

SHIRE OF BRUCE ROCK

MINUTES – ORDINARY MEETING 15 JUNE 2023

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SHIRE OF BRUCE ROCK

MINUTES – ORDINARY MEETING 15 JUNE 2023

1. Declaration of Opening

The Shire President Cr SA Strange declared the meeting open at 3.06pm.

2. Record of Attendance/Apologies/Leave of Absence (Previously Approved)

President	Cr SA Strange
Councillors	Cr AR Crooks
	Cr NC Kilminster
	Cr PG Negri
	Cr Rajagopalan
	Cr BJ Waight
	Cr RA Waye
	Cr J Verhoogt
Chief Executive Officer	Mr DRS Mollenoyux
Manager of Governance and Community	Mrs N Ugarte
Executive Assistant	Mrs M Schilling (Minutes)
Manager of Finance	Mrs M Barthakur (3.06pm to 3.26pm)
Apology	Cr KP Foss

3. Declarations of Interest

In accordance with Section 5.65 of the Local Government Act 1995, the following disclosures of **financial** interest were made at the Council meeting.

Date	Name	Item No	Reason

In accordance with Section 5.65 of the Local Government Act 1995, the following disclosures of **Closely Association Person and Impartiality** interest were made at the Council meeting.

Date	Name	Item No	Reason
15.06.23	Cr PG Negri	10.4.7	My daughter in law is the "Finance Officer" nominated as the Credit Card holder.
15.06.23	Darren Mollenoyux	10.4.7	Current Credit Card Holder

In accordance with Sections 5.60B and 5.65 of the Local Government Act 1995, the following disclosures of **Proximity** interest were made at the Council meeting.

Date	Name	Item No	Reason

4. Response to Previous Public Questions Taken on Notice

5. Public Question Time

6. Petitions/Deputations/Presentations/Submissions

7. Applications for Leave of Absence

COUNCIL DECISION

Resolution OCM June 23 – 7.1.1

Moved: Cr Kilminster

Seconded: Cr Verhoogt

That:

- 1. Cr Waye be granted leave of absence for the Ordinary Meeting of Council to be held on Thursday 20 July 2023.**
- 2. Cr Crooks be granted leave of absence for the Ordinary Meeting of Council to be held on Thursday 17 August 2023.**

Carried 8/0

8. Announcements by Presiding Member

9. Confirmation of Minutes

Audit Committee Meeting held on Thursday 18th May 2023.

COUNCIL DECISION

Resolution OCM June 23 – 9.1.1

Moved: Cr Rajagopalan

Seconded: Cr Kilminster

Audit Committee Meeting held on Thursday 18 May 2023 be confirmed as a true and correct record.

Carried 8/0

Ordinary Meeting of Council held on Thursday 18th May 2023.

COUNCIL DECISION

Resolution OCM June 23 – 9.1.2

Moved: Cr Crooks

Seconded: Cr Waight

Ordinary Council Meeting held on Thursday 18 May 2023 be confirmed as a true and correct record.

Carried 8/0

Works and Services Committee Meeting held on Wednesday 7th June 2023

COUNCIL DECISION

Resolution OCM June 23 – 9.1.3

Moved: Cr Waight

Seconded: Cr Crooks

Works and Services Committee Meeting held on Wednesday 7th June 2023 be confirmed as a true and correct record.

Carried 8/0

10. Officers' Reports

10.1 Manager of Works and Services

Nil

10.2 Manager of Finance

Agenda Reference and Subject:

10.2.1 Statement of Financial Activity

Reporting Officer:

Manisha Barthakur, Manager of Finance

Author:

Manisha Barthakur, Manager of Finance

Disclosure of Interest

Nil

Attachment:

*Item 10.2.1 Attachment A – Statement of Financial Activity
May 2023*

*Item 10.2.1 Attachment B – Strategic Projects Tracker
May 2023*

Summary

A statement of financial activity must be produced monthly and presented to Council.

Background

In accordance with the Local Government Act 1995, a Statement of Financial Activity must be presented to each Council meeting, including a comparison of actual year to date to the budget year to date, and variances from it. It must also include explanations of any variances and any other associated information that would be useful for readers of the report.

Comment

The Statement of Financial Activity will be made available to Councillors prior to the meeting.

Consultation

Chief Executive Officer
Manager of Works and Services
Environmental Health Officer
Senior Finance Officer
Other staff

Statutory Implications

r. 34 Local Government (Financial Management) Regulations 1996

“34. Financial activity statement required each month (Act s. 6.4)

(1) A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail –

- (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c); and*
- (b) budget estimates to the end of the month to which the statement relates; and*
- (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates; and*
- (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
- (e) the net current assets at the end of the month to which the statement relates.*

(4) A statement of financial activity, and the accompanying documents referred to in sub regulation (2), are to be –

- (a) presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and*

(b) recorded in the minutes of the meeting at which it is presented.”

Policy Implications

Nil

Risk Implications

Risk: Financial performance is not monitored against approved budget.		
Likelihood	Consequence	Rating
Possible	Minor	Moderate
Action / Strategy		
The monthly financial report tracks the Shire’s actual financial performance against its budgeted financial performance to ensure that the Council is able to monitor the Shire’s financial performance throughout the year.		

Financial Implications

Comparison of actual year to date to the 2022-23 Budget

Strategic Implications

Shire of Bruce Rock – Strategic Community Plan 2022-2032

Governance

4.1 Our organisation is well positioned and has capacity for the future

Voting Requirements

Simple Majority

<p>OFFICER RECOMMENDATION AND COUNCIL DECISION Resolution OCM June 23 – 10.2.1</p> <p>Moved: Cr Rajagopalan Seconded: Cr Waye</p> <p>That the Statements of Financial Activity for the month ending 31 May 2023 are received.</p> <p style="text-align: right;">Carried 8/0</p>

Agenda Reference and Subject:	10.2.2 List of Payments
Reporting Officer:	Manisha Barthakur, Manager of Finance
Author:	Mike Darby, Senior Finance Officer
Disclosure of Interest:	Nil
Attachments:	<i>Item 10.2.2 Attachment A – List of Payments May 2023</i>

Summary

Council is asked to endorse the list of payments made since the last Ordinary Council Meeting.

Background

As the Chief Executive Officer has been delegated the authority to make payments from the municipal and trust funds, a list of payments made is to be presented to Council each month. Also, in accordance with Finance Policy Number 2.3, included is a list of payments made with the Chief Executive Officer’s credit card.

Comment

Following is a list of payments made from Council’s Municipal and Trust Accounts, and payments made with the Chief Executive Officer’s credit card for the month of May 2023.

If you have any queries regarding the list of payments, please advise prior to the meeting to enable staff to seek relevant information.

Consultation

Nil

Statutory Implications

s.6.10 Local Government Act 1995

r.13(1) Local Government (Financial Management) Regulations 1996

Policy Implications

Nil

Risk Implications

Risk: Payments are not monitored against approved budget and delegation.		
Likelihood	Consequence	Rating
Possible	Minor	Moderate
Action / Strategy		
The monthly list of payments provides an open and transparent record of payments made under the appropriate approved delegations.		

Financial Implications

Payments must be made in accordance with the 2022-23 Budget.

Strategic Implications

Shire of Bruce Rock – Strategic Community Plan 2022-2032

Governance

4.3 Our organisation is well positioned and has capacity for the future

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION AND COUNCIL DECISION

Resolution OCM June 23 – 10.2.2

Moved: Cr Verhoogt

Seconded: Cr Waye

That Council:

1. endorse the list of payments from the Municipal Account consisting of:

- a. EFT voucher numbers EFT21522 to EFT21522 totalling \$867,205.50;
- b. cheque number 121 to 123 totalling \$828.49;
- c. nil Trust EFT payments;
- d. wages and superannuation payments totalling \$212,214.91; and
- e. credit card payments totalling \$501.05,

with all payments totalling \$1,080,248.90 for the month of May 2023; and

2. note that the credit card payment is reported separately, but is a part of EFT payment.

Carried 8/0

Agenda Reference and Subject:	10.2.3 Write off of Sundry Debtor
Reporting Officer:	Manisha Barthakur, Manager of Finance
Author:	Manisha Barthakur, Manager of Finance
Disclosure of Interest:	Nil
Attachments:	<i>Nil</i>

Summary

Council is asked to consider writing off the impound fee that was imposed on Ms Allysha Edwards as “Debtor” on the 4th April 2023, due to the fact that the car involved was driven without her permission and the person driving is not contactable.

Background

The Shire impounded a vehicle that belonged to Ms Edwards, and thus an impound fee was raised. However, we have received a letter from Ms Edwards requesting a waiver, as she was not the driver and it is a matter where the Police is involved. We have received confirmation from the Bruce Rock Police that Ms Edwards was not the driver and they are investigating the incident.

Comment

As to not identify each sundry debtor, the following table outlines the debtor number with a description of the debt and the amount outstanding.

Debtor Number	Nature of Debt	Amount
84330	Impound Fee for White Ford Territory (Recover Damaged Vehicle from Bruce’s Rock)	\$898.00
	Total to Write Off	\$898.00

Consultation

Chief Executive Officer
 Manager of Works and Services
 Senior Finance Officer

Statutory Implications

Local Government Act 1995

Local Government Act, section 6.12 (c) gives Council the authority to write off any amount of money.

“6.12. Power to defer, grant discounts, waive or write off debts

- (1) Subject to subsection (2) and any other written law, a local government may —*
 - (a) when adopting the annual budget, grant* a discount or other incentive for the early payment of any amount of money; or*
 - (b) waive or grant concessions in relation to any amount of money; or*
 - (c) write off any amount of money,**which is owed to the local government.*

** Absolute majority required.*

(2) *Subsection (1)(a) and (b) do not apply to an amount of money owing in respect of rates and service charges.*

Policy Implications

2.4 Procedures for Outstanding Debtors

Risk Implications

Risk: That sundry debtors remain unpaid, resulting in less revenue for the Shire.		
Likelihood	Consequence	Rating
Unlikely	Moderate	Moderate
Action / Strategy		
This item has been evaluated against the Shire of Bruce Rock’s Risk Management Procedure’s Risk Matrix. The perceived level of risk is considered to be “Moderate” and will be managed by specific monitoring and response procedures.		

Financial Implications

Reduction in collectable sundry debtors of \$898.00

Strategic Implications

Shire of Bruce Rock – Strategic Community Plan 2022-2032

4. Governance

4.1 Our organisation is well positioned and has capacity for the future

Voting Requirements

Absolute Majority

<p>OFFICER RECOMMENDATION AND COUNCIL DECISION Resolution OCM June 23 – 10.2.3</p> <p>Moved: Cr Way Seconded: Cr Negri</p> <p>That Council instructs the Chief Executive Officer to write off the following debts by sundry debtors: Debtor 84330 – \$898.</p> <p style="text-align: right;">CARRIED BY ABSOLUTE MAJORITY 8/0</p>
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Agenda Reference and Subject:

10.2.4 Consideration of offer of land at 21 Railway Parade

Reporting Officer:

Manisha Barthakur, Manager of Finance

Author:

Manisha Barthakur, Manager of Finance

Disclosure of Interest:

Nil

Attachments:

Nil

OFFICER RECOMMENDATION AND COUNCIL DECISION

Resolution OCM June 23 – 10.2.4.1

Moved: Cr Rajagopalan

Seconded: Cr Kilminster

That in accordance with Section 5.23(2) of the Local Government Act 1995, the meeting is closed to the members of the public for this item as the following sub-section applied:

(c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting; and

(e) a matter that if disclosed, would reveal —

(vii) a trade secret; or

(viii) information that has a commercial value to a person; or

(ix) information about the business, professional, commercial or financial affairs of a person

Carried 8/0

OFFICER RECOMMENDATION AND COUNCIL DECISION

Resolution OCM June 23 – 10.2.4.2

Moved: Cr Rajagopalan

Seconded: Cr Waye

That in accordance with Section 5.23(2) of the Local Government Act 1995, Council reopens the meeting to the members of the public.

Carried 8/0

OFFICER RECOMMENDATION AND COUNCIL DECISION

Resolution OCM June 23 – 10.2.4.3

Moved: Cr Rajagopalan

Seconded: Cr Waye

That Council:

1. accepts the offer of 21 Railway Parade, Bruce Rock (Assessment number A555) from Mr Barry Turner, and arranges the transfer of the same; and
2. resolves, either immediately or in the future at a time deemed advantageous, to make the land available for purchase.

CARRIED BY ABSOLUTE MAJORITY 8/0

10.3 Environmental Health Officer

Nil

M Barthakur left the Council Chambers at 2.27pm and did not return.

10.4 Manager of Governance and Community Services

Agenda Reference and Subject:

10.4.1 Shire President Stamp

Reporting Officer:

Nerea Ugarte, Manager of Governance and Community Services

Author:

Melissa Schilling, Executive Assistant

Disclosure of Interest:

Nil

Attachments:

Nil

Summary

Use of Shire President Stamp in May 2023.

Background

Nil

Comment

As per Council's policy, the Shire President Stamp has been used during the month of May 2023 as follows:

- Land Transfer Supermarket (to remove caveat)

Consultation

Nil

Statutory Implications

Council Policy

Policy Implications

Nil

Financial Implications

Nil

Strategic Implications

Shire of Bruce Rock Strategic Community Plan 2017-2027

Governance

Goal 12 Council leads the organisation in a strategic and flexible manner

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION AND COUNCIL DECISION

Resolution OCM June 23 – 10.4.1

Moved: Cr Kilminster

Seconded: Cr Waight

That Council endorse the use of the Shire President Stamp during May 2023.

Carried 8/0

Agenda Reference and Subject:

10.4.2 Shire Seal

Reporting Officer:

Nerea Ugarte, Manager of Governance and Community Services

Author:

Melissa Schilling, Executive Assistant

Disclosure of Interest:

Nil

Attachments:

Nil

Summary

Use of Shire Seal in May 2023.

Background

Nil

Comment

As per Council's policy, the Shire Seal has been used during the month of May 2023 as follows:

- Land Transfer Supermarket (to remove caveat)

Consultation

Nil

Statutory Implications

Council Policy

Policy Implications

Nil

Financial Implications

Nil

Strategic Implications

Shire of Bruce Rock Strategic Community Plan 2017-2027

Governance

Goal 12 Council leads the organisation in a strategic and flexible manner

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION AND COUNCIL DECISION

Resolution OCM June 23 – 10.4.2

Moved: Cr Rajagopalan

Seconded: Cr Crooks

That Council endorse the use of the Shire Seal during May 2023.

Carried 8/0

Agenda Reference and Subject:

10.4.3 Audit Committee Terms of Reference

Reporting Officer:

Nerea Ugarte, Manager of Governance and Community Services

Author:

Nerea Ugarte, Manager of Governance and Community Services

Disclosure of Interest:

Nil

Attachments:

Item 10.4.3 Attachment A - Audit and Risk Committee Terms of Reference

Summary

Council is asked to approve the renaming of the Audit Committee as Audit and Risk Committee (Committee), and the revised Terms of Reference for the Committee (attached).

Background

The latest Regulation 17 review recommended that the name of the Audit Committee be changed to Audit and Risk Committee, reflecting the role of the Committee in risk management. The review also recommended that the Terms of Reference of the Committee be amended to include risk as a strong focus.

Comment

The Committee's current Terms of Reference simply provide an excerpt of regulation 16 of the Local Government (Audit) Regulations 1996, which sets out the functions of Committees.

The Committee's Terms of Reference have been amended following the Department of Local Government's guidelines for the appointment, function and responsibilities of Committees. The guidelines include a template, which has been used as the basis for the development of the revised Terms of Reference.

The revised Terms of Reference expand on the functions listed in regulation 16 of the Local Government (Audit) Regulations 1996, and provide a more detailed account of the Committee's functions, including in relation to risk management. The amended Terms of Reference also provide an annotated excerpt of regulation 16 as an attachment.

Consultation

Chief Executive Officer
Manager of Finance

Statutory Implications

Regulation 16, Local Government (Audit) Regulations 1996

"An audit committee has the following functions —

- (a) to guide and assist the local government in carrying out —*
 - (i) its functions under Part 6 of the Act; and*
 - (ii) its functions relating to other audits and other matters related to financial management;*

- (b) to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under Part 7 of the Act;
- (c) to review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to –
- (i) report to the council the results of that review; and
 - (ii) give a copy of the CEO's report to the council;
- (d) to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under –
- (i) regulation 17(1); and
 - (ii) the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);
- (e) to support the auditor of the local government to conduct an audit and carry out the auditor's other duties under the Act in respect of the local government;
- (f) to oversee the implementation of any action that the local government –
- (i) is required to take by section 7.12A(3); and
 - (ii) has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and
 - (iii) has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and
 - (iv) has accepted should be taken following receipt of a report of a review conducted under the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);
- (g) to perform any other function conferred on the audit committee by these regulations or another written law."

Policy Implications

The Risk Management Framework has been updated to reflect the proposed new name of the Committee, and to more clearly outline the Committee's functions in relation to risk management.

Risk Implications

Risk: That the Committee's Terms of Reference do not accurately reflect its functions in relation to risk management, resulting in the inadequate management of risks.		
Likelihood	Consequence	Rating
Unlikely	Moderate	Moderate
Action / Strategy		
<ul style="list-style-type: none"> • Council approves the new Terms of Reference for the Committee. • Committee performs its risk management functions, as per the Terms of Reference. 		

Financial Implications

Nil.

Strategic Implications

Shire of Bruce Rock – Strategic Community Plan 2017-2027

Governance

Goal 12 Council leads the organisation in a strategic and flexible manner

Voting Requirements

Absolute Majority

OFFICER RECOMMENDATION AND COUNCIL DECISION

Resolution OCM June 23 – 10.4.3

Moved: Cr Negri

Seconded: Cr Rajagopalan

That Council:

- 1. agree to the Audit Committee being renamed Audit and Risk Committee; and**
- 2. approve the amended Terms of Reference for the Audit and Risk Committee.**

CARRIED BY ABSOLUTE MAJORITY 8/0

Council Meeting adjourned at 3.36pm to commence an Audit Committee meeting.

Council Meeting resumed at 3.44pm with all staff and Councillors present.

Agenda Reference and Subject:	10.4.4 Regulation 17 Review Update
Reporting Officer:	Nerea Ugarte, Manager of Governance and Community Services
Author:	Nerea Ugarte, Manager of Governance and Community Services
Disclosure of Interest:	Nil
Attachments:	<i>Nil</i>

Summary

Council will be provided with a report on the progress made in implementing the recommendations of the latest Regulation 17 review.

Background

The latest Regulation 17 review, which was completed in May 2023, made several recommendations to the Shire of Bruce Rock (Shire) to improve its risk management, internal control and legislative compliance processes.

At its ordinary meeting of May 2023, Council approved the proposed actions to be taken by the Shire in response to the review recommendations.

Comment

The following table provides an update on the actions taken to date to address the Regulation 17 review recommendations.

Recommendation		Shire’s Response	Status Update
1.	The Risk Management Framework and the Risk Management and Governance policy/guideline should be updated as soon as possible in line with the new standard ISO 31000:2018 and should clearly outline the process for the development, management and reporting of the operational risk register and the strategic risk register. Both policies should then be endorsed by the Audit Committee.	The Shire will update its Risk Management Governance Framework (including its risk management policy and procedures) in line with the new standard ISO 31000:2018. The Shire will ensure that the Framework clearly outlines the process for the development, management and reporting of the strategic and operational risk registers. The Shire intends to engage the Local Government Insurance Services (LGIS) to undertake this work. Due date: September 2023	The Shire has revised its Risk Management Policy and Risk Management Framework (which includes procedures) in line with the new standard ISO 31000:2018. Both documents are scheduled to be considered by Council at its ordinary meeting of June 2023. The Framework outlines that strategic risks are to be managed at the Council level, and captured within the Shire’s Strategic Plan. The Framework also outlines how operational risks are to be captured, managed and reported through the Shire’s Risk Profile.

Recommendation		Shire's Response	Status Update
		<p>The Shire will seek endorsement of the Risk Management Governance Framework by the Audit Committee.</p> <p>Due date: October 2023</p>	<p>The Audit Committee is scheduled to consider the revised Risk Management Framework in June 2023.</p>
2.	<p>Develop an operational risk register and a strategic risk register as a matter of priority. A copy of the risk registers with evidence of ongoing management action should be tabled at each Audit Committee meeting.</p>	<p>The Shire will develop strategic and operational risk registers.</p> <p>Due date: September 2023</p>	<p>A senior managers' workshop has been scheduled for 29 June 2023 to develop the Shire's Risk Profile (operational risk register).</p>
		<p>A copy of the risk registers, with evidence of ongoing management action, will be tabled at each Audit Committee meeting.</p> <p>Due date: Ongoing, starting in September 2023</p>	<p>Not started.</p>
3.	<p>Implementation of a Risk Identification and Prevention policy governing how both operational and strategic risks are to be continually identified, categorised as high, medium, or low risk (based on the Shire's Risk Matrix Model) reviewed, monitored and recorded in the risk registers. This risk identification and prevention policy should also be endorsed by the Audit Committee.</p>	<p>The Shire will develop and implement a Risk Identification and Prevention Policy as part of the development of its Risk Management Governance Framework.</p> <p>Due date: September 2023</p>	<p>The revised Risk Management Framework outlines the process to be followed to identify, categorise, review and record strategic and operational risks.</p> <p>As such, it is considered that the development of a separate Risk Identification and Prevention Policy is not warranted.</p> <p><i>It is therefore recommended that Council agrees to close this action.</i></p>
		<p>The Risk Identification and Prevention Policy will be presented to the Audit Committee for endorsement.</p> <p>Due date: September 2023</p>	<p>It is considered that the development of a separate Risk Identification and Prevention Policy is not warranted.</p> <p><i>It is therefore recommended that Council agrees to close this action.</i></p>
4.	<p>Consideration for the establishment of a Whistle Blower policy. This should be formulated and then endorsed by the Audit Committee should the Shire consider is worthwhile.</p>	<p>With the engagement of a new Manager of Governance and Community Services, the Shire is about to commence a comprehensive review of its governance policies. The Shire will take a risk-based approach on the timing for the review or development of each policy. The</p>	<p>The establishment of a Whistle Blower policy has not been considered yet.</p>

Recommendation	Shire's Response	Status Update
	establishment of a Whistle Blower policy will be considered as part of this process.	
<p>5. The Shire's Audit Committee should be called the Audit and Risk Committee and its current Terms of Reference amended accordingly to include risk as a strong focus. Further that risk management should be included as a regular agenda item for each Committee meeting. We also propose that the Audit and Risk Committee consider including an external member as part of the Committee who is independent of the Shire operations and not a Councillor, to assist the Committee in finance and risk management related matters. The use of an independent external member is in line with "Audit Committee Good Practice" guidelines. The Committee's Terms of Reference should be amended as such.</p>	<p>The Audit Committee will be renamed Audit and Risk Committee. Due date: June 2023</p>	<p>Council will consider the renaming of the Audit Committee at its ordinary meeting of June 2023.</p>
	<p>The terms of reference of the Audit Committee will be amended to reflect the Committee's responsibilities in relation to risk management. Due date: June 2023</p>	<p>Council will consider the revised terms of reference of the Audit Committee at its ordinary meeting of June 2023.</p>
	<p>Risk management will be included as a regular agenda item for the Committee's meetings. Due date: Ongoing, starting June 2023</p>	<p>Not started.</p>
	<p>The composition of the Audit Committee will be reviewed, with the objective of reducing the number of Councillors on the Committee and incorporating an independent, external member. This review will be undertaken following the October 2023 Local Government elections, which will result in the Shire of Bruce Rock's Council being reduced from nine to seven members. Due date: November 2023</p>	<p>Not started.</p>
<p>6. The Shire should include as part of its existing procurement policy, the contract management policy/process and the evaluation panel process, including the obtaining of conflict of interest declarations, as soon as possible which should also include all tender compliance requirements relating to Part 4 of the Local Government (Functions and General) Regulations 1996 sections 11A to 24AJ.</p>	<p>The Council will review its Procurement Policy and incorporate the recommended processes and requirements. Due date: November 2023</p>	<p>Not started.</p>
<p>7. The Shire together with their outsourced IT provider</p>	<p>The Shire will develop an IT Disaster Recovery Plan and a data</p>	<p>Wallis Computer Solutions (Wallis), the Shire's IT</p>

Recommendation	Shire's Response	Status Update
<p>develop a Disaster Recovery IT plan, a data back up and retrieval policy, amending the computer lock out time from 60 minutes to no more than 15 minutes and develop written procedures and policy relating to the authorisation process to be followed over staff password resets.</p>	<p>back up and retrieval policy. Due date: August 2023</p>	<p>services provider, has provided a quote for the development of an IT Disaster Recovery Plan. The total cost quoted is \$5,095. This amount is over the \$5,000 threshold in the Shire's Purchasing Policy, which requires that at least three quotes be sourced. However, Wallis is considered to be a sole supplier in this particular case, as the recovery plan will be linked to, and be dependent on, our current IT service arrangements with Wallis. As required by the Purchasing Policy, the decision to engage Wallis without seeking further quotes will be recorded on the Record of Written Quotations.</p>
	<p>The Shire will change the computer lock out time from 60 minutes to 15 minutes. Due date: June 2023</p>	<p>Completed.</p>
	<p>The Shire will develop written procedures and policy relating to the authorisation process to be followed for staff password resets. Due date: July 2023</p>	<p>Not started.</p>
<p>8. Give consideration to developing an Internal Controls policy which outlines staff responsibilities over internal control compliance and incorporating the responsibilities within staff job descriptions and also staff induction programs. This should highlight the importance of proper segregation of duties, system access controls and the approval processes.</p>	<p>The Shire will develop an Internal Controls Policy, outlining staff responsibilities over internal control compliance. The Shire has already started a monthly staff development session to address internal risk, training, and development. Due date: August 2023</p>	<p>Not started.</p>
	<p>Internal control responsibilities will be incorporated in staff job descriptions and induction programs. Due date: September 2023</p>	<p>Not started.</p>
<p>9. A more effective compliance calendar should be designed</p>	<p>The Shire will develop a more effective compliance calendar,</p>	<p>Not started.</p>

Recommendation	Shire's Response	Status Update
<p>to track all activities and actions required to ensure compliance with all legislative requirements associated with the Local Government Act 1995, the Local Government (Functions & General) Regulations 1996 and the Local Government (Audit) Regulations 1996. The compliance calendar should include information relating to compliance being achieved.</p>	<p>including information regarding the process to achieve compliance. The Shire is currently exploring the use of the Smartsheet platform or the Attain compliance software to develop its new compliance calendar.</p> <p>Due date: September 2023</p>	
<p>10. Consideration should also be given to include within each updated policies and procedures reference to the applicable legislative requirement. This then provides information to staff that by following the policy or procedure legislative compliance is being achieved.</p>	<p>The Shire will include reference to applicable legislative requirements in its updated policies and procedures. This will be done as part of its review of its suite of governance policies.</p>	<p>Ongoing, as part of the review of the Policy Manual.</p>
<p>11. Consideration should be given to the implementation of a Legislative Compliance policy which outlines the responsibility for compliance with legislative requirements and how such compliance is to be met. Consideration should be given for the Shire to develop various legislative compliance checklists to enable various areas within the Shire (or by the Manager of Governance & Community Services position) to undertake self-assessment checks. We would suggest that these be undertaken regularly throughout the calendar year and be signed off attesting to compliance. These can be undertaken in conjunction with the annual Compliance Audit Return (CAR) and would complement the (CAR) process.</p>	<p>The Shire will implement a Legislative Compliance Policy, outlining the responsibility for compliance with legislative requirements and how such compliance is to be met.</p> <p>Due date: November 2023</p> <p>The Manager of Governance and Community Services will develop and manage legislative compliance checklists.</p> <p>Due date: Ongoing, starting in September 2023</p>	<p>Not started.</p> <p>Not started.</p>

Consultation

Darren Mollenoyux, Chief Executive Officer
 Manisha Bathakur, Manager of Finance

Statutory Implications

Regulation 17, Local Government (Audit) Regulations 1996

“The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to –
(a) risk management; and
(b) internal control; and
(c) legislative compliance.”

Policy Implications

Policies related to risk management, internal control and legislative compliance processes are being reviewed and improved in implementing actions in response to the latest Regulation 17 review recommendations.

Risk Implications

Risk: That policies and processes related to risk management, internal control and legislative compliance do not reflect current best practice.		
Likelihood	Consequence	Rating
Unlikely	Moderate	Moderate
Action / Strategy		
<ul style="list-style-type: none"> • Council approves the new Risk Management Policy and Framework, and the revised terms of reference for the Audit Committee. • Council continues to monitor the implementation of actions in response to the Regulation 17 review recommendations. 		

Financial Implications

\$5,095 to date.

Strategic Implications

Shire of Bruce Rock – Strategic Community Plan 2017-2027

Governance

Goal 12 Council leads the organisation in a strategic and flexible manner

Voting Requirements

Absolute Majority

COMMITTEE RECOMMENDATION AND COUNCIL DECISION

Resolution OCM June 23 – 10.4.4

Moved: Cr Rajagopalan

Seconded: Cr Verhoogt

That Council:

- 1. note the status update on the implementation of actions in response to the Regulation 17 review recommendations; and**
- 2. agree to close actions related to the recommendation to develop a Risk Identification and Prevention Policy, as the matters to be covered by the proposed Policy are captured in the revised Risk Management Framework.**

CARRIED BY ABSOLUTE MAJORITY 8/0

Agenda Reference and Subject:

10.4.5 Risk Management Policy

Reporting Officer:

Nerea Ugarte, Manager of Governance and Community Services

Author:

Nerea Ugarte, Manager of Governance and Community Services

Disclosure of Interest:

Nil

Attachments:

Item 10.4.5 Attachment A - Amended Risk Management Policy

Summary

The Risk Management Policy has been reviewed and amended in response to a recommendation from the latest Regulation 17 review. Council is asked to approve the amended policy.

Background

Regulation 17 of the Local Government (Audit) Regulations 1996 requires the Chief Executive Officer to undertake a review of the appropriateness and effectiveness of the Shire of Bruce Rock's (Shire) systems and procedures in relation to risk management, internal control and legislative compliance.

The latest review, which was undertaken by consultants Australian Audit, was completed in May 2023.

At its Ordinary Meeting of the 18th May 2023, Council endorsed the actions to be taken by the Shire in response to the recommendations of the review. This included the recommendation to amend the Risk Management Policy in line with the latest, relevant Australian standard (ISO 31000:2018).

Comment

While the current policy states it is aligned with ISO 31000:2018, the Manager of Governance and Community Services contacted the Local Government Insurance Services (LGIS) to seek its guidance on the latest requirements with regard to risk management policies. In response, LGIS provided a copy of its latest model Risk Management Policy for use by Local Governments, which complies with the latest applicable standard.

A comparison of the Shire's current policy and the model policy provided by LGIS has resulted in the following recommended amendments to the Shire's policy:

- **Objective**

The objective in the amended policy places an emphasis on the early identification of potential risks, so that opportunities can be realised and impacts minimised.

The contribution of risk management to the Shire's achievement of its objectives "efficiently, effectively and within good corporate governance principles" has also been recognised in the policy objective.

The existing policy lists the policy's overarching and more specific objectives in separate sections. The revised policy has brought these together under the "Objectives" heading.

- **Policy**

The current policy states that it is the Shire’s policy to achieve best practice. This has been toned down to state that the Shire strives to achieve best practice. This is in recognition of the Shire’s size and limited resources. This concept is further reinforced by indicating that “risk management functions will be resourced to match the size and scale of the Shire’s operations”.

A paragraph has been added to indicate that the policy applies to Council, the Shire’s management team and all employees and contractors involved in Shire operations.

- **Definitions**

The reference to AS/NZS 31000:2009 has been removed, as Australian Audit has advised this standard has been superseded. However, no changes have been made to the definitions contained in the policy, as these are still accurate.

Roles, responsibilities and accountabilities

The references to the CEO being responsible for the allocation of roles, responsibilities and accountabilities, and to these being recorded in the Risk Management Procedures have been removed. Instead, roles, responsibilities and accountabilities will be outlined in detail in the Shire’s Risk Management Framework.

The revised policy provides the following responsibilities to the CEO:

Implementation of the Risk Management Policy.

Measurement and reporting on the performance of risk management.

Review and improvement of the policy and the Risk Management Framework at least biennially, or in response to a material event or change in circumstances.

- **Associated documents**

A section has been added to identify other Shire documents associated with the Risk Management Policy. These include the Risk Management Framework and the Risk Profile.

Consultation

Chief Executive Officer

Manager of Finance

Manager of Works and Services

LGIS

Statutory Implications

Regulation 17, Local Government (Audit) Regulations 1996

“The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to —

(a) risk management; and

(b) internal control; and

(c) legislative compliance.”

Policy Implications

The Risk Management Policy has been reviewed to reflect contemporary, best practice.

Risk Implications

Risk: That the Risk Management Policy does not reflect current best practice in risk management.		
Likelihood	Consequence	Rating
Unlikely	Moderate	Moderate
Action / Strategy		
<ul style="list-style-type: none"> • Council approves recommended changes to the Risk Management Policy. • The Risk Management Policy is reviewed annually, or in response to a material event or change in circumstances. 		

Financial Implications

Nil

Strategic Implications

Shire of Bruce Rock – Strategic Community Plan 2017-2027

Governance

Goal 12 Council leads the organisation in a strategic and flexible manner

Voting Requirements

Absolute Majority

<p>COMMITTEE RECOMMENDATION AND COUNCIL DECISION Resolution OCM June 23 – 10.4.5</p> <p>Moved: Cr Crooks Seconded: Cr Waight</p> <p>That Council review and endorse the modifications to the Risk Management Policy, as attached. CARRIED BY ABSOLUTE MAJORITY 8/0</p>

Agenda Reference and Subject:

10.4.6 Risk Management Framework

Reporting Officer:

Nerea Ugarte, Manager of Governance and Community Services

Author:

Nerea Ugarte, Manager of Governance and Community Services

Disclosure of Interest:

Nil

Attachments:

Item 10.4.6 Attachment A - Risk Management Framework

Summary

Council is asked to approve a new Risk Management Framework.

Background

The Shire of Bruce Rock's (Shire) existing Risk Management Framework dates back to July 2014. This document was developed by the Local Government Risk Insurance Services (LGIS) in accordance with the standard applicable at the time (AS/NZS ISO 31000:2009 – Risk Management).

The latest Regulation 17 review identified that the Shire's Risk Management Framework should be updated as soon as possible in line with the new standard (AS/ANZ ISO 31000:2018 – Risk Management), and should clearly outline the process for the development, management and reporting of the Shire's strategic and operational risk registers.

LGIS was approached to seek its assistance in reviewing the Shire's Risk Management Framework. In response, LGIS provided the Shire with a copy of a model Risk Management Framework for Local Governments, which is compliant with AS/ANZ ISO 31000:2018 – Risk Management.

Comment

The model Risk Management Framework provided by LGIS has been reviewed and slightly modified to reflect the Shire's organisational structure.

The proposed new framework (attached):

- states that strategic risks should be recorded and managed as part of the Shire's strategic planning process and the CEO's Annual Risk Summary Report; and
- outlines the process to develop, manage and report on the Shire's Risk Profile, which constitutes its operational risk register.

Consultation

Chief Executive Officer
Manager of Finance
Manager of Works and Services
LGIS

Statutory Implications

Regulation 17, Local Government (Audit) Regulations 1996

*"The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —
(a) risk management; and
(b) internal control; and*

(c) legislative compliance.”

Policy Implications

The Risk Management Framework has been reviewed to reflect contemporary, best practice.

Risk Implications

Risk: That the Risk Management Framework does not reflect current best practice in risk management.		
Likelihood	Consequence	Rating
Unlikely	Moderate	Moderate
Action / Strategy		
<ul style="list-style-type: none"> • Council approves the new Risk Management Framework. • The Risk Management Framework is reviewed every three years, or in response to a material event or change in circumstances. 		

Financial Implications

Nil.

Strategic Implications

Shire of Bruce Rock – Strategic Community Plan 2017-2027

Governance

Goal 12 Council leads the organisation in a strategic and flexible manner

Voting Requirements

Absolute Majority

<p>OFFICER RECOMMENDATION AND COUNCIL DECISION Resolution OCM June 23 – 10.4.6</p> <p>Moved: Cr Rajagopalan Seconded: Cr Crooks</p> <p>That Council review and endorse the new Risk Management Framework, as attached. CARRIED BY ABSOLUTE MAJORITY 8/0</p>
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Agenda Reference and Subject:

10.4.7 Supply and Use of Corporate Credit Cards

Reporting Officer:

Nerea Ugarte, Manager of Governance and Community Services

Author:

Nerea Ugarte, Manager of Governance and Community Services

Disclosure of Interest:

Cr PG Negri
Darren Mollenoyux, Chief Executive Officer

Attachments:

Item 10.4.7 Attachment A - Amended Supply and Use of Corporate Credit Cards Policy

Summary

The Supply and Use of Corporate Credit Cards Policy (Credit Card Policy) has been reviewed and amended. Council is asked to approve the amended policy.

Background

The Credit Card Policy has been reviewed to:

- increase the number of corporate credit cards from one to two to facilitate business operations; and
- ensure compliance with guidelines issued by the Department of Local Government, Sport and Cultural Industries (Department).

Comment

Number of corporate credit cards

Under the existing policy, only the Chief Executive Officer (CEO) is permitted to hold a corporate credit card. The objective of this approach was to minimise the risk of misuse of the credit card.

However, given the Department's guidelines prohibit the transfer of a credit card, this arrangement is now impractical, as the CEO would be required to personally process all purchases of goods and services carried out with the credit card. Up until now, credit card purchases have been approved by the CEO and the purchase process has been delegated to a staff member, which effectively constitutes a transfer of the credit card.

It is recommended that the amended policy allow for the issuing of two corporate credit cards:

- one to the CEO; and
- a second one to a staff member who is not involved in the approval and acquittal of credit card expenses, or the investigation of the alleged misuse of a credit card. This is to ensure the segregation of duties.

Following consideration of the most suitable position to hold the second credit card, it is recommended that Council approve the issuing of a credit card to the Finance Officer. This position is currently held by Shenae Negri.

Department's guidelines

The Department advises that the following issues should be covered when developing policies to control the use of credit cards:

- **General**
 - An agreement should be signed by the cardholder and the local government setting out the cardholder's responsibilities and legal obligations when using the credit card.
 - A register of all current cardholders should be kept. The register should include the card number, the expiry date of the credit card, the credit limit, and details of goods and services the cardholder has authority to purchase.
 - All new and existing cardholders should be provided with a copy of the policies relating to the use of credit cards.
 - What the cardholder should do in the event their employment ceases, an extended period of leave is taken, or they are moved to a position that does not require the use of a credit card.
 - What the cardholder should do if they lose or misplace their credit card.
 - Credit cards should not be transferred to other users.
 - How reward schemes, such as Fly Buys, will be treated.
 - The arrangements for destruction of all surrendered credit cards.
 - What action is to be taken in the event that a cardholder fails to comply with the policy.
- **Purchasing**
 - Credit cards should only be used for purchasing goods and services on behalf of the local government.
 - Personal expenditure should be prohibited.
 - A credit card should not be used for cash withdrawals.
 - Maximum credit limits should be based on the cardholder's needs.
 - How purchases by facsimile, telephone or over the internet are to be dealt with.
- **Payments**
 - Timeframes for payment of accounts should be monitored to ensure that credit charges are minimised.
 - Establish strict guidelines for expenditure on entertainment.
 - Cardholders cannot approve expenditure incurred on their own credit cards.

The Credit Card Policy has been amended to cover all the issues outlined above. A reference to documents associated with the Credit Card Policy has also been added.

Consultation

Chief Executive Officer
Manager of Finance

Statutory Implications

Section 2.7(2)(a) and (b) of the Local Government Act 1995 requires Council to oversee the allocation of the local government's finances and resources, and to determine the policies of the local government.

Section 6.5(a) of the Local Government Act 1995 requires the Chief Executive Officer to ensure that proper accounts and records of the transactions and affairs of the local government are kept in accordance with regulations.

Regulation 11(1)(a) of the Local Government (Financial Management) Regulations 1996 requires local governments to develop procedures for the authorisation and payment of accounts to ensure that there is effective security and appropriate authorisations in place for the use of credit cards.

Policy Implications

The Credit Card Policy has been reviewed to reflect contemporary, best practice.

Risk Implications

Risk: That the Credit Card Policy does not reflect current best practice in policies for the control of credit cards.		
Likelihood	Consequence	Rating
Unlikely	Moderate	Moderate
Action / Strategy		
<ul style="list-style-type: none"> • Council approves recommended changes to the Credit Card Policy. • The Credit Card Policy is reviewed annually, or in response to a material event or change in circumstances. 		

Financial Implications

Nil.

Strategic Implications

Shire of Bruce Rock – Strategic Community Plan 2017-2027

Governance

Goal 12 Council leads the organisation in a strategic and flexible manner

Voting Requirements

Absolute Majority

<p>OFFICER RECOMMENDATION AND COUNCIL DECISION Resolution OCM June 23 – 10.4.7</p> <p>Moved: Cr Crooks Seconded: Cr Rajagopalan</p> <p>That Council:</p> <ol style="list-style-type: none"> 1. review and endorse the modifications to the Supply and Use of Corporate Credit Cards Policy, as attached; and 2. approve the issuing of a corporate credit card to the Finance Officer. <p style="text-align: right;">CARRIED BY ABSOLUTE MAJORITY 7/0</p>

10.5 Chief Executive Officer

Agenda Reference and Subject:

10.5.1 Draft Local Planning Policy – Heritage Places

Reporting Officer:

Darren Mollenoyux, Chief Executive Officer

Author:

Caris Negri, Community Development Officer

Disclosure of Interest:

Nil

Attachments:

Item 10.5.1 Attachment A - Draft Local Planning Policy – Heritage Places (To be provided to Council prior to the Meeting)

Summary

Council is asked to adopt the Draft of the Local Planning Policy – Heritage Places.

Background

In 2022, Council adopted the Local Heritage Survey and Heritage List in line with the Heritage Act 2018, which required Local Governments to replace their Municipal Inventories with a Local Heritage Survey, and to develop a Heritage List.

Local Governments are required to establish a Heritage List under the Planning and Development (Local Planning Schemes) Regulations 2015. When the Heritage List is adopted, Local Governments are required to give due regard to the heritage significance of the listed place when determining development applications, but the heritage significance does not limit or restrict how a Local Government is to determine an application.

The Local Planning Policy – Heritage Places outlines the issues Council must consider when a planning application is made for a property that is included on the Heritage List.

Comment

Council engaged Ms Laura Gray of Heritage Intelligence (WA) to undertake a Local Heritage Survey and include a Heritage List within the Local Heritage Survey. After the completion of the Local Heritage Survey, Ms Gray has drafted the Local Planning Policy – Heritage Places. The draft Planning Policy will be provided to Council prior to the meeting.

If Council adopt the draft, public comment can open on Tuesday, the 20th June 2023, and close on Monday, the 10th July 2023. Depending on the level of public comment received, the final version will be presented for Council to adopt at the July Ordinary Council Meeting.

Consultation

Ms Laura Gray, Heritage Consultant
Chief Executive Officer
Environmental Health Officer

Statutory Implications

Part 8. Heritage Act 2018
S2 P3 cl.9 Planning and Development (Local Planning Schemes) Regulations 2015.

Policy Implications

Local Planning Policy

Risk Implications

Risk: That Council does not adopt the Local Planning Policy – Heritage Places		
Likelihood	Consequence	Rating
Unlikely	Minor	Low
Action / Strategy		
This item has been evaluated against the Shire of Bruce Rock’s Risk Management Procedure’s Risk Matrix. The perceived level of risk is considered to be “Low”, and can be managed by routine procedure. The risk is unlikely to need specific application of resources.		

Financial Implications Nil

Strategic Implications

Shire of Bruce Rock – Strategic Community Plan 2022-2032

Governance

Goal 12 Council leads the organisation in a strategic and flexible manner

Voting Requirements

Simple Majority

<p>OFFICER RECOMMENDATION AND COUNCIL DECISION Resolution OCM June 23 – 10.5.1</p> <p>Moved: Cr Rajagopalan Seconded: Cr Waye</p> <p>That Council: That Council adopt the draft Local Planning Policy – Heritage Places, and release it for public comment for a period of three weeks, finishing on Monday, 10th July 2023.</p> <p style="text-align: right;">Carried 8/0</p>
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11. Regional Reports

12. New Business of an Urgent Nature Introduced by Discussion of the Meeting

13. Confidential Items

14. Closure of Meeting

The Shire President Stephen Strange thanked everyone for their attendance and declared the meeting closed at 3.54pm.

These minutes were confirmed at a meeting on 20 July 2023.

Cr Stephen Strange
Shire President
20 July 2023