWANCE FOR OCT NOV DEC 2020	
25/03/2021	25032021.2	CR J M MCFALL	735.00
		SITTING FEES & COMMUNICATIONS ALLOWANCE FOR OCT NOV DEC 2020	
25/03/2021	25032021.3	CR K J KING	1,905.00
		PRESIDENT ALLOWANCE, SITTING FEES & COMMUNICATIONS ALLOWANCE FOR OCT NOV DEC 2020	
25/03/2021	25032021.4	CR M LLOYD	1,006.83
		TRAVEL FEES, SITTING FEES & COMMUNICATIONS ALLOWANCE FOR OCT NOV DEC 2020	
25/03/2021	25032021.5	CR N M MANUEL	629.19
		TRAVEL FEES, SITTING FEES & COMMUNICATIONS ALLOWANCE FOR OCT NOV DEC 2020	
25/03/2021	25032021.6	CR NEIL MORRELL	1,408.50
		DEPUTY PRESIDENT ALLOWANCE, TRAVEL FEES, SITTING FEES & COMMUNICATIONS ALLOWANCE FOR Q2	
25/03/2021	25032021.7	DARDANUP BUTCHERING COMPANY	301.23
		MEALS ON WHEELS MEAT ORDER	
25/03/2021	25032021.8	INSPIRED DEVELOPMENT SOLUTIONS PTY LTD	2,888.60
		STAFF WORKSHOP TRAINING & DEVELOPMENT	
25/03/2021	25032021.9	KERRY CHIA	66.00
		SENIOR MEALS GOODS	
25/03/2021	25032021.10	LAKESIDE CAMPING PTY LTD	964.30
		TRAVEL FEES, SITTING FEES & COMMUNICATIONS ALLOWANCE FOR OCT NOV DEC 2020	
25/03/2021	25032021.11	LIBERTY OIL AUSTRALIA PTY LTD	14,491.20
		DIESEL	
25/03/2021	25032021.12	MARKET CREATIONS	1,416.05
		1 YEAR UNIFIED THREAT PROTECTION - ONE YEAR & COMPUTER MAINTENANCE	
25/03/2021	25032021.13	MOORE STEPHENS PTY LTD	990.00
		BUDGET WORKSHOP & TEMPLATE	
25/03/2021	25032021.14	OFFICEWORKS	58.72
		PENS AND CLIP BOARDS	
25/03/2021	25032021.15	SIGMA CHEMICALS- COMPANIES GROUP PTY LTD	668.14
		CHEMICALS FOR DARKAN SWIMMING POOL	
25/03/2021	25032021.16	STEWART & HEATON CLOTHING CP. PTY LTD	1,894.46
		FINAL PAYMENT ON FIRE PPE	
25/03/2021	25032021.17	TELFER BONNIE	210.44
		GOODS FOR SENIOR MEALS	
25/03/2021	25032021.18	TOLL TRANSPORT PTY LTD	52.58
		FREIGHT ON FLOODLIGHT, WATER METRE, PRINTING INK SOS	
25/03/2021	25032021.19	WA TOOL & TRADE	234.33
		WORKSHOP CONSUMABLES, PARTS & REPAIRS FOR LOADER, CABLE TIES	
25/03/2021	25032021.20	WEST ARTHUR COMMUNITY RESOURCE CENTRE	210.00
		COMMUNITY GRANTS - RAMS MOVIE DARKAN HALL, COMMUNITY VOUCHERS AUS DAY VOLUNTEERS	

Shire of West Arthur
Cheque Detail
 March 10 through April 12, 2021

Date	Num	Name	Amount
30/03/2021	30032021.1	CAROL STANDISH	112.00
		LABELS FOR SENIOR MEALS & OFFICE & TAPE FOR OFFICE	
30/03/2021	30032021.2	CORUM HEALTH SERVICES	700.59
		LOTS DISPENSE SOFTWARE MAINTENANCE & PBS ONLINE FEE	
30/03/2021	30032021.3	DOWNER EDI WORKS	67,926.68
		BOWELLING MCALINDEN, BOWELLING DURANILLIN & GROWDEN SEALS	
30/03/2021	30032021.4	KARL D PEARCE	20.00
		REIMBURSE OVERPAYMENT FOR CARAVAN PARK FEES	
30/03/2021	30032021.5	TELFER BONNIE	57.40
		GOODS FOR SENIOR MEALS	
30/03/2021	30032021.6	WURTH AUSTRALIA PTY LTD	327.25
		LUBRICANT SILICONE SPRAY FOR WORKSHOP	
31/03/2021	30032021.7	SYNERGY	360.47
		VARIOUS ELECTRICITY USAGE AND SUPPLY CHARGES	
01/04/2021	EFT	SALARIES & WAGES	50,711.08
		PAYROLL	
18/03/2021	B/PAY	SYNERGY	156.17
		SUPPLY AND CHARGES FOR LAKE TOWERRINNING	
18/03/2021	B/PAY	SYNERGY	1,465.29
		ELECTRICITY USAGE AND SUPPLY CHARGE FOR STREETLIGHTS	
18/03/2021	B/PAY	SYNERGY	131.19
		SUPPLY AND CHARGES FOR DURANILLIN HALL	
18/03/2021	B/PAY	TELSTRA	330.53
		TELEPHONE CALLS AND CHARGES FOR CRC	
18/03/2021	B/PAY	SYNERGY	481.61
		ELECTRICITY USAGE AND SUPPLY CHARGE FOR THE CRC	
18/03/2021	B/PAY	TELSTRA	573.71
		ADMIN, DEPOT, INTERNET & POOL PHONE LINES CALLS/INTERNET AND CHARGES,	
18/03/2021	B/PAY	TELSTRA	727.27
		VARIOUS USAGE AND SERVICE CHARGES	
31/03/2021	DIRECT DEBIT	NATIONAL AUSTRALIA BANK	72.20
		ACCOUNT FEES	
02/04/2021	DIRECT DEBIT	BENDIGO BANK	73.56
		MERCHANT FEES MARCH 2021	
29/03/2021	DIRECT DEBIT	NATIONAL AUSTRALIA BANK	40.24
		NAB CONNECT FEES MARCH 2021	
23/03/2021	20059	AUSTRALIAN TAXATION OFFICE	20,507.00
		FEBRUARY BAS	
		VOUCHERS	AMOUNT
MUNICIPAL FUND			
		18032021.1 - 18032021.31	312,466.87
		25032021.1 - 25032021.20	30,685.57
		30032021.1 - 30032021.7	69,504.39
		CHEQUE 20059	20,507.00
		EFT/DEBIT/BPAY	4,051.77
		SALARIES & WAGES	101,741.96
		LICENSING MARCH 2021 TRANSFERS	5,829.95
		TOTAL	544,787.51

ITEM 8.1.3 – BUDGET REVIEW – MARCH 2021
--

LOCATION/ADDRESS:	N/A
NAME OF APPLICANT:	N/A
FILE REFERENCE:	N/A
DISCLOSURE OF INTEREST:	N/A
DATE OF REPORT:	14 March 2021

SUMMARY:

Consideration of the budget review for the nine month period from 1 July 2020 to 31 March 2021.

BACKGROUND:

Local governments are required to conduct at least one budget review between six and nine months into a financial year.

The budget review is a comparison of the year to date actual results with the adopted budget.

The following reports are included for information:

Monthly Statement of Financial Activity with Projected Variances – 31 March 2021
Explanation of Variance – 31 March 2021

Comments are provided in Note 1: Explanation of Variance.

CONSULTATION:

Not applicable.

STATUTORY ENVIRONMENT:

Local governments are required to conduct a budget review between 1 January and 31 March each financial year. This is a requirement covered by Regulation 33A of the Local Government (Financial Management) Regulations 1996.

Regulation 33A(2) and (3) of the Financial Management Regulations requires the results of the budget review to be submitted to Council within 30 days of the review. Council is then to consider the review and determine whether or not to adopt the review. Regulation 33A(4) states that within 30 days after Council has made a determination a copy of the review and determination is to be provided to the Department.

The Local Government Act Part 6, Division 4, 6.8 requires any expenditure for an additional purpose that is not included in the annual budget to be authorised in advance by resolution (absolute majority required).

POLICY IMPLICATIONS:

Not applicable.

FINANCIAL IMPLICATIONS:

Not applicable.

STRATEGIC IMPLICATIONS:

Not Applicable.

COMMENT:

It is expected that the Shire will finish 2020/2021 with a surplus due to staff vacancies. It is proposed to reallocate some of this surplus to complete additional projects in the current financial year.

Water Strategy:

The previous two summers have seen water security within the Shire of West Arthur become more topical. In the past the Shire has investigated various options for water supply throughout the Shire but staff do not have the hydrological and hydrogeological expertise to progress development of water supplies any further. As a result, staff have investigated the possibility of undertaking a whole of Shire Water Strategy to provide a more coordinated approach to water supply over the whole of the Shire. The aim of the water strategy would be to undertake an audit of currently water supplies, identify areas where water supplies need to be developed, identify gaps in our knowledge and provide a proposed plan for the future development of water supplies.

The 2020/21 budget includes \$4,000 material expenditure for public utilities. It is proposed that this be increased by \$20,000 to enable the preparation of a water strategy for the Shire.

Compliance

In order to assist the CEO to meet their obligations under Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996 and Regulation 17 of the Local Government (Audit) Regulations 1996 an additional allowance to Governance Compliance would enable external consultants to be engaged. The amount in the 20/21 Budget for this cost area under materials and contractors was \$10,000. It is proposed that this be increased to \$30,000.

VOTING REQUIREMENTS:

Absolute majority in relation to approval of unbudgeted expenditure

OFFICER RECOMMENDATIONS – ITEM 8.1.3

- A That the budget review as at 31 March 2021 for the 2020/21 financial year, as presented, be adopted.
- B That the following amendments be made to the 2020/21 budget:
- an additional \$20,000 material expenditure to fund a water strategy, to be included as additional material expenditure under the program community amenities;
 - an additional \$20,000 material expenditure to fund compliance expenditure in the 2020/21 financial year; and
 - reduce budgeted employee costs by \$40,000.

ATTACHMENTS:

- Budget Review

**SHIRE OF WEST ARTHUR
STATEMENT OF BUDGET REVIEW
(NATURE OR TYPE)
FOR THE PERIOD ENDED 31 MARCH 2021**

	Budget v Actual		Predicted			
	Note	Annual Budget (a) \$	YTD Actual (b) \$	Variance Permanent (c) \$	Variance Timing (Carryover) (d) \$	
OPERATING ACTIVITIES						
Net current assets at start of financial year surplus/(deficit)						
		1,199,648	1,199,648	0	0	1,199,648
Revenue from operating activities (excluding rates)						
Operating grants, subsidies and contributions		625,608	514,253	16,195	0	641,803 ▲
Profit on asset disposals	4.1.1	19,137	1,642	(17,495)	0	1,642 ▼
Fees and charges	4.1.2	273,365	234,993	(6,922)	0	266,443 ▼
Service charges		0	0	0	0	0
Interest earnings	4.1.7	56,364	13,218	0	0	56,364
Other revenue	4.1.8	169,739	99,406	0	0	169,739
		<u>1,144,213</u>	<u>863,512</u>	<u>(8,222)</u>	<u>0</u>	<u>1,135,991</u>
Expenditure from operating activities						
Employee costs	4.2.1	(1,714,206)	(1,063,511)	195,000	0	(1,519,206) ▼
Materials and contracts		(789,465)	(475,012)	55,472	0	(733,993) ▼
Utility charges	4.2.3	(91,700)	(53,461)	6,000	0	(85,700) ▼
Depreciation on non-current assets		(2,137,367)	(389,863)	0	0	(2,137,367)
Interest expenses		(30,457)	(23,321)	0	0	(30,457)
Insurance expenses		(93,484)	(93,484)	0	0	(93,484)
Loss on asset disposals	4.2.6	(18,307)	0	0	0	(18,307)
Other expenditure	4.2.7	(36,000)	(14,439)	0	0	(36,000)
		<u>(4,910,986)</u>	<u>(2,113,091)</u>	<u>256,472</u>	<u>0</u>	<u>(4,654,514)</u>
Operating activities excluded from budget						
Depreciation on assets		2,137,367	389,863	0	0	2,137,367
(Profit)/loss on asset disposal	4.4.3	(830)	(1,642)	17,495	0	16,665 ▲
Adjust provisions and accruals		0	(23,137)	0	0	0
Amount attributable to operating activities		<u>(430,588)</u>	<u>315,153</u>	<u>265,745</u>	<u>0</u>	<u>(164,843)</u>
INVESTING ACTIVITIES						
Non-operating grants, subsidies and contributions	4.1.3	1,246,368	491,151	0	(118,423)	1,127,945 ▼
Purchase land held for resale		0	0	0	0	0
Purchase land and buildings		(225,000)	(42,581)	0	75,000	(150,000) ▼
Purchase plant and equipment		(532,000)	(131,221)	18,779	203,000	(310,221) ▼
Purchase furniture and equipment		0	0	0	0	0
Purchase and construction of infrastructure-roads		(1,255,157)	(856,508)	0	0	(1,255,157)
Purchase and construction of infrastructure-other		(626,438)	0	0	300,512	(325,926) ▼
Purchase of investments		0	0	0	0	0
Proceeds from disposal of assets		52,000	17,618	(17,382)	(10,000)	24,618 ▼
Proceeds from sale of investments		0	0	0	0	0
Amount attributable to investing activities		<u>(1,340,227)</u>	<u>(521,541)</u>	<u>1,397</u>	<u>450,089</u>	<u>(888,741)</u>
FINANCING ACTIVITIES						
Proceeds from new borrowings		0	0	0	0	0
Proceeds from advances		0	0	0	0	0
Proceeds from self supporting loans		27,174	20,296	0	0	27,174
Transfers from cash backed reserves (restricted assets)		797,089	0	(11,397)	(410,089)	375,603 ▼
Repayment of debentures		(95,630)	(71,243)	0	0	(95,630)
Advances to community groups		0	0	0	0	0
Transfers to cash backed reserves (restricted assets)		(684,840)	(162)	0	0	(684,840)
Amount attributable to financing activities		<u>43,793</u>	<u>(51,109)</u>	<u>(11,397)</u>	<u>(410,089)</u>	<u>(377,693)</u>
Budget deficiency before general rates		<u>(1,727,022)</u>	<u>(257,497)</u>	<u>255,745</u>	<u>40,000</u>	<u>(1,431,277)</u>
Estimated amount to be raised from general rates		<u>1,727,022</u>	<u>1,728,455</u>			<u>1,727,022</u>
Closing funding surplus(deficit)		0	1,470,958	255,745	40,000	295,745 ▲
Expected restricted cash at year end						0
Closing funding surplus(deficit) after restricted cash considered						295,745

**SHIRE OF WEST ARTHUR
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 31 MARCH 2021**

4. PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
4.1 OPERATING REVENUE (EXCLUDING RATES)		
4.1.1 PROFIT ON ASSET DISPOSAL		
Profit on sale of roller lower than budget.	(17,495)	
4.1.2 FEES AND CHARGES		
Vehicle examination fees will be below budget	(6,922)	
4.1.3 GRANTS, SUBSIDIES AND CONTRIBUTIONS		
General Purpose Grant will be above budget	11,986	
Local Roads Grant will be above budget	4,209	
4.1.7 INTEREST EARNINGS		
No Material Variance		
4.1.8 OTHER REVENUE		
No Material Variance		
	Predicted Variances Carried Forward	(8,222) 0
	Predicted Variances Brought Forward	(8,222) 0
4.2 OPERATING EXPENSES		
4.2.1 EMPLOYEE COSTS		
Wages and associated employee expenses are lower than budget due to vacant positions.	195,000	
4.2.2 MATERIAL AND CONTRACTS		
Refuse site maintenance will be below budget.	8,000	
Landcare Officer expenditure will be below budget. Reserve transfer reduced.	10,000	
Footpath maintenance will be below budget.	12,000	
There is expected to be several non reportable variances including councillor training, housing i football oval, cultural events, building surveyor, economic development.	25,472	
4.2.3 UTILITY CHARGES		
Utilities are expected to be below budget.	6,000	
4.2.4 DEPRECIATION (NON CURRENT ASSETS)		
No Material Variance		
4.2.4 INTEREST EXPENSES		
No Material Variance		
4.2.5 INSURANCE EXPENSES		
No Material Variance		
4.2.6 LOSS ON ASSET DISPOSAL		
No Material Variance		
4.2.7 OTHER EXPENDITURE		
No Material Variance	0	
	Predicted Variances Carried Forward	248,250 0

**SHIRE OF WEST ARTHUR
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 31 MARCH 2021**

4. PREDICTED VARIANCES**Comments/Reason for Variance**

	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	248,250	0
4.3 CAPITAL REVENUE		
4.3.1 GRANTS, SUBSIDIES AND CONTRIBUTIONS		
Kylie Dam grant unlikely to be received this year		(88,423)
Darkan Railway Reserve Grant will not be received this year		(30,000)
4.3.2 PROCEEDS FROM DISPOSAL OF ASSETS		
Truck will not be traded this year (Reserve transfer)		(10,000)
Proceeds from sale of roller below budget, will be offset by lower purchase cost (Reserve transfer)	(17,382)	
4.3.3 PROCEEDS FROM NEW DEBENTURES		
No Material Variance		
4.3.4 PROCEEDS FROM SALE OF INVESTMENT		
No Material Variance		
4.3.5 PROCEEDS FROM ADVANCES		
No Material Variance		
4.3.6 SELF-SUPPORTING LOAN PRINCIPAL		
No Material Variance		
Predicted Variances Carried Forward	230,868	(128,423)
Predicted Variances Brought Forward	230,868	(128,423)
4.4 CAPITAL EXPENSES		
4.4.1 LAND HELD FOR RESALE		
No Material Variance		
4.4.2 LAND AND BUILDINGS		
Staff Housing expenditure will be below budget (material component not spent). Wages not allocated to capital projects is included in the wages reported in the statement of budget review.		50,000
Community Housing upgrades will not occur this year		25,000
4.4.3 PLANT AND EQUIPMENT		
Plant purchase variances. Roller purchase is below budget. Reserve Funded	18,779	
Prime Mover will not be available to purchase this year. (Reserve funded)		170000
Mechanics ute will not be purchased this year (reserve funded)		33000
4.4.4 FURNITURE AND EQUIPMENT		
No Material Variance		
4.4.5 INFRASTRUCTURE ASSETS - ROADS		
No Material Variance		
4.4.6 INFRASTRUCTURE ASSETS - OTHER		
Darkan Railway Reserve redevelopment - will not be completed this year (material component)		100,000
Kylie Dam Water project will not be completed this year (\$12,089 reserve funded, \$88,423 grant funded.		100,512
Darkan Refuse Site redevelopment will not be completed this year (\$60,000 reserve funded)		100,000
4.4.7 PURCHASES OF INVESTMENT		
No Material Variance		
4.4.8 REPAYMENT OF DEBENTURES		
No Material Variance		
4.4.9 ADVANCES TO COMMUNITY GROUPS		
No Material Variance		
Predicted Variances Carried Forward	249,647	450,089

**SHIRE OF WEST ARTHUR
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 31 MARCH 2021**

4. PREDICTED VARIANCES**Comments/Reason for Variance**

	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	249,647	450,089
4.5 OTHER ITEMS		
4.5.10 TRANSFER TO RESERVES (RESTRICTED ASSETS)		
No Material Variance		
4.5.11 TRANSFER FROM RESERVES (RESTRICTED ASSETS)		
Plant purchase variances. Roller net trade below budget	(1,397)	
Prime mover not purchased this year		(160,000)
Mechanics ute not purchased		(33,000)
Joint venture housing renovations will not be done this year		(25,000)
Staff housing renovations will not be done this year		(50,000)
Darkan Railway redevelopment will not be done this year		(70,000)
Kylie Dam balance of project less funding will not be transferred this year		(12,089)
Darkan Refuse site will not be redeveloped this year.		(60,000)
Landcare transfer below budget	(10,000)	
4.5.1 RATE REVENUE		
No Material Variance		
4.5.2 OPENING FUNDING SURPLUS(DEFICIT)		
No Variance		
	0	
4.5.3 NON-CASH WRITE BACK OF PROFIT (LOSS)		
No Material Variance		
	17,495	
Total Predicted Variances as per Annual Budget Review	255,745	40,000

ITEM 8.1.4 - MINUTES OF ANNUAL ELECTORS MEETING HELD 9 FEBRUARY 2021

LOCATION/ADDRESS:	N/A
NAME OF APPLICANT:	N/A
FILE REFERENCE:	2.5 Electors
PREVIOUSLY BEFORE COUNCIL	16 March 2021
DISCLOSURE OF INTEREST:	N/A
DATE OF REPORT:	23 March 2021

SUMMARY:

It is a statutory requirement for Council to consider any decisions made at an electors meeting. It is recommended that the minutes be received and the motion be noted.

BACKGROUND:

During Question Time at the 16 March Council Meeting, there was a request for the Minutes of the Electors' meeting be amended to include two statements which were said to have been made by the President at the meeting.

When considering receiving the Electors' Meeting Minutes at the March meeting, Council requested that further guidance be obtained from WALGA and resolved to defer making a decision pending that advice.

WALGA staff have been consulted and their comments are noted under consultation. Staff have not altered the minutes or the officer recommendation from the March agenda.

At the Annual Electors' Meeting held on 9 February 2021, the following motion was voted on:

"That the current Shire President has lost the confidence of the ratepayers and should therefore be replaced".

CONSULTATION:

WALGA staff have been consulted and have advised it is common practice that details of debate and commentary is not recorded at any Council or Electors' meeting as it is unreasonable for the administration to essentially maintain a Parliamentary Hansard standard record of proceedings. Admin Reg 11 specifies what should be recorded in Minutes, which includes a summary of public questions and their responses, details of each motion moved and details of each decision made at the meeting.

STATUTORY ENVIRONMENT:

Under Section 5.33 of the Local Government Act, all decisions made at an electors' meeting are to be considered at the next ordinary council meeting, or if that is not practicable, at the first ordinary council meeting after that meeting or at a special meeting called for that purpose.

If at a meeting of the council a local government makes a decision in response to a decision made at an electors' meeting, the reasons for the decision are to be recorded in the minutes of the council meeting.

Council is required to consider this decision, however it does not have the powers to act on it as under legislation there is no mechanism for Council to be able to deal with it.

Admin Reg 11 (Act s. 5.25(1)(f)) provides guidance on the content of minutes of a meeting of a council or a committee.

POLICY IMPLICATIONS:

Not applicable.

FINANCIAL IMPLICATIONS:

Not applicable.

STRATEGIC IMPLICATIONS:

Not applicable.

COMMENT:

Officers have not made any amendments to the Electors Meeting Minutes.

VOTING REQUIREMENTS:

Simple majority.

OFFICER RECOMMENDATION – ITEM 8.1.4

That Council receives the Minutes of the Annual Electors Meeting held on 9 February 2021 and that the motion be noted.

ATTACHMENTS:

- Minutes of Annual Electors' Meeting held on 9 February 2021

SHIRE OF WEST ARTHUR



Minutes of the Annual Electors Meeting of the Shire of West Arthur held on Tuesday 9 February 2021 at the Darkan Town Hall, Butler Street, Darkan.

In accordance with the Local Government Act 5.27 (3) Administration Regulations 15 the matters to be discussed at a general electors' meeting are, firstly, the contents of the annual report for the previous financial year and then any other general business

1000 ATTENDANCE

COUNCILLORS

Cr Kevin King	Shire President
Cr Neil Morrell	Deputy Shire President
Cr Graeme Peirce	
Cr Marie Lloyd	
Cr Julie McFall	
Cr Adam Squires	
Cr Neil Manuel	

STAFF

Nicole Wasmann	Chief Executive Officer
William (Bill) Owen	Works Manager
Melinda King	Manager – Financial Reporting
Maxine McKenzie	Manager – Financial Operations

ELECTORS

Chris Buller,	Estelle Buller,	Karyn Buller,	Geoff Bunce,
Kim Bunce,	Arthur Brown,	Kerryn Chia,	Frank Chia,
Ben Chiswell,	Lehua Chiswell,	Sheila Curnow,	Scott DeGaris,
Brigid Doudle	Anne Doudle,	Paul Doudle,	Sadie English
Kym Gibbs,	Jason Gibbs,	Heather Gibbs,	Eloisa Goss,
Michael Goss,	Beryl Harrington,	Clinton Harrington,	David Harrington,
Phil Harrington,	Ray Harrington	Tim Harrington,	Gerry Hartnett,
Jenny Hosking,	Nick Hosking	Rodney Hulse	Peta Hulse,
Steven Hulse	Jeremy King,	Robyn King,	Greg Lloyd,
Tom Lloyd,	Craig Lubcke,	Helen Lubcke,	Robyn Lubcke,
Peter Manuel,	Michael Meredith,	Peter McKenzie,	Bruce McGowan,
Nicki Morrell,	Ian Peirce,	Teresa Peirce,	Shane Plank,
Karen Prowse,	Stuart Putland,	Marj Quartermaine,	Ben Robinson,
Gary Robinson,	James Scanlon,	Adrian South,	Jacque South
Julie South,	David South,	Duncan South,	Lomond South,
Maureen South,	Rebecca South,	Carol Standish,	Pam Stockley,
Leigh Studsor,	Ashleigh Telfer,	Roger Telfer,	Ross Wales,
David Warren	Peter Wharton,	Bruce Whitaker,	Janette Whitaker
Ryan Wilkie,	Jim Wisniewski	Barbara Woodruff,	Ian Woodruff,
Judy Wunnenberg			

1001 APOLOGIES

Mary Dew,	Wayne Stockley,	Kerrie Putland
-----------	-----------------	----------------

2000 ANNUAL REPORT FOR THE YEAR ENDING 30 JUNE 2020

A request was received to change the word 'resignation' to 'retirement' on the first line of paragraph two of the President's report.

Moved: Cr Neil Manuel

Seconded: Cr Marie Lloyd

That the Annual Report for the year ending 30 June 2020 as presented, be received with the word 'resignation' changed to 'retirement' on the first line of paragraph two of the President's report.

3000 BUSINESS ARISING FROM PREVIOUS ELECTORS MEETING

There was no business arising from the Minutes of the Electors Meeting held on 6 February 2020.

4000 GENERAL BUSINESS

4100 QUESTIONS WITH NOTICE

The following questions were received from Phillip Harrington prior to the closing date being 2 February 2021.

1. In the last 10 years how many years has the Shire ended the year with a surplus?

The President advised that the Shire has finished every year with a surplus for the past ten years.

2. In the last 10 years has there ever been a non-compliant audit report?

The President advised that the Shire has not had a non-compliant audit report for the past ten years.

3. Are council meeting conversations about matters of council meant to be kept confidential?

The President confirmed that Council meetings are generally open to the public and matters discussed in an open meeting are not confidential. A Council meeting may be closed in order to deal with confidential matters in accordance with s.5.23 of the *Local Government Act 1995*. If a meeting is closed to the public, then Councillors and employees have individual legal responsibilities to maintain the confidentiality of information acquired in a closed meeting.

4. Is the Council president allowed to insist councillors sign a confidentiality agreement at any meeting about Council matters?

The President responded that councillors and employees have individual legal responsibilities to maintain the confidentiality of information acquired in a closed meeting. Therefore there is no need for a confidentiality agreement. In some limited circumstances where a Council is dealing with a third party, such as a Government agency, that party may require any person accessing certain information to sign such an agreement.

The President further advised, that as an individual, he has no power to direct Councillors or the CEO, except in the context of a formal Council Meeting when they are fulfilling their role as presiding member in accordance with the Shire of West Arthur Standing Orders Local Law.

5. Under what circumstances does the Local Government Act allow for the council president to call for a special meeting of all councillors without the CEO or any staff in attendance?

The President indicated that the role of the Shire President is to provide leadership and guidance to the community and the Council. As part of this role, the Shire President may invite Councillors to meet informally and have a conversation about matters such as Councillor behaviour.

Further, in accordance with section 5.4 of the Local Government Act a special meeting of a Council may be called by the President in a notice to the CEO. The Council may close the meeting or part of the meeting to members of the public (including staff) if the meeting deals with matters identified in section 5.23 (2) of the Act.

6. In relation to the meeting of all councillors called by the president held on or about 22nd of December at the CRC:

a. Why was there no CEO or staff in attendance?

The President advised that the meeting was an informal gathering which did not concern CEO or staff.

b. Were minutes taken and are they to be made available to the public?

The President advised that minutes were not taken and it was not necessary as it was an informal gathering

c. Was the required notice to the public of this meeting given?

As it was not a formal meeting, the President advised that no notice was required.

d. Why was the meeting held at the CRC instead of the normal practise of having meetings at council chambers?

The President advised that as the discussion was between councillors there was no need to have others involved.

e. Were councillors asked to sign a confidentiality agreement prior to this meeting beginning?

The President advised that councillors were not asked to sign a confidentiality agreement.

f. If the answer to question e is yes did all councillors sign this agreement?

As the answer to e was no, the President confirmed that this question was no applicable.

g. If the answer to question f is yes, are these agreements held at the council offices, if not, why not, and where are they being held?

As the answer to f was no, the President confirmed that this question was not applicable.

7. Regarding the issues with the maintenance of the Arthur River fire truck, is it correct that the issues were resolved by members of the Arthur River Bushfire Brigade, Council staff and the Chief Fire Control Officer prior to the December council meeting?

The President confirmed that the maintenance had been carried out and procedures had been put in place prior to December. Since December, other issues have been dealt with in the proper manner.

4200 QUESTIONS WITHOUT NOTICE

The President invited electors to ask questions. Multiple electors contributed comments and discussion ensued on a range of matters, detailed below:

- Council Member behaviour obligations under the Shire's Code of Conduct;
- Council's role as the CEO's employer and CEO employment matters;
- Community support for the Shire's administration;
- Shire's financial performance and capital works program;
- Shire's asset and plant maintenance program.

During this part of the meeting, an elector was ejected.

Motion:

Moved: Michael Meredith

Seconded: Ray Harrington

That the current Shire President has lost the confidence of the ratepayers and should therefore be replaced.

Amendment:

Moved Ray Harrington.

to add "for breaching Code of Conduct 5.4 over 4 years".

Amendment lapsed for want of a seconder.

Amendment

Moved Rodney Hulse.

That we have lost faith in the Council.

Amendment lapsed for want of a seconder.

The original motion was then put:

DECISION

Moved: Michael Meredith

Seconded: Ray Harrington

That the current Shire President has lost the confidence of the ratepayers and should therefore be replaced.

For – 29
Against – 7

4300 OTHER GENERAL BUSINESS AS PERMITTED BY PRESIDENT

- **School Bus Services for High School Aged Children**
A request was made for support for local children to have access to Collie High School on school bus. It was acknowledged the Shire would do what it could to assist.
- **Medical Refrigerator**
A request was made for support for a medical refrigerator at the Health and Resource Centre, which was vital for pre-filled injections. The request is to be investigated.
- **Derelict Buildings**
Reference was made to the previous year's electors meeting when derelict buildings was raised and it was noted that the issue had not been resolved. The comments were taken

on board with acknowledgement that investigation into options for the Shire to address the issue would take place.

- **Roads**

The Shire was complemented on the very high standard of roads. Reference was made to the poor condition of Coalfields Highway in the Shire of West Arthur in comparison to the South West section. Concern was raised about the impact of increased livestock transport on gravel roads because of a sheep feed lot in Woodanilling.

- **Water**

Discussion was held regarding community access to water with options for an additional community standpipe and tank in Growden Place, improving supply at Rees Road and Gorn Road non potable standpipes, changing the access to the Quindanning Road fire standpipe, and use of other aquifers were raised.

5000 CLOSURE

The President declared the meeting closed at 7.58pm.

ITEM 8.1.5 – CEO STANDARDS – RECRUITMENT, PERFORMANCE AND TERMINATION
--

LOCATION/ADDRESS:	N/A
NAME OF APPLICANT:	N/A
FILE REFERENCE:	2.30
DISCLOSURE OF INTEREST:	The officer declares an impartiality interest in this item as the current CEO of the Shire of West Arthur
DATE OF REPORT:	16 April 2021

SUMMARY:

Council to review and adopt the Model Standards for Chief Executive Officer Recruitment, Performance and Termination pursuant to section 5.39B (2) of the Local Government Act 1995.

BACKGROUND:

New legislation was enacted on 3 February 2021 requiring local governments to prepare and adopt standards that cover the recruitment, selection, performance review and early termination of local government Chief Executive Officers.

Key features of the regulations relating to recruitment, selection, performance review and early termination of local government Chief Executive Officers include the requirements to:

- establish a selection panel comprised of council members and at least one independent person to conduct the recruitment and selection process for the position of CEO;
- establish a performance review process by agreement between the local government and the CEO; and
- conduct a recruitment and selection process where an incumbent CEO has held the position for a period of ten or more consecutive years on expiry of the CEO's contract.

In addition, requirements for advertising vacant CEO positions have been updated to align with amendments to state-wide public notice provisions.

Local governments are required to prepare and adopt the Model Standards within three months of these regulations coming into effect (by 3 May 2021). Until such time as a local government adopts the Model Standards (with or without minor permitted variations), the regulations apply.

CONSULTATION:

Information has been provided from the Department which is available from their website.

CEO Standards and Guidelines -

<https://www.dlgsc.wa.gov.au/docs/default-source/local-government/local-government-act-review/ceo-standards-and-guidelines.pdf>

Explanatory Notes -

<https://www.dlgsc.wa.gov.au/docs/default-source/local-government/local-government-act-review/ceo-model-standards-explanatory-notes.pdf>

STATUTORY ENVIRONMENT:

Sections of the Acts, Regulations and/or Local Laws that apply to this item include:

- Local Government Act 1995, Section 5.39B;
- Local Government (Administration) Amendment Regulations 2021; and
- Local Government (Administration) Regulations 1996.

In accordance with section 5.39B (2) of the Local Government Act, within three months of the prescribed regulations coming into operation, a local government must prepare and adopt standards to be observed by the local government that incorporate the model standards.

A local government may include in the adopted standards provisions that are in addition to the model standards, but any additional provisions are of no effect to the extent that they are inconsistent with the model standards.

The CEO must publish an up-to-date version of the adopted standards on the local government's official website.

POLICY IMPLICATIONS:

There is no conflict with existing policies.

FINANCIAL IMPLICATIONS:

The requirements of the new Model Standard will result in an increase in costs for recruitment of CEO.

STRATEGIC IMPLICATIONS:

Aspiration: Through strong leadership and responsible, ethical management the best outcomes will be achieved in partnership with the people of the Shire.

Strategy: Compliance with regulations and best practice standards will drive good decision making by staff and council.

Strategy: Staff training and support programs will attract and retain the best quality staff.

COMMENT:

No changes are proposed to the model standards and it is recommended that they be adopted without modification.

VOTING REQUIREMENTS:

Absolute majority

OFFICER RECOMMENDATION – ITEM 8.1.5
--

That with respect to the new mandatory minimum standards that cover the recruitment, selection, performance review and early termination of local government Chief Executive Officers, Council, pursuant to section 5.39B (2) of the Local Government Act 1995, adopt the new Model Standards for Chief Executive Officer Recruitment, Performance and Termination as detailed in the Attachment.

ATTACHMENTS

- Draft Shire of West Arthur CEO Standards



Shire Standards for CEO Recruitment Performance and Termination

Division 1 — Preliminary provisions

1. Citation

These are the *Shire of West Arthur* Standards for CEO Recruitment, Performance and Termination.

2. Terms used

(1) In these standards —

Act means the Local Government Act 1995;

additional performance criteria means performance criteria agreed by the local government and the CEO under clause 16(1)(b);

applicant means a person who submits an application to the local government for the position of CEO;

contract of employment means the written contract, as referred to in section 5.39 of the Act, that governs the employment of the CEO;

contractual performance criteria means the performance criteria specified in the CEO's contract of employment as referred to in section 5.39(3)(b) of the Act;

job description form means the job description form for the position of CEO approved by the local government under clause 5(2);

local government means the *Shire of West Arthur*;

selection criteria means the selection criteria for the position of CEO determined by the local government under clause 5(1) and set out in the job description form;

selection panel means the selection panel established by the local government under clause 8 for the employment of a person in the position of CEO.

(2) Other terms used in these standards that are also used in the Act have the same meaning as they have in the Act, unless the contrary intention appears.

Division 2 — Standards for recruitment of CEOs

3. Overview of Division

This Division sets out standards to be observed by the local government in relation to the recruitment of CEOs.

4. Application of Division

(1) Except as provided in subclause (2), this Division applies to any recruitment and selection process carried out by the local government for the employment of a person in the position of CEO.

(2) This Division does not apply —

(a) if it is proposed that the position of CEO be filled by a person in a class prescribed for the purposes of section 5.36(5A) of the Act; or

(b) in relation to a renewal of the CEO's contract of employment, except in the circumstances referred to in clause 13(2).

5. Determination of selection criteria and approval of job description form

- (1) The local government must determine the selection criteria for the position of CEO, based on the local government's consideration of the knowledge, experience, qualifications and skills necessary to effectively perform the duties and responsibilities of the position of CEO of the local government.
- (2) The local government must, by resolution of an absolute majority of the council, approve a job description form for the position of CEO which sets out —
 - (a) the duties and responsibilities of the position; and
 - (b) the selection criteria for the position determined in accordance with subclause (1).

6. Advertising requirements

- (1) If the position of CEO is vacant, the local government must ensure it complies with section 5.36(4) of the Act and the *Local Government (Administration) Regulations 1996* regulation 18A.
- (2) If clause 13 applies, the local government must advertise the position of CEO in the manner referred to in the *Local Government (Administration) Regulations 1996* regulation 18A as if the position was vacant.

7. Job description form to be made available by local government

If a person requests the local government to provide to the person a copy of the job description form, the local government must —

- (a) inform the person of the website address referred to in the *Local Government (Administration) Regulations 1996* regulation 18A(2)(da); or
- (b) if the person advises the local government that the person is unable to access that website address —
 - (i) email a copy of the job description form to an email address provided by the person; or
 - (ii) mail a copy of the job description form to a postal address provided by the person.

8. Establishment of selection panel for employment of CEO

- (1) In this clause —

independent person means a person other than any of the following —

- (a) a council member;
 - (b) an employee of the local government;
 - (c) a human resources consultant engaged by the local government.
- (2) The local government must establish a selection panel to conduct the recruitment and selection process for the employment of a person in the position of CEO.
 - (3) The selection panel must comprise —
 - (a) council members (the number of which must be determined by the local government); and
 - (b) at least 1 independent person.

9. Recommendation by selection panel

- (1) Each applicant's knowledge, experience, qualifications and skills must be assessed against the selection criteria by or on behalf of the selection panel.
- (2) Following the assessment referred to in subclause (1), the selection panel must provide to the local government —
 - (a) a summary of the selection panel's assessment of each applicant; and
 - (b) unless subclause (3) applies, the selection panel's recommendation as to which applicant or applicants are suitable to be employed in the position of CEO.
- (3) If the selection panel considers that none of the applicants are suitable to be employed in the position of CEO, the selection panel must recommend to the local government —
 - (a) that a new recruitment and selection process for the position be carried out in accordance with these standards; and
 - (b) the changes (if any) that the selection panel considers should be made to the duties and responsibilities of the position or the selection criteria.
- (4) The selection panel must act under subclauses (1), (2) and (3) —
 - (a) in an impartial and transparent manner; and
 - (b) in accordance with the principles set out in section 5.40 of the Act.
- (5) The selection panel must not recommend an applicant to the local government under subclause (2)(b) unless the selection panel has —
 - (a) assessed the applicant as having demonstrated that the applicant's knowledge, experience, qualifications and skills meet the selection criteria; and
 - (b) verified any academic, or other tertiary level, qualifications the applicant claims to hold; and
 - (c) whether by contacting referees provided by the applicant or making any other inquiries the selection panel considers appropriate, verified the applicant's character, work history, skills, performance and any other claims made by the applicant.
- (6) The local government must have regard to, but is not bound to accept, a recommendation made by the selection panel under this clause.

10. Application of cl. 5 where new process carried out

- (1) This clause applies if the local government accepts a recommendation by the selection panel under clause 9(3)(a) that a new recruitment and selection process for the position of CEO be carried out in accordance with these standards.
- (2) Unless the local government considers that changes should be made to the duties and responsibilities of the position or the selection criteria —
 - (a) clause 5 does not apply to the new recruitment and selection process; and
 - (b) the job description form previously approved by the local government under clause 5(2) is the job description form for the purposes of the new recruitment and selection process.

11. Offer of employment in position of CEO

Before making an applicant an offer of employment in the position of CEO, the local government must, by resolution of an absolute majority of the council, approve —

- (a) the making of the offer of employment to the applicant; and
- (b) the proposed terms of the contract of employment to be entered into by the local government and the applicant.

12. Variations to proposed terms of contract of employment

- (1) This clause applies if an applicant who is made an offer of employment in the position of CEO under clause 11 negotiates with the local government a contract of employment (the negotiated contract) containing terms different to the proposed terms approved by the local government under clause 11(b).
- (2) Before entering into the negotiated contract with the applicant, the local government must, by resolution of an absolute majority of the council, approve the terms of the negotiated contract.

13. Recruitment to be undertaken on expiry of certain CEO contracts

- (1) In this clause —

commencement day means the day on which the *Local Government (Administration) Amendment Regulations 2021* regulation 6 comes into operation.

- (2) This clause applies if —

- (a) upon the expiry of the contract of employment of the person (the incumbent CEO) who holds the position of CEO —
 - (i) the incumbent CEO will have held the position for a period of 10 or more consecutive years, whether that period commenced before, on or after commencement day; and
 - (ii) a period of 10 or more consecutive years has elapsed since a recruitment and selection process for the position was carried out, whether that process was carried out before, on or after commencement day;

and

- (b) the incumbent CEO has notified the local government that they wish to have their contract of employment renewed upon its expiry.
- (3) Before the expiry of the incumbent CEO's contract of employment, the local government must carry out a recruitment and selection process in accordance with these standards to select a person to be employed in the position of CEO after the expiry of the incumbent CEO's contract of employment.
- (4) This clause does not prevent the incumbent CEO's contract of employment from being renewed upon its expiry if the incumbent CEO is selected in the recruitment and selection process referred to in subclause (3) to be employed in the position of CEO.

14. Confidentiality of information

The local government must ensure that information provided to, or obtained by, the local government in the course of a recruitment and selection process for the position of CEO is not disclosed, or made use of, except for the purpose of, or in connection with, that recruitment and selection process.

Division 3 — Standards for review of performance of CEOs

15. Overview of Division

This Division sets out standards to be observed by the local government in relation to the review of the performance of CEOs.

16. Performance review process to be agreed between local government and CEO

- (1) The local government and the CEO must agree on —
 - (a) the process by which the CEO's performance will be reviewed; and
 - (b) any performance criteria to be met by the CEO that are in addition to the contractual performance criteria.
- (2) Without limiting subclause (1), the process agreed under subclause (1)(a) must be consistent with clauses 17, 18 and 19.
- (3) The matters referred to in subclause (1) must be set out in a written document.

17. Carrying out a performance review

- (1) A review of the performance of the CEO by the local government must be carried out in an impartial and transparent manner.
- (2) The local government must —
 - (a) collect evidence regarding the CEO's performance in respect of the contractual performance criteria and any additional performance criteria in a thorough and comprehensive manner; and
 - (b) review the CEO's performance against the contractual performance criteria and any additional performance criteria, based on that evidence.

18. Endorsement of performance review by local government

Following a review of the performance of the CEO, the local government must, by resolution of an absolute majority of the council, endorse the review.

19. CEO to be notified of results of performance review

After the local government has endorsed a review of the performance of the CEO under clause 18, the local government must inform the CEO in writing of —

- (a) the results of the review; and
- (b) if the review identifies any issues about the performance of the CEO — how the local government proposes to address and manage those issues.

Division 4 — Standards for termination of employment of CEOs

20. Overview of Division

This Division sets out standards to be observed by the local government in relation to the termination of the employment of CEOs.

21. General principles applying to any termination

- (1) The local government must make decisions relating to the termination of the employment of a CEO in an impartial and transparent manner.
- (2) The local government must accord a CEO procedural fairness in relation to the process for the termination of the CEO's employment, including —
 - (a) informing the CEO of the CEO's rights, entitlements and responsibilities in relation to the termination process; and
 - (b) notifying the CEO of any allegations against the CEO; and
 - (c) giving the CEO a reasonable opportunity to respond to the allegations; and
 - (d) genuinely considering any response given by the CEO in response to the allegations.

22. Additional principles applying to termination for performance related reasons

- (1) This clause applies if the local government proposes to terminate the employment of a CEO for reasons related to the CEO's performance.
- (2) The local government must not terminate the CEO's employment unless the local government has —
 - (a) in the course of carrying out the review of the CEO's performance referred to in subclause (3) or any other review of the CEO's performance, identified any issues (the performance issues) related to the performance of the CEO; and
 - (b) informed the CEO of the performance issues; and
 - (c) given the CEO a reasonable opportunity to address, and implement a plan to remedy, the performance issues; and
 - (d) determined that the CEO has not remedied the performance issues to the satisfaction of the local government.
- (3) The local government must not terminate the CEO's employment unless the local government has, within the preceding 12 month period, reviewed the performance of the CEO under section 5.38(1) of the Act.

23. Decision to terminate

Any decision by the local government to terminate the employment of a CEO must be made by resolution of an absolute majority of the council.

24. Notice of termination of employment

- (1) If the local government terminates the employment of a CEO, the local government must give the CEO notice in writing of the termination.
- (2) The notice must set out the local government's reasons for terminating the employment of the CEO.

ITEM 8.1.6 – CODE OF CONDUCT FOR COUNCIL MEMBERS, COMMITTEE MEMBERS AND CANDIDATES

LOCATION/ADDRESS:	N/A
NAME OF APPLICANT:	N/A
FILE REFERENCE:	2.30
DISCLOSURE OF INTEREST:	Nil.
DATE OF REPORT:	16 April 2021

SUMMARY:

Council to adopt the Code of Conduct for Council Members, Committee Members and Candidates, as required by section 5.104 of the Local Government Act.

BACKGROUND:

The Government has enacted new legislation requiring all local governments to adopt a new Code of Conduct for Council Members, Committee Members and Candidates for a local government election, and to deal with ancillary matters.

The following regulations took effect on 3 February 2021, implementing the remaining parts of the Local Government Legislation Amendment Act 2019:

- Local Government (Administration) Amendment Regulations 2021
- Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2021
- Local Government (Model Code of Conduct) Regulations 2021.

In regard to the Local Government (Model Code of Conduct) Regulations 2021, Local Governments are required to adopt a Code of Conduct for Council Members, Committee Members and Candidates within three (3) months of the Regulations taking effect. Until such time as Council adopts their Code of Conduct, the Model Code of Conduct applies.

At the February meeting, Council appointed the Complaints Officer and adopted the form, relevant to the Model Code of Conduct.

CONSULTATION:

The Department and WALGA has provided guidance notes.

Resources and further reading for local governments include:

<https://www.dlgsc.wa.gov.au/local-government/strengthening-local-government/public-consultations/local-government-act-review/priority-reforms/model-code-of-conduct>
<https://www.dlgsc.wa.gov.au/docs/default-source/local-government/local-government-act-review/model-code-of-conduct-guidelines.pdf>

STATUTORY ENVIRONMENT:

Sections of the Acts, Regulations and/or Local Laws that apply to this item include:

- Local Government Act 1995
- Local Government (Administration) Amendment Regulations 2021
- Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2021
- Local Government (Model Code of Conduct) Regulations 2021.

POLICY IMPLICATIONS:

Council's existing Code of Conduct should be repealed.

FINANCIAL IMPLICATIONS:

There are no known financial implications relative to this matter in excess of officer time and minor administrative cost.

STRATEGIC IMPLICATIONS:

Outcome 5.2: ACCOUNTABLE service delivery by Council and well trained, motivated, customer focused staff.

Strategy: Continuously strive to improve performance and delivery across all functions with a focus on customer service.

Outcome: Code of Conduct - Review code of conduct every two years.

COMMENT:

A new Code of Conduct is being developed for staff and will be implemented by the CEO.

No changes are proposed to the Model Code of Conduct, however Council may choose to add clauses e.g. relating to dress standards. The Code can be amended in the future.

To meet the compliance requirement, it is proposed that Council adopt the Model Code as the Shire's Code of Conduct for Council Members, Committee Members and Candidate, at this meeting and consider amendments in the future.

VOTING REQUIREMENTS:

Absolute majority

OFFICER RECOMMENDATION – ITEM 8.1.6
--

That with respect to the new Model Code of Conduct for Council Members, Committee Members and Candidates for a local government election, Council;

1. Repeal the existing Code of Conduct for Council Members, Committee Members and Employees; and
2. Pursuant to section 5.104 of the Local Government Act 1995, adopt the new Code of Conduct for Council Members, Committee Members and Candidates for local government elections for the Shire of West Arthur, listed as Attachment.

ATTACHMENTS

- Draft Code of Conduct for Council Members, Committee Members and Candidates



Code of Conduct

for Council Members, Committee Members and Candidates

Division 1 — Preliminary provisions

1. Citation

This is the *Shire of West Arthur Code of Conduct for Council Members, Committee Members and Candidates*.

2. Terms used

(1) In this code —

Act means the Local Government Act 1995;

candidate means a candidate for election as a council member;

complaint means a complaint made under clause 11(1);

publish includes to publish on a social media platform.

(2) Other terms used in this code that are also used in the Act have the same meaning as they have in the Act, unless the contrary intention appears.

Division 2 — General principles

3. Overview of Division

This Division sets out general principles to guide the behaviour of council members, committee members and candidates.

4. Personal integrity

(1) A council member, committee member or candidate should —

(a) act with reasonable care and diligence; and

(b) act with honesty and integrity; and

(c) act lawfully; and

(d) identify and appropriately manage any conflict of interest; and

(e) avoid damage to the reputation of the local government.

(2) A council member or committee member should —

(a) act in accordance with the trust placed in council members and committee members; and

(b) participate in decision making in an honest, fair, impartial and timely manner; and

(c) actively seek out and engage in training and development opportunities to improve the performance of their role; and

(d) attend and participate in briefings, workshops and training sessions provided or arranged by the local government in relation to the performance of their role.

5. Relationship with others

(1) A council member, committee member or candidate should —

(a) treat others with respect, courtesy and fairness; and

(b) respect and value diversity in the community.

- (2) A council member or committee member should maintain and contribute to a harmonious, safe and productive work environment.

6. Accountability

A council member or committee member should —

- (a) base decisions on relevant and factually correct information; and
- (b) make decisions on merit, in the public interest and in accordance with statutory obligations and principles of good governance and procedural fairness; and
- (c) read all agenda papers given to them in relation to council or committee meetings; and
- (d) be open and accountable to, and represent, the community in the district.

Division 3 — Behaviour

7. Overview of Division

This Division sets out —

- (a) requirements relating to the behaviour of council members, committee members and candidates; and
- (b) the mechanism for dealing with alleged breaches of those requirements.

8. Personal integrity

- (1) A council member, committee member or candidate —

- (a) must ensure that their use of social media and other forms of communication complies with this code; and
- (b) must only publish material that is factually correct.

- (2) A council member or committee member —

- (a) must not be impaired by alcohol or drugs in the performance of their official duties; and
- (b) must comply with all policies, procedures and resolutions of the local government.

9. Relationship with others

A council member, committee member or candidate —

- (a) must not bully or harass another person in any way; and
- (b) must deal with the media in a positive and appropriate manner and in accordance with any relevant policy of the local government; and
- (c) must not use offensive or derogatory language when referring to another person; and
- (d) must not disparage the character of another council member, committee member or candidate or a local government employee in connection with the performance of their official duties; and
- (e) must not impute dishonest or unethical motives to another council member, committee member or candidate or a local government employee in connection with the performance of their official duties.

10. Council or committee meetings

When attending a council or committee meeting, a council member, committee member or candidate —

- (a) must not act in an abusive or threatening manner towards another person; and
- (b) must not make a statement that the member or candidate knows, or could reasonably be expected to know, is false or misleading; and
- (c) must not repeatedly disrupt the meeting; and
- (d) must comply with any requirements of a local law of the local government relating to the procedures and conduct of council or committee meetings; and
- (e) must comply with any direction given by the person presiding at the meeting; and
- (f) must immediately cease to engage in any conduct that has been ruled out of order by the person presiding at the meeting.

11. Complaint about alleged breach

- (1) A person may make a complaint, in accordance with subclause (2), alleging a breach of a requirement set out in this Division.
- (2) A complaint must be made —
 - (a) in writing in the form approved by the local government; and
 - (b) to a person authorised under subclause (3); and
 - (c) within 1 month after the occurrence of the alleged breach.
- (3) The local government must, in writing, authorise 1 or more persons to receive complaints and withdrawals of complaints.

12. Dealing with complaint

- (1) After considering a complaint, the local government must, unless it dismisses the complaint under clause 13 or the complaint is withdrawn under clause 14(1), make a finding as to whether the alleged breach the subject of the complaint has occurred.
- (2) Before making a finding in relation to the complaint, the local government must give the person to whom the complaint relates a reasonable opportunity to be heard.
- (3) A finding that the alleged breach has occurred must be based on evidence from which it may be concluded that it is more likely that the breach occurred than that it did not occur.
- (4) If the local government makes a finding that the alleged breach has occurred, the local government may —
 - (a) take no further action; or
 - (b) prepare and implement a plan to address the behaviour of the person to whom the complaint relates.
- (5) When preparing a plan under subclause (4)(b), the local government must consult with the person to whom the complaint relates.
- (6) A plan under subclause (4)(b) may include a requirement for the person to whom the complaint relates to do 1 or more of the following —
 - (a) engage in mediation;
 - (b) undertake counselling;
 - (c) undertake training;
 - (d) take other action the local government considers appropriate.

- (7) If the local government makes a finding in relation to the complaint, the local government must give the complainant, and the person to whom the complaint relates, written notice of —
- (a) its finding and the reasons for its finding; and
 - (b) if its finding is that the alleged breach has occurred — its decision under subclause (4).

13. Dismissal of complaint

- (1) The local government must dismiss a complaint if it is satisfied that —
- (a) the behaviour to which the complaint relates occurred at a council or committee meeting; and
 - (b) either —
 - (i) the behaviour was dealt with by the person presiding at the meeting; or
 - (ii) the person responsible for the behaviour has taken remedial action in accordance with a local law of the local government that deals with meeting procedures.
- (2) If the local government dismisses a complaint, the local government must give the complainant, and the person to whom the complaint relates, written notice of its decision and the reasons for its decision.

14. Withdrawal of complaint

- (1) A complainant may withdraw their complaint at any time before the local government makes a finding in relation to the complaint.
- (2) The withdrawal of a complaint must be —
- (a) in writing; and
 - (b) given to a person authorised under clause 11(3).

15. Other provisions about complaints

- (1) A complaint about an alleged breach by a candidate cannot be dealt with by the local government unless the candidate has been elected as a council member.
- (2) The procedure for dealing with complaints may be determined by the local government to the extent that it is not provided for in this Division.

Division 4 — Rules of conduct

Notes for this Division:

1. *Under section 5.105(1) of the Act a council member commits a minor breach if the council member contravenes a rule of conduct. This extends to the contravention of a rule of conduct that occurred when the council member was a candidate.*
2. *A minor breach is dealt with by a standards panel under section 5.110 of the Act.*

16. Overview of Division

- (1) This Division sets out rules of conduct for council members and candidates.
- (2) A reference in this Division to a council member includes a council member when acting as a committee member.

17. Misuse of local government resources

(1) In this clause —

electoral purpose means the purpose of persuading electors to vote in a particular way at an election, referendum or other poll held under the Act, the *Electoral Act 1907* or the *Commonwealth Electoral Act 1918*;

resources of a local government includes —

- (a) local government property; and
- (b) services provided, or paid for, by a local government.

(2) A council member must not, directly or indirectly, use the resources of a local government for an electoral purpose or other purpose unless authorised under the Act, or by the local government or the CEO, to use the resources for that purpose.

18. Securing personal advantage or disadvantaging others

(1) A council member must not make improper use of their office —

- (a) to gain, directly or indirectly, an advantage for the council member or any other person; or
- (b) to cause detriment to the local government or any other person.

(2) Subclause (1) does not apply to conduct that contravenes section 5.93 of the Act or *The Criminal Code* section 83.

19. Prohibition against involvement in administration

(1) A council member must not undertake a task that contributes to the administration of the local government unless authorised by the local government or the CEO to undertake that task.

(2) Subclause (1) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.

20. Relationship with local government employees

(1) In this clause —

local government employee means a person —

- (a) employed by a local government under section 5.36(1) of the Act; or
- (b) engaged by a local government under a contract for services.

(2) A council member or candidate must not —

- (a) direct or attempt to direct a local government employee to do or not to do anything in their capacity as a local government employee; or
- (b) attempt to influence, by means of a threat or the promise of a reward, the conduct of a local government employee in their capacity as a local government employee; or
- (c) act in an abusive or threatening manner towards a local government employee.

(3) Subclause (2)(a) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.

- (4) If a council member or candidate, in their capacity as a council member or candidate, is attending a council or committee meeting or other organised event (for example, a briefing or workshop), the council member or candidate must not orally, in writing or by any other means —
- (a) make a statement that a local government employee is incompetent or dishonest; or
 - (b) use an offensive or objectionable expression when referring to a local government employee.
- (5) Subclause (4)(a) does not apply to conduct that is unlawful under *The Criminal Code* Chapter XXXV.

21. Disclosure of information

- (1) In this clause —

closed meeting 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;

confidential document means a document marked by the CEO, or by a person authorised by the CEO, to clearly show that the information in the document is not to be disclosed;

document includes a part of a document;

non confidential document means a document that is not a confidential document.

- (2) A council member must not disclose information that the council member —
- (a) derived from a confidential document; or
 - (b) acquired at a closed meeting other than information derived from a non confidential document.
- (3) Subclause (2) does not prevent a council member from disclosing information —
- (a) at a closed meeting; or
 - (b) to the extent specified by the council and subject to such other conditions as the council determines; or
 - (c) that is already in the public domain; or
 - (d) to an officer of the Department; or
 - (e) to the Minister; or
 - (f) to a legal practitioner for the purpose of obtaining legal advice; or
 - (g) if the disclosure is required or permitted by law.

22. Disclosure of interests

- (1) In this clause —

interest —

- (a) means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest; and
 - (b) includes an interest arising from kinship, friendship or membership of an association.
- (2) A council member who has an interest in any matter to be discussed at a council or committee meeting attended by the council member must disclose the nature of the interest —

- (a) in a written notice given to the CEO before the meeting; or
 - (b) at the meeting immediately before the matter is discussed.
- (3) Subclause (2) does not apply to an interest referred to in section 5.60 of the Act.
- (4) Subclause (2) does not apply if a council member fails to disclose an interest because the council member did not know —
 - (a) that they had an interest in the matter; or
 - (b) that the matter in which they had an interest would be discussed at the meeting and the council member disclosed the interest as soon as possible after the discussion began.
- (5) If, under subclause (2)(a), a council member discloses an interest in a written notice given to the CEO before a meeting, then —
 - (a) before the meeting the CEO must cause the notice to be given to the person who is to preside at the meeting; and
 - (b) at the meeting the person presiding must bring the notice and its contents to the attention of the persons present immediately before any matter to which the disclosure relates is discussed.
- (6) Subclause (7) applies in relation to an interest if —
 - (a) under subclause (2)(b) or (4)(b) the interest is disclosed at a meeting; or
 - (b) under subclause (5)(b) notice of the interest is brought to the attention of the persons present at a meeting.
- (7) The nature of the interest must be recorded in the minutes of the meeting.

23. Compliance with plan requirement

If a plan under clause 12(4)(b) in relation to a council member includes a requirement referred to in clause 12(6), the council mem

ITEM 8.1.7 – POLICY – COMPLAINT HANDLING DIVISION 3 CODE OF CONDUCT

LOCATION/ADDRESS: N/A
NAME OF APPLICANT: N/A
FILE REFERENCE: 2.30.1
DISCLOSURE OF INTEREST: Nil
DATE OF REPORT: 16 April 2021

SUMMARY:

Council to consider the adoption of draft Policy 1.3 Complaint Handling – Division 3 Code of Conduct for Council Members, Committee Members and Candidates for Election, as the procedure for dealing with complaints made under the new Code of Conduct.

BACKGROUND:

The Government has enacted new legislation requiring all local governments to adopt a new Code of Conduct for Council Members, Committee Members and Candidates for a local government election, and to deal with ancillary matters.

The following regulations took effect on 3 February 2021, implementing the remaining parts of the Local Government Legislation Amendment Act 2019:

- Local Government (Administration) Amendment Regulations 2021
- Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2021
- Local Government (Model Code of Conduct) Regulations 2021.

The Code consists of four Divisions :

- Division 1 - Preliminary provisions.
- Division 2 – General principles.
- Division 3 – Behaviour.
- Division 4 – Rules of conduct

The Model Code Regulations outline:

- Overarching principles to guide behaviour.
- Behaviours that are required to be managed by Council; and
- Rules of conduct, alleged breaches which will continue to be considered by the Local Government Standards Panel.

As part of the requirements for the Code of Conduct, each local government is to adopt a procedure detailing how it will manage Code of Conduct Behaviour Complaints.

Complaints may be made in relation to behaviour occurring on or after 3 February 2021 and must be made within one month of the alleged breach.

CONSULTATION:

Some guidance notes have been provided by the Department and WALGA.

STATUTORY ENVIRONMENT:

Section 5.104 of the Local Government Act 1995 (the Act) requires that local governments adopt the Model Code as their Code of Conduct within three months of the Regulations coming into operation.

Division 3 of the Model Code of Conduct regulates how a Council must deal with a complaint.

POLICY IMPLICATIONS:

The draft policy does not conflict with any existing policy.

FINANCIAL IMPLICATIONS:

The draft policy proposes the engagement of an independent person to investigate any complaints received, which would incur a cost.

Additionally, there will be administrative resources required in handling the complaints by the complaints officer and in preparation of agenda items for Council to consider reports.

STRATEGIC IMPLICATIONS:

Outcome 5.2: ACCOUNTABLE service delivery by Council and well trained, motivated, customer focused staff.

Strategy: Continuously strive to improve performance and delivery across all functions with a focus on customer service.

COMMENT:

The purpose of this policy is to assist in managing complaints in relation to Division 3 – behaviour.

WALGA is developing a complaints management framework, however it is not expected to be finalised prior to the April Council meeting.

Any complaints lodged prior to the adoption of a procedure cannot be dealt with until a procedure is adopted. The Model Code commenced on 3 February.

A draft policy has been developed based on procedures developed by other local governments. Should Council choose to adopt the draft policy it can be reviewed by Council after WALGA has released their framework and modifications made if required.

Alternatively, Council may choose to defer the adoption of a procedure until after the WALGA framework has been released, which will mean postponing management of any complaints received.

The draft policy refers to a vexatious complaint policy. A draft vexatious policy has been developed for consideration at Council's May Ordinary Council meeting. Not adopting this policy at this time will not affect the short term management of any complaints received.

VOTING REQUIREMENTS:

Simple majority

OFFICER RECOMMENDATION – ITEM 8.1.7
--

That with respect to the new Model Code of Conduct for Council Members, Committee Members and Candidates for a local government election, Council adopt the draft Policy 1.3 Complaint Handling – Division 3 Code of Conduct for Council Members, Committee Members and Candidates for Election, included as an attachment.

ATTACHMENTS

- Draft Policy 1.3 Complaint Handling – Division 3 Code of Conduct for Council Members, Committee Members and Candidates for Election.



DRAFT Council Policy

***Complaint Handling
- Division 3 Code of Conduct
for Council Members,
Committee Members and
Candidates for Election***

1. Objective

This Policy is made to give effect to clause 15(2) of the Local Government (Model Code of Conduct) Regulations 2021 and to determine the procedure for dealing with complaints.

The objective of this Policy is to set out the processes for the management of complaints involving Shire of West Arthur Council Members, Committee Members, and candidates for election in matters relating to breaches of the behaviour requirements in Division 3 of the Shire's Code of Conduct.

2. Scope

This Policy is limited to complaints about behaviour breaches by Council Members, Committee Members, and candidates that are matters for consideration under Division 3 of the Shire's Code of Conduct.

A person may make a complaint, in accordance with the Code of Conduct, and this Policy alleging a behaviour breach.

3. Definitions

Behaviour Breach - means a breach of a behaviour requirement in Division 3 of the Code of Conduct.

Candidate - an individual is considered a candidate when their nomination for election is accepted by a Returning Officer under s4.49 of the LG Act. The Code of Conduct applies to the candidate from that point. Any alleged behaviour breach may only be dealt with if the candidate is elected as a Council Member. Code of Conduct means the Code of Conduct for Council Members, Committee Members and Candidates adopted by the Shire of West Arthur.

Committee Member - includes any Council Member, local government employee or unelected member of the community, in any of those cases, who has been appointed by the council to be a member of a council committee. Complainant means a person complaining of a behaviour breach by a Council or Committee Member of the Shire or a candidate.

Complaint means a complaint made under clause 11(1) of the Code of Conduct.

Complaints Officer for the purposes of Division 3 of the Code, means the CEO for dealing with complaints about Council Members, Committee Members or candidates for elections that become Council Members.

Note: The Chief Executive Officer is also the Complaints Officer for the purposes of s5.120 of the Local Government Act 1995, and thus for Division 4 of the Code.

Council Member means an individual who has been elected as a Council Member under the LG Act. This Policy also applies to a Council Member who is a Committee Member on a Council committee.

Evidence means the available facts or information which go to indicate whether an allegation of a breach is true or valid. Local governments must use evidence provided by the complainant and by the person to whom the complaint relates, as well as any other available evidence, to decide whether a breach has occurred.

Investigator means a person appointed as Investigator under this Policy.

Report means the report for the council of the outcome of the investigation of a Complaint dealing with the following:

- (1) whether or not the Investigator considers that the behaviour the subject of the Complaint has occurred,
 - (2) the evidence relied on by the Investigator under clause 12(3) of the Code for that conclusion; and
 - (3) a recommendation as to whether no further action should be taken on the Complaint, or as to the terms of a plan under clause 12(4)(b) of the Code.
- Other terms used in this Policy that are also used in the LG Act have the same meanings as they have in the Act unless the contrary intention appears.

4. Policy Statement

4.1 Making a complaint

4.1.1 Initiating a Complaint

- Any person may make a Complaint alleging a behaviour breach.
- A Complaint must be in writing on the Shire's approved form – 'Complaint About Alleged Behaviour Breach form' as authorised by Council February 2021.
- The complainant must lodge the Complaint with the Shire's Complaints Officer - who is the CEO pursuant to Council decision February 2021.
- The complainant must provide with the Complaint, details of the alleged behaviour breach together with any supporting evidence.
- The Complaint must be lodged within one month of the occurrence of the alleged behaviour breach.
- A Complaint must be submitted by the complainant.

4.1.2 A Complaint cannot be submitted anonymously.

4.1.3 The Complaints Officer is to provide all Complaints to the Investigator in accordance with the following clause.

4.1.4 The Complaints Officer within 14 days of receiving a Complaint:

- must contact the complainant acknowledging that the Complaint has been received,
- as part of the acknowledgment process, must provide the complainant with a copy of the Shire's Complaints Policy,
- must provide the Council or Committee Member to whom the Complaint relates with a copy of the Complaints Policy and a copy of the Complaint (including the name of the complainant); and
- must send to the Investigator the Complaint together with details of the alleged breach and any supporting evidence provided by the complainant.

4.1.5 Complaints are to be dealt with and considered in an order based on the order in which they are received by the Complaints Officer.

4.1.6 A Complaint relating to a candidate is only to be referred to an Investigator if the candidate is elected as a Council Member, but in any event the Complaint must be lodged within one month of the occurrence of the alleged behaviour breach.

4.2 Fees and Costs in the complaints process

4.2.1 No fee is payable to lodge a Complaint under this Policy.

4.2.2 The Investigator or a mediator, appointed pursuant to the Policy may charge the Shire a fee to cover the costs of dealing with the Complaint whether a breach is ultimately found.

4.2.3 Any fee charged by an Investigator or a mediator, is to be based on the time spent in connection with the Complaint and may be established in advance on a quotation or otherwise in accordance with the Shire's procurement/purchasing policies.

4.3 Dealing with Complaints

4.3.1 The CEO may appoint a person with relevant legal, or other expertise and knowledge who is not an employee of the Shire, to review and consider one or more Complaints of behaviour breach and to report on the outcome of any investigation to the CEO for provision to the council.

4.3.2 The CEO is to deal with the remuneration of an Investigator or a complaints mediator, in accordance with Part 2.

4.4 Mediation

4.4.1 The Investigator must offer mediation to both parties as the first option for dealing with a Complaint and before progressing with the consideration or determination of the Complaint.

4.4.2 If issues raised in the Complaint are resolved to the satisfaction of both parties in mediation and otherwise before the determination of the Complaint, the complainant must lodge a Withdrawal of Complaint in writing with the Complaints Officer.

4.5 Investigator making a determination

4.5.1 Before making a determination in relation to a Complaint, the Investigator must provide the Council Member, Committee Member or candidate for election, to whom the Complaint relates with an opportunity to respond to the allegations in the Complaint and to provide their own comments and evidence for consideration within 14 days of the notification of the Complaint to them by the Complaints Officer.

4.5.2 After considering a Complaint, the Investigator must make a determination as to whether the alleged behaviour breach has occurred.

4.5.3 The determination must be made within 21 days:
(a) from receiving a Complaint from the Complaints Officer; or
(b) from receiving a copy of the response to the allegations by the person to whom the Complaint relates,
whichever is the later.

4.5.4 A determination by the Investigator that the alleged behaviour breach has occurred must be based on evidence from which it may be concluded that it is more likely that the breach occurred than that it did not occur.

4.5.5 Having made a determination on the alleged behaviour breach, the Investigator must inform the Complaints Officer by providing a determination and reasons for it in a Determination and Reasons Report (Report).

4.5.6 The Report must be provided to the Complaints Officer within 14 days of making the determination.

4.5.7 If the Investigator makes a determination that the alleged breach has occurred, the Report must make a recommendation if further action is required and make a recommendation on the plan to address the behaviour of the person to whom the Complaint relates (action plan).

4.5.8 The Investigator may recommend to the Complaints Officer to recommend that Council dismiss a Complaint in accordance with clause 13 of the Code, and if the Investigator concludes that the behaviour the subject of the Complaint is an offence under a local law that deals with meeting procedures, the Complaint should not be dealt with further as a behaviour breach but should be referred to the Complaints Officer.

4.5.9 The Investigator's deliberations and determination are to be confidential and reported only to the Complaints Officer, but subject to any consultation with the person to whom the Complaint relates under the following clause.

4.6 Action plans

4.6.1 When preparing an action plan under this Policy, the Investigator must consult with the person to whom the Complaint relates. The Council or Committee Member must be provided with the opportunity to be involved in matters such as the timing of meetings or training.

4.6.2 An action plan may include a requirement for the person to whom the Complaint relates to do one or more of the following –

- (a) Engage in mediation,
- (b) Undertake counselling,
- (c) Undertake training; or
- (d) Take other action the local government considers appropriate.

4.6.3 An action plan should be designed to provide the Council or Committee Member with the opportunity and support to demonstrate the professional and ethical behaviour expected of elected representatives. The plan should outline:

- (a) the behaviour(s) of concern,
- (b) the actions to be taken to address the behaviour(s),
- (c) who is responsible for the actions; and
- (d) an agreed timeframe for the actions to be completed.

4.7 Report provided to council

4.7.1 The Complaints Officer must provide a confidential report to council including:

- (a) a copy of the Complaint,
- (b) the Report of the Investigator together with the evidence received by the Investigator and any submissions or other communications from the parties,
- (c) a recommendation on the question whether a behaviour breach has occurred,
- (d) a recommendation as to whether any and if so, what further action is required; and
- (e) if further action is required, a recommendation must be provided to the council on an action plan to address the behaviour of the person to whom the Complaint relates.

4.8 Council finding

4.8.1 The council must not make a finding that a behaviour breach has occurred without first having given the person to whom the Complaint relates a reasonable opportunity to be heard.

4.8.2 A finding that the alleged behaviour breach has occurred must be based on evidence from which it may be concluded that it is more likely that the breach occurred than that it did not occur.

4.8.3 If the council makes a finding that the alleged breach has occurred, it may resolve to –

- (a) take no further action; or
- (b) prepare and implement an action plan recommended by the Investigator with or without modifications as it thinks fit.

4.8.4 Based on the Investigator's Report, the evidence and any further comments or submissions by the parties, the council may:

- (a) dismiss the Complaint in accordance with clause 13 of this Policy; or
- (b) find that the alleged breach has occurred; or
- (c) find that the alleged breach has not occurred; or
- (d) if the finding is that the breach has occurred, decide that no further action is required; or
- (e) if the finding is that a breach has occurred, decide that further action is required and consider the adoption of an action plan; or
- (f) adopt an action plan to address the behaviour of the person to whom the Complaint relates.

4.8.5 If the council makes a finding that the alleged breach has occurred, it must give reasons for that finding.

4.9 Complaints Officer acting on council finding

When the council makes a finding in relation to a Complaint, the Complaints Officer must give the complainant and the person to whom the Complaint relates written notice of –

- (a) the finding and the reasons for the finding; and
- (b) if the finding is that the alleged breach has occurred, council's decision on the course of action to be taken including the options in clause 4.8.2 above.

4.10 Confidentiality of Complaints

The fact of a Complaint having been made and the details of a Complaint and the processes undertaken in connection with a Complaint including the referral to an Investigator are confidential matters and should not be disclosed unless and until the council has made a formal finding of breach in respect of the Complaint.

4.11 Dismissal of Complaint

4.11.1 The council must dismiss a Complaint where:

- (a) the behaviour occurred at a council or committee meeting and the behaviour was dealt with at that meeting; and
- (b) either:
 - (i) the behaviour was dealt with by the person presiding at the meeting; or
 - (ii) the person responsible for the behaviour has taken remedial action in accordance with the local law of the local government that deals with meeting procedures.

4.11.2 In any event behaviour that is an offence under a local law that deals with meeting procedures cannot be dealt with as a behaviour breach.

4.12 Withdrawal of Complaint

4.12.1 A complainant may withdraw their Complaint any time before it is considered by the council.

4.12.2 The withdrawal of a Complaint must be –

- (a) in writing; and
- (b) given to the Complaints Officer.

4.13 Compliance with Plan requirement

4.13.1 The Complaints Officer is to monitor the actions in timeframes set out in an action plan.

4.13.2 If an action plan includes any of the requirements in clause 8.2 above (i.e., in clause 12.6 of the Code), failure to comply with that requirement is a breach of clause 23 of the Code and as a breach of the Rules of Conduct is a minor breach under s5.105(1) of the LG Act.

4.14 Complaints that are inappropriate under this Policy

The purpose of the Shire's Code of Conduct is to guide the decisions, actions and behaviours of Council Members, Committee Members, and candidates for election as a Council Member.

A breach of the Rules of Conduct (as per Division 4 of the Code of Conduct) is a minor breach under s5.105(1) of the LG Act, and is not the intended subject of this Policy.

The objective of this Policy is to deal with matters relating to breaches of the behaviour requirements in Division 3 of the Code of Conduct, and all Complaints under this Policy should be made with that objective in mind.

Consequently, Complaints such as the following are inappropriate to be dealt with under this Policy:

- (a) Complaints made with the intent of addressing personal grievances or disagreements,
- (b) Complaints made to express dissatisfaction with a Council or Committee Member's lawfully made decisions or performance of their role,
- (c) Minor breaches under s5.105(1) of the LG Act,
- (d) Serious breaches under s5.114 of the LG Act; and
- (e) Allegations of corruption.

4.15 Vexatious or unreasonable persistence complaints

Some complainants may persist in disagreeing with the action or decision taken in relation to their complaint or they may contact Council or the Chief Executive Officer persistently about the same issue.

Where a complaint has been considered by the Complaints Officer and the Council in accordance with this Policy, but the complainant refuses to accept the decisions and actions, as outcomes of the complaint, the Chief Executive Officer (or Complaints Officer) may advise the complainant, in writing that no further consideration will be given to complaints of any kind, that is the same, or substantially the same, and raises no new matters for consideration, when compared with previous communications.

In considering application of this processes the Chief Executive Officer must have regard for Guidelines on Complaint Handling (Ombudsman Western Australia Jan 2017) and Council Policy on Vexatious or unreasonable persistence complaints and customers.

5. Legislative and Strategic Context

Local Government Act 1995, Part 5, and others
Local Government (Model Code of Conduct) Regulations 2021
Shire of West Arthur Code of Conduct for Council Members, Committee Members and Candidates for election
Guidelines on Complaint Handling (Ombudsman Western Australia) January 2017
AS/NZS 10002-2014 Guidelines for Complaint Management in Organizations

Review Position and Date

CEO to review in or before April 2022.

6. Associated Documents

- Shire of West Arthur - Code of Conduct for Council Members, Committee Members and Candidates
- Code of Conduct Complaints Form

DRAFT

ITEM 8.1.8 – REVIEW OF DELEGATION TO COMMITTEE

LOCATION/ADDRESS: N/A
NAME OF APPLICANT: N/A
FILE REFERENCE: 2.30.2
DISCLOSURE OF INTEREST: Nil
DATE OF REPORT 16 April 2021

SUMMARY:

Delegations by Council are reviewed annually in accordance with statutory requirements. The purpose of this item is to review the delegation to the Audit Committee.

BACKGROUND:

The current delegation to the Audit Committee is:

That, under section 5.16 of the Local Government Act, the Audit Committee be delegated to meet with the auditor at least annually in accordance with Section 7.12A of the Local Government Act.

CONSULTATION:

Nil.

STATUTORY ENVIRONMENT:

The Local Government Act allows for Council to delegate to a committee (S5.16). At least once every financial year, delegations are to be reviewed by the delegator.

In accordance with the Local Government Act (S7.12A), a local government is to meet with the auditor of the local government at least once in every year.

POLICY IMPLICATIONS:

There are no policy implications.

FINANCIAL IMPLICATIONS:

There are no financial implications.

STRATEGIC IMPLICATIONS:

There are no strategic implications.

COMMENT:

The register of delegations to the CEO is currently being amended for presentation to a future Council meeting.

VOTING REQUIREMENTS:

Absolute majority

OFFICER RECOMMENDATION – ITEM 8.1.8

That Council review the delegation to the Audit Committee.

ATTACHMENTS:

Nil

ITEM 8.1.9 – LAKE TOWERRINNING JETTY REPAIRS

LOCATION/ADDRESS:	Darkan South Road, Moodiarrup
NAME OF APPLICANT:	N/A
FILE REFERENCE:	6.16.1
DISCLOSURE OF INTEREST:	Nil.
DATE OF REPORT:	15 April 2021

SUMMARY:

Quotes have been requested for works to be undertaken on the Lake Towerrinning jetties. Two quotes have been received. It is recommended that the Shire engage Enviro Infrastructure Pty Ltd, based on the quote provided with potential for some variation.

BACKGROUND:

In September 2020, an engineering assessment of the jetties at Lake Towerrinning identified that the two jetties required significant repairs.

The northern jetty, with the cement decking, was identified as being in extremely poor condition and was considered a risk to the general public. A number of options were presented for remediation of the jetty including:

- Remove the jetty altogether.
- Remove the super structure (stingers, half caps, hand rails and decking) and leave marked piles in place.
- Remove the super structure and rebuild onto the existing piles and band the piles.

Option three was considered to be the most suitable option.

The southern jetty was considered to be still in a functional condition and only minor repairs were required to extend the jetty life. Options presented for remediation were:

- Replace one failed stringer and carry out general maintenance (band piles, treat end grain timber). This would extend the life of the jetty for a few more years.
- Replace all the stringers, flip the decking boards and reuse these boards, carry out general maintenance (band piles, treat end grain timber) to bring the jetty back to full service.

Four companies were approached for quotes to undertake the repairs. Two companies declined the offer to quote due to current workloads. Two companies (Timber Insights and Enviro) have provided quotes. These quotes are attached as confidential documents.

CONSULTATION:

Department of Transport (issues the Jetty Licence) and Department of Conservation Biodiversity and Attractions (issues the lease) both required certified engineering drawings. Both agreed that certification by an engineer of the existing 1967 drawings would meet their requirements.

These drawings have now been certified and approved by DCBA and DoT.

STATUTORY ENVIRONMENT:

Lake Towerrinning Lease (Holding Over Provisions)
Jetties Act 1926

POLICY IMPLICATIONS:

Three written quotes are normally required for purchases between \$50,000 and \$150,000.

FINANCIAL IMPLICATIONS:

The jetties were identified by Council as a project to be completed under the Local Roads and Community Infrastructure (LRCI) funding program. Council allocated \$110,000 for the refurbishment of the jetties in Round 1 of this funding program.

Main Roads WA has some second hand stringers available at no cost to the Shire. The stringers are being assessed and, if determined suitable, may reduce the cost.

The total cost of the project is likely to exceed funding allocated. It is possible that the total costs of other LRCI projects will be lower than the funding allocated. Bunce King Bridge may not be able to be completed due to water under the bridge. The decision to allocate the LRCI funding included a provision that should the total cost of any project be less than anticipated, remaining funds to be reallocated to one of the other projects.

Certified engineering drawings were prepared at a cost of \$4,900 (ex GST).

STRATEGIC IMPLICATIONS:

The Shire Community Strategic Plan states facilities at Lake Towerrinning such as the jetties will be maintained and improved

Lake Towerrinning and the jetties are listed in the Shire Municipal Heritage Inventory as a Category 2 site (A place of considerable cultural heritage significance to the Shire of West Arthur that is worthy of recognition and protection through the provisions of the Shire's Town Planning Scheme)

COMMENT:

Whilst the total cost is likely to exceed the funding allocated, it is proposed that the Shire proceed with the full project scope with the additional expense either off set from savings on other LRCI projects or funding from the anticipated budget surplus.

VOTING REQUIREMENTS:

Absolute majority

OFFICER RECOMMENDATION – ITEM 8.1.9

That the Shire of West Arthur engage Enviro Infrastructure Pty Ltd for the repairs and reconstruction of the jetties at Lake Towerrinning in accordance with the quotes provided subject to approved variations.

CONFIDENTIAL ATTACHMENTS

- Quote from Enviro – Jetty one
- Quote from Environ – Jetty two rev1
- Quote from Timbersights rev 1

ITEM 8.1.10 – DARKAN PUMP TRACK
--

LOCATION/ADDRESS:	Darkan Rail Reserve Moodiarrup
NAME OF APPLICANT:	Not Applicable
FILE REFERENCE:	N/A
DISCLOSURE OF INTEREST:	Nil.
DATE OF REPORT:	15 April 2021

SUMMARY:

The purpose of this item is for Council to consider quotes for the proposed pump track included as part of redevelopment of the Darkan Railway Reserve redevelopment.

BACKGROUND:

The redevelopment of the Darkan Railway Reserve youth precinct includes a pump track.

Council nominated an allocation of \$32,000 under the LRCI Program Round 1 at the September 2020 Council meeting towards a pump track and/or shade shelter which was approved as an eligible project.

Two companies were asked to quote on the project following discussions on identifying the preferred surface as asphalt.

At the time of preparing the agenda item, one quote had been received.

CONSULTATION:

Shire staff have been liaising with the community over improvements to the Rail Reserve area including BMX and pump track designs over a number of years.

Details on design and materials has been presented in recent Council Bulletins and discussed informally.

STATUTORY ENVIRONMENT:

The Shire has signed an agreement with the funding body for this project.

POLICY IMPLICATIONS:

Three written quotes are normally required for purchases between \$50,000 and \$150,000. Pump tracks are a specialised field with limited providers.

FINANCIAL IMPLICATIONS:

The Shire's 2020/21 Budget included funding of \$120,000 for materials and contracts from general revenue and reserve funds. Additionally, \$32,000 has been allocated from the LRCI Program Round 1.

An allocation of \$15,000 for plant and labour was also allocated in the budget.

Quotes are within budget provisions, however using the full allocation on this project will mean that additional funds may need to be budgeted next financial year for landscaping works. There are sufficient funds in the recreations reserve for this purpose. Alternatively, Council may wish to reduce the scope of the pump track to reduce the cost.

STRATEGIC IMPLICATIONS:

This project is identified in Council's corporate and community strategic plans.

Community Wellbeing

Strategy: An engaging and positive environment will be provided for children and youth to create lasting connections with the community and facilitate growth and development

Action: Darkan Railway Reserve Community Open-Space Precinct - Implement master plan for the redevelopment of the Darkan Youth Area and playgrounds, incorporate nature play, cultural and heritage philosophies and review, and audit other areas relevant to children and youth.

Local Economy

Strategy: Tourism will be supported locally and regionally to encourage visitors and promote the Shire and lifestyle.

Action: Include more adventurous bike tracks i.e., a pump track linked to the Collie Darkan Rail Trail and downhill tracks.

COMMENT:

Materials including gravel sourced from the existing BMX track will be used and this will begin the redesign of the area with the large mound at the beginning of the BMX track being removed, opening the area to the nature play and proposed new shelter. This will be included in the proposed concept design for the Rail Reserve.

As a second quote may be received prior to the meeting, a recommendation will be provided closer to the meeting.

VOTING REQUIREMENTS:

Simple majority

OFFICER RECOMMENDATION – ITEM 8.1.10

To be provided prior to the meeting pending the submission of an additional quotation.

CONFIDENTIAL ATTACHMENTS

- Common Ground Proposal

8.2 COMMITTEE REPORTS

ITEM 8.2.1 – 2019-20 SIGNIFICANT ADVERSE TREND –RATIOS

LOCATION/ADDRESS: N/A
 NAME OF APPLICANT: N/A
 FILE REFERENCE: N/A
 DISCLOSURE OF INTEREST: Nil
 DATE OF REPORT: 16 March 2020

SUMMARY:

If a significant matter is reported in an audit report, section 7.12A of the Local Government Act 1995 requires a response from the local government and a report to be prepared stating what action has been taken or is intended to be taken in respect to matters raised within the audit report. The operating surplus ratio of the Shire of West Arthur has been below the required level for two consecutive years and therefore has been included in this year's audit report.

The asset sustainability ratio has been below the recommended standard for two years and is also raised this year.

BACKGROUND:

In November 2017, proclamation of the *Local Government Amendment (Auditing) Act 2017* introduced a number of reforms to auditing laws. The legislation requires local governments to examine an audit report it receives and implement appropriate action in respect to the significant matters raised.

The Auditor General's Independent Auditor's Report for 2019-20 identified a significant adverse trend in the financial position of the Shire (attached). Specifically, that the Operating Surplus Ratio has been below the Department of Local Government, Sport and Cultural Industries ("the Department") standard for the past two years. This matter was also raised in the 2018/19 audit report. The 2019/20 audit report also recognised the Asset Sustainability Ratio has been below the DLGSCI standard for the past 2 years with the current year also being below the previous year.

Local governments must prepare a report addressing the significant matters identified in their audit report, which is to be considered by the local government's audit committee before being adopted by council.

Operating Surplus Ratio

Operating Surplus Ratio =
$$\frac{\text{(Operating Revenue MINUS Operating Expense)}}{\text{Own Source Operating Revenue}}$$

The purpose of this ratio is a measure of a local government's ability to cover its operational costs and have revenues available for capital funding or other purposes. The Department has determined that a ratio below 0.01 (1%) is below the standard required. OAG standard is Zero.

The following table highlights the Shire's ratio as calculated for the last four financial years, including the figure for the 2019/20 financial year:

	2016/17	2017/18	2018/19	2019/20
Operating surplus ratio	0.06	-0.14	-0.73	-0.33

Own source operating revenue is made up of rates, fees and charges, interest income, profit on disposals of assets, reimbursements and recoveries, and other revenue. Small regional local governments are limited in their ability to increase own source revenue and are more reliant on grant funding for renewal of assets.

A significant expense recognised in operating expenditure and included in the ratio calculation is depreciation. The depreciation expense recognised in 2019/20 was \$2,093,849 (including \$499,841 bridge depreciation).

While the ratio recognises the depreciation on our fixed assets, the ratio does not recognise capital road or capital project funding and this income is specifically excluded from the ratio. Non-operating road grants from Roads to Recovery (Federal) and Regional Road Group (State) were \$853,361. These capital grants are used to fund asset renewal as recognised in the depreciation expense.

The ratio reflects a reliance on sources of funding other than Council's own source funds such as rates, to be sustainable. To have an operating surplus ratio which does not meet the minimum requirements is typical of many local governments.

Council would need to increase income or decrease expenditure by a further \$768,000 to meet the recommended standard this year.

The ratio will also be affected by the timing of the Federal Assistance Grants. A substantial prepayment of the FAGS grants has been prepaid in recent years however if not consistently prepaid will influence the ratio.

Asset Sustainability Ratio

$$\text{Asset Sustainability Ratio} = \frac{\text{Capital Renewal and Replacement Expenditure}}{\text{Depreciation}}$$

The purpose of this ratio is to measure the extent to which assets are being renewed/replaced compared to the amount consumed (depreciation). The interpretation of this ratio is much improved if it is calculated as an average over time as this reduces skewing caused by large scale intermittent investment in major infrastructure (such as buildings and road upgrade)

The OAG has determined that a ratio of below 0.8 (80%) is below the standard required.

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Asset sustainability ratio	1.65	1.13	1.24	0.84	1.09	0.84	0.74	0.33

The average ratio based on the past five years is 0.77. Average ratio over 8 years is 0.98.

The expenditure on new infrastructure/buildings as part of the annual capital program will influence this ratio. The 2019/20 included \$756,284 (49%) capital upgrade expenditure. Sealing a previously unsealed road is an example of an upgrade.

Bridge depreciation is recognised (\$499,841) and this is not expected to be offset by renewal expenditure on an annual basis unless funding is also received.

Budgeted capital expenditure for 2020/21 would meet the expected standard.

CONSULTATION:

The report has been prepared in consultation with other local governments. The majority of local governments cannot meet the recommended standard.

STATUTORY ENVIRONMENT:

In November 2017, proclamation of the *Local Government Amendment (Auditing) Act 2017* introduced a number of reforms to auditing laws. The legislation requires local governments to examine an audit report it receives and implement appropriate action in respect to the significant matters raised.

POLICY IMPLICATIONS:

There are no policy implications.

FINANCIAL IMPLICATIONS:

The Operating Surplus Ratio is expected to be reported as having a significant adverse trend in the future. The ratio will continue to be monitored through the long term financial planning and budgeting process.

The Asset Sustainability ratio is also expected to be reported in some future years as having a significant adverse trend in the future however is dependent on the capital works program renewal/upgrade and grant funding for new capital projects received. This ratio will continue to be monitored through the long term financial planning and budgeting process.

STRATEGIC IMPLICATIONS:

This item aligns with the community's vision and aspirations as contained in the Shire of West Arthur Corporate Plan 2020 to 2024. Specifically, it relates to the following strategy(s):

5.2 Financial management and decision making will be transparent, accountable and in an accessible format for the public

VOTING REQUIREMENTS:
Simple majority

COMMITTEE RECOMMENDATION – ITEM 8.1.2
--

That Council:

1. Notes the significant adverse trends in the financial position of the Shire, as identified in the Auditor General's Independent Auditor's Report for 2019-20, stating that the Operating Surplus Ratio and the Asset Sustainability Ratio are below the Office of Auditor General and Department of Local Government, Sport and Cultural Industries standard and that the Shire of West Arthur monitor through the long term financial planning and budgeting process; and
2. Authorises a copy of this report to be forwarded to the Minister for Local Government and be published on the Shire's official website.

ATTACHMENTS:

Nil

8.3 ELECTED MEMBER REPORTS

9. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

10. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

11. CONFIDENTIAL ITEMS

Nil.

12. CLOSURE OF MEETING