

*A progressive, diverse and caring community,
with access to modern services and infrastructure,
in a unique part of the world*

AGENDA

for the

Ordinary Meeting of Council

to be held

2PM, WEDNESDAY 17th FEBRUARY 2021

Shire of Cuballing
Council Chambers
Campbell Street, Cuballing

COUNCIL MEETING PROCEDURES

1. All Council meetings are open to the public, except for matters raised by Council under “confidential items”.
2. Members of the public may ask a question at an ordinary Council meeting at “Public Question Time”.
3. Members of the public who are unfamiliar with meeting procedures are invited to seek advice at the meeting. If unsure about proceedings, just raise your hand when the Presiding Member announces Public Question Time.
4. All other arrangements are in accordance with the Council’s standing orders, policies and decisions of the town.

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of Cuballing for any act, omission or statement or intimation occurring during Council/Committee meetings or during formal/informal conversations with staff. The Shire of Cuballing disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council/Committee meetings or discussions. Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person’s or legal entity’s own risk.

In particular, and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the Shire of Cuballing during the course of any meeting is not intended to be and is not taken as notice or approval from the Shire of Cuballing. The Shire of Cuballing warns that anyone who has an application lodged with the Shire of Cuballing must obtain and only should rely on WRITTEN CONFIRMATION of the outcome of that application and any conditions attaching to the decision made by the Shire of Cuballing in respect of the application.

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1. DECLARATION OF OPENING:

2. ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE:

2.1.1 Attendance

Cr Mark Conley President
Cr Scott Ballantyne
Cr Dawson Bradford
Cr Robert Harris
Cr Deb Hopper

Mr Gary Sherry Chief Executive Officer
Ms Bronwyn Dew Deputy Chief Executive Officer
Mr Bruce Brennan Manager of Works and Services

2.1.2 Apologies

Cr Eliza Dowling Deputy President

2.1.3 Leave of Absence

Nil

3. STANDING ORDERS:

OFFICER'S RECOMMENDATION:

That Standing Orders be suspended for the duration of the meeting to allow for greater debate on items.

4. PUBLIC QUESTION TIME:

4.1 RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE:

Nil

4.2 WRITTEN QUESTIONS PROVIDED IN ADVANCE:

Nil

4.3 PUBLIC QUESTIONS FROM THE GALLERY:

Nil at this time.

5. APPLICATIONS FOR LEAVE OF ABSENCE:

Nil at this time.

6. CONFIRMATION OF MINUTES:

6.1.1 Ordinary Meeting of Council held on Wednesday 16 th December 2020
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OFFICER'S RECOMMENDATION:

That the Minutes of the Ordinary Meeting of Council held on Wednesday 16th December 2020 be confirmed as a true record of proceedings.

7. PETITIONS/DEPUTATIONS/PRESENTATIONS/ SUBMISSIONS:

Nil at this time.

8. DISCLOSURE OF FINANCIAL INTEREST:

DISCLOSURE OF FINANCIAL INTEREST AND PROXIMITY INTEREST

Members must disclose the nature of their interest in matters to be discussed at the meeting.

Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting.

DISCLOSURE OF INTEREST AFFECTING IMPARTIALITY

Members and staff must disclose their interest in matters to be discussed at the meeting in respect of which the Member or employee has given or will give advice.

9. REPORTS OF OFFICERS AND COMMITTEES:

9.1 DEPUTY CHIEF EXECUTIVE OFFICER:

9.1.1 List of Payments – December 2020

File Ref. No:	NA
Disclosure of Interest:	Nil
Date:	25 th January 2021
Author:	Nichole Gould
Attachments:	9.1.1A List of December 2020 Municipal Accounts 9.1.1.B Credit Card Transactions

Summary

Council is to review payments made under delegation in December 2020.

Background – Nil

Comment

Council is provided at Attachments 9.1.1A with a list of payments made from Council's bank account during the month of December 2020.

Strategic Implications – Nil

Statutory Environment – Nil

Policy Implications – Nil

Financial Implications – Nil

Economic Implication – Nil

Environmental Considerations – Nil

Consultation – Nil

Options

Council may resolve:

1. the Officer's Recommendation; or
2. to not note the list of accounts.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION:

That Council receives:

1. **the List of Accounts paid in December 2020 under delegated authority in accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996, including payments from Council's Municipal Fund totalling \$616,639.70 included at Attachment 9.1.1A; and**
2. **a summary of transactions completed on Credit Cards by Council Staff for the period ending 30th November 2020 included at Attachment 9.1.1B.**

LIST OF DECEMBER 2020 MUNICIPAL FUND ACCOUNTS

Chq/EFT	Description	Amount
01/12/2020	Police Licensing Payments	418.65
02/12/2020	Police Licensing Payments	2,465.00
03/12/2020	Police Licensing Payments	4,026.40
04/12/2020	Police Licensing Payments	188.20
07/12/2020	Interest on Graders	198.85
07/12/2020	Loan Repayment No. 63 Graders	3,515.43
08/12/2020	Police Licensing Payments	423.65
09/12/2020	Rent for Grader Driver House	360.00
09/12/2020	Police Licensing Payments	506.70
10/12/2020	Police Licensing Payments	358.20
11/12/2020	Police Licensing Payments	71.05
14/12/2020	Police Licensing Payments	766.80
16/12/2020	Police Licensing Payments	204.95
17/12/2020	Police Licensing Payments	3,679.50
18/12/2020	Police Licensing Payments	1,280.15
21/12/2020	Police Licensing Payments	519.55
23/12/2020	Rent for Grader Driver House	360.00
23/12/2020	Police Licensing Payments	2,261.45
23/12/2020	ATO Clearing Account BAS	10,231.00
24/12/2020	Police Licensing Payments	345.95
29/12/2020	Police Licensing Payments	118.55
30/12/2020	Police Licensing Payments	3,291.50
EFT5752	Supply 4,000m ³ Gravel	800.00
EFT5753	Rates refund	1,000.00
EFT5754	1 x Cat 140 Motor Grader	405,570.00
EFT5755	Phase 1 Preliminary Concept Design Development	3,554.38
EFT5756	Repairs to Air Con system Bomag Roller	4,433.55
EFT5757	Spies in Disguise Movie licence 11/12/2020 Cuballing Outdoor movie night	385.00
EFT5758	Catering	43.20
EFT5759	November 2020 Building Forms	628.15
EFT5760	BCITF Forms November 2020	192.30
EFT5761	Water charges War Memorial - 29/09/2020 to 25/11/2020	114.20
EFT5762	Monthly copier charges	815.44
EFT5763	Reimbursement of Internet	55.00

Chq/EFT	Description	Amount
EFT5764	Amalgamation of Lot 7 & 90 Beeston Street - Stage 1 - WAPC Application	550.00
EFT5765	Monthly Debt Collection Charges - November 2020	1,355.75
EFT5766	Purchase of 464m ³ of Gravel	1,020.80
EFT5767	Design Development	4,125.00
EFT5768	1 x Taylors road sign	94.60
EFT5769	Postage	214.75
EFT5770	Rates Incentive Prize 2020/21 - Gift Vouchers Redeemed	485.00
EFT5771	A4 Letterheads.	924.00
EFT5772	Training	400.00
EFT5773	Filter Air	50.75
EFT5774	Monthly Town Planning Consulting	1,196.80
EFT5775	Pick up and deliver Culverts to Wandering Narrogin Road	1,149.50
EFT5776	Bulk Diesel Supply and Delivery - 5,500 Litres	10,745.50
EFT5777	Rubbish removal - Recycling service	6,088.76
EFT5778	New Hydraulic hose and fittings for Giga Prime mover	352.28
EFT5779	3 packets of stainless steel rivets for bins on streets around town	84.00
EFT5780	Supply and Deliver 180 tonne of 10mm washed aggregate	8,123.57
EFT5781	Reimbursement of Expenses incurred during DOT training.	150.19
EFT5782	60 x 7D115860 Cutting Edges to suit Cat140 Grader	8,932.00
EFT5783	50 x Guide Posts	1,474.59
EFT5784	Freight Charges - South West Isuzu	41.69
EFT5785	Repair and diagnose faults with Komatsu loader, grease lines hydraulic leaks and pressure in attachment lines	2,625.99
EFT5786	Monthly GRV Schedule Roll No G2020/4 Dated 8/08/20 to 13/11/20	69.20
EFT5787	LGIS Regional Risk Coordinator for 2020/21 1 st Instalment	2,584.52

Chq/EFT	Description	Amount
EFT5788	LG Professionals Australia WA Annual State Conference Registration for CEO	975.00
EFT5789	Monthly order for Makit Hardware Narrogin - Weed n Feed & Toilet Seat	185.25
EFT5790	2 x 8" rims and tyres to suit tractor broom	382.80
EFT5791	Termite treatment on Yornaning East Road bridge.	275.00
EFT5792	Supply and install new Mixer tap Popanyinning Toilets	495.00
EFT5793	Crash Trailer - Trailer Plug Repair	153.57
EFT5794	Labourer with HC Licence for six days	4,092.00
EFT5795	Freight Charges - G & S Industries to Shire Depot	194.26
EFT5796	Catering	135.13
EFT5797	10 x work shirts embroidered	140.00
EFT5798	1 x Toro 6 station Battery Controller 6 x Latching Solenoids	534.00
EFT5799	1 x New Piusi Fuel Counter for Diesel fuel tank	352.85
EFT5800	Staff Uniforms	967.90
EFT5801	Supply and Erect Shade sails at Yornaning Dam	39,525.20
EFT5802	Assess pavement, Project scope, 5 year RCN program Cuballing East Road	5,149.85
EFT5803	4 x 750 pipes Class 2, 3 x 450 pipes Class 2, 3 x 450 Headwalls 5 x 375 pipes, 6 x 375 Headwalls 10 x 300 pipes 4x 300 headwalls	7,802.09
EFT5804	Ranger Duties - Labour	760.50
EFT5805	2 x New Tractor Broom Bobbins	2,439.14
EFT5806	Quarterly Monitoring for Security System - January, February & March 2021	110.00
EFT5807	Repairs to CN1990	16,612.38
EFT5808	Commodine Tennis Club Award 2020	100.00
EFT5809	Monthly Freight Charges	20.41

Chq/EFT	Description	Amount
EFT5810	Clean carpets & chairs, Clean office, hall & Rec Centre – November	2,354.00
EFT5811	Catering	106.00
EFT5812	Staff Uniform	78.85
EFT5813	Understanding Financial reports and budgets - E- Learning Cr Hopper	585.00
EFT5814	Install DMARC anti phishing as per WA LGA ACSC CHIPS recommendation	546.70
EFT5815	Wheel nut indicators	751.00
EFT5816	Weighbridge Waste Management - November 2020	44.00
EFT5817	2 Chair mat	563.18
20039	Monthly Electricity Charge Street Lightning x 42 Lights	646.03
20040	Mobile Charge - New Mobile Handset for Emergency Services	703.58
20041	Water Charges - Standpipe Ridley St Cuballing	6,999.58
DD2484.1	Superannuation contributions	235.12
DD2484.2	Payroll deductions	5,449.23
DD2484.3	Superannuation contributions	156.22
DD2484.4	Superannuation contributions	354.72
DD2484.5	Superannuation contributions	437.36
DD2484.6	Superannuation contributions	130.84
DD2491.1	Monthly Internet Connection	89.99
DD2499.1	Monthly Credit Card Expenses	1,986.43
DD2503.1	Superannuation contributions	235.12
DD2503.2	Payroll deductions	5,515.49
DD2503.3	Superannuation contributions	220.57
DD2503.4	Superannuation contributions	458.17
DD2503.5	Superannuation contributions	437.36
DD2503.6	Superannuation contributions	130.84
		616,639.70

CREDIT CARD TRANSACTIONS

Supplier	DETAIL OF PURCHASE	TOTAL
Aussie Broadband	Monthly NBN Internet Connection Subscription	79.00
Hotel Clipper	Accommodation - Training Works Trainee	148.50
Moore Stephens	2020 Finance Regulations Training	198.00
Crown Promenade	Accommodation LG Professionals Conference	543.44
Crown Perth 88 Noode	Meal LG Professionals Conference	28.30
Patient Handling	Cable Covers for Chambers	86.79
Knightline Computers	Dash Cam & SD Card	178.00
Transport	MR Licence Assessment – Works Trainee	93.40
Joondalup Resort	Accommodation - Works Supervisors Conference. A Mort	676.00
Shark Bay Fuel	Diesel	65.00
Trinity Crawley	Refund on Accommodation - Cancelled	110.00
GRAND TOTAL		1,986.43

9.1.2 List of Payments – January 2021

File Ref. No: NA
Disclosure of Interest: Nil
Date: 4th February 2021
Author: Nichole Gould
Attachments: 9.1.2A List of January 2021 Municipal Accounts
9.1.2.B Credit Card Transactions

Summary

Council is to review payments made under delegation in January 2021.

Background – Nil

Comment

Council is provided at Attachments 9.1.2A with a list of payments made from Council's bank account during the month of January 2021.

Strategic Implications – Nil

Statutory Environment – Nil

Policy Implications – Nil

Financial Implications – Nil

Economic Implication – Nil

Environmental Considerations – Nil

Consultation – Nil

Options

Council may resolve:

3. the Officer's Recommendation; or
4. to not note the list of accounts.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION:

That Council receives:

- 3. the List of Accounts paid in January 2021 under delegated authority in accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996, including payments from Council's Municipal Fund totalling \$321,558.53 included at Attachment 9.1.2A; and**
- 4. a summary of transactions completed on Credit Cards by Council Staff for the period ending 31st December 2020 included at Attachment 9.1.2B.**

LIST OF JANUARY 2021 MUNICIPAL FUND ACCOUNTS

Chq/EFT	Description	Amount
06/01/2021	Rent for Grader Driver House	360.00
06/01/2021	Police Licensing Payments	1,563.55
07/01/2021	Private Health Member Fees	239.00
07/01/2021	Police Licensing Payments	417.30
07/01/2021	Interest on Graders	185.93
07/01/2021	Loan Repayment No. 63 Graders	3,528.35
11/01/2021	Police Licensing Payments	2,169.15
12/01/2021	Police Licensing Payments	27,625.60
13/01/2021	Police Licensing Payments	2,435.75
14/01/2021	Police Licensing Payments	78.15
15/01/2021	Police Licensing Payments	206.90
18/01/2021	Police Licensing Payments	3,179.00
19/01/2021	Police Licensing Payments	104.30
20/01/2021	Rent for Grader Driver House	360.00
20/01/2021	Police Licensing Payments	34.60
21/01/2021	Private Health Member Fees	239.00
21/01/2021	Police Licensing Payments	947.25
22/01/2021	Police Licensing Payments	258.40
25/01/2021	Police Licensing Payments	695.20
27/01/2021	Police Licensing Payments	953.05
28/01/2021	Police Licensing Payments	1,167.40
29/01/2021	Police Licensing Payments	224.50
EFT5818	Push up 4000m3 gravel	6,160.00
EFT5819	Prima Seal Wandering Narrogin Road Slk 27.21 - 29.56	19,896.62
EFT5820	Replace Springhill Dam Pump	3,209.80
EFT5821	Monthly copier charges - 20/11/2020 to 20/12/2020	944.41
EFT5822	Culvert works - Install 4 x 750 pipes and 2 x New Insitu Headwalls, wing walls	18,590.00
EFT5823	Monthly Debt Collection Charges	1,005.40
EFT5824	20 x First aid Stickers	172.70
EFT5825	Postage	537.28
EFT5826	New resident welcome folder (presentation folder) 500 copies	891.00
EFT5827	Hire of D6 Bull Dozer for pushing Mallet hill off on Batts Road Popanyinning	2,464.00

Chq/EFT	Description	Amount
EFT5828	Eliza Dowling Council Sitting Fee - July to December 2020	2,240.00
EFT5829	Freight of 60 x Grader Blades Perth to Cuballing	386.06
EFT5830	2020 Cuballing Christmas tree entertainment Balloon animals	120.00
EFT5831	Bulk Diesel Supply and Delivery - 4,000 Litres Diesel	4,526.28
EFT5832	Rubbish removal - Household service x 262 @ \$1.71 each	7,818.51
EFT5833	Supply and Deliver 180 tonne of 10mm washed Granite MRD Spec	8,160.96
EFT5834	Aged Persons Accommodation - Pre Tender Cost Estimate	2,200.00
EFT5835	Freight Charges - Corsign	60.72
EFT5836	Repairs to CN3469 portable traffic lights as quoted	8,024.50
EFT5837	Freight	115.50
EFT5838	Monthly GRV Roll Schedule No G2020/5 Dated 14/11/20 to 11/12/20	69.20
EFT5839	Audit - new accounting standards - right of use assets etc	792.00
EFT5840	Verti Drain Cuballing Oval as per quote 2/6/20 Supply and spread Fertiliser NPK High Grade controlled release Supply 1 ton of high grade Fertiliser NPK	6,429.50
EFT5841	General Meeting of Electors Advert - Narrogin Observer 3 rd December 2020	267.48
EFT5842	2020 Cuballing Christmas Tree entertainment	140.00
EFT5843	Dual Set of Hand Held 40 Channel Two Ways GME 6160 for Traffic Control	579.95
EFT5844	Hire of Smooth drum Vibe roller for 2 x days inc operator for Wandering Narrogin Road	2,167.00
EFT5845	Catering	220.00
EFT5846	Catering	366.38
EFT5847	3 inch water connections for semi water cart for fill fire fill / emergencies	212.85
EFT5848	Robert Harris Council Sitting Fee - July to December 2020	1,240.00

Chq/EFT	Description	Amount
EFT5849	Ranger Duties	241.50
EFT5850	1x new lock for Cuballing Rec centre	69.49
EFT5851	Repairs to Landcruiser fire ute	6,138.23
EFT5852	Cement Stabilising as per Tender 1 RFT 1/2019	39,673.59
EFT5853	Repair and re-grout Shire office roof	264.00
EFT5854	Repairs to wheels of P264/CN3455 Haulmore tri axle side tipping trailer	3,175.36
EFT5855	Synergy Reimbursement - MWS	148.64
EFT5856	2 x Keep Left signs	83.60
EFT5857	Fitting of windscreen /rear on Rubber roller	458.70
EFT5858	Catering	434.00
EFT5859	1 x new cutting edge for Komatsu GP bucket with teeth and new bolts	1,322.41
EFT5860	Deborah Hopper Council Sitting Fees July to December 2020	1,552.00
EFT5861	Excavator hire installing Culverts Wandering Narrogin Road	6,006.00
EFT5862	Fauna spotter and reports as per DWER guide lines	1,980.00
EFT5863	Monthly Town Planning Advice Expenses Additional Services over 2020/21 Budget 10 hours per month for 7 months.	2,780.80
EFT5864	Bulk Diesel Supply and Delivery - 4,000 Litres of Diesel	5,852.71
EFT5865	Design Services for Independent Aged Living Units	3,775.20
EFT5866	Excavator with Grab hire for Wandering Narrogin road Tree removal	6,050.00
EFT5867	Monthly NBN charges with Trend Micro Security	84.70
EFT5868	20mm 100 x 300 steel plate	15.84
EFT5869	1 x Millwalkee 3/4 drive rattle gun for Cat grader	748.00
EFT5870	4 x new trailer tyres for side tipper	1,658.00
EFT5871	Freight Charges - JR & A Hersey Pty Ltd	11.94
EFT5872	Uniforms	1,335.75

Chq/EFT	Description	Amount
EFT5873	Rear window for muliti tyre roller with heat element	1,483.89
EFT5874	Find and Fix Transmission fault on 930G Cat Loader	63,534.65
20042	Planning Application - Grouped Development - Lot 7 Alton Street and Lot 90 Beeston Street, Cuballing	3,499.00
20043	Mobile Enhanced SMS Message Harvest Ban Service	203.20
20044	Groceries	299.80
20045	Monthly Electricity Charge Street Lightning x 42 Lights	3,474.27
20046	Service Charge - Shire Office	577.45
DD2505.1	Superannuation contributions	239.72
DD2505.2	Payroll deductions	5,736.24
DD2505.3	Superannuation contributions	188.75
DD2505.4	Superannuation contributions	466.87
DD2505.5	Superannuation contributions	452.20
DD2505.6	Superannuation contributions	130.84
DD2508.1	Monthly Internet Connection	89.99
DD2517.1	DCEO Credit Card - WA Planning Commission - Form1A Freehold Application	2,995.79
DD2520.1	Superannuation contributions	258.13
DD2520.2	Payroll deductions	5,856.49
DD2520.3	Superannuation contributions	203.94
DD2520.4	Superannuation contributions	458.17
DD2520.5	Superannuation contributions	437.36
DD2520.6	Superannuation contributions	130.84
		321,558.53

CREDIT CARD TRANSACTIONS

Supplier	DETAIL OF PURCHASE	TOTAL
WA Planning Commission	Freehold Application by Caldwell Land Surveys	2,406.00
J & K Hopkins Osborne Park	Desk Hob for Main Office	229.00
Aussie Broadband	Monthly NBN Internet Connection Subscription	79.00
Sage Perth	Supervisors Training – Administration Officer	281.79
GRAND TOTAL		2,995.79

9.1.3 Statement of Financial Activity – December 2020

Applicant:	N/A
File Ref. No:	ADM214
Disclosure of Interest:	Nil
Date:	25 th January 2021
Author:	Bronwyn Dew, Deputy Chief Executive Officer
Attachments:	9.1.3A Statement of Financial Activity for Period Ending 31 st December 2020

Summary

Council is to consider the Statement of Financial Activity for December 2020.

Background

As per the Financial Management Regulation 34 each Local Government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1) (d), for that month with the following detail

- The annual budget estimates;
- The operating revenue, operating income, and all other income and expenses;
- Any significant variations between year to date income and expenditure and the relevant budget provisions to the end of the relevant reporting period;
- Identify any significant areas where activities are not in accordance with budget estimates for the relevant reporting period;
- Provide likely financial projections to 30 June for those highlighted significant variations and their effect on the end of year result;
- Include an operating statement; and
- Any other required supporting notes.

Comment

Operating Revenue key points include;

- General Purpose Funding – Rates were raised on 31st July 2020;
- Transport – MRWA Direct Grant amount received \$81,920;
- Transport – First 40% claim for Regional Road Group has been received;
- Transport – Roads to Recovery 2nd Quarter funding has been received;
- Recreation and Culture – Initial Yornaning Dam grant funding has been received;
- Financial Assistance Grants – 2nd Quarterly payment has been received;
- FESA – ESL grant funding – payment of 2020/21 grant has been received;
- Income from the sale of the Building Officers Vehicle has been received;
- Local Regional Community & Infrastructure Grant – Initial 50% received;
- National Road Safety Week Grant Funding of \$1,470 has been received;
- Community Amenities – Unbudgeted Planning income received;
- FESA overspend of \$19,387 from 2019/20 has been received;
- FESA vehicle repairs reimbursement has been claimed;
- CSRFF Grant funding for Tennis Club Lighting has been received;
- Unbudgeted Fire Mitigation Grant Funding – initial claim received; and
- Private Works – budgeted income underbudget.

Operating Expenses – The key items of variance include:

- Overall the month expenditure is below the YTD budget;

- Insurance expenses are overbudget by \$4,764; and
 - Capital expenses are underbudget – due to timing of major projects.
- Detailed breakdown of all variances provided in Note 2 of the Statement of Financial Activity.

Administration Allocations have been calculated to 31st December 2020.

Depreciation expense is calculated to 31st December 2020.

Strategic Implications – Nil

Statutory Environment – Nil

Policy Implications – Nil

Financial Implications – Nil

Economic Implication – Nil

Environmental Considerations – Nil

Consultation – Nil

Options

Council may resolve:

1. the Officer's Recommendation; or
2. not to receive the Statement of Financial Activity.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION:

That the Statement of Financial Activity for the period ending 31st December 2020, as included at Attachment 9.1.3A for the Shire of Cuballing for period ending 31st December 2020 be received.

SHIRE OF CUBALLING

MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the Period Ended 31 December 2020

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

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MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

INFORMATION

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 31 December 2020

Prepared by: Bronwyn Dew, Deputy Chief Executive Officer

Reviewed by: Gary Sherry, Chief Executive Officer

BASIS OF PREPARATION

REPORT PURPOSE

This report is prepared to meet the requirements of Local Government (Financial Management) Regulations 1996, Regulation 34. Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

BASIS OF ACCOUNTING

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

THE LOCAL GOVERNMENT REPORTING ENTITY

All Funds through which the Council controls resources to carry on its functions have been included in this statement. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 12.

SIGNIFICANT ACCOUNTING POLICES

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

CRITICAL ACCOUNTING ESTIMATES

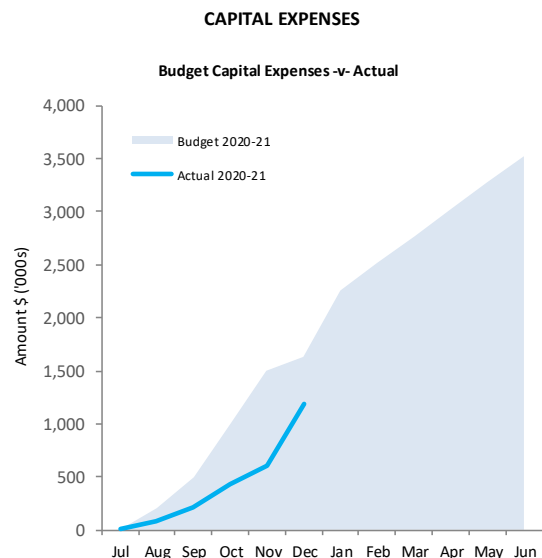
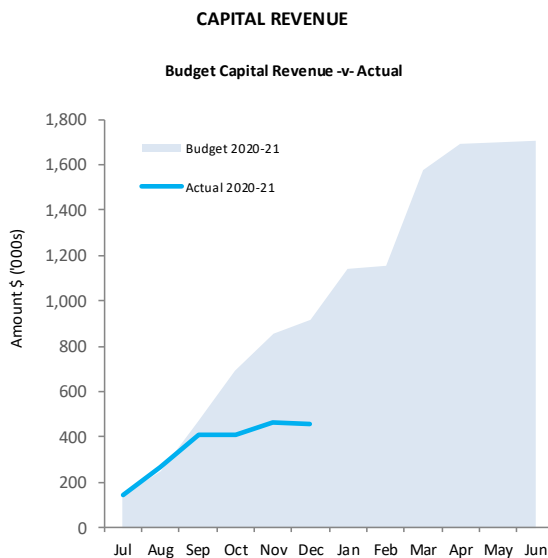
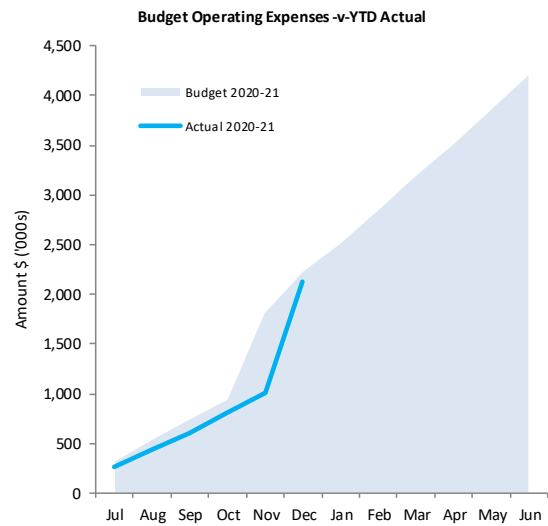
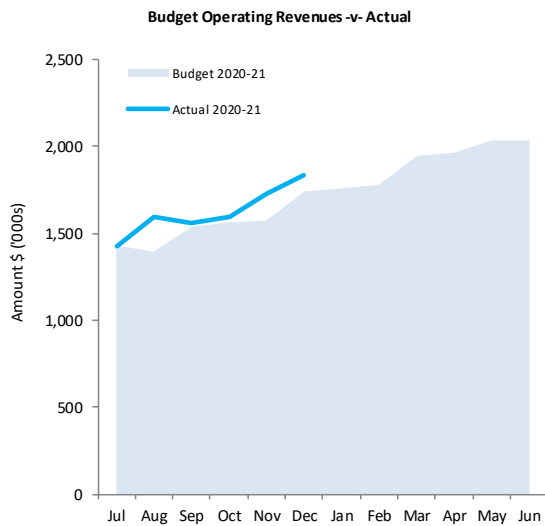
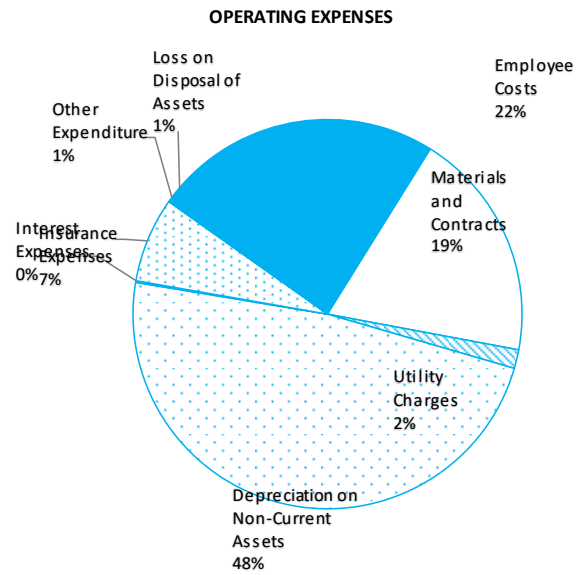
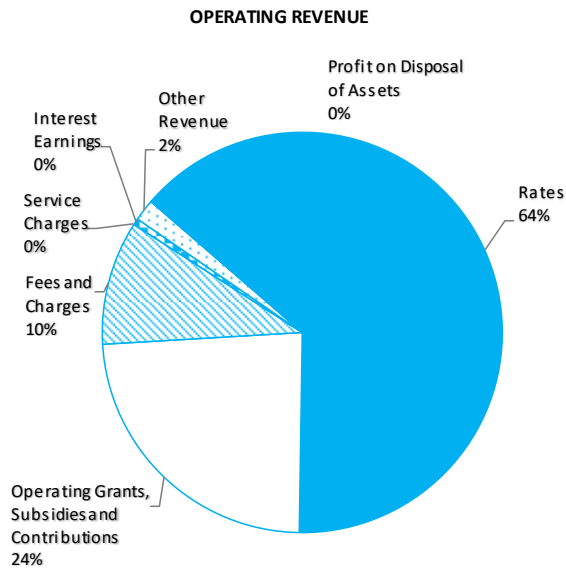
The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

**MONTHLY FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2020**

SUMMARY GRAPHS



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 31 DECEMBER 2020

STATUTORY REPORTING PROGRAMS

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAM NAME	OBJECTIVE	ACTIVITIES
GOVERNANCE	Administration and operation of facilities and services to members of council, other costs that relate to tasks of elected members and ratepayers on matters which do not concern specific council activities	Complete Council meetings, Complete all Administration activities, Lobby other levels of government to support the aims of the Shire of Cuballing
GENERAL PURPOSE FUNDING	Rates, general purpose government grants and interest revenue	Manage Rates and collection. Maintain Property Data
LAW, ORDER, PUBLIC SAFETY	Supervision of various local laws, fire prevention, emergency services and animal control.	Provide ranger service, bush fire and emergency management
HEALTH	Inspections of septic and food control	Inspect food premises.
EDUCATION AND WELFARE	Support school activities	Provide activities of support of local schools
HOUSING	Provision and maintenance of staff housing	Provide staff & other housing
COMMUNITY AMENITIES	Operation of refuse sites, noise control and administration of Town Planning Scheme	Provision of waste & recycling services including the operation of the Cuballing & Popanyinning transfer stations. Also includes the provision of town planning services.
RECREATION AND CULTURE	Maintenance of halls, recreation centre and various reserves. Support library services in Narrogin.	Maintain halls & Civic buildings, parks and gardens and recreational facilities including managing the Dryandra Equestrian Centre lease.
TRANSPORT	Construction and maintenance of streets, roads, bridges, footpaths, drainage works, traffic signs, bus shelters and depot maintenance.	Maintain and protect local environmentally significant areas including the maintenance of Council roads and footpaths. Also includes the provision of vehicle licensing services.
ECONOMIC SERVICES	The regulation and provision of tourism, area promotion, building control, noxious weeds, vermin control and standpipes.	Control of noxious weeds on council property, DrumMuster and provision of building registration services. Includes tourism and promotion and supporting the Dryandra Country Visitors Centre.
OTHER PROPERTY AND SERVICES	Private works operation, plant repairs and operation costs.	Includes private works, overhead and plant allocations and the provision of building surveying services.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2020**

STATUTORY REPORTING PROGRAMS

	Ref Note	Annual Budget	YTD Budget	YTD Actual	Variance (\$)	Variance (%)
		\$	\$	\$	\$	%
Opening Funding Surplus(Deficit)	1(b)	945,522	945,522	1,106,989	161,467	17%
Revenue from operating activities						
General Purpose Funding	5	1,484,292	1,380,456	1,343,516	(36,940)	(3%)
Governance		1,780	882	13,163	12,281	1,392% ▲
Law, Order and Public Safety		35,444	23,620	123,124	99,504	421% ▲
Health		800	396	536	140	35%
Education and Welfare		1,000	498	0	(498)	(100%)
Housing		4,680	2,340	2,340	0	0%
Community Amenities		71,830	71,178	123,849	52,671	74% ▲
Recreation and Culture		25,150	21,022	25,052	4,030	19%
Transport		283,262	182,583	172,556	(10,027)	(5%)
Economic Services		38,650	13,306	11,586	(1,720)	(13%)
Other Property and Services		92,000	43,496	25,060	(18,436)	(42%) ▼
		2,038,888	1,739,777	1,840,781		
Expenditure from operating activities						
General Purpose Funding		(78,415)	(39,198)	(45,113)	(5,915)	(15%) ▼
Governance		(131,679)	(100,445)	(92,416)	8,029	8%
Law, Order and Public Safety		(182,585)	(96,922)	(137,874)	(40,952)	(42%) ▼
Health		(45,440)	(25,704)	(26,085)	(381)	(1%)
Education and Welfare		(21,728)	(10,842)	(11,541)	(699)	(6%)
Housing		(37,745)	(18,840)	(15,112)	3,728	20%
Community Amenities		(337,403)	(168,582)	(183,262)	(14,680)	(9%)
Recreation and Culture		(380,209)	(200,660)	(196,130)	4,530	2%
Transport		(2,770,985)	(1,347,210)	(1,185,911)	161,299	12% ▲
Economic Services		(152,740)	(79,266)	(90,078)	(10,812)	(14%) ▼
Other Property and Services		(59,000)	(138,456)	(155,038)	(16,582)	(12%) ▼
		(4,197,928)	(2,226,125)	(2,138,559)		
Operating activities excluded from budget						
Add Back Depreciation		1,962,282	981,102	1,028,983	47,881	5%
Adjust (Profit)/Loss on Asset Disposal	6	155,513	38,880	12,581	(26,299)	(68%) ▼
Adjust Provisions and Accruals		0	0	0	0	
Amount attributable to operating activities		(41,245)	533,634	743,785		
Investing Activities						
Non-operating Grants, Subsidies and Contributions	10	1,702,022	913,369	456,925	(456,444)	(50%) ▼
Proceeds from Disposal of Assets	6	138,000	46,000	48,305	2,305	5%
Land Held for Resale		0	0	0	0	
Capital Acquisitions	7	(3,530,068)	(1,625,083)	(1,189,258)	435,825	27% ▲
Amount attributable to investing activities		(1,690,046)	(665,714)	(684,028)		
Financing Activities						
Proceeds from New Debentures		310,000	310,000	0	(310,000)	(100%) ▼
Repayment of Debentures	8	(57,073)	(28,264)	(28,264)	0	0%
Transfer from Reserves	9	551,774	0	0	0	
Transfer to Reserves	9	(17,545)	(3,310)	(3,310)	0	0%
Amount attributable to financing activities		787,156	278,426	(31,574)		
Wardering Road Bridge Widening						
Closing Funding Surplus(Deficit)	1(b)	1,387	1,091,868	1,135,172		

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold. Refer to Note 2 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2020/21 year is \$5,000 or 10% whichever is the greater.

This statement is to be read in conjunction with the accompanying Financial Statements and notes.

KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 31 DECEMBER 2020

NATURE OR TYPE DESCRIPTIONS

REVENUE

RATES

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude administration fees, interest on instalments, interest on arrears and service charges.

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

PROFIT ON ASSET DISPOSAL

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations 1996 identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

INTEREST EARNINGS

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

EXPENSES

EMPLOYEE COSTS

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets.

INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2020**

BY NATURE OR TYPE

	Ref Note	Annual Budget	YTD Budget	YTD Actual	Variance (\$)	Variance (%)	
		\$	\$	\$	\$	%	
Opening Funding Surplus (Deficit)	1(b)	945,522	945,522	1,106,989	161,467	17%	▲
Revenue from operating activities							
Rates	5	1,171,584	1,177,460	1,175,361	(2,099)	(0%)	
Operating Grants, Subsidies and Contributions	10	615,168	398,599	438,449	39,850	10%	
Fees and Charges		166,672	115,833	184,365	68,531	59%	▲
Interest Earnings		20,800	10,386	9,640	(746)	(7%)	
Other Revenue		64,665	37,499	32,093	(5,406)	(14%)	▼
Profit on Disposal of Assets	6	0	0	874	874		
		2,038,888	1,739,777	1,840,781			
Expenditure from operating activities							
Employee Costs		(996,469)	(566,594)	(480,693)	85,901	15%	▲
Materials and Contracts		(804,728)	(425,064)	(407,897)	17,167	4%	
Utility Charges		(67,601)	(33,708)	(33,297)	411	1%	
Depreciation on Non-Current Assets		(1,962,282)	(981,102)	(1,028,983)	(47,881)	(5%)	
Interest Expenses		(5,383)	(2,688)	(2,964)	(276)	(10%)	
Insurance Expenses		(147,848)	(146,191)	(150,955)	(4,764)	(3%)	
Other Expenditure		(58,105)	(31,898)	(20,317)	11,581	36%	▲
Loss on Disposal of Assets	6	(155,513)	(38,880)	(13,455)	25,425		
		(4,197,928)	(2,226,125)	(2,138,559)			
Operating activities excluded from budget							
Add back Depreciation		1,962,282	981,102	1,028,983	47,881	5%	
Adjust (Profit)/Loss on Asset Disposal	6	155,513	38,880	12,581	(26,299)	(68%)	▼
Adjust Provisions and Accruals		0	0	0	0		
Amount attributable to operating activities		(41,245)	533,634	743,785			
Investing activities							
Non-operating grants, subsidies and contributions	10	1,702,022	913,369	456,925	(456,444)	(50%)	▼
Proceeds from Disposal of Assets	6	138,000	46,000	48,305	2,305	5%	
Land held for resale		0	0	0	0		
Capital acquisitions	7	(3,530,068)	(1,625,083)	(1,189,258)	435,825	27%	▲
Amount attributable to investing activities		(1,690,046)	(665,714)	(684,028)			
Financing Activities							
Proceeds from New Debentures		310,000	310,000	0	(310,000)	(100%)	▼
Repayment of Debentures	8	(57,073)	(28,264)	(28,264)	0	0%	
Transfer from Reserves	9	551,774	0	0	0		
Transfer to Reserves	9	(17,545)	(3,310)	(3,310)	0	0%	
Amount attributable to financing activities		787,156	278,426	(31,574)			
Closing Funding Surplus (Deficit)	1(b)	1,387	1,091,868	1,135,172			

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold. Refer to Note 2 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2020**

SIGNIFICANT ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

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

EMPLOYEE BENEFITS

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) Wages, Salaries, Annual Leave and Long Service Leave
(Short-term Benefits)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the City has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the City expects to pay and includes related on-costs.

(ii) *Annual Leave and Long Service Leave (Long-term Benefits)*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the project unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the City does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

PROVISIONS

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one of item included in the same class of obligations may be small.

INVENTORIES

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2020

OPERATING ACTIVITIES
NOTE 1(b)
ADJUSTED NET CURRENT ASSETS

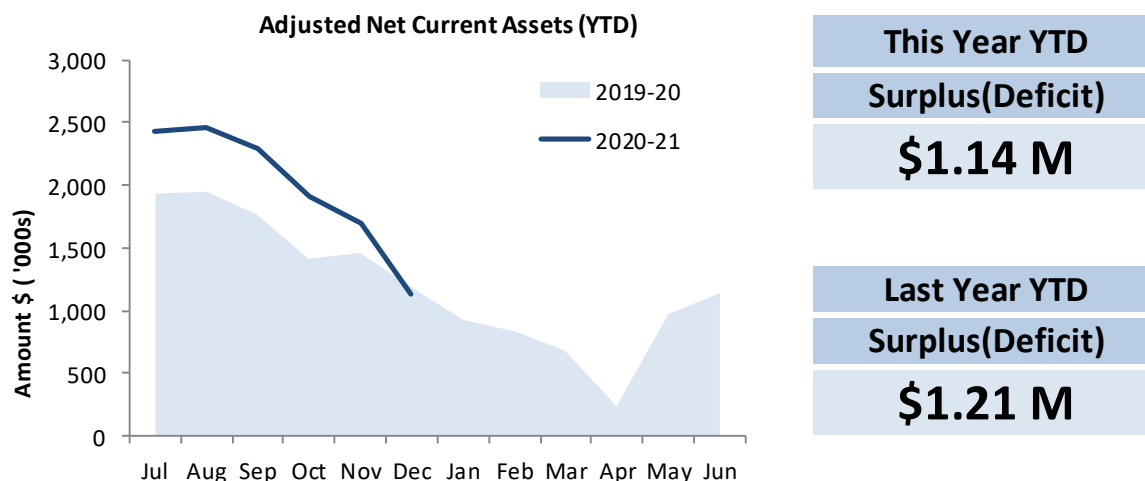
Adjusted Net Current Assets	Rf Note	Last Years Closing	This Time Last Year	Year to Date Actual
		30 June 2020	31 Dec 2019	31 Dec 2020
		\$	\$	\$
Current Assets				
Cash Unrestricted	3	1,008,179	1,056,572	1,009,500
Cash Restricted	3	1,316,404	1,587,125	1,319,714
Receivables - Rates	4	101,076	182,017	156,769
Receivables - Other	4	113,119	44,035	9,863
Loans receivable		0	0	0
ATO Receivable		51	(17,157)	0
Inventories		6,061	8,986	6,061
		2,544,890	2,861,577	2,501,907
Less: Current Liabilities				
Payables		(119,366)	(65,384)	(44,941)
ATO Payables		0	4,142	0
Provisions - employee		(196,543)	(209,084)	(196,543)
Long term borrowings		(57,073)	(27,730)	(28,809)
Bonds & Deposits		(2,131)	2,201	(2,080)
		(375,113)	(298,056)	(272,373)
Unadjusted Net Current Assets		2,169,777	2,563,521	2,229,534
Adjustments and exclusions permitted by FM Reg 32				
Less: Cash reserves	3	(1,316,404)	(1,587,125)	(1,319,714)
Less: Loans receivable		0	0	0
Add: Provisions - employee		196,543	209,084	196,543
Add: Long term borrowings		57,073	27,730	28,809
Adjusted Net Current Assets		1,106,989	1,213,210	1,135,172

SIGNIFICANT ACCOUNTING POLICIES

Please see Note 1(a) for information on significant accounting policies relating to Net Current Assets.

KEY INFORMATION

The amount of the adjusted net current assets at the end of the period represents the actual surplus (or deficit if the figure is a negative) as presented on the Rate Setting Statement.



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2020**

**NOTE 2
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.

The material variance adopted by Council for the 2020/21 year is \$5,000 or 10% whichever is the greater.

Reporting Program	Var. \$	Var. %	Variance	Timing/ Permane	Explanation of Variance
	\$	%			
Revenue from operating activities					
Governance	12,281	1,392%	▲	Permanent	Insurance reimbursement for truck hire & Trainee Subsidy
General Purpose Funding	(36,940)	(3%)		Permanent	Grant Commission Income less than budgeted
Law, Order and Public Safety	99,504	421%	▲	Permanent	Fire Mitigation Grant Income
Health	140	35%		Timing	Not Material
Education and Welfare	(498)	(100%)		Timing	Not Material
Housing	0	0%		Timing	Not Material
Community Amenities	52,671	74%	▲	Permanent	Income from planning applications
Recreation and Culture	4,030	19%		Timing	Timing of grant income payments
Transport	(10,027)	(5%)		Permanent	Local Road Grant less than budgeted
Economic Services	(1,720)	(13%)		Timing	Income relating to tourism less than budgeted
Other Property and Services	(18,436)	(42%)	▼	Timing	Private Works income less than budgeted & Wokres Compensation Claims less than budgeted
Expenditure from operating activities					
Governance	8,029	8%		Timing	Administration Salaries under budget
General Purpose Funding	(5,915)	(15%)	▼	Permanent	Debt collection costs. (recoverable costs)
Law, Order and Public Safety	(40,952)	(42%)	▼	Permanent	Repairs to Fire Vehicles over budget, Claimable
Health	(381)	(1%)		Timing	Health underbudget - general
Education and Welfare	(699)	(6%)		Permanent	Repairs to Bus Shelter (Insurance Claim)
Housing	3,728	20%		Timing	Housing maintenance under budget
Community Amenities	(14,680)	(9%)		Permanent	Planning costs
Recreation and Culture	4,530	2%		Timing	Halls maintenance over budget
Transport	161,299	12%	▲	Timing	Road maintenance underbudget
Economic Services	(10,812)	(14%)	▼	Timing	Standpipe costs over budget
Other Property and Services	(16,582)	(12%)	▼	Timing	Parts & repairs over budget
Investing Activities					
Non-operating Grants, Subsidies and Contributions	(456,444)	(50%)	▼	Timing	Timing of grant income for roads projects
Proceeds from Disposal of Assets	2,305	5%		Timing	Relates to timing of plant changeover
Land Held for Resale	0				Not Applicable
Capital Acquisitions	435,825	27%	▲	Timing	Capital works program
Financing Activities					
Proceeds from New Debentures	(310,000)	(100%)	▼	Timing	Aged Persons Accommodation
Transfer from Reserves	0			Timing	Not material
Repayment of Debentures	0	0%		Timing	Not material
Transfer to Reserves	0	0%		Timing	Not material

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2020

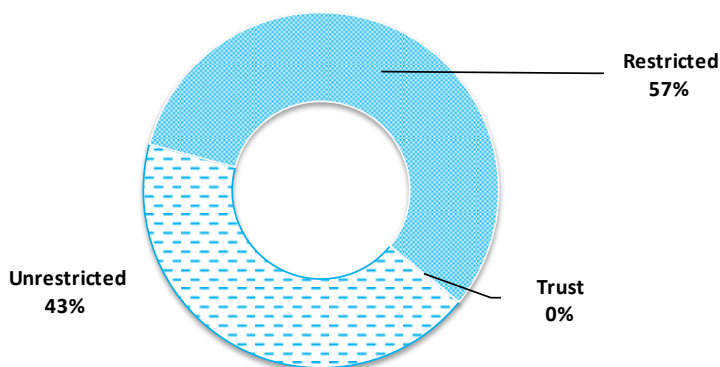
Cash and Investments	Unrestricted	Restricted	Trust	Total	Institution	Interest Rate	Maturity Date
				YTD Actual			
	\$	\$	\$	\$			
Cash on Hand							
Petty Cash and Floats	700			700	NAB	0.00%	At Call
At Call Deposits							
Municipal Fund	1,008,800			1,008,800	NAB	0.00%	At Call
Term Deposits							
Reserve Funds		1,319,714		1,319,714	NAB	0.80%	10-Jan-21
Total	1,009,500	1,319,714	0	2,329,214			

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.



Total Cash	Unrestricted
\$2.33 M	\$1.01 M

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2020

OPERATING ACTIVITIES
NOTE 4
RECEIVABLES

Rates Receivable	30 June 2020	31 Dec 20
	\$	\$
Opening Arrears Previous Year	63,701	101,076
Levied this year	1,258,745	1,260,109
Less Collections to date	(1,221,370)	1,204,416
Equals Current Outstanding	101,076	156,769
Net Rates Collectable	101,076	156,769
% Collected	91.97%	87.56%

Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$
Receivables - General	5,013	477	0	4,373	9,863
Percentage	51%	5%	0%	44%	
Balance per Trial Balance					
Sundry debtors					9,863
GST receivable					0
Total Receivables General Outstanding					9,863

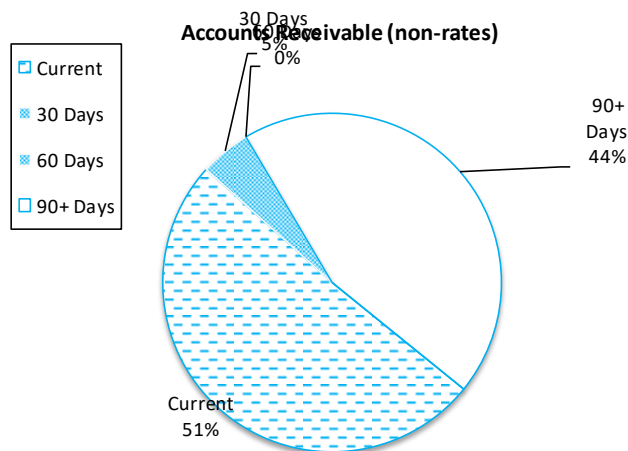
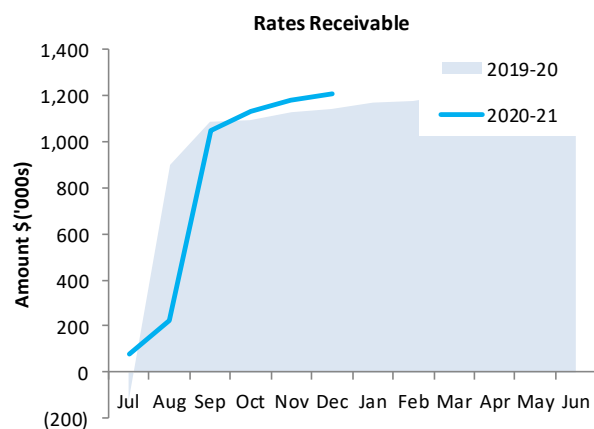
Amounts shown above include GST (where applicable)

KEY INFORMATION

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

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.



Debtors Due
\$9,863
Over 30 Days
49%
Over 90 Days
44%

Collected	Rates Due
88%	\$156,769

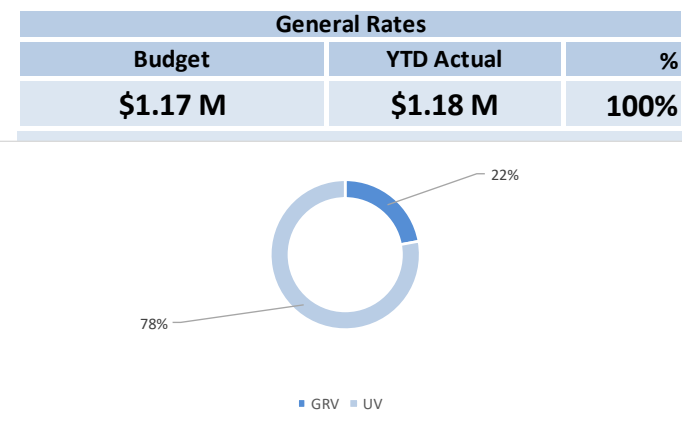
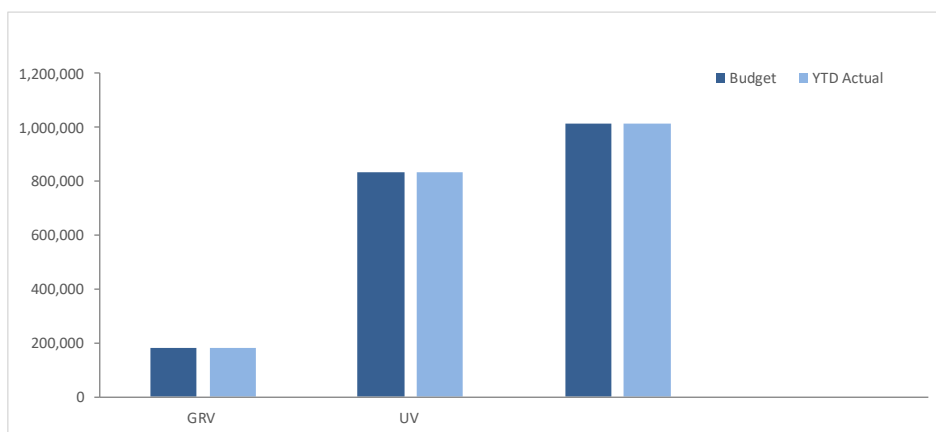
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2020

OPERATING ACTIVITIES
NOTE 5
RATE REVENUE

General Rate Revenue	Annual Budget							YTD Actual			
	Rate in	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
RATE TYPE	\$			\$	\$	\$	\$	\$	\$	\$	\$
Differential General Rate											
GRV	0.0770	187	2,350,114	180,888	0	0	180,888	180,888	0	0	180,888
UV	0.0068	181	122,755,879	835,231	0	0	835,231	835,231	0	0	835,231
Sub-total		368	125,105,993	1,016,119	0	0	1,016,119	1,016,119	0	0	1,016,119
Minimum \$											0
GRV	690	142		97,980	0	0	97,980	97,980	0	0	97,980
UV	930	157		146,010	0	0	146,010	146,010	0	0	146,010
		299	0	243,990	0	0	243,990	243,990	0	0	243,990
Sub-Totals		667	125,105,993	1,260,109	0	0	1,260,109	1,260,109	0	0	1,260,109
Discount							(76,775)				(82,090)
Concession / Write Offs							(7,000)				(123)
COVID Subsidy							(5,000)				(3,005)
Interim Rates							250				0
Ex-Gratia Rates							446				469
Amount from General Rates							1,171,584				1,175,360
Ex-Gratia Rates											0
Total General Rates							1,171,584				1,175,360

SIGNIFICANT ACCOUNTING POLICIES

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.



OPERATING ACTIVITIES

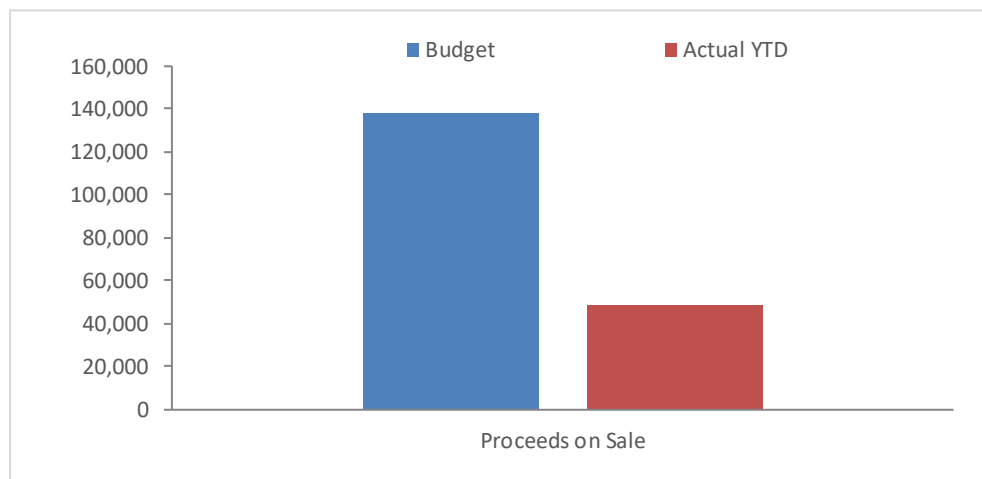
NOTE 6

DISPOSAL OF ASSETS

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2020**

Asset Ref.	Asset Description	Amended Budget				YTD Actual		
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit
		\$	\$	\$	\$	\$	\$	\$
1	Komatsu Grader	232,500	90,000		(142,500)			0
10100	CEO Vehicle	28,127	17,000		(11,127)	14,545		(13,455)
15	CN027 Holden Colorado Ute 4X4	32,886	31,000		(1,886)	33,760	874	
		293,513	138,000	0	(155,513)	48,305	874	(13,455)

KEY INFORMATION



Proceeds on Sale		
Budget	YTD Actual	%
\$138,000	\$48,305	35%

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2020

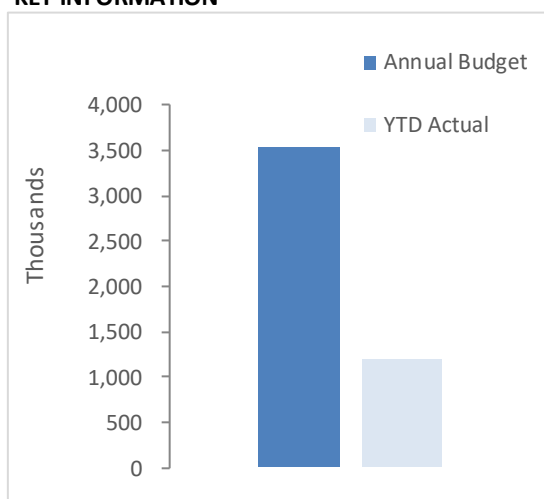
INVESTING ACTIVITIES
NOTE 7
CAPITAL ACQUISITIONS

Capital Acquisitions	Amended		YTD Actual Total	YTD Budget Variance
	Annual Budget	YTD Budget		
	\$	\$	\$	\$
Land & Buildings	1,518,697	356,812	77,222	279,590
Plant & Equipment	494,424	494,424	446,869	47,555
Furniture & Equipment	0	0	0	0
Roads	1,336,233	667,974	576,226	91,748
Recreation	31,065	31,065	33,416	(2,351)
Parks, Gardens, Recreation Facilities	112,150	56,064	39,804	16,260
Other Infrastructure	37,500	18,744	15,720	3,024
Capital Expenditure Totals	3,530,068	1,625,083	1,189,258	435,825
Capital Acquisitions Funded By:				
	\$	\$	\$	\$
Capital grants and contributions	1,702,022	913,369	456,925	(456,444)
Borrowings	310,000	310,000	0	(310,000)
Other (Disposals & C/Fwd)	138,000	46,000	48,305	2,305
Cash Backed Reserves				
Infrastructure Reserve	329,311	0	0	0
Pensioner Unit Maintenance Reserve	0	0	0	0
Plant Replacement Reserve	40,000	0	0	0
Contribution - operations	1,010,735	355,714	684,028	328,314
Capital Funding Total	3,530,068	1,625,083	1,189,258	(435,825)

SIGNIFICANT ACCOUNTING POLICIES

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

KEY INFORMATION



Acquisitions	Annual Budget	YTD Actual	% Spent
	\$3.53 M	\$1.19 M	34%
Capital Grant	Annual Budget	YTD Actual	% Received
	\$1.7 M	\$.46 M	27%

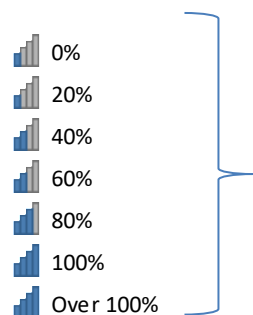
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2020

INVESTING ACTIVITIES
NOTE 7

CAPITAL ACQUISITIONS (CONTINUED)

Capital Expenditure Total










Level of Completion Indicators

























Percentage YTD Actual to Annual Budget

Expenditure over budget highlighted in red.

 Level of completion indicator

	Acc / Job	Annual Budget	YTD Budget	YTD Actual	Variance
Capital Expenditure					
Land					
 Cuballing Railway Reserve Design	C176A	30,000	15,000	20,336	(5,336)
Buildings					
 Administration Building Disabled Access	J4114C	62,833	31,416	0	31,416
 Building Renewal - Cuballing Memorial Park	C176	99,309	49,638	2,961	46,677
 Cuballing Town Hall Drainage	C162A	25,879	12,918	0	12,918
 Cuballing Town Hall - Paint Exterior	C162B	14,400	7,200	0	7,200
 Cuballing Cemtery Upgrade 2019/20	C161	5,000	2,496	0	2,496
 Popanyinning Main Street Refurbishment	C193	73,800	36,900	20,040	16,860
 Aged Persons Accommodation	C084	1,207,475	201,244	31,286	169,958
 Fire Shed Extension - Carry over 2019/20	05140	0	0	2,599	(2,599)
Total Land & Buildings		1,518,697	356,812	77,222	279,590

Plant & Equipment						
	Grader	12412	395,000	395,000	368,700	26,300
	Rake For Loader	12410	18,500	18,500	18,500	0
	Two Way System	12411	20,000	20,000	0	20,000
	CEO Vehicle	12405	55,924	55,924	55,171	753
	Tank for Depot	12413	5,000	5,000	4,498	502
	Total Plant & Equipment		494,424	494,424	446,869	47,555
Furniture & Equipment						
	Nil		0	0	0	0
	Total Furniture & Equipment		0	0	0	0
Infrastructure - Roads						
	RRG - Narrogin Wandering Road	R129B	158,635	79,296	148,700	(69,404)
	RRG - Stratherne Road 20/21	R001C	150,944	75,450	16,092	59,358
	RRG - Wandering Narrogin Road	R129D	350,069	175,020	60,870	114,150
	RTR - Popanyinning East Road Gravel Sheeting	RTR004	76,266	38,118	31,790	6,328
	RTR - Reeds Road Gravel Sheeting	RTR017	63,335	31,644	0	31,644
	RTR - Wandering Narrogin Road - Final Seal Stevens Road	RTR129	6,804	3,402	0	3,402
	BS - Narrogin Wandering Road Black Spot	BS129	472,670	236,322	144,141	92,181
	Congelin Road Culvert Renewal	CUL029	35,856	17,910	33,789	(15,879)
	Popanyinning East Road Drainage	R004H	21,654	10,812	3,664	7,148
	WSFN - Cuballing East Road	WSF006	0	0	137,180	(137,180)
	Total Road Infrastructure		1,336,233	667,974	576,226	228,927
Recreation						
	Tennis Club Lighting Upgrade	11128	31,065	31,065	33,416	(2,351)
	Total Recreation		31,065	31,065	33,416	(2,351)
Parks, Ovals & Playgrounds						
	Yornaning Dam - Stage 3	C189	77,150	38,568	3,627	34,941
	Yornaning Dam - Shade Sails	C195	35,000	17,496	36,178	(18,682)
	Total Parks, Ovals & Playgrounds		112,150	56,064	39,804	16,260
Other Infrastructure						
	Bridge Improvements - Capital Upgrade	11214	30,000	14,994	15,720	(726)
	Transfer Station Bin Lids	C163	7,500	3,750	0	3,750
	Total Other Infrastructure		37,500	18,744	15,720	3,024
	TOTAL CAPITAL EXPENDITURE		3,530,068	1,625,083	1,189,258	573,005

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2020

Information on Borrowings	2019/20	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
		Actual	Annual Budget	Actual	Annual Budget	Actual	Annual Budget	Actual	Annual Budget
Transport	\$	\$	\$	\$	\$	\$	\$	\$	\$
Loan 63 - Graders	71,505	0	0	20,900	42,266	50,605	29,239 0	1,385	2,305
Economic Services									
Loan 64 - Lot 74 Austral St	145,509			7,364	14,807	138,145	138,145	1,579	3,078
Education and Welfare									
Loan 65 - Aged Persons Housing			310,000				310,000		
Total	217,014	0	310,000	28,264	57,073	188,750	477,384	2,964	5,383

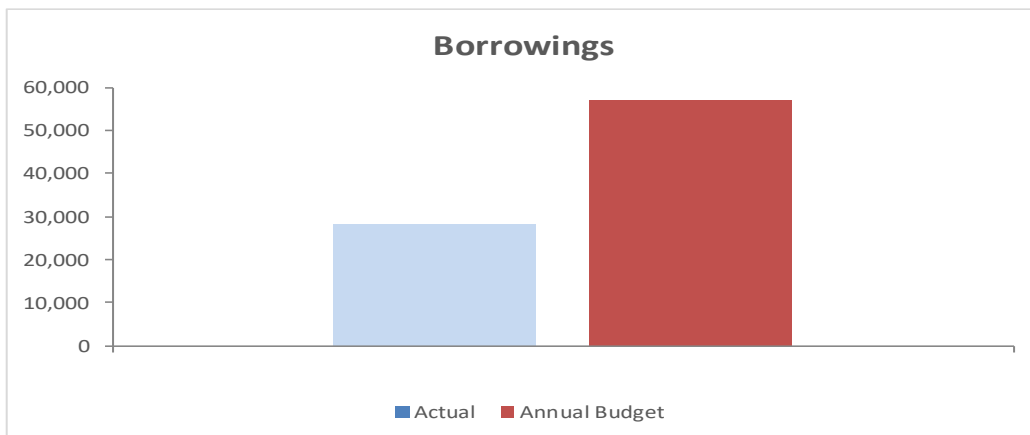
All debenture repayments were financed by general purpose revenue.

SIGNIFICANT ACCOUNTING POLICIES

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.



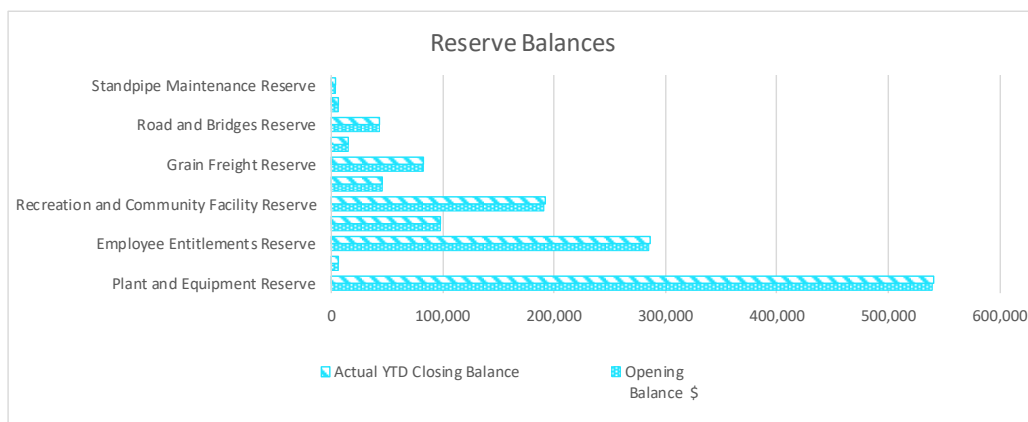
Principal Repayments	\$28,264
Interest Earned	\$2,964
Reserves Bal	Loans Due
\$1.32 M	\$0.19 M

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2020

Cash Backed Reserve

Reserve Name	Opening	Budget Interest	Actual Interest	Budget Transfers	Actual Transfers	Budget Transfers	Actual Transfers	Budget Closing	Actual YTD
	Balance	Earned	Earned	In (+)	In (+)	Out (-)	Out (-)	Balance	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Plant and Equipment Reserve	538,714	4,728	1,312		1,312	(329,311)		214,131	540,026
IT and Office Equipment Reserve	6,721	147	23		23	0		6,868	6,744
Employee Entitlements Reserve	284,971	2,598	701		701	(20,000)		267,569	285,672
Housing Reserve	97,840	754	231		231	(40,000)		58,594	98,071
Recreation and Community Facility Reserve	191,187	2,596	532		532	(129,309)		64,474	191,719
Refuse Site Reserve	45,216	841	142		142	(7,500)		38,557	45,358
Grain Freight Reserve	82,825	672	198		198	0		83,497	83,023
Equestrian Reserve	14,769	42	30	4,545	30	0		19,356	14,799
Road and Bridges Reserve	43,361	603	122		122	(21,654)		22,310	43,483
Community & Sporting Club Reserve	6,725	3	12		12	(4,000)		2,728	6,737
Standpipe Maintenance Reserve	4,075	16	9		9	0		4,091	4,084
	1,316,404	13,000	3,310	4,545	3,310	(551,774)	0	782,175	1,319,714

KEY INFORMATION



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2020

Attachment 9.1.3A
NOTE 10
GRANTS AND CONTRIBUTIONS

Grants and Contributions

Description	Annual Budget	YTD Budget	YTD Actual	Variance
Operating grants, subsidies and contributions				
General Purpose Funding				
Grants Commission - General Purpose	279,962	186,640	138,041	(48,599)
Governance				
Insurance - February Storm Damage	7,250	3,624	7,166	3,542
Insurance & Other Reimbursements	0	0	630	630
Department Primary Industries & Regional Development	0	0	0	0
Law, Order & Public Safety				
DFES - Bush Fire Brigades	32,194	22,000	34,591	12,591
Fire Mitigation Grant	0	0	84,825	84,825
Education & Welfare				
Good Things Foundation	1,000	498	0	(498)
Housing				
Rental Income	0	0	2,340	2,340
Community Amenities				
Other Income - Reimbursements	0	0	38	38
Recreation & Culture				
Cuballing Tennis Club - Contribution to lighting upgrade	0	0	10,335	10,335
Transport				
Main Roads - RRG	0	0	0	0
Main Roads - Direct Grant	81,920	81,920	81,920	0
Grants Commission - Roads Component	191,342	95,671	76,181	(19,490)
Economic Services				
Community Events	6,500	3,246	1,470	(1,776)
Other Property & Services				
Workers Compensation	15,000	5,000	912	(4,088)
Operating grants, subsidies and contributions Total	615,168	398,599	438,449	39,850
Non-operating grants, subsidies and contributions				
Education & Welfare				
Aged Person Accommodation Funding	443,223	0	0	0
Recreation & Culture				
Yornaning Dam Stage 3	53,130	26,562	10,000	(16,562)
CSRFF (Tennis Club Lighting)	10,355	10,355	10,355	0
Transport				
Main Roads - RRG	380,763	266,000	133,584	(132,416)
Roads to Recovery (RTR)	211,000	140,000	36,790	(103,210)
Black Spot (BS)	355,783	284,626	142,312	(142,314)
Other Infrastructure				
Community Infrastructure Grants	247,768	185,826	123,884	(61,942)
Non-operating grants, subsidies and contributions Total	1,702,022	913,369	456,925	(456,444)
Grand Total	2,317,190	1,311,968	895,374	(416,594)

KEY INFORMATION

Some reclassification between Operating & Capital grants, contributions & reimbursements is required

9.1.4 Statement of Financial Activity – January 2021

Applicant:	N/A
File Ref. No:	ADM214
Disclosure of Interest:	Nil
Date:	5 th February 2021
Author:	Bronwyn Dew, Deputy Chief Executive Officer
Attachments:	9.1.4A Statement of Financial Activity for the Period Ending 31 st January 2021

Summary

Council is to consider the Statement of Financial Activity for January 2021.

Background

As per the Financial Management Regulation 34 each Local Government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1) (d), for that month with the following detail

- The annual budget estimates;
- The operating revenue, operating income, and all other income and expenses;
- Any significant variations between year to date income and expenditure and the relevant budget provisions to the end of the relevant reporting period;
- Identify any significant areas where activities are not in accordance with budget estimates for the relevant reporting period;
- Provide likely financial projections to 30 June for those highlighted significant variations and their effect on the end of year result;
- Include an operating statement; and
- Any other required supporting notes.

Comment

Operating Revenue key points include;

- General Purpose Funding – Rates were raised on 31st July 2020;
- Transport – MRWA Direct Grant amount received \$81,920;
- Transport – First 40% claim for Regional Road Group has been received;
- Transport – Roads to Recovery 2nd Quarter funding has been received;
- Recreation and Culture – Initial Yornaning Dam grant funding has been received;
- Financial Assistance Grants – 2nd Quarterly payment has been received;
- FESA – ESL grant funding – payment of 2020/21 grant has been received;
- Income from the sale of the Building Officers Vehicle has been received;
- Local Regional Community & Infrastructure Grant – Initial 50% received;
- National Road Safety Week Grant Funding of \$1,470 has been received;
- Community Amenities – Unbudgeted Planning income received;
- FESA overspend of \$19,387 from 2019/20 has been received;
- FESA vehicle repairs reimbursement of \$51,688 has been received;
- CSRFF Grant funding for Tennis Club Lighting has been received;
- Unbudgeted Fire Mitigation Grant Funding – initial claim received; and
- Private Works – budgeted income underbudget.

Operating Expenses – The key items of variance include:

- Employee costs are underbudget;

- Insurance expenses are overbudget by \$4,764; and
 - Capital expenses are underbudget – due to timing of major projects.
- Detailed breakdown of all variances provided in Note 2 of the Statement of Financial Activity.

Administration Allocations have been calculated to 31st January 2021.

Depreciation expense is calculated to 31st January 2021.

Strategic Implications – Nil

Statutory Environment – Nil

Policy Implications – Nil

Financial Implications – Nil

Economic Implication – Nil

Environmental Considerations – Nil

Consultation – Nil

Options

Council may resolve:

1. the Officer's Recommendation; or
2. not to receive the Statement of Financial Activity.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION:

That the Statement of Financial Activity for the period ending 31st January 2021, as included at Attachment 9.1.4A for the Shire of Cuballing for period ending 31st January 2021 be received.

SHIRE OF CUBALLING

MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the Period Ended 31 January 2021

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

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MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2021

INFORMATION

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 31 January 2020

Prepared by: Bronwyn Dew, Deputy Chief Executive Officer

Reviewed by: Gary Sherry, Chief Executive Officer

BASIS OF PREPARATION

REPORT PURPOSE

This report is prepared to meet the requirements of Local Government (Financial Management) Regulations 1996, Regulation 34. Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

BASIS OF ACCOUNTING

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

THE LOCAL GOVERNMENT REPORTING ENTITY

All Funds through which the Council controls resources to carry on its functions have been included in this statement. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 12.

SIGNIFICANT ACCOUNTING POLICES

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

CRITICAL ACCOUNTING ESTIMATES

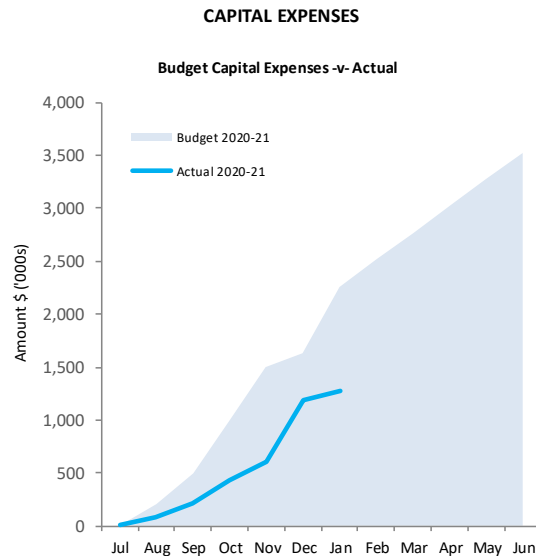
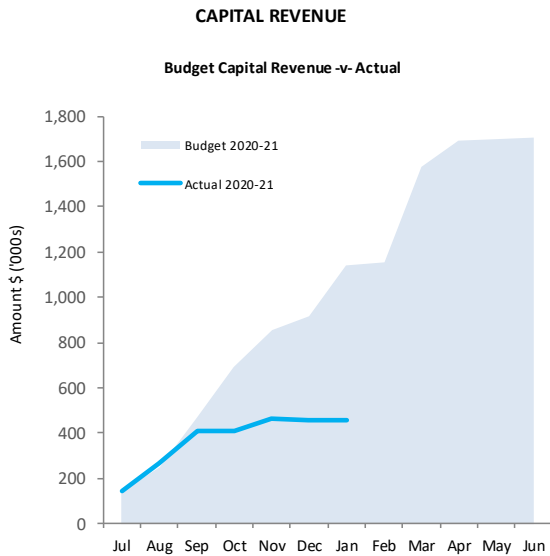
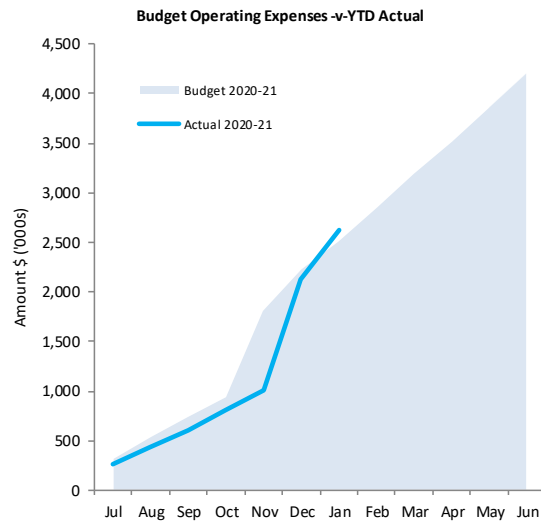
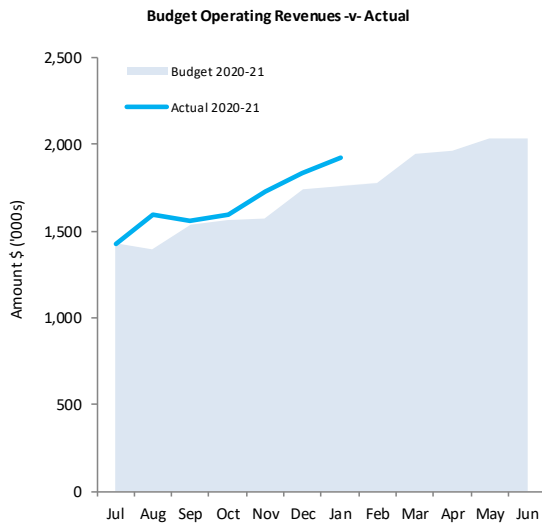
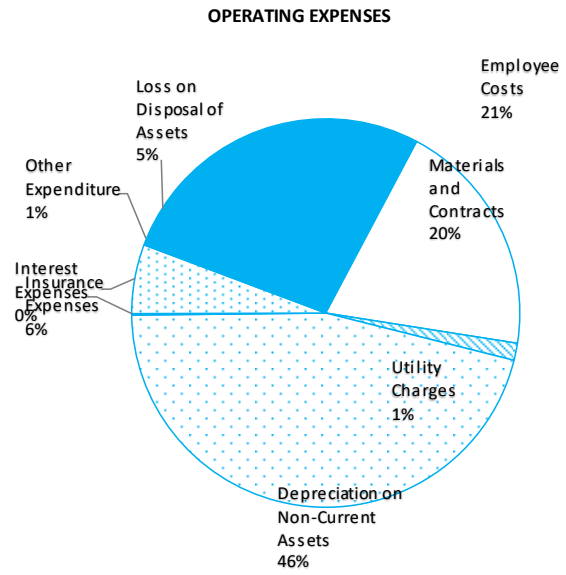
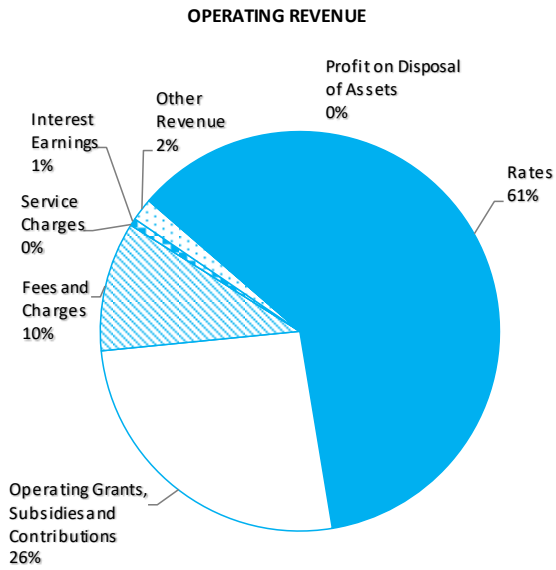
The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

**MONTHLY FINANCIAL REPORT
FOR THE PERIOD ENDED 31 JANUARY 2021**

SUMMARY GRAPHS



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

FOR THE PERIOD ENDED 31 JANUARY 2021

STATUTORY REPORTING PROGRAMS

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAM NAME	OBJECTIVE	ACTIVITIES
GOVERNANCE	Administration and operation of facilities and services to members of council, other costs that relate to tasks of elected members and ratepayers on matters which do not concern specific council activities	Complete Council meetings, Complete all Administration activities, Lobby other levels of government to support the aims of the Shire of Cuballing
GENERAL PURPOSE FUNDING	Rates, general purpose government grants and interest revenue	Manage Rates and collection. Maintain Property Data
LAW, ORDER, PUBLIC SAFETY	Supervision of various local laws, fire prevention, emergency services and animal control.	Provide ranger service, bush fire and emergency management
HEALTH	Inspections of septics and food control	Inspect food premises.
EDUCATION AND WELFARE	Support school activities	Provide activities of support of local schools
HOUSING	Provision and maintenance of staff housing	Provide staff & other housing
COMMUNITY AMENITIES	Operation of refuse sites, noise control and administration of Town Planning Scheme	Provision of waste & recycling services including the operation of the Cuballing & Popanyinning transfer stations. Also includes the provision of town planning services.
RECREATION AND CULTURE	Maintenance of halls, recreation centre and various reserves. Support library services in Narrogin.	Maintain halls & Civic buildings, parks and gardens and recreational facilities including managing the Dryandra Equestrian Centre lease.
TRANSPORT	Construction and maintenance of streets, roads, bridges, footpaths, drainage works, traffic signs, bus shelters and depot maintenance.	Maintain and protect local environmentally significant areas including the maintenance of Council roads and footpaths. Also includes the provision of vehicle licensing services.
ECONOMIC SERVICES	The regulation and provision of tourism, area promotion, building control, noxious weeds, vermin control and standpipes.	Control of noxious weeds on council property, DrumMuster and provision of building registration services. Includes tourism and promotion and supporting the Dryandra Country Visitors Centre.
OTHER PROPERTY AND SERVICES	Private works operation, plant repairs and operation costs.	Includes private works, overhead and plant allocations and the provision of building surveying services.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2021**

STATUTORY REPORTING PROGRAMS

	Ref Note	Annual Budget	YTD Budget	YTD Actual	Variance (\$)	Variance (%)
		\$	\$	\$	\$	%
Opening Funding Surplus(Deficit)	1(b)	945,522	945,522	1,106,989	161,467	17%
Revenue from operating activities						
General Purpose Funding	5	1,484,292	1,382,203	1,345,084	(37,119)	(3%)
Governance		1,780	1,029	16,439	15,410	1,498% ▲
Law, Order and Public Safety		35,444	23,890	186,399	162,509	680% ▲
Health		800	462	536	74	16%
Education and Welfare		1,000	581	0	(581)	(100%)
Housing		4,680	2,730	2,700	(30)	(1%)
Community Amenities		71,830	71,286	123,849	52,563	74% ▲
Recreation and Culture		25,150	24,731	25,293	562	2%
Transport		283,262	183,415	172,556	(10,859)	(6%)
Economic Services		38,650	22,857	25,649	2,792	12%
Other Property and Services		92,000	52,412	27,831	(24,581)	(47%) ▼
		2,038,888	1,765,596	1,926,336		
Expenditure from operating activities						
General Purpose Funding		(78,415)	(45,731)	(50,983)	(5,252)	(11%) ▼
Governance		(131,679)	(101,198)	(93,714)	7,484	7%
Law, Order and Public Safety		(182,585)	(111,171)	(152,546)	(41,375)	(37%) ▼
Health		(45,440)	(29,488)	(29,209)	279	1%
Education and Welfare		(21,728)	(12,649)	(12,643)	6	0%
Housing		(37,745)	(21,980)	(17,227)	4,753	22%
Community Amenities		(337,403)	(196,679)	(215,454)	(18,775)	(10%)
Recreation and Culture		(380,209)	(230,461)	(226,995)	3,466	2%
Transport		(2,770,985)	(1,584,484)	(1,473,774)	110,710	7%
Economic Services		(152,740)	(92,682)	(97,953)	(5,271)	(6%)
Other Property and Services		(59,000)	(125,182)	(250,745)	(125,563)	(100%) ▼
		(4,197,928)	(2,551,705)	(2,621,244)		
Operating activities excluded from budget						
Add Back Depreciation		1,962,282	1,144,619	1,203,537	58,918	5%
Adjust (Profit)/Loss on Asset Disposal	6	155,513	58,319	121,362	63,043	108% ▲
Adjust Provisions and Accruals		0	0	0	0	
Amount attributable to operating activities		(41,245)	416,829	629,991		
Investing Activities						
Non-operating Grants, Subsidies and Contributions	10	1,702,022	917,796	456,925	(460,871)	(50%) ▼
Proceeds from Disposal of Assets	6	138,000	46,000	48,305	2,305	5%
Land Held for Resale		0	0	0	0	
Capital Acquisitions	7	(3,530,068)	(1,976,052)	(1,276,002)	700,050	35% ▲
Amount attributable to investing activities		(1,690,046)	(1,012,256)	(770,771)		
Financing Activities						
Proceeds from New Debentures		310,000	310,000	0	(310,000)	(100%) ▼
Repayment of Debentures	8	(57,073)	(31,793)	(31,793)	0	0%
Transfer from Reserves	9	551,774	0	0	0	
Transfer to Reserves	9	(17,545)	(4,942)	(4,942)	0	0%
Amount attributable to financing activities		787,156	273,266	(36,734)		
Wardering Road Bridge Widening						
Closing Funding Surplus(Deficit)	1(b)	1,387	623,361	929,474		

KEY INFORMATION

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold. Refer to Note 2 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2020/21 year is \$5,000 or 10% whichever is the greater.

This statement is to be read in conjunction with the accompanying Financial Statements and notes.

KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 31 JANUARY 2021

NATURE OR TYPE DESCRIPTIONS

REVENUE

RATES

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude administration fees, interest on instalments, interest on arrears and service charges.

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

PROFIT ON ASSET DISPOSAL

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations 1996 identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

INTEREST EARNINGS

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

EXPENSES

EMPLOYEE COSTS

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets.

INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2021**

BY NATURE OR TYPE

	Ref Note	Annual Budget	YTD Budget	YTD Actual	Variance (\$)	Variance (%)	
		\$	\$	\$	\$	%	
Opening Funding Surplus (Deficit)	1(b)	945,522	945,522	1,106,989	161,467	17%	▲
Revenue from operating activities							
Rates	5	1,171,584	1,176,481	1,175,175	(1,306)	(0%)	
Operating Grants, Subsidies and Contributions	10	615,168	405,349	501,700	96,352	24%	▲
Fees and Charges		166,672	129,626	201,931	72,304	56%	▲
Interest Earnings		20,800	12,117	11,324	(793)	(7%)	
Other Revenue		64,665	42,023	35,332	(6,691)	(16%)	▼
Profit on Disposal of Assets	6	0	0	874	874		
		2,038,888	1,765,596	1,926,336			
Expenditure from operating activities							
Employee Costs		(996,469)	(638,649)	(560,303)	78,346	12%	▲
Materials and Contracts		(804,728)	(486,363)	(517,137)	(30,774)	(6%)	
Utility Charges		(67,601)	(39,326)	(37,313)	2,013	5%	
Depreciation on Non-Current Assets		(1,962,282)	(1,144,619)	(1,203,537)	(58,918)	(5%)	
Interest Expenses		(5,383)	(3,136)	(3,150)	(14)	(0%)	
Insurance Expenses		(147,848)	(146,457)	(150,955)	(4,498)	(3%)	
Other Expenditure		(58,105)	(34,836)	(26,614)	8,222	24%	▲
Loss on Disposal of Assets	6	(155,513)	(58,319)	(122,235)	(63,916)		
		(4,197,928)	(2,551,705)	(2,621,244)			
Operating activities excluded from budget							
Add back Depreciation		1,962,282	1,144,619	1,203,537	58,918	5%	
Adjust (Profit)/Loss on Asset Disposal	6	155,513	58,319	121,362	63,043	108%	▲
Adjust Provisions and Accruals		0	0	0	0		
Amount attributable to operating activities		(41,245)	416,829	629,991			
Investing activities							
Non-operating grants, subsidies and contributions	10	1,702,022	917,796	456,925	(460,871)	(50%)	▼
Proceeds from Disposal of Assets	6	138,000	46,000	48,305	2,305	5%	
Land held for resale		0	0	0	0		
Capital acquisitions	7	(3,530,068)	(1,976,052)	(1,276,002)	700,050	35%	▲
Amount attributable to investing activities		(1,690,046)	(1,012,256)	(770,771)			
Financing Activities							
Proceeds from New Debentures		310,000	310,000	0	(310,000)	(100%)	▼
Repayment of Debentures	8	(57,073)	(31,793)	(31,793)	0	0%	
Transfer from Reserves	9	551,774	0	0	0		
Transfer to Reserves	9	(17,545)	(4,942)	(4,942)	0	0%	
Amount attributable to financing activities		787,156	273,266	(36,734)			
Closing Funding Surplus (Deficit)	1(b)	1,387	623,361	929,474			

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold. Refer to Note 2 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2021**

SIGNIFICANT ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

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

EMPLOYEE BENEFITS

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) Wages, Salaries, Annual Leave and Long Service Leave
(Short-term Benefits)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the City has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the City expects to pay and includes related on-costs.

(ii) *Annual Leave and Long Service Leave (Long-term Benefits)*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the project unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the City does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

PROVISIONS

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one of item included in the same class of obligations may be small.

INVENTORIES

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2021

OPERATING ACTIVITIES
NOTE 1(b)
ADJUSTED NET CURRENT ASSETS

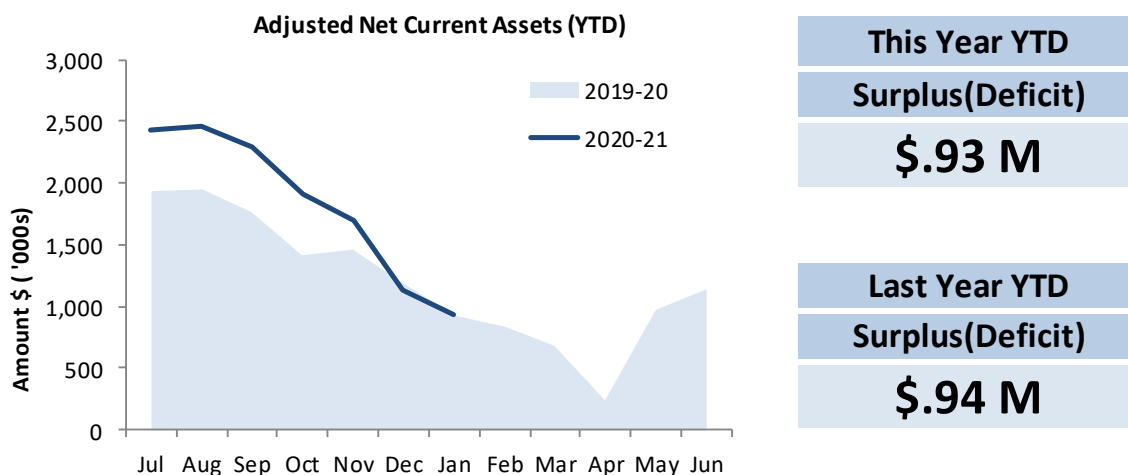
Adjusted Net Current Assets	Re Note	Last Years Closing	This Time Last Year	Year to Date Actual
		30 June 2020	31 Jan 2020	31 Jan 2021
		\$	\$	\$
Current Assets				
Cash Unrestricted	3	1,008,179	807,185	794,098
Cash Restricted	3	1,316,404	1,587,125	1,321,346
Receivables - Rates	4	101,076	151,191	142,029
Receivables - Other	4	113,119	27,206	20,570
Loans receivable		0	0	0
ATO Receivable		51	1,357	17,480
Inventories		6,061	8,986	6,061
		2,544,890	2,583,050	2,301,585
Less: Current Liabilities				
Payables		(119,366)	(34,193)	(21,011)
ATO Payables		0	(20,760)	(25,384)
Provisions - employee		(196,543)	(209,084)	(196,543)
Long term borrowings		(57,073)	(24,354)	(25,280)
Bonds & Deposits		(2,131)	7,566	(4,371)
		(375,113)	(288,392)	(272,589)
Unadjusted Net Current Assets		2,169,777	2,294,658	2,028,996
Adjustments and exclusions permitted by FM Reg 32				
Less: Cash reserves	3	(1,316,404)	(1,587,125)	(1,321,346)
Less: Loans receivable		0	0	0
Add: Provisions - employee		196,543	209,084	196,543
Add: Long term borrowings		57,073	24,354	25,280
Adjusted Net Current Assets		1,106,989	940,971	929,474

SIGNIFICANT ACCOUNTING POLICIES

Please see Note 1(a) for information on significant accounting policies relating to Net Current Assets.

KEY INFORMATION

The amount of the adjusted net current assets at the end of the period represents the actual surplus (or deficit if the figure is a negative) as presented on the Rate Setting Statement.



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2021**

**NOTE 2
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.

The material variance adopted by Council for the 2020/21 year is \$5,000 or 10% whichever is the greater.

Reporting Program	Var. \$	Var. %	Variance	Timing/ Permane	Explanation of Variance
	\$	%			
Revenue from operating activities					
Governance	15,410	1,498%	▲	Permanent	Insurance reimburse for truck hire & Trainee Subsidy
General Purpose Funding	(37,119)	(3%)		Permanent	Grant Commission Income less than budgeted
Law, Order and Public Safety	162,509	680%	▲	Permanent	Fire Mitigation Grant Income \$84,825 & Reimbursement on fire truck repairs \$51,688. 2018/19 overspend reimbursed \$19,387
Health	74	16%		Timing	Not Material
Education and Welfare	(581)	(100%)		Timing	Not Material
Housing	(30)	(1%)		Timing	Not Material
Community Amenities	52,563	74%	▲	Permanent	Income from planning applications
Recreation and Culture	562	2%		Timing	Not Material
Transport	(10,859)	(6%)		Permanent	Local Road Grant less than budgeted
Economic Services	2,792	12%		Timing	Standpipe income over budget
Other Property and Services	(24,581)	(47%)	▼	Timing	Private Works income less than budgeted & Workers Compensation Claims less than budgeted
Expenditure from operating activities					
Governance	7,484	7%		Timing	Administration Salaries underbudget
General Purpose Funding	(5,252)	(11%)	▼	Timing	Legal Fees Overbudget (Rates Recovery)
Law, Order and Public Safety	(41,375)	(37%)	▼	Timing	Repairs to Fire Vehicles over budget, Claimable
Health	279	1%		Timing	Pandemic expenses underbudget
Education and Welfare	6	0%		Timing	Not Material
Housing	4,753	22%		Timing	Housing maintenance under budget
Community Amenities	(18,775)	(10%)		Permanent	Planning costs
Recreation and Culture	3,466	2%		Timing	Parks & reserves under budget
Transport	110,710	7%		Timing	Road maintenance underbudget due to focus on capital roads projects
Economic Services	(5,271)	(6%)		Timing	Standpipe expenses overbudget
Other Property and Services	(125,563)	(100%)	▼	Timing	Includes cost of fire truck repairs \$51,688 & Cat loader repairs \$58,463
Investing Activities					
Non-operating Grants, Subsidies and Contributions	(460,871)	(50%)	▼	Timing	Timing of grant income for roads projects
Proceeds from Disposal of Assets	2,305	5%		Timing	Relates to timing of plant changeover
Land Held for Resale	0				Not Applicable
Capital Acquisitions	700,050	35%	▲	Timing	Capital works program
Financing Activities					
Proceeds from New Debentures	(310,000)	(100%)	▼	Timing	Aged Persons Accommodation
Transfer from Reserves	0			Timing	Not material
Repayment of Debentures	0	0%		Timing	Not material
Transfer to Reserves	0	0%		Timing	Not material

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2021

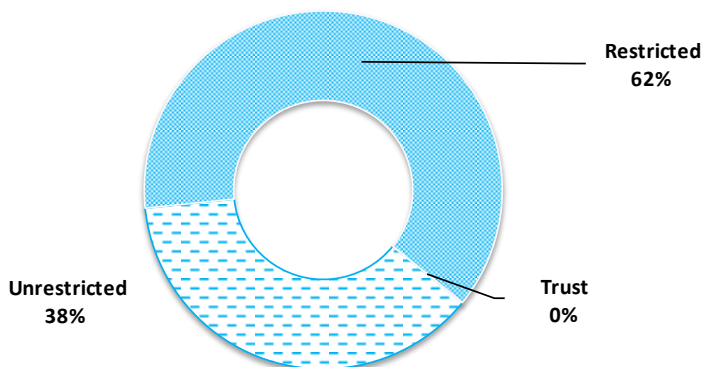
Cash and Investments	Unrestricted	Restricted	Trust	Total	Institution	Interest Rate	Maturity Date
				YTD Actual			
	\$	\$	\$	\$			
Cash on Hand							
Petty Cash and Floats	700			700	NAB	0.00%	At Call
At Call Deposits							
Municipal Fund	793,398			793,398	NAB	0.00%	At Call
Term Deposits							
Reserve Funds		1,321,346		1,321,346	NAB	0.80%	10-Mar-21
Total	794,098	1,321,346	0	2,115,445			

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.



Total Cash	Unrestricted
\$2.12 M	\$0.79 M

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2021

OPERATING ACTIVITIES
NOTE 4
RECEIVABLES

Rates Receivable	30 June 2020	31 Jan 21
	\$	\$
Opening Arrears Previous Year	63,701	101,076
Levied this year	1,258,745	1,260,109
Less Collections to date	(1,221,370)	1,219,156
Equals Current Outstanding	101,076	142,029
Net Rates Collectable	101,076	142,029
% Collected	91.97%	88.73%

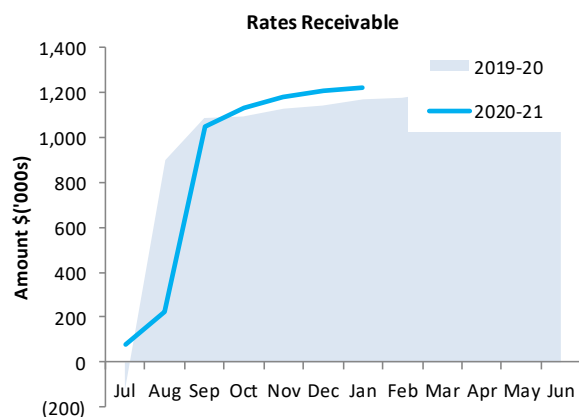
Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$
Receivables - General	15,320	400	477	4,373	20,570
Percentage	74%	2%	2%	21%	
Balance per Trial Balance					
Sundry debtors					20,570
GST receivable					17,480
Total Receivables General Outstanding					38,050

KEY INFORMATION

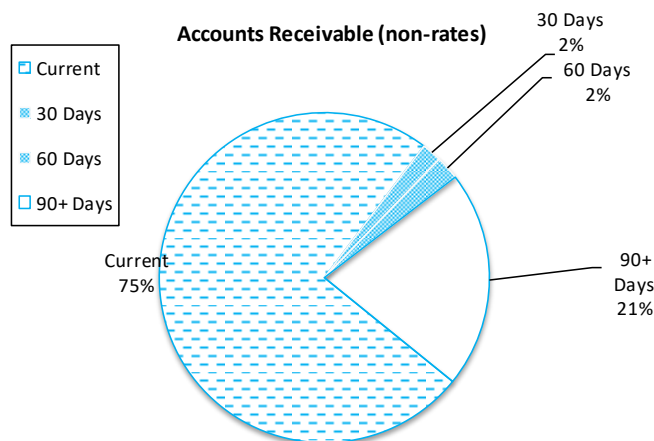
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.



Collected	Rates Due
89%	\$142,029



Debtors Due
\$38,050
Over 30 Days
26%
Over 90 Days
21%

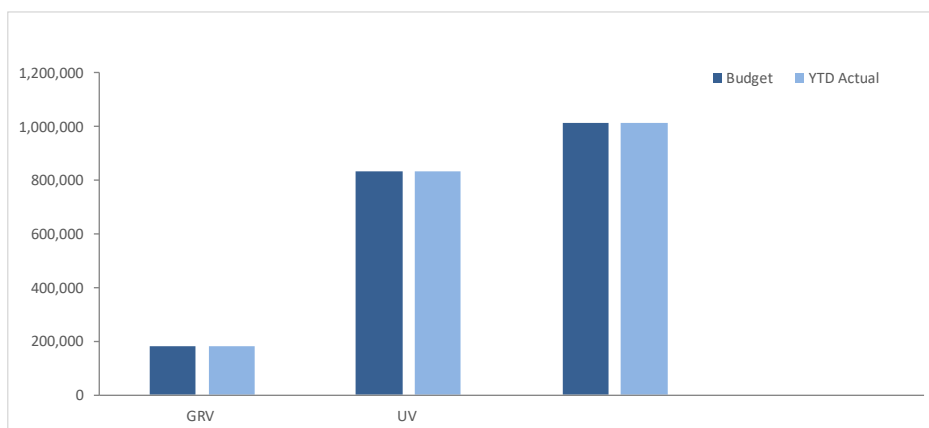
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2021

OPERATING ACTIVITIES
NOTE 5
RATE REVENUE

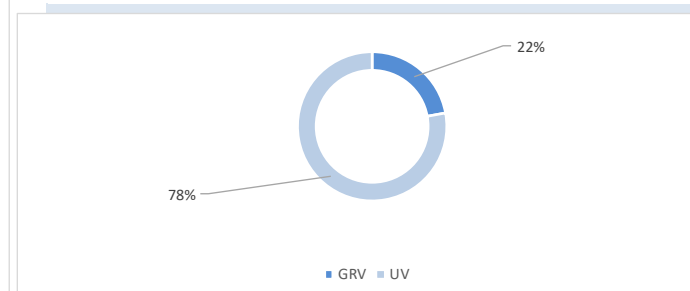
General Rate Revenue	Annual Budget							YTD Actual			
	Rate in	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
RATE TYPE	\$			\$	\$	\$	\$	\$	\$	\$	\$
Differential General Rate											
GRV	0.0770	187	2,350,114	180,888	0	0	180,888	180,888	0	0	180,888
UV	0.0068	181	122,755,879	835,231	0	0	835,231	835,231	0	0	835,231
Sub-total		368	125,105,993	1,016,119	0	0	1,016,119	1,016,119	0	0	1,016,119
Minimum	\$										0
GRV	690	142		97,980	0	0	97,980	97,980	0	0	97,980
UV	930	157		146,010	0	0	146,010	146,010	0	0	146,010
		299	0	243,990	0	0	243,990	243,990	0	0	243,990
Sub-Totals		667	125,105,993	1,260,109	0	0	1,260,109	1,260,109	0	0	1,260,109
Discount							(76,775)				(82,231)
Concession / Write Offs							(7,000)				(123)
COVID Subsidy							(5,000)				(3,050)
Interim Rates							250				0
Ex-Gratia Rates							446				469
Amount from General Rates							1,171,584				1,175,174
Ex-Gratia Rates											0
Total General Rates							1,171,584				1,175,174

SIGNIFICANT ACCOUNTING POLICIES

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.



General Rates		
Budget	YTD Actual	%
\$1.17 M	\$1.18 M	100%

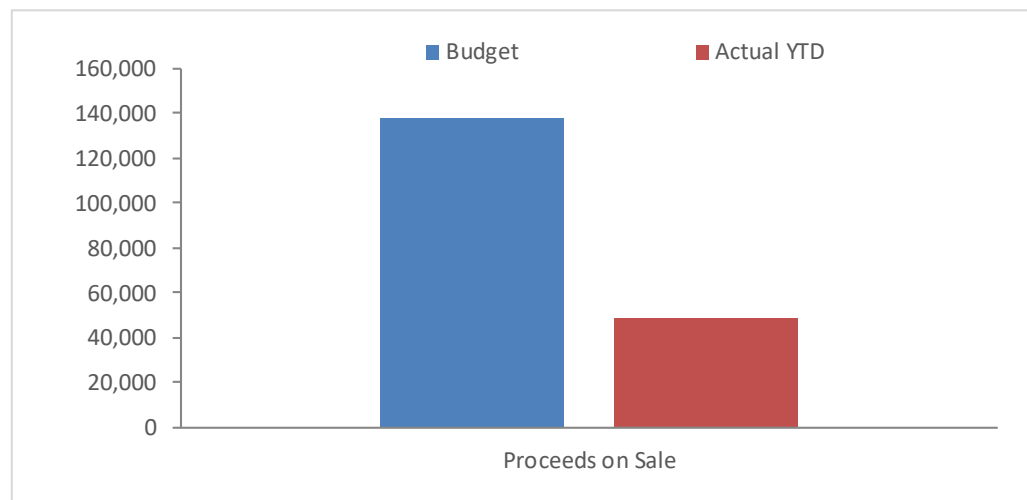


NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2021

Attachment 9.1.4A
OPERATING ACTIVITIES
NOTE 6
DISPOSAL OF ASSETS

Asset Ref.	Asset Description	Amended Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	
1	Komatsu Grader	232,500	90,000		(142,500)			(108,780)	
10100	CEO Vehicle	28,127	17,000		(11,127)		14,545	(13,455)	
15	CN027 Holden Colorado Ute 4X4	32,886	31,000		(1,886)	32,886	33,760	874	
		293,513	138,000	0	(155,513)	32,886	48,305	874	(122,235)

KEY INFORMATION



Proceeds on Sale		
Budget	YTD Actual	%
\$138,000	\$48,305	35%

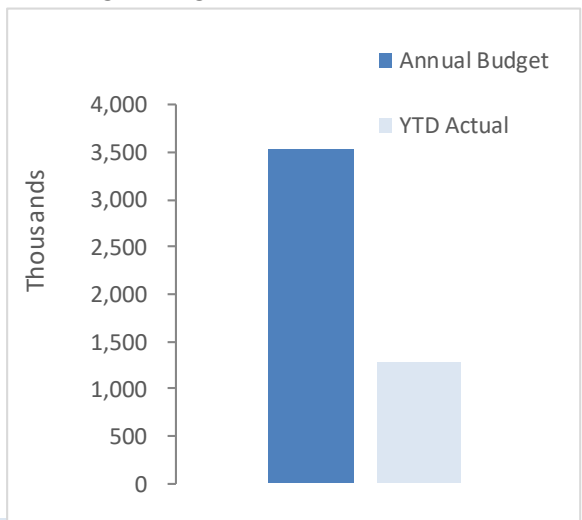
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2021**

**INVESTING ACTIVITIES
NOTE 7
CAPITAL ACQUISITIONS**

Capital Acquisitions	Amended		YTD Actual Total	YTD Budget Variance
	Annual Budget	YTD Budget		
	\$	\$	\$	\$
Land & Buildings	1,518,697	583,984	86,153	497,831
Plant & Equipment	494,424	494,424	446,869	47,555
Furniture & Equipment	0	0	0	0
Roads	1,336,233	779,303	654,039	125,264
Recreation	31,065	31,065	33,416	(2,351)
Parks, Gardens, Recreation Facilities	112,150	65,408	39,804	25,604
Other Infrastructure	37,500	21,868	15,720	6,148
Capital Expenditure Totals	3,530,068	1,976,052	1,276,002	700,050
Capital Acquisitions Funded By:				
	\$	\$	\$	\$
Capital grants and contributions	1,702,022	917,796	456,925	(460,871)
Borrowings	310,000	310,000	0	(310,000)
Other (Disposals & C/Fwd)	138,000	46,000	48,305	2,305
Cash Backed Reserves				
Infrastructure Reserve	329,311	0	0	0
Pensioner Unit Maintenance Reserve	0	0	0	0
Plant Replacement Reserve	40,000	0	0	0
Contribution - operations	1,010,735	702,256	770,771	68,516
Capital Funding Total	3,530,068	1,976,052	1,276,002	(700,050)

SIGNIFICANT ACCOUNTING POLICIES

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

KEY INFORMATION

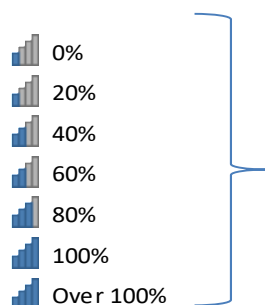
Acquisitions	Annual Budget	YTD Actual	% Spent
	\$3.53 M	\$1.28 M	36%
Capital Grant	Annual Budget	YTD Actual	% Received
	\$1.7 M	\$0.46 M	27%

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2021

Attachment 9.1.4A
INVESTING ACTIVITIES
NOTE 7
CAPITAL ACQUISITIONS (CONTINUED)

Capital Expenditure Total










Level of Completion Indicators
























Percentage YTD Actual to Annual Budget

Expenditure over budget highlighted in red.

 *Level of completion indicator*

	Acc / Job	Annual Budget	YTD Budget	YTD Actual	Variance
Capital Expenditure					
Land					
 Cuballing Railway Reserve Design	C176A	30,000	17,500	20,336	(2,836)
Buildings					
 Administration Building Disabled Access	J4114C	62,833	36,652	0	36,652
 Building Renewal - Cuballing Memorial Park	C176	99,309	57,911	2,961	54,950
 Cuballing Town Hall Drainage	C162A	25,879	15,071	0	15,071
 Cuballing Town Hall - Paint Exterior	C162B	14,400	8,400	0	8,400
 Cuballing Cemtery Upgrade 2019/20	C161	5,000	2,912	0	2,912
 Popanyinning Main Street Refurbishment	C193	73,800	43,050	20,040	23,010
 Aged Persons Accommodation	C084	1,207,475	402,488	40,217	362,271
 Fire Shed Extension - Carry over 2019/20	05140	0	0	2,599	(2,599)
Total Land & Buildings		1,518,697	583,984	86,153	497,831

Plant & Equipment						
	Grader	12412	395,000	395,000	368,700	26,300
	Rake For Loader	12410	18,500	18,500	18,500	0
	Two Way System	12411	20,000	20,000	0	20,000
	CEO Vehicle	12405	55,924	55,924	55,171	753
	Tank for Depot	12413	5,000	5,000	4,498	502
Total Plant & Equipment			494,424	494,424	446,869	47,555
Furniture & Equipment						
	Nil		0	0	0	0
Total Furniture & Equipment			0	0	0	0
Infrastructure - Roads						
	RRG - Narrogin Wandering Road	R129B	158,635	92,512	154,300	(61,788)
	RRG - Stratherne Road 20/21	R001C	150,944	88,025	16,992	71,033
	RRG - Wandering Narrogin Road	R129D	350,069	204,190	123,119	81,071
	RTR - Popanyinning East Road Gravel Sheeting	RTR004	76,266	44,471	31,790	12,681
	RTR - Reeds Road Gravel Sheeting	RTR017	63,335	36,918	0	36,918
	RTR - Wandering Narrogin Road - Final Seal Stevens Road	RTR129	6,804	3,969	0	3,969
	BS - Narrogin Wandering Road Black Spot	BS129	472,670	275,709	144,141	131,568
	Congelin Road Culvert Renewal	CUL029	35,856	20,895	33,789	(12,894)
	Popanyinning East Road Drainage	R004H	21,654	12,614	12,728	(114)
	WSFN - Cuballing East Road	WSF006	0	0	137,180	(137,180)
Total Road Infrastructure			1,336,233	779,303	654,039	262,443
Recreation						
	Tennis Club Lighting Upgrade	11128	31,065	31,065	33,416	(2,351)
Total Recreation			31,065	31,065	33,416	(2,351)
Parks, Ovals & Playgrounds						
	Yornaning Dam - Stage 3	C189	77,150	44,996	3,627	41,369
	Yornaning Dam - Shade Sails	C195	35,000	20,412	36,178	(15,766)
Total Parks, Ovals & Playgrounds			112,150	65,408	39,804	25,604
Other Infrastructure						
	Bridge Improvements - Capital Upgrade	11214	30,000	17,493	15,720	1,773
	Transfer Station Bin Lids	C163	7,500	4,375	0	4,375
Total Other Infrastructure			37,500	21,868	15,720	6,148
TOTAL CAPITAL EXPENDITURE			3,530,068	1,976,052	1,276,002	837,230

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2021

Information on Borrowings	2019/20	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
		Actual	Annual Budget	Actual	Annual Budget	Actual	Annual Budget	Actual	Annual Budget
Particulars	\$	\$	\$	\$	\$	\$	\$	\$	\$
Transport									
Loan 63 - Graders	71,505	0	0	24,429	42,266	47,076	29,239	1,571	2,305
							0		
Economic Services									
Loan 64 - Lot 74 Austral St	145,509			7,364	14,807	138,145	130,781	1,579	3,078
Education and Welfare									
Loan 65 - Aged Persons Housing			310,000				310,000		
Total	217,014	0	310,000	31,793	57,073	185,221	470,020	3,150	5,383

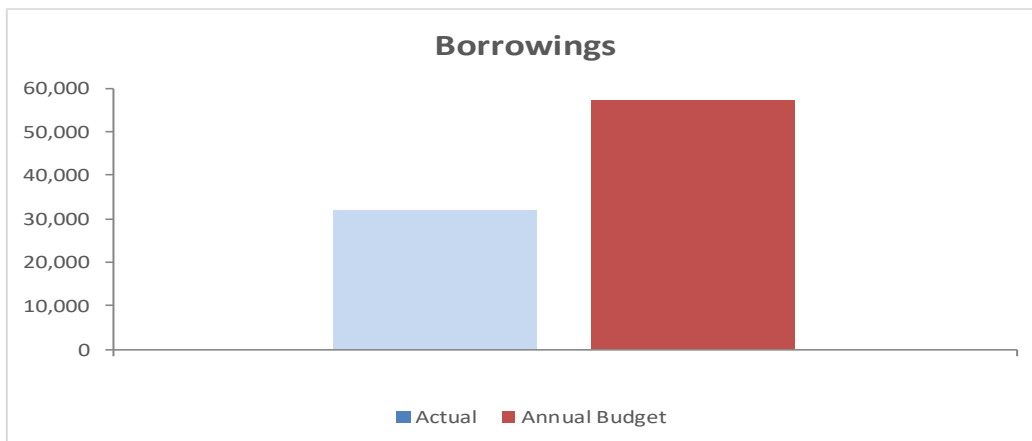
All debenture repayments were financed by general purpose revenue.

SIGNIFICANT ACCOUNTING POLICIES

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.



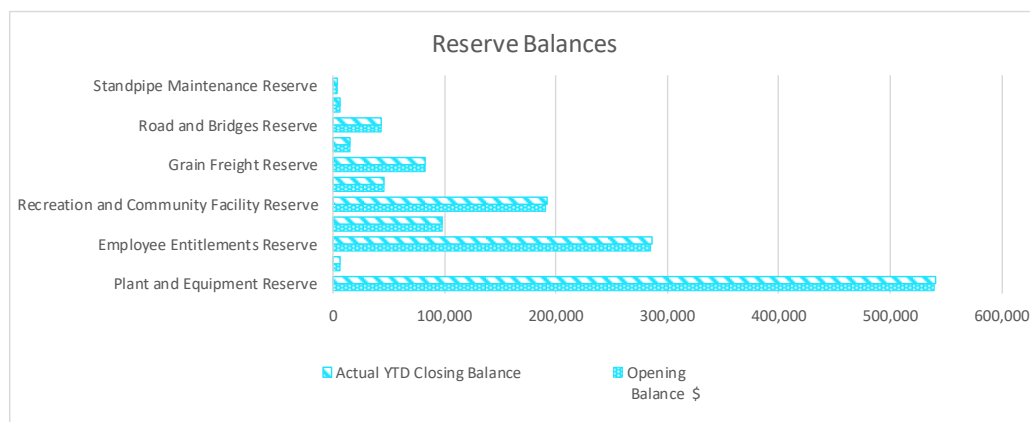
Principal Repayments	\$31,793
Interest Earned	\$11,324
Interest Expense	\$3,150
Reserves Bal	Loans Due
\$1.32 M	\$.19 M

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2021

Cash Backed Reserve

Reserve Name	Opening	Budget Interest	Actual Interest	Budget Transfers	Actual Transfers	Budget Transfers	Actual Transfers	Budget Closing	Actual YTD
	Balance	Earned	Earned	In (+)	In (+)	Out (-)	Out (-)	Balance	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Plant and Equipment Reserve	538,714	4,728	1,979		1,979	(329,311)		214,131	540,693
IT and Office Equipment Reserve	6,721	147	31		31	0		6,868	6,752
Employee Entitlements Reserve	284,971	2,598	1,054		1,054	(20,000)		267,569	286,025
Housing Reserve	97,840	754	352		352	(40,000)		58,594	98,192
Recreation and Community Facility Reserve	191,187	2,596	769		769	(129,309)		64,474	191,956
Refuse Site Reserve	45,216	841	198		198	(7,500)		38,557	45,414
Grain Freight Reserve	82,825	672	300		300	0		83,497	83,125
Equestrian Reserve	14,769	42	48	4,545	48	0		19,356	14,817
Road and Bridges Reserve	43,361	603	175		175	(21,654)		22,310	43,536
Community & Sporting Club Reserve	6,725	3	20		20	(4,000)		2,728	6,745
Standpipe Maintenance Reserve	4,075	16	14		14	0		4,091	4,089
	1,316,404	13,000	4,942	4,545	4,942	(551,774)	0	782,175	1,321,346

KEY INFORMATION



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2021

GRANTS AND CONTRIBUTIONS

Grants and Contributions

Description	Annual Budget	YTD Budget	YTD Actual	Variance
Operating grants, subsidies and contributions				
General Purpose Funding				
Grants Commission - General Purpose	279,962	186,640	138,041	(48,599)
Governance				
Insurance - February Storm Damage	7,250	7,250	7,166	(84)
Insurance & Other Reimbursements	0	0	630	630
Department Primary Industries & Regional Development	0	0	0	0
Law, Order & Public Safety				
DFES - Bush Fire Brigades	32,194	22,000	97,482	75,482
Fire Mitigation Grant	0	0	84,825	84,825
Education & Welfare				
Good Things Foundation	1,000	581	0	(581)
Housing				
Rental Income	0	0	2,700	2,700
Community Amenities				
Other Income - Reimbursements	0	0	38	38
Recreation & Culture				
Cuballing Tennis Club - Contribution to lighting upgrade	0	0	10,335	10,335
Transport				
Main Roads - RRG	0	0	0	0
Main Roads - Direct Grant	81,920	81,920	81,920	0
Grants Commission - Roads Component	191,342	95,671	76,181	(19,490)
Economic Services				
Community Events	6,500	3,787	1,470	(2,317)
Other Property & Services				
Workers Compensation	15,000	7,500	912	(6,588)
Operating grants, subsidies and contributions Total	615,168	405,349	501,700	96,352
Non-operating grants, subsidies and contributions				
Education & Welfare				
Aged Person Accommodation Funding	443,223	0	0	0
Recreation & Culture				
Yornaning Dam Stage 3	53,130	30,989	10,000	(20,989)
CSRFF (Tennis Club Lighting)	10,355	10,355	10,355	0
Transport				
Main Roads - RRG	380,763	266,000	133,584	(132,416)
Roads to Recovery (RTR)	211,000	140,000	36,790	(103,210)
Black Spot (BS)	355,783	284,626	142,312	(142,314)
Other Infrastructure				
Community Infrastructure Grants	247,768	185,826	123,884	(61,942)
Non-operating grants, subsidies and contributions Total	1,702,022	917,796	456,925	(460,871)
Grand Total	2,317,190	1,323,145	958,625	(364,520)

KEY INFORMATION

Some reclassification between Operating & Capital grants, contributions & reimbursements is required

9.1.5 Fraud and Corruption Prevention Plan

Applicant:	N/A
File Ref. No:	ADM
Disclosure of Interest:	Nil
Date:	4 th February 2021
Author:	Bronwyn Dew
Attachments:	9.1.5A Draft Fraud and Corruption Prevention Policy 9.1.5C Fraud and Corruption Prevention Plan

Summary

Council is asked to consider the adoption of the Fraud and Corruption Prevention Policy and Plan at the recommendation of the Shire of Cuballing Audit Committee.

Background

In August 2019, the WA Office of Auditor General (OAG) released *5:2019-20 Fraud Prevention in Local Government*. This OAG Report was based on feedback drawn from a questionnaire sent to all Local Governments and a detailed review of five local governments being the Shire of East Pilbara, Shire of Katanning, City of Nedlands, Shire of Serpentine-Jarrahdale and City of Vincent.

The Report was investigating policies, plans, processes and procedures, and was not investigating specific incidents.

Comment

The Office of Auditor General recommended that a Fraud and Corruption Prevention Control Plan be developed and adopted, and then reviewed at least every two years

A Fraud and Corruption Prevention Policy and Plan is not specifically required by legislation, however the purpose of both the Policy and Plan closely aligns with the Chief Executive Officer's (CEO) responsibilities in accordance with:

- Local Government (Financial Management) Regulations 1996, Regulation 5 – CEO's duties as to financial management; and
- Local Government (Audit) Regulations 1996, Regulation 17 – CEO to review certain systems and procedures.

A draft Council Policy to identify Council's support for and requirement that a Fraud and Corruption Prevention Control Plan to be prepared, maintained and reviewed is included at Attachment 9.1.5B.

A draft Fraud and Corruption Prevention Control Plan is included at Attachment 9.1.5B. This draft Fraud and Corruption Prevention Control Plan provides a structure for the implementation of activities designed to implement fraud and corruption prevention and control activities, covering the four crucial areas outlined in the OAG Report and Australian Standards:

- Planning;
- Prevention;
- Detection; and
- Response.

The Plan is not intended to limit the extensive range of actions that may be taken. Other actions or initiatives may be identified at times and then implemented as deemed appropriate by Council or CEO.

This is in accordance with a wide range of legislation that may have application in specific circumstances that includes, but is not limited to:

- Corruption, Crime and Misconduct Act;
- Criminal Code;
- Local Government Act and Regulations; and
- Public Sector Management Act.

Strategic Implications

GOVERNANCE & ORGANISATION - Our Council, Services, Policies and Engagement.
Goals

- An independent Council that is supported by an excellent organisation.
- Governance structures that ensure accountable, transparent and ethical decision making.
- Building the organisation and managing its structure, finances and assets in a sustainable manner.
- A Council that proactively engages with all elements of its community to make decisions that reflect positively on the future of the Shire of Cuballing.

	Strategy	Outcome
4.2	Maintain a clear, transparent and ethical decision making process.	Openness and transparency in Council decisions.
4.5	Be innovative in the management of Shire operations, services, staff and resources to create a resilient and financially stable Shire.	A Shire that is progressive, sustainable, resilient and adaptive to changes.

Statutory Environment

Local government (Financial Management) Regulations 1996

Regulation 5 – CEO’s duties as to financial management

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

- (c) undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews.

Local Government (Audit) Regulations 1996

17. CEO to review certain systems and procedures

- (1) The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —
 - (a) risk management; and
 - (b) internal control; and
 - (c) legislative compliance.
- (2) The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.
- (3) The CEO is to report to the audit committee the results of that review.

Policy Implications

The draft Fraud and Corruption Prevention Policy will be included and retained in Council's Policy Manual.

Financial Implications – Nil

Economic Implication – Nil

Environmental Considerations – Nil

Consultation – Nil

Options

Council may resolve:

1. the Officer's Recommendation; or
2. not accept the Fraud and Corruption Plan, giving reasons.

Voting Requirements – Simple Majority

AUDIT COMMITTEE RECOMMENDATION:

That Council adopt the:

- 1. draft Fraud and Corruption Prevention Policy included at Attachment 9.1.5A;**
- 2. draft Fraud and Corruption Prevention Plan included at Attachment 9.1.5B.**

2.18 FRAUD AND CORRUPTION PREVENTION POLICY

Policy Statement:

1. The Shire of Cuballing is committed to providing ethical and accountable leadership and decision making.
2. The Shire of Cuballing has a zero-tolerance approach to misconduct, fraud and corruption. The Shire of Cuballing is committed to maintaining high standards of professional and ethical conduct by supporting strategies that prevent, detect and respond to misconduct, fraud and corruption.
3. All Elected members and staff have a key responsibility to safeguard against damage and loss through fraud, corruption or misconduct and have an obligation to support efforts to reduce associated risk by behaving with integrity and professionalism in undertaking their duties.
4. The Shire expects its elected members and staff to act in compliance with the Codes of Conduct and behave ethically and honestly when performing their functions and during their interactions with each other, the community and all stakeholders of the Shire.
5. All suspected instances of fraudulent or corrupt conduct are to be thoroughly investigated and the appropriate reporting, disciplinary, prosecution and recovery actions initiated.
6. The Shire of Cuballing may seek to recover any losses incurred from misconduct, fraud or corruption activities, after considering all relevant issues.
7. The Chief Executive Officer is to ensure that a Fraud and Corruption Prevention Plan is developed, reviewed by the Audit Committee, and adopted by Council at least once every two years.
8. This policy is to be read in conjunction with the Shire of Cuballing Fraud and Corruption Plan.

Resolution No:

Resolution Date:



Fraud and Corruption Prevention Plan

January 2021

Document History

Item	Date	Action	Description
1	January 2021	Draft	

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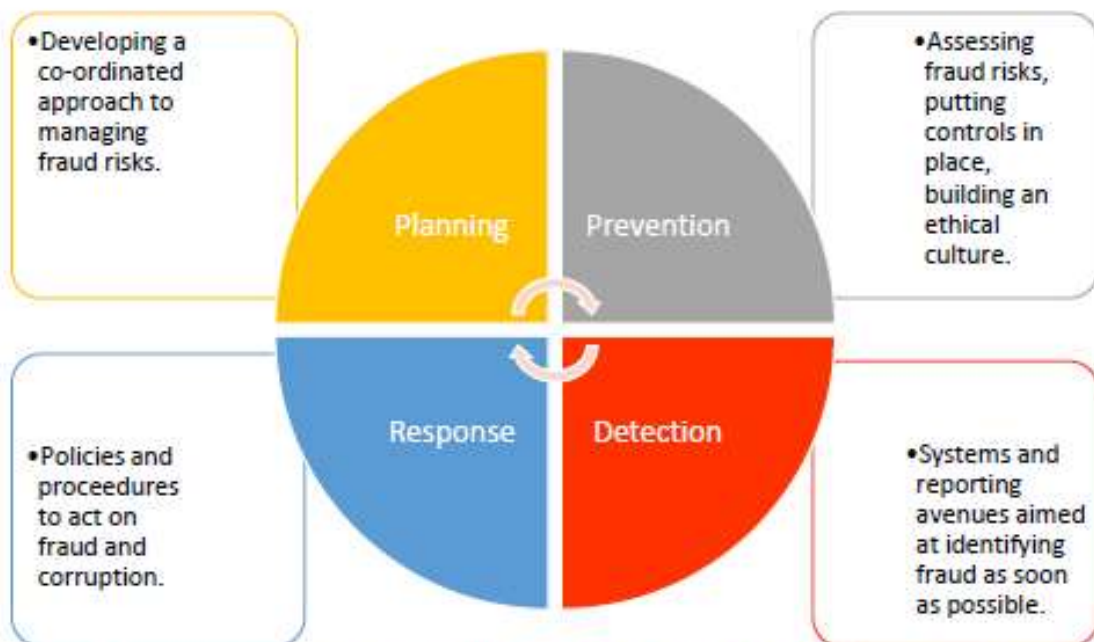
Executive Summary

The Shire of Cuballing is committed to the prevention, deterrence, monitoring and investigation of all forms of fraud and corruption. Fraud and corruption is damaging to the organisation through financial loss, loss of public confidence (either perceived or real), reputational damage and adverse publicity.

Council is the custodian of significant public funds and assets therefore it is important that the community has assurance that these are adequately protected from fraud and corruption.

Fraud and corruption prevention forms part of the Shire's risk management framework. It is a risk that the Shire actively seeks to identify and limit its exposure to, by reducing the potential opportunity (risk likelihood) for fraud and corruption to occur.

This Plan is to clearly document the organisation's approach to prevention of fraud and corruption at both strategic and operational levels and is to be read in conjunction with the Shire's Audit, Risk and Compliance Review Report, the Shire's Financial Management Review and relevant legislation.



Adapted from Office of Auditor General for Western Australia, Report 5: 2019-20, *Fraud Prevention in Local Government*

Section 1 - BACKGROUND

1.1 Purpose

Elected Members and the Shire administration staff are committed to policies and practices that prevent, deter and detect fraudulent and corrupt behaviour in the performance of Shire activities.

The Western Australian Auditor-General has recommended all Councils adopt specific fraud control policies that address the risk of fraud and corrupt conduct.

The Executive Management Team monitors, reports and guides the implementation of the policy and this Plan.

1.2 Communication

This Plans contents are communicated across the organisation through articles via email and team meetings.

1.3 Zero Tolerance to Fraud and Corruption

The Shire of Cuballing has zero tolerance for corrupt conduct or fraudulent activities. The Shire is committed to preventing, deterring and detecting fraudulent and corrupt behaviour in the performance of Shire activities. Employees must not engage in practices that may constitute fraud or corruption.

The Shire has developed a structured framework and approach to the implementation and review of fraud and corruption prevention, detection, monitoring and reporting.

This Plan is based on the Australian Standards for Fraud and Corruption Control (AS8001-2008) and has been endorsed by the Executive Management Team.

The desired outcome of this commitment is the elimination of fraud and corruption throughout Shire operations both internally and externally. The Shire may prosecute people identified as committing fraud or undertaking corrupt behaviour. Employees may also face disciplinary action under the Council Code of Conduct, and restitution of money or property lost through fraudulent activity will be pursued through legislative means.

Fraudulent and corrupt activities may also be required to be referred to external agencies, or may be referred at the discretion of the Council or Chief Executive Officer. These agencies include but are not limited to –

- WA Police
- Crime and Corruption Commission
- Public Sector Commission
- Local Government Standards Panel.

1.4 Definitions

Fraud is defined by Australian Standard AS8001-2008 as –

Dishonest activity causing actual or potential financial loss to any person or entity including theft of monies or other property by employees or persons external to the entity and where deception is used at the time, immediately before or immediately following the activity.

Fraud can take many forms including –

- the misappropriation of assets;
- the manipulation of financial reporting (either internal or external to the organisation);
- corruption involving abuse of position for personal gain.

Corruption is defined by Australian Standard AS8001-2008 as –

Corruption is dishonest activity in which an employee or contractor of the entity acts contrary to the interests of the entity and abuses their position of trust in order to achieve some personal gain or advantage for themselves or for another person or organisation. The concept of 'corruption' can also involve corrupt conduct by the entity, or a person purporting to act on behalf of and in the interests of the entity, in order to secure some form of improper advantage for the entity.

Corrupt conduct tends to show a deliberate intent for an improper purpose and motivation and may involve misconduct such as: the deliberate failure to perform the functions of office properly; the exercise of a power or duty for an improper purpose; or dishonesty. Some examples of corrupt or criminal conduct which could be serious misconduct include –

- abuse of public office;
- blackmail;
- bribery, including bribery in relation to an election;
- deliberately releasing confidential information;
- extortion;
- obtaining or offering a secret commission;
- fraud or stealing;
- forgery;
- perverting the course of justice;
- an offence relating to an electoral donation;
- falsification of records.

1.5 Council Objective

The objective of this Plan is to outline the Shire's approach to fraud and corruption prevention, deterrence and detection. Council is committed to meeting its legislative obligations under the *Local Government Act 1995* including: ensuring that resources are maintained in a responsible and accountable manner.

Council's commitment to fraud control will be met by ensuring an environment in which fraudulent or corrupt conduct is discouraged, and conflicts of interest are avoided.

Council is committed to the values of –

- Care
- Accountability
- Respect
- Excellence
- Trust
- Teamwork

1.6 Scope

This Plan applies to all elected members, employees, contractors and volunteers.

Elected members are also obliged to maintain standards as mandated by the *Local Government Act 1995*.

Relevant training on legislative obligations is to be provided at elected member and employee induction sessions.

Further guidance on the Shire's responsibilities are detailed at –

- Department of Local Government, Sport and Cultural Industries, *Fraud & Corruption Control Framework*, July 2015
- Office of Auditor General for Western Australia –
 - Report 24: 2018-2019, *Verifying Employee Identity and Credentials*
 - Report 5: 2019-2020, *Fraud Prevention in Local Government*
- Australian Standard AS 8001-2008
- Shire of Cuballing Delegations Register and Policy Manual

Section 2 - CONTEXT

2.1 Corporate Framework

This Plan is informed by the Shire of Cuballing Strategic Community Plan 2017-2027 and Corporate Business Plan, both of which directly inform our budgets, strategies, policies and actions.

2.2 Legislative Framework

The *Local Government Act 1995* (the Act) requires the local government to develop and maintain adequate internal control systems, and to establish codes of conduct and an Audit Committee. Regulations are also applicable.

The *Public Interest Disclosure Act 2003* (PID Act) requires the local government to establish written procedures for handling of any protected disclosures.

This Fraud and Corruption Prevention Plan operates within an existing legislative and strategic framework. The diagram below shows the interdependency of a good plan with complimentary programs and processes.



Local Government (Financial Management) Regulations 1996, Regulation 5

- (1) *Efficient systems and procedures are to be established by the CEO of a local government –*
- (a) *for the proper collection of all money owing to the local government; and*
 - (b) *for the safe custody and security of all money collected or held by the local government; and*
 - (c) *for the proper maintenance and security of the financial records of the local government (whether maintained in written form or by electronic or other means or process); and*
 - (d) *to ensure proper accounting for municipal or trust –*
 - (i) *revenue received or receivable; and*
 - (ii) *expenses paid or payable; and*
 - (iii) *assets and liabilities; and*
 - (e) *to ensure proper authorisation for the incurring of liabilities and the making of payments; and*

- (f) for the maintenance of payroll, stock control and costing records; and
- (g) to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.

(2) The CEO is to –

- (a) ensure that the resources of the local government are effectively and efficiently managed; and
- (b) assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year); and
- (c) undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews.

Local Government (Audit) Regulations 1996 Regulation 17 (1):

- (1) The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to –
 - (a) risk management; and
 - (b) internal control; and
 - (c) legislative compliance.
- (2) The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review at least once every 3 calendar years.
- (3) The CEO is to report to the audit committee the results of that review.

2.3 Australian Standards

Although not obligatory, Australian Standard for Fraud and Corruption Control (AS8001-2008) provide important and relevant guidance.

2.4 Roles and Responsibilities

Council

Council has the responsibility to adopt the Fraud and Corruption Prevention Policy and Plan.

Audit Committee

In relation to fraud control, the Audit Committee's responsibilities include –

- reviewing risk management frameworks and associated procedures for the effective identification and management of fraud risks;
- overseeing development and implementation of the Fraud and Corruption Prevention Plan, and to provide assurance that the Shire has appropriate processes and systems in place to prevent, detect and effectively respond to fraud-related information; and
- providing leadership in preventing fraud and corruption.

Chief Executive Officer (CEO)

The CEO applies the Shire's resources to fraud prevention and ensures the implementation of adequate controls for managing fraud and corruption risks within the Shire.

The CEO, under the *Corruption, Crime and Misconduct Act 2003* must notify the Corruption and Crime Commission or the Public Sector Commission if misconduct is suspected.

Executive Management Team (EMT)

The Executive Management Team is responsible for implementing the Fraud and Corruption Prevention Plan. In particular, the EMT must –

- provide leadership, guidance, training and support to employees in preventing fraud and corruption;
- identify high fraud risk areas;
- participate in fraud and corruption risk assessment reviews;
- monitor the continued operation of controls;
- report suspected fraud and corruption promptly, maintaining confidentiality; and
- ensure the protection of complainants who report fraudulent and corrupt activities.

Deputy Chief Executive Officer (DCEO)

The DCEO is responsible for –

- coordinating the fraud and corruption risk assessment process;
- developing and maintaining this Fraud and Corruption Prevention Plan, in consultation with key stakeholders;
- communicating the existence and importance of the Fraud and Corruption Prevention Plan; and
- delivering and/or coordinating fraud and corruption training
- managing the grievance and discipline process

Public Interest Disclosure (PID) Officer

The PID Officer investigate disclosures, and takes action following the completion of investigations under the *Public Interest Disclosure Act 2003*.

All Employees

All employees have a responsibility to contribute to preventing fraud and corruption by following the Code of Conduct, complying with controls, policies and processes; resisting opportunities to engage in fraudulent or corrupt behaviour; and reporting suspected fraudulent or corrupt incidents or behaviour.

Section 3 - PLANNING AND RESOURCING

Australian Standard 8001/2008 list the following for consideration in planning and resourcing –

- control planning,
- review of control plans,
- control resourcing,
- internal audit activity.

3.1 Program for fraud and corruption control planning and review

The Act requires that all local governments establish an audit committee. An audit committee plays a key role in assisting a local government to fulfil its governance and oversight responsibilities in relation to financial reporting, internal control structure, risk management systems, legislative compliance, ethical accountability and the internal and external audit functions.

The Recommendation on p.7 of the WA Office of Auditor General's Report, Fraud Prevention in Local Government notes –

In line with better practice, all entities should ensure they implement a coordinated approach to manage their fraud risks. Entities should –

1. *assess fraud risks across their business*
2. *develop a Fraud and Corruption Control Plan and review it at least once every 2 years*
3. *develop and implement a periodic fraud awareness training program for all staff*
4. *ensure that all conflicts of interest are recorded, assessed and appropriate management plans are in place*
5. *have policies and procedures in place to verify the identity and integrity of employees and suppliers*
6. *document clear internal processes and systems to report any potential fraud, that include anonymous reporting*
7. *collect and analyse information received about potential fraud to identify any trends or emerging issues.*

This Plan is designed to achieve compliance with each of these recommendations.

The Plan operates in association with existing programs and initiatives throughout the Shire and forms an integral part of the overall risk management program and framework.

This Plan will be reviewed biennially by the Chief Executive Officer with oversight from the Executive Management Team. In reviewing the Plan the CEO shall give regard to the following –

- significant changes in business conditions
- strategies arising out of recently detected fraud or corruption control incidents
- results of fraud and corruption risk assessments completed
- changes in fraud and corruption control practices locally and internationally
- resourcing requirements
- any identified changing nature of fraud and corruption within the sector.

3.2 Fraud control responsibility and resources

The responsibility for implementation of this Plan is with the Deputy Chief Executive Officer. The DCEO will report yearly to the Executive Management Team, on the progress of delivery on the outcomes from this Plan.

The Shire of Cuballing is committed to allocating the required resources across the organisation to ensure appropriate controls in regards to fraud and corruption. In particular resources will be made available to –

- implement the Plan
- undertake fraud and corruption risk assessments
- deliver organisational training and awareness
- review incidents reports
- undertake investigations.

3.3 External assistance

Where required, external assistance will be engaged to support the delivery of any aspect of this plan.

Section 4 - PREVENTION

Australian Standard 8001/2008 list the following for consideration in planning and resourcing –

- implementing and maintaining an integrity framework
- senior management commitment
- line management accountability
- internal control
- assessing fraud and corruption risk
- communication and awareness
- employment screening
- supplier and customer vetting
- controlling the risk of corruption.

4.1 Implementing and maintaining our integrity framework

The Codes of Conduct are key enablers in delivering the sound and ethical culture required in the prevention of fraud and corruption throughout the organisation.

Senior staff shall set the example in regards to exercising and demonstrating high levels of integrity in the performance of their roles and functions by regularly reminding employees of the importance of complying with Council's Code of Conduct and the Public Interest Disclosure Information Guidelines.

4.2 Commitment to controlling the risk of fraud and corruption

Senior management will not be complacent and will treat fraud and corruption risks as a serious threat to the organisation.

The Shire of Cuballing Executive Management Team (EMT) will regularly be briefed on the following –

- Council's current fraud and corruption prevention plan and policy
- information on the program and robustness of the internal control environment in regards to preventing and detecting fraud
- the types of fraud and corruption common with the sector
- incidence of fraud and corruption generally in Australia
- information on the types of fraud and corruption that have been detected at the local government over the previous five years
- information of new or emerging trends in this area.

4.3 Maintaining strong internal control systems and internal control culture

The Shire of Cuballing has an existing culture of continuous improvement. The implementation of effective systems of internal control is an integral part of this program, particularly for activities assessed as having a high predisposition to the risk of fraud and corruption.

Well planned and documented internal controls will be a major defence for avoiding fraud and corruption. When undertaking projects or reviewing existing practices into the future consideration will be given to appropriate fraud and corruption controls in the development of outcomes.

Internal controls will be –

- Appropriately documented
- Accessible
- Reviewed and amended regularly
- Communicated effectively to all relevant employees
- Subject to review of adherence.

4.4 Fraud and corruption risk assessment

Risk assessments will be undertaken for all identified fraud and corruption risks in accordance with Council's current Risk Management Framework..

As a minimum the following risks will be assessed –

- theft of cash
- theft/misuse of assets
- misuse of confidential corporate information
- conflict of Interest
- accounts payable
- payroll practices
- procurement
- IT and information security
- recruitment
- misuse of credit cards.

Additional risks will be identified through normal business unit operations and through the regular review of the risk register.

4.5 Communication and awareness of fraud and corruption

It is important that fraud and corruption is identified and reported at an early stage and that employees have understanding and confidence in the system.

Employees will be provided with information on the Public Interest Disclosure Information Guidelines so that they have confidence in knowing how to respond if this type of activity is detected or suspected.

The awareness of Councils risk of fraud and corruption controls will be made available to employees through the following –

- copy of the Shire's Code of Conduct and Public Interest Disclosure Information Guidelines will be included in packs for all new employees
- fraud & corruption awareness training may be conducted from time to time (this may include e-learning)
- any substantive changes in the Code or Plan or Policy will be communicated to all employees.

4.6 Employment screening

Prior to appointment the following screening shall be undertaken with the express consent of the individual concerned, irrespective of whether they are internal or external applicants –

- verification of identity requiring one form of photo identification (passport, drivers licence)
- Police criminal history check
- Working with Children check – relevant positions
- reference checks with two most recent employers
- consideration of any gaps on employment history and the reasons for the gaps
- verification of formal qualifications claimed – where relevant or required for position
- if necessary, residency or visa status.

The Recommendation on p.10 of the WA Office of Auditor General's Report, *Verifying Employee Identity and Credentials* notes –

Public sector entities should –

1. *have approved policies and procedures for verifying employee identity and credentials which cover –*
 - *using a 100-point identity check*
 - *criminal background checks, based on the risks associated with the position*
 - *periodic monitoring of existing employees*
2. *assess the positions which may require a criminal background or working with children check and ensure that these requirements are clearly documented in position description forms*
3. *for high risk positions, or positions where there is an ongoing requirement to hold a licence or professional qualification, obtain regular declarations from employees that there is no significant change in their circumstances*
4. *ensure that sufficient documentary evidence is obtained prior to appointment which supports an employee's –*
 - *identification and right to work in Australia*
 - *professional qualifications and memberships*
 - *criminal background or capacity to work with children (where necessary)*
5. *perform appropriate referee checks for all potential employees and ensure that all employees' reference checks are retained in their employee or recruitment file*
6. *develop a procedure for monitoring the expiry dates of licences, certificates or working with children checks so that they can be followed up with the employee close to expiry date*
7. *perform periodic criminal background checks for positions which require it.*

4.7 Dealing with annual leave and job rotation

Segregation of duties is identified as a concern for The Shire of Cuballing given its smaller workforce. To mitigate the risks that arise from not enough staff to separate duties, it is vital that internal controls are in place to ensure that correct processes are followed. Documenting these procedures is designed to reduce the risks of the situation arising where an officer overrides the procedure and errors go undetected

Excess annual leave will be monitored on a quarterly basis to ensure excess leave is managed in accordance with Industrial Awards and relevant Policies.

4.8 Supplier vetting

The Shire of Cuballing will continue to undertake supplier vetting for new and ongoing suppliers in accordance with existing practices.

To avoid scams and incorrect payments, all suppliers are to have banking details verified upon initial entry of their details to the IT system and then periodically.

In accordance with the Procurement Policy, new suppliers with prospective business in excess of \$150,000, the minimum checks may include –

- search of Australian Securities & Investment Commission Company Register,
- Australian Business Register ABN verification,
- currency of insurances.

For new contracts exceeding, or potential to exceed \$500,000, the following additional checks should be considered –

- corporate scorecard check which looks at Bankruptcy search,
- assessment of credit rating,
- search of legal proceedings pending or judgements pending.

Section 5 - DETECTION

Australian Standard 8001/2008 list the following for consideration in planning and resourcing –

- implementing a fraud and corruption detection program
- role of external auditor in detection of fraud
- avenues for reporting suspected incidents
- whistle-blower protection program.

5.1 Fraud and corruption detection program

As part of the development of the annual internal audit program the Audit Committee will consider opportunities to undertake pro-active fraud and corruption detecting activities that might include –

- (a) conducting unscheduled internal reviews and audits
- (b) post-transactional reviews – a review of transactions after they have been processed, with the aim of identifying or uncovering –
 - documentation that may be missing, altered or falsified,
 - authorisations that may have been omitted or altered, or
 - inadequate documentary support.
- (c) Analysis of management accounting reports – using relatively straight forward techniques in analysing management accounting reports, trends can be examined and investigated which may be indicative of fraudulent or corrupt conduct.
- (d) Financial Management and Risk Reviews will include a review of –
 - IT and information security
 - grants and other payments
 - tendering processes, purchasing and contract management
 - services provided to the community
 - revenue collection
 - use of credit cards
 - travel allowance and other allowances
 - salaries
 - money, property and other physical assets.
- (e) internal audits.
- (f) annual reports to management, the Audit Committee and Council regarding the position of risk management, internal controls and legislative compliance.

As stated in section 2.2 Legislative Framework, the CEO is required to –

- a) in accordance with the Local Government (Financial Management) Regulations 1996 r.5 advise Council in relation to –
 - efficient systems and procedures
 - ensure efficient use of resources
 - undertake reviews of appropriateness and effectiveness of systems at least once every three years
- b) in accordance with the Local Government (Audit) Regulations 1996 r.17, review –
 - risk management
 - internal controls, and
 - legislative compliance.
 - each of these matters are to be reviewed at least once every 3 calendar years.

5.2 External auditor's role in the detection of fraud

Consistent with recent changes to international and Australian auditing standards, the auditor's accountability for the detection of fraud will form part of any audit. These provisions will increase the likelihood of detecting material miss-statements or errors in the Shire's financial statements.

5.3 Mechanisms for reporting suspected fraud and corruption incidents

The Shire's Public Interest Disclosure Procedures (PID) Information Guidelines provide clear direction in regards to employees reporting suspicious or known illegal or unethical conduct.

Reports can be made anonymously. Anonymous reports will be examined and investigated on the available evidence.

All employees have the right to make a disclosure in accordance with the *Public Interest Disclosure Act 2003*. This is encouraged where any person wishes to access the protections afforded by the Act.

The Shire's Public Interest Disclosure Information Guidelines are available on the Shire's website at www.cuballing.wa.gov.au.

5.4 Whistle blowers

Whistle-blowers, whether internal or external, may be an important component in the detection and exposure of fraud or corrupt behaviour.

They will be protected to the extent permitted by law. Protection may include but is not limited to –

- ensuring the person's safety
- protecting their confidentiality
- arranging any necessary physical or mental support
- referral to an external agency having greater resources for investigation.

A whistle-blower who has been involved in the reported misconduct may be provided with immunity or due consideration from Shire initiated disciplinary proceedings by agreement, however, the Shire has no power to provide immunity from criminal prosecution.

Where victimisation or reprisals are reported, a record of the report and the action taken must be placed on the file relating to the public interest disclosure. Steps taken to prevent acts of victimisation or reprisal should be recorded in a manner that they will be accessible for reference, should legal action be taken against the Shire.

However, vexatious or malicious complaint will not be tolerated, and an appropriate response may be made against the complainant.

Section 6 - RESPONSE

Australian Standard 8001/2008 list the following for consideration in planning and resourcing –

- policies and procedures
- investigations
- internal reporting and escalation
- disciplinary procedures
- external reporting
- civil action for recovery of loss
- review of internal controls
- insurance.

6.1 Procedures of the investigation of detected or suspected incidents

The Shire's Public Interest Disclosure Information Guidelines available on our website provide for –

- appropriate measures for the comprehensive investigation of such matters based on the principles of independence, objectivity and fair due process (rules of natural justice)
- systems for internal reporting of all detected incidents
- process for reporting the matters of suspected fraud and corruption to appropriate external enforcement agencies.

The Guidelines will be reviewed regularly to ensure that it continues to meet these objectives.

6.2 Internal reporting

The Chief Executive Officer is to ensure that all incidents reported and investigated are documented and registered on the appropriate confidential file.

The documentation placed on the file must include the following minimum information –

- date and time of report
- date and time the incident was detected
- how the incident came to the attention of management
- the nature of the incident
- value of loss (if any) to the entity
- action taken following discovery of the incident.

6.3 Disciplinary procedures

The Shire's disciplinary policy and procedures outline the potential disciplinary outcomes that apply in regards to the application of this Plan.

6.4 External reporting

You may report any reasonable suspicion of minor misconduct involving a public officer to the Public Sector Commission (PSC). These powers come from the *Corruption, Crime and Misconduct Act 2003*.

It is important you consider what behaviours and circumstances constitute minor misconduct and whether the person/s involved is a public officer for the purposes of the legislation.

There is a good chance that if the public officer/s involved could be the subject of a disciplinary investigation within the authority, then it might be minor misconduct. If you suspect the behaviour you have seen or experienced is minor misconduct you can report it to the PSC or the Chief Executive Officer.

Department of Local Government Sport and Cultural Industries

Gordon Stephenson House, 140 William Street, Perth WA 6000
 GPO Box R1250, Perth WA 6844
 Telephone: (08) 6551 8700
 Fax: (08) 6552 1555
 Free call (Country only): 1800 620 511
 Email: info@dlgc.wa.gov.au
 Website: www.dlqc.wa.gov.au
 Translating and Interpreting Service (TIS) – Tel: 13 14 50

Public Sector Commission

Two office locations:

- o Dumas House, 2 Havelock St, West Perth WA 6005
- o Hale House, 1 Parliament Place, West Perth WA 6005

Locked Bag 3002, West Perth WA 6872
 Phone: (08) 6552 8500
 Fax: (08) 6552 8501
 Email: admin@psc.wa.gov.au
 Website: <https://publicsector.wa.gov.au>

Corruption and Crime Commission

Level 5, 45 Francis Street, Northbridge WA 6003
 PO Box 330, Northbridge Post Shop WA 6865
 Phone: (08) 9215 4888
 Fax: (08) 9215 4884
 Toll-free: 1800 809 000
 Email: info@ccc.wa.gov.au
 Website: <https://www.ccc.wa.gov.au/>

Hearing impairment: If you are deaf, or have a hearing impairment or speech impairment, contact us through the National Relay Service:

TTY users phone 1800 555 677 then ask for 1800 809 000
 Speak and Listen users phone 1800 555 727 then ask for 1800 809 000.

Narrogin Police

82 Earl Street, Narrogin 6312
 Tel: (08) 9852 1300
 Hours: Mon-Fri, 8.00am to 4.00pm

6.5 Civil proceeding to recover the proceeds of fraud and corruption

The Shire of Cuballing may seek to recover any losses incurred from misconduct, fraud or corruption activities, after considering all relevant issues.

In the instance where there is clear evidence of fraud and corruption and where the likely benefits of such recovery will exceed the funds and resources required to be invested in the recovery action the Shire of Cuballing may chose not to seek to recover such losses.

6.6 Internal control review following discovery of fraud

Where fraud or corruption is detected the relevant Executive Manager will be responsible to assess the adequacy of the relevant internal control environment and provide a report to the Executive Management Team any recommended improvements identified.

6.7 Maintaining and monitoring adequacy of insurance

The Shire will maintain a fidelity guarantee insurance policy that insures the risk of loss arising from internal fraudulent conduct. The level of the policy and other policies relevant to fraudulent or improper conduct will be reviewed annually by Executive Management Team.

Appendix 1 – Reference documents

Australian Standard 8001/2008: Fraud and Corruption Control

City of Armadale –

- Management Practice ADM 23 – Misconduct, Fraud and Corruption, March 2019

Office of Auditor General for Western Australia –

- Report 24: 2018-2019, *Verifying Employee Identity and Credentials*
- Report 5: 2019-2020, *Fraud Prevention in Local Government*

Shire of Ashburton –

- Fraud and Corruption Control Plan, March 2020

Shire of East Pilbara –

- Fraud and Corruption Prevention Plan, April 2018

Shire of Narrogin –

- Fraud and Corruption Prevention Plan, March 2020

Other documents that may be of relevance include –

- Corruption, Crime and Misconduct Act 2003
- Criminal Code Act Compilation Act 1913
- Fair Work Act 2009
- Fair Work Regulations 2009
- Local Government Act 1995, including –
 - Audit Regulations 1996
 - Financial Management Regulations 1996
 - Rules of Conduct Regulations 2007
- Public Sector Commission Guidelines
- Corruption and Crime Commission Guidelines

9.1.6 2020 Compliance Audit Return

Applicant:	N/A
File Ref. No:	ADM 35
Disclosure of Interest:	Nil
Date:	17 th February 2021
Author:	Gary Sherry
Attachments:	9.1.6A Draft 2020 Compliance Audit Return

Summary

Council is to consider the Compliance Audit Return for the period 1st January 2020 to 31st December 2020 and a recommendation for action by the Shire of Cuballing Audit Committee.

Background

The Compliance Audit Return (CAR) is a Department of Local Government, Sport and Cultural Industries (DLGSCI) prepared check list of some of the statutory requirements for Local Governments were required to comply with in the twelve months to 31st December 2020.

Regulation 14 of the Local Government (Audit) Regulations requires that a local government's Audit Committee reviews the CAR and reports the results of that review to the Council prior to adoption by Council and submission to the DLGC.

The Statutory Compliance Audit Return is to be:

1. presented to the Audit Committee for consideration at a meeting of the Audit Committee; by Council;
2. recommended for Adoption by Council at an Audit Committee Meeting;
3. presented to the Council at a meeting of Council;
4. adopted by the Council; and
5. the adoption recorded in the minutes of the meeting at which it is adopted.

After the Compliance Audit Return has been presented to Council, a certified copy of the return, along with the relevant section of the minutes and any additional information explaining or qualifying the compliance audit is to be submitted to the Executive Director, Department of Local Government, Sport and Cultural Industries, by 31st March 2021.

Comment

The Audit Committee is to consider the CAR 2020 and make recommendations to the February 2021 Ordinary Council Meeting. The draft Compliance Audit Return 2020 is included at Attachment 9.1.6A.

The 2020 Compliance Audit Return included the following matters of non-compliance:

No	Reference	Question	Response	Comments
Disclosure of Interest				
4	s5.75 Admin Reg 22	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day.	No	Cr Harris lodged a primary return on 5/08/2020, after the 3 months of his start date.
Finance				
6	s7.9(1)	Was the Auditor's report for the financial year ended 30 June 2020 received by the local government by 31 December 2020.	No	The Audit Report is expected to be received in February 2021
Official Conduct				
7	S5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4)	No	The CEO did not publish a map of the district as per section 5.96A(1)(a)

Strategic Implications – Nil at this time

Statutory Environment

Local Government Act 1995

7.13. Regulations as to audits

(1) Regulations may make provision —

- (aa) as to the functions of the CEO and the audit committee in relation to audits carried out under this Part and reports made on those audits;
- (ab) as to the functions of audit committees, including the selection and recommendation of an auditor;
- (ac) as to the procedure to be followed in selecting an auditor;
- (ad) as to the contents of the annual report to be prepared by an audit committee;
- (ae) as to monitoring action taken in respect of any matters raised in a report by an auditor;
 - (a) with respect to matters to be included in agreements between local governments and auditors;
 - (b) for notifications and reports to be given in relation to agreements between local governments and auditors, including any variations to, or termination of such agreements;
 - (ba) as to the copies of agreements between local governments and auditors being provided to the Department;
 - (c) as to the manner in which an application may be made to the Minister for approval as an auditor;
 - (d) in relation to approved auditors, for —
 - (i) reviews of, and reports on, the quality of audits conducted;
 - (ii) the withdrawal by the Minister of approval as an auditor;
 - (iii) applications to the State Administrative Tribunal for the review of decisions to withdraw approval;
 - (e) for the exercise or performance by auditors of their powers and duties under this Part;
 - (f) as to the matters to be addressed by auditors in their reports;
 - (g) requiring auditors to provide the Minister with such information as to audits carried out by them under this Part as is prescribed;

- (h) prescribing the circumstances in which an auditor is to be considered to have a conflict of interest and requiring auditors to disclose in their reports such information as to a possible conflict of interest as is prescribed;
 - (i) requiring local governments to carry out, in the prescribed manner and in a form approved by the Minister, an audit of compliance with such statutory requirements as are prescribed whether those requirements are —
 - (i) of a financial nature or not; or
 - (ii) under this Act or another written law.
- (2) Regulations may also make any provision about audit committees that may be made under section 5.25 in relation to committees.

Local Government (Audit) Regulations

13. Prescribed statutory requirements for which compliance audit needed (Act s. 7.13(1)(i))

For the purposes of section 7.13(1)(i) the statutory requirements set forth in the Table to this regulation are prescribed.

Table

Local Government Act 1995		
s. 3.57	s. 3.58(3) and (4)	s. 3.59(2), (4) and (5)
s. 5.16	s. 5.17	s. 5.18
s. 5.36(4)	s. 5.37(2) and (3)	s. 5.42
s. 5.43	s. 5.44(2)	s. 5.45(1)(b)
s. 5.46	s. 5.67	s. 5.68(2)
s. 5.70	s. 5.73	s. 5.75
s. 5.76	s. 5.77	s. 5.88
s. 5.89A	s. 5.103	s. 5.120
s. 5.121	s. 7.1A	s. 7.1B
s. 7.3	s. 7.6(3)	s. 7.9(1)
s. 7.12A		
Local Government (Administration) Regulations 1996		
r. 18A	r. 18C	r. 18E
r. 18F	r. 18G	r. 19
r. 19C	r. 19DA	r. 22
r. 23	r. 28	r. 34B
r. 34C		
Local Government (Audit) Regulations 1996		
r. 7	r. 10	
Local Government (Elections) Regulations 1997		
r. 30G		
Local Government (Functions and General) Regulations 1996		
r. 7	r. 9	r. 10
r. 11A	r. 11	r. 12
r. 14(1), and (5)	(3) r. 15	r. 16
r. 17	r. 18(1) and (4)	r. 19

r. 21	r. 22	r. 23
r. 24	r. 24AD(2), (4) and (6)	r. 24AE
r. 24AF	r. 24AG	r. 24AH(1) and (3)
r. 24AI	r. 24E	r. 24F
Local Government (Rules of Conduct) Regulations 2007		
r. 11		

14. Compliance audits by local governments

- (1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.
- (2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.
- (3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.
- (3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be —
 - (a) presented to the council at a meeting of the council; and
 - (b) adopted by the council; and
 - (c) recorded in the minutes of the meeting at which it is adopted.

Policy Implications – Nil

Financial Implications – Nil

Economic Implications – Nil

Social Implications – Nil

Environmental Considerations – Nil

Consultation – Nil

Options

The Committee can resolve:

1. the Officer's Recommendation; or
2. defer and seek additional information.

Voting Requirements – Simple Majority

AUDIT COMMITTEE'S RECOMMENDATION:

That Council:

1. **adopts the completed Local Government Compliance Audit Return for the period 1st January 2020 to 31st December 2020 and the President and Chief Executive Officer be authorised to sign the joint certification and return to the Director General of the Department of Local Government and Communities as required; and**
2. **notes the non-compliance matter and requests that the Chief Executive Officer ensure the areas of non-compliance are addressed.**



Cuballing - Compliance Audit Return 2020

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of the relevant minutes.

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2020?	N/A		Bronwyn Dew
2	s3.59(2)(b) F&G Regs 7,8,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2020?	N/A		Bronwyn Dew
3	s3.59(2)(c) F&G Regs 7,8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2020?	N/A		Bronwyn Dew
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2020?	N/A		Bronwyn Dew
5	s3.59(5)	During 2020, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A		Bronwyn Dew



Delegation of Power/Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16	Were all delegations to committees resolved by absolute majority?	N/A	No delegations were made to committees	Gary Sherry
2	s5.16	Were all delegations to committees in writing?	N/A		Bronwyn Dew
3	s5.17	Were all delegations to committees within the limits specified in section 5.17?	N/A		Bronwyn Dew
4	s5.18	Were all delegations to committees recorded in a register of delegations?	N/A		Bronwyn Dew
5	s5.18	Has council reviewed delegations to its committees in the 2019/2020 financial year?	N/A		Bronwyn Dew
6	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Act?	Yes		Bronwyn Dew
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes	Decision 2020/49 on 17/06/2020	Gary Sherry
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes		Bronwyn Dew
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes		Bronwyn Dew
10	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the council to amend or revoke a delegation made by absolute majority?	Yes		Bronwyn Dew
11	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	Yes		Bronwyn Dew
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2019/2020 financial year?	Yes	Delegations were reviewed 17th June 2020	Bronwyn Dew
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Admin Reg 19?	Yes	I am not aware of any occasion where persons exercising a delegated power or duty under the Act did not keep a written record	Gary Sherry

Disclosure of Interest					
No	Reference	Question	Response	Comments	Respondent
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes		Bronwyn Dew



Department of
Local Government, Sport
and Cultural Industries

No	Reference	Question	Response	Comments	Respondent
2	s5.68(2) & s5.69 (5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by Admin Reg 21A, recorded in the minutes of the relevant council or committee meeting?	N/A	No decisions were made to permit participation.	Gary Sherry
3	s5.73	Were disclosures under section sections 5.65, 5.70 or 5.71A(3) recorded in the minutes of the meeting at which the disclosures were made?	N/A		Gary Sherry
4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	No	Cr Harris lodged a primary return on 05/08/2020, after the 3 months of his start date.	Gary Sherry
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2020?	Yes		Bronwyn Dew
6	s5.77	On receipt of a primary or annual return, did the CEO, or the mayor/president, give written acknowledgment of having received the return?	Yes		Bronwyn Dew
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76?	Yes		Bronwyn Dew
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A, in the form prescribed in Admin Reg 28?	Yes		Bronwyn Dew
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76, did the CEO remove from the register all returns relating to that person?	N/A		Bronwyn Dew
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	Yes		Bronwyn Dew
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B, in the form prescribed in Admin Reg 28A?	Yes		Bronwyn Dew
12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	Yes		Bronwyn Dew
13	s5.89A(6)	When a person ceases to be a person who is required to make a disclosure under section 5.87A or 5.87B, did the CEO remove from the register all records relating to that person?	Yes		Bronwyn Dew



No	Reference	Question	Response	Comments	Respondent
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A (6) been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	Yes		Bronwyn Dew
15	Rules of Conduct Reg 11(1), (2) & (4)	Where a council member had an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person, did they disclose the interest in accordance with Rules of Conduct Reg 11(2)?	Yes		Bronwyn Dew
16	Rules of Conduct Reg 11(6)	Where a council member disclosed an interest under Rules of Conduct Reg 11 (2) was the nature of the interest recorded in the minutes?	Yes		Bronwyn Dew
17	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Yes		Bronwyn Dew
18	s5.71A & s5.71B (5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under s5.71A(1) relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	N/A		Bronwyn Dew
19	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under subsection 5.71B(6) recorded in the minutes of the council meeting at which the decision was considered?	N/A		Bronwyn Dew
20	s5.103 Admin Regs 34B & 34C	Has the local government adopted a code of conduct in accordance with Admin Regs 34B and 34C to be observed by council members, committee members and employees?	Yes		Bronwyn Dew
21	Admin Reg 34B(5)	Has the CEO kept a register of notifiable gifts in accordance with Admin Reg 34B(5)?	Yes		Bronwyn Dew

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) (unless section 3.58(5) applies)?	Yes		Bronwyn Dew
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	Yes		Bronwyn Dew



Elections					
No	Reference	Question	Response	Comments	Respondent
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate?	N/A	No Election was conducted in 2020	Bronwyn Dew
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years?	N/A	No election was conducted in 2020	Bronwyn Dew
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with Elect Reg 30G(6)?	N/A	No election was conducted in 2020	Bronwyn Dew

Finance					
No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act?	Yes		Bronwyn Dew
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	N/A		Bronwyn Dew
3	s7.3(1) & s7.6(3)	Was the person or persons appointed by the local government to be its auditor appointed by an absolute majority decision of council?	N/A	The Office of Auditor General is the appointed auditor	Bronwyn Dew
4	s7.3(3)	Was the person(s) appointed by the local government under s7.3(1) to be its auditor a registered company auditor or an approved auditor?	N/A	The Office of Auditor General is the appointed auditor	Bronwyn Dew
5	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2020 received by the local government by 31 December 2020?	No	The auditors report for the financial year ended 30 June 2020 is expected to be received in February 2021.	Bronwyn Dew
6	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9(1) of the Act required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	N/A		Gary Sherry



No	Reference	Question	Response	Comments	Respondent
7	s7.12A(4)(a)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters?	N/A		Gary Sherry
8	s7.12A(4)(b)	Where the local government was required to prepare a report under s.7.12A(4)(a), was a copy of the report given to the Minister within three months of the audit report being received by the local government?	N/A		Gary Sherry
9	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under s7.12A(4)(b), did the CEO publish a copy of the report on the local government's official website?	N/A		Gary Sherry
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives and scope of the audit, a plan for the audit, details of the remuneration and expenses paid to the auditor, and the method to be used by the local government to communicate with the auditor?	Yes		Bronwyn Dew
11	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June received by the local government within 30 days of completion of the audit?	N/A	The auditors report for 2019/20 is expected to be received in February 2021.	Bronwyn Dew

Integrated Planning and Reporting

No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	Adopted 20/11/2019	Gary Sherry
2	Admin Reg 19DA (1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	Adopted 17/06/2020	Bronwyn Dew
3	Admin Reg 19DA (2) & (3)	Does the corporate business plan comply with the requirements of Admin Reg 19DA(2) & (3)?	Yes		Bronwyn Dew



Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve a process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	N/A	No CEO was appointed in 2020	Bronwyn Dew
2	s5.36(4) & s5.37(3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Admin Reg 18A?	N/A	There was no CEO or senior employee vacancies in 2020	Bronwyn Dew
3	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	N/A		Bronwyn Dew
4	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4)?	N/A		Bronwyn Dew
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	N/A	No designated senior employees were appointed or terminated in 2020	Bronwyn Dew
6	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A		Bronwyn Dew

Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Has the local government designated a senior employee as defined by section 5.37 to be its complaints officer?	Yes	The CEO is the complaints officer	Bronwyn Dew
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a)?	Yes		Bronwyn Dew
3	s5.121(2)	Does the complaints register include all information required by section 5.121(2)?	Yes		Bronwyn Dew
4	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Yes		Bronwyn Dew

Optional Questions					



No	Reference	Question	Response	Comments	Respondent
1	Financial Management Reg 5 (2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with Financial Management Reg 5(2)(c) within the three years prior to 31 December 2020? If yes, please provide the date of council's resolution to accept the report.	Yes	17/06/2020	Bronwyn Dew
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Audit Reg 17 within the three years prior to 31 December 2020? If yes, please provide date of council's resolution to accept the report.	Yes	This report was accepted by the Shire of Cuballing Audit Committee on 09/03/2020. There is no Council resolution to accept the report.	Bronwyn Dew
3	s5.87C(2)	Where a disclosure was made under sections 5.87A or 5.87B, was the disclosure made within 10 days after receipt of the gift?	N/A		Bronwyn Dew
4	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B, did the disclosure include the information required by section 5.87C?	N/A		Bronwyn Dew
5	s5.90A(2)	Did the local government prepare and adopt by absolute majority a policy dealing with the attendance of council members and the CEO at events?	Yes	This policy was adopted by absolute majority on 22/07/2020	Gary Sherry
6	s.5.90A(5)	Did the CEO publish an up-to-date version of the attendance at events policy on the local government's official website?	Yes		Gary Sherry
7	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4)?	No	The CEO did not publish a map of the district as per section 5.96A(1)(a).	Gary Sherry
8	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	Yes	Adopted 18/03/2020	Bronwyn Dew
9	s5.127	Did the local government prepare a report on the training completed by council members in the 2019/2020 financial year and publish it on the local government's official website by 31 July 2020?	Yes		Bronwyn Dew
10	s6.4(3)	By 30 September 2020, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2020?	Yes		Bronwyn Dew



Tenders for Providing Goods and Services						
No	Reference	Question	Response	Comments	Respondent	
1	F&G Reg 11A(1) & (3)	Does the local government have a current purchasing policy that complies with F&G Reg 11A(3) in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$250,000 or less or worth \$250,000 or less?	Yes		Bronwyn Dew	
2	F&G Reg 11A(1)	Did the local government comply with its current purchasing policy in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	Yes		Bronwyn Dew	
3	s3.57 F&G Reg 11	Subject to F&G Reg 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in F&G Reg 11(1)?	Yes		Bronwyn Dew	
4	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with F&G Reg 14(3) and (4)?	Yes		Bronwyn Dew	
5	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than a single contract?	Yes		Bronwyn Dew	
6	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer notice of the variation?	Yes		Bronwyn Dew	
7	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Regs 15 and 16?	Yes		Bronwyn Dew	
8	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	Yes		Bronwyn Dew	
9	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	N/A		Bronwyn Dew	



No	Reference	Question	Response	Comments	Respondent
10	F&G Reg 18(4)	Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	Yes		Bronwyn Dew
11	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	Yes		Bronwyn Dew
12	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of F&G Regs 21 and 22?	N/A	The Shire did not issue an EOI during 2020.	Gary Sherry
13	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	N/A		Bronwyn Dew
14	F&G Reg 23(3)	Were all expressions of interest that were not rejected assessed by the local government?	N/A		Gary Sherry
15	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services as an acceptable tenderer?	N/A		Gary Sherry
16	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with F&G Reg 24?	N/A		Gary Sherry
17	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with F&G Reg 24AD(4) and 24AE?	N/A	The Shire does not procure goods and services from pre-qualified suppliers	Gary Sherry
18	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?	N/A		Bronwyn Dew
19	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A		Bronwyn Dew
20	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of F&G Reg 24AG?	N/A		Bronwyn Dew

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
Local Government, Sport
and Cultural Industries

No	Reference	Question	Response	Comments	Respondent
21	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	N/A		Bronwyn Dew
22	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A		Bronwyn Dew
23	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A		Bronwyn Dew
24	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of F&G Regs 24E and 24F?	Yes		Bronwyn Dew

I certify this Compliance Audit Return has been adopted by council at its meeting on _____

Signed Mayor/President, Cuballing

Signed CEO, Cuballing

9.1.7 Budget Review 2020/2021

Applicant:	N/A
File Ref. No:	ADM102
Disclosure of Interest:	Nil
Date:	10 th February 2020
Author:	Bronwyn Dew
Attachments:	9.1.7A Budget Review Report 9.1.7B Budget Review Commentary Report

Summary

A Statement of Financial Activity incorporating year to date budget variations and forecasts to 30 June 2021 for the period ended 31 January 2021 is presented for council to consider.

Background

The Local Government (Financial Management) Regulations 1996, regulation 33A as amended, requires that Local Governments conduct a budget review between 1 January and 31 March in each financial year. A copy of the review and determination is to be provided to the Department of Local Government within 30 days of the adoption of the review.

Comment

The budget review has been prepared to include information required by the Local Government Act 1995, Local Government (Financial Management) Regulations 1996 and Australian Accounting Standards. Council adopted a 10% and a \$5,000 minimum for the reporting of material variances to be used in the statements of financial activity and the annual budget review.

These projections are estimates done to the best of the abilities of the staff involved consulting with current accounts, forecasted expenditures and current budgets. These estimates do not guarantee that the 2020/2021 projected results will match the end of year result.

Note 4 of the attached report provides an explanation for predicted variances shown in the Budget Review forecasts for this financial year.

The major variances found in the Budget Review:

- The opening surplus was \$161,467 higher than originally budgeted. Due to the payment of 2020/21 grant funding in June 2020.
- Computer Equipment Maintenance is higher than budgeted due to increased costs resulting from the changeover of IT service providers and failure of some existing equipment.
- Fire Mitigation grant income of \$84,825 is unbudgeted income which is offset by the fire mitigation costs to the same value.
- Maintenance to fire vehicles is \$51,688 over budget, this amount has been claimed back from FESA in full.
- Fire prevention grants income is \$71,075 over budget, this is due to the reimbursement for the maintenance to four fire vehicles \$51,688 and the reimbursement of the 2019/20 overspend to fire prevention of \$19,387.
- Town Planning & Regional Development income is over budget due to unbudgeted and significant planning applications. Part of this income is offset by increased planning costs.
- Local Roads grant is \$38,981 lower than budgeted. This is due to Main Roads correcting the amount of the grant after the 2020/21 budget had been adopted by Council.

- Private works income is lower than budgeted, due to staff time being committed to the large capital roads program. This is partially offset by the private works expenses being lower than budgeted.
- Parts and repairs is over budget due to the major repair to the Cat Loader at a cost of \$58,463.

Based on Budget Review predictions, Council is on track to meet budget with an end of year surplus of \$3,516.

Strategic Implications - Nil

Statutory Environment

Local Government (Financial Management) Regulations 1996

Part 3 Annual budget — s. 6.2

33A. Review of budget

(1) Between 1 January and 31 March in each year a local government is to carry out a review of its annual budget for that year.

(2) Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.

(3) A council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or any recommendations made in the review.

**Absolute majority required.*

(4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.

Policy Implications - Nil

Financial Implications

Based on the end of year position expected from this Budget Review, no amendments to the 2020/2021 Budget have been recommended.

Economic Implication - Nil

Environmental Considerations - Nil

Consultation - Nil

Options

Council may resolve:

1. the Officer's Recommendation;
2. not to receive the Budget Review for 2020/2021.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION:

That Council adopt the Budget Review for the financial year 2020/2021 conducted in accordance with Regulation 33A (2) and (3) of the Local Government (Financial Management) Regulation 1996.

**SHIRE OF CUBALLING
BUDGET REVIEW REPORT
FOR THE PERIOD ENDED 31 JANUARY 2021**

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

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SHIRE OF CUBALLING
STATEMENT OF BUDGET REVIEW
(NATURE OR TYPE)
FOR THE PERIOD ENDED 31 JANUARY 2021

	Note	Budget v Actual		Predicted		
		Annual Budget (a)	YTD Actual (b)	Variance Permanent (c)	Year End (a)+(c)	
		\$	\$	\$	\$	
OPERATING ACTIVITIES						
Net current assets at start of financial year	4.5.2	945,522	1,108,989	161,467	1,108,989	▲
Revenue from operating activities (excluding rates)						
Operating grants, subsidies and contributions	4.1.3	615,168	501,700	158,959	774,127	▲
Profit on asset disposals	4.1.1	0	874	0	0	
Fees and charges	4.1.2	166,872	201,931	64,593	231,265	▲
Interest earnings	4.1.4	20,800	11,324	(3,447)	17,353	▼
Other revenue	4.1.5	64,866	35,332	(20,400)	44,266	▼
		867,305	751,161	199,705	1,067,010	
Expenditure from operating activities						
Employee costs	4.2.1	(996,469)	(580,303)	47,510	(948,959)	▼
Materials and contracts	4.2.2	(804,728)	(517,137)	(261,202)	(1,066,930)	▲
Utility charges	4.2.3	(67,601)	(37,313)	(10,881)	(78,482)	▲
Depreciation on non-current assets	4.2.4	(1,962,282)	(1,203,537)	0	(1,962,282)	
Interest expenses	4.2.5	(5,383)	(3,150)	0	(5,383)	
Insurance expenses	4.2.6	(147,848)	(150,955)	(2,692)	(150,540)	▲
Loss on asset disposals	4.2.7	(155,513)	(122,235)		(155,513)	
Other expenditure	4.2.8	(58,105)	(26,814)	7,834	(50,471)	▼
		(4,197,928)	(2,821,244)	(219,631)	(4,417,559)	
Non-cash amounts excluded from operating activities	4.5.3	2,117,795	1,324,898	0	2,117,795	
Amount attributable to operating activities		(267,307)	561,805	141,541	(125,766)	
INVESTING ACTIVITIES						
Non-operating grants, subsidies and contributions	0	1,702,022	456,925	0	1,702,022	
Purchase land held for resale	4.4.1	0	0	0	0	
Purchase land and buildings	4.4.2	(1,549,761)	(86,153)	0	(1,549,761)	
Purchase plant and equipment	4.4.3	(494,424)	(446,870)	27,555	(466,869)	▼
Purchase furniture and equipment	4.4.4	0	0	0	0	
Purchase and construction of infrastructure - roads	4.4.5	(1,336,233)	(654,039)	0	(1,336,233)	
Purchase and construction of infrastructure - other	4.4.6	(149,650)	(88,940)	0	(149,650)	
Proceeds from disposal of assets	4.3.2	138,000	48,305	0	138,000	
Amount attributable to investing activities		(1,690,047)	(770,772)	27,555	(1,662,491)	
FINANCING ACTIVITIES						
Repayment of borrowings	4.4.7	(57,073)	(31,793)	0	(57,073)	
Proceeds from new borrowings	4.3.3	310,000	0	0	310,000	
Transfers to cash backed reserves	4.5.10	(17,545)	(4,942)	2,588	(14,957)	▼
Transfers from cash backed reserves	4.3.4	551,774	0	(169,555)	382,219	▲
Amount attributable to financing activities		787,156	(36,735)	(166,967)	620,189	
Budget deficiency before general rates		(1,170,197)	(245,702)	2,129	(1,168,068)	
Estimated amount to be raised from general rates		1,171,584	1,175,175	0	1,171,584	
Closing funding surplus(deficit)	2	1,387	929,474	2,129	3,516	

SHIRE OF CUBALLING
STATEMENT OF BUDGET REVIEW
(STATUTORY REPORTING PROGRAM)
FOR THE PERIOD ENDED 31 JANUARY 2021

	Budget v Actual		Predicted		Material Variance	
	Adopted Annual Budget (a)	YTD Actual (b)	Variance Permanent (c)	Year End (a)+(c)		
Note	\$	\$	\$	\$		
OPERATING ACTIVITIES						
Net current assets at start of financial year	4.5.2	945,522	1,108,989	161,467	1,108,989	▲
Revenue from operating activities (excluding rates)						
General purpose funding		312,708	189,909	(7,329)	305,379	▼
Governance		1,781	16,439	45,522	47,303	▲
Law, order, public safety		35,444	186,399	155,900	191,344	▲
Health		800	536	0	800	
Education and welfare		1,000	0	0	1,000	
Housing		4,680	2,700	0	4,680	
Community amenities		71,830	123,849	50,093	121,923	▲
Recreation and culture		25,150	25,293	0	25,150	
Transport		283,262	172,556	(32,481)	250,781	▼
Economic services		38,650	25,649	8,000	46,650	▲
Other property and services		92,000	27,831	(20,000)	72,000	▼
		867,305	751,161	199,705	1,067,010	
Expenditure from operating activities						
General purpose funding		(78,415)	(50,983)	(5,455)	(83,870)	▲
Governance		(131,679)	(93,714)	(35,525)	(167,204)	▲
Law, order, public safety		(182,585)	(152,546)	(138,513)	(319,098)	▲
Health		(45,440)	(29,209)	0	(45,440)	
Education and welfare		(21,728)	(12,643)	(1,500)	(23,228)	▲
Housing		(37,745)	(17,227)	6,461	(31,284)	▼
Community amenities		(337,403)	(215,454)	(13,939)	(351,342)	▲
Recreation and culture		(380,209)	(226,995)	8,000	(372,209)	▼
Transport		(2,770,985)	(1,473,774)	8,184	(2,762,801)	▼
Economic services		(152,740)	(97,953)	(10,881)	(163,621)	▲
Other property and services		(59,000)	(250,745)	(38,463)	(97,463)	▲
		(4,197,929)	(2,621,244)	(219,631)	(4,417,560)	
Non-cash amounts excluded from operating activities	4.5.3	2,117,795	1,324,898	0	2,117,795	
Amount attributable to operating activities		(267,308)	561,805	141,541	(125,767)	
INVESTING ACTIVITIES						
Non-operating grants, subsidies and contributions		1,702,022	456,925	0	1,702,022	
Purchase land held for resale	4.4.1	0	0	0	0	
Purchase land and buildings	4.4.2	(1,549,761)	(86,153)	0	(1,549,761)	
Purchase plant and equipment	4.4.3	(494,424)	(446,870)	27,555	(466,869)	▼
Purchase furniture and equipment	4.4.4	0	0	0	0	
Purchase and construction of infrastructure - roads	4.4.5	(1,336,233)	(654,039)	0	(1,336,233)	
Purchase and construction of infrastructure - other	4.4.6	(149,650)	(88,940)	0	(149,650)	
Proceeds from disposal of assets	4.3.2	138,000	48,305	0	138,000	
Amount attributable to investing activities		(1,690,046)	(770,772)	27,555	(1,662,491)	
FINANCING ACTIVITIES						
Repayment of borrowings	4.4.7	(57,073)	(31,793)	0	(57,073)	
Proceeds from new borrowings	4.3.3	310,000	0	0	310,000	
Transfers to cash backed reserves	4.5.10	(17,545)	(4,942)	2,588	(14,957)	▼
Transfers from cash backed reserves	4.3.4	551,774		(189,555)	382,219	▼
Amount attributable to financing activities		787,156	(36,735)	(186,967)	620,189	
Budget deficiency before general rates		(1,170,198)	(245,702)	2,129	(1,168,069)	
Estimated amount to be raised from general rates		1,171,584	1,175,175	0	1,171,584	
Closing Funding Surplus(Deficit)	2	1,387	929,474	2,129	3,516	▲

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET REVIEW REPORT
FOR THE PERIOD ENDED 31 JANUARY 2021

1. BASIS OF PREPARATION

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

CRITICAL ACCOUNTING ESTIMATES

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

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

2020-21 ACTUAL BALANCES

Balances shown in this budget review report as 2020-21 Actual are as forecast at the time of budget review preparation and are subject to final adjustments.

ROUNDING OFF FIGURES

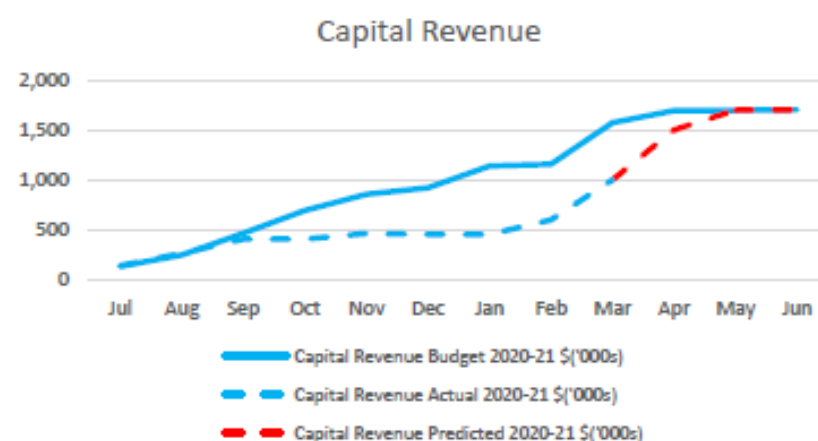
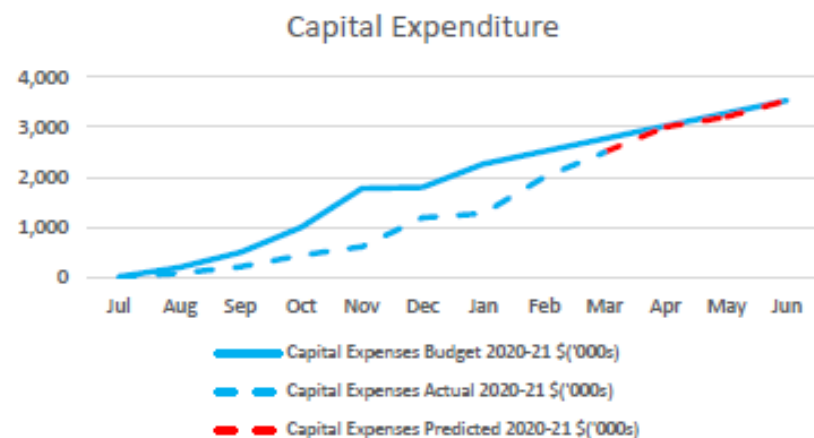
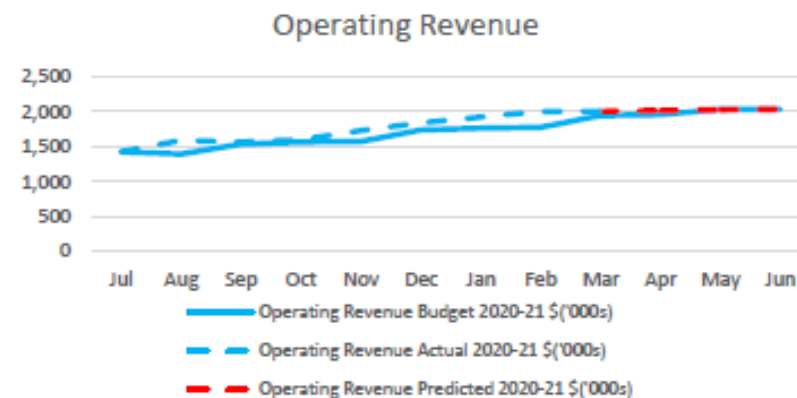
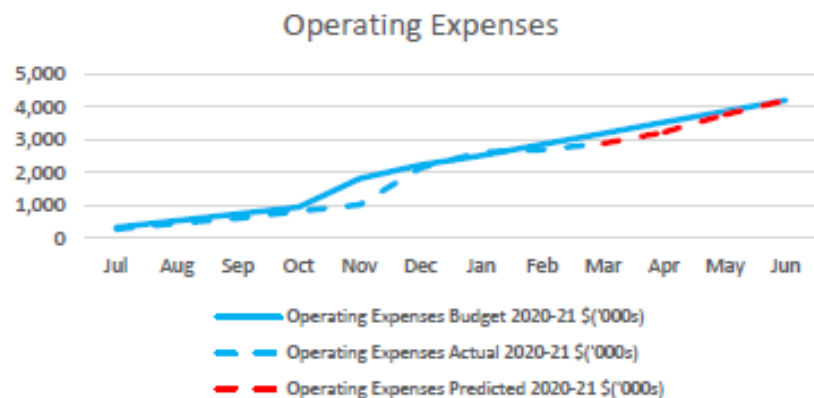
All figures shown in this budget review report are rounded to the nearest dollar.

BUDGET COMPARATIVE FIGURES

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

SHIRE OF CUBALLING
SUMMARY GRAPHS - BUDGET REVIEW
FOR THE PERIOD ENDED 31 JANUARY 2021

2. SUMMARY GRAPHS - BUDGET REVIEW



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

SHIRE OF CUBALLING
NOTES TO THE BUDGET REVIEW REPORT
FOR THE PERIOD ENDED 31 JANUARY 2021

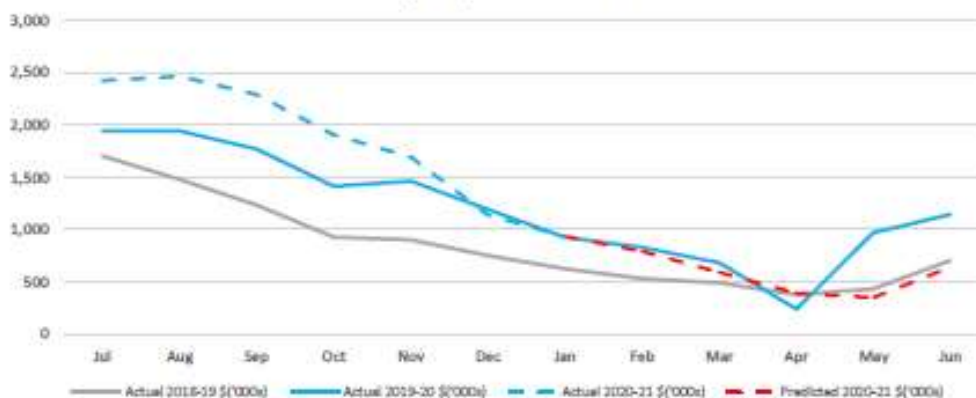
3. NET CURRENT FUNDING POSITION

	Last Years Closing Jun-20	This Time Last Year Jan-20	Year to Date Actual Jan-21
	\$	\$	\$
Current assets			
Cash unrestricted	1,008,179	807,185	794,098
Cash restricted	1,316,404	1,587,125	1,321,346
Receivables - rates and rubbish	101,076	151,191	142,029
Receivables - other	113,169	28,563	38,050
Inventories	6,061	8,996	6,061
	<u>2,544,890</u>	<u>2,583,050</u>	<u>2,301,585</u>
Less: current liabilities			
Payables	(119,366)	(34,193)	(21,011)
ATO Payables	0	(20,760)	(25,384)
Provisions - employee	(196,543)	(209,084)	(196,543)
Long term borrowings	(57,073)	(24,354)	(25,280)
Bonds & deposits	(2,131)	7,566	(4,371)
	<u>(375,113)</u>	<u>(280,826)</u>	<u>(272,589)</u>
Adjustments and exclusions permitted by FM Reg 32			
Less: Cash reserves	(1,316,404)	(1,587,125)	(1,321,346)
Add: Provisions - employee	196,543	209,084	196,543
Add: Long term borrowings	57,073	24,354	25,280
	<u>1,106,969</u>	<u>948,536</u>	<u>929,474</u>

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

		YTD Actual
		\$
Depreciation on non-current assets	1,962,282	1,203,537
Loss on asset disposals	155,513	122,235
Profit on asset disposals	0	(674)
Non-cash amounts excluded from operating activities	<u>2,117,795</u>	<u>1,324,898</u>

Liquidity Over the Year



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

SIGNIFICANT ACCOUNTING POLICIES

CASH AND CASH EQUIVALENTS

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

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

TRADE AND OTHER RECEIVABLES

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

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

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

INVENTORIES

General

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

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

CURRENT AND NON-CURRENT CLASSIFICATION

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

LOANS AND RECEIVABLES

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

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services

financial year that are unpaid and arise when the Shire of Cuballing becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

EMPLOYEE BENEFITS

Short-Term Employee Benefits

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

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

PROVISIONS

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

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

RATES, GRANTS, DONATIONS AND OTHER CONTRIBUTIONS

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

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

SHIRE OF CUBALLING
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 31 JANUARY 2021

4. PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$ <u>Permanent</u>
4.1 OPERATING REVENUE (EXCLUDING RATES)	
4.1.1 PROFIT ON ASSET DISPOSAL	
No Material Variance	0
4.1.2 FEES AND CHARGES	
Sale of Scrap	6,500
Standpipe charges	8,000
Town Planning & Regional Development	50,093
4.1.3 GRANTS, SUBSIDIES AND CONTRIBUTIONS	
Financial Assistance Grants - General Purpose Component	(3,882)
Youth Development Traineeship funding	35,000
Contributions and Reimbursements	10,922
Financial Assistance Grants - Roads Component	(38,981)
Fire Prevention Grants	71,075
Fire Mitigation Grants	84,825
4.1.4 INTEREST EARNINGS	
General Interest	(859)
Interest on Reserves	(2,588)
4.1.5 OTHER REVENUE	
Photocopying, maps & minutes	(400)
Private Works	(20,000)
4.2 OPERATING EXPENSES	
4.2.1 EMPLOYEE COSTS	
Admin Salaries & Wages	17,249
Administration Superannuation & Related Costs	4,177
Administration Staff Training	(1,000)
Parks & Reserves Maintenance	3,000
Street & Roads Maintenance	8,184
Tip Maintenance Costs	6,000
Popanyinning Public Toilets	(1,100)
Cemetery Maintenance	1,000
Long Service Leave	10,000
4.2.2 MATERIAL AND CONTRACTS	
Rates - Discounts Allowed	(5,455)

SHIRE OF CUBALLING
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 31 JANUARY 2021

4. PREDICTED VARIANCES

Comments/Reason for Variance	Variance
	\$
	Permanent
Council Donations	1,000
Printing & Stationary	(4,253)
Sanitation Costs	1,500
Bank Fees	1,000
Administration Office Expenses	(4,306)
Ranger Service	0
CEO Housing Maintenance	6,461
Computer Equipment Maintenance	(38,281)
Tyres & Tubes	0
Parts & Repairs	(58,463)
Administration Other	(3,403)
Administratyon Support Services	(2,650)
Recreation Maintenance	5,000
Maintenance of Fire Vehicles	(51,688)
Bus Shelter Maintenance	(1,500)
Town Planning & Regional Development	(13,000)
Town Planning Consultant	(8,339)
Fire Mitigation Works	(84,825)
4.2.3 UTILITY CHARGES	
Standpipe Costs	(10,881)
4.2.4 DEPRECIATION (NON CURRENT ASSETS)	
Governance	0
Community Amenities	0
Recreation & Culture	0
Transport	0
Other Property & Services	0
4.2.5 INTEREST EXPENSES	
No Material Variance	0
4.2.6 INSURANCE EXPENSES	
Insurance - Administration	(2,692)
4.2.7 LOSS ON ASSET DISPOSAL	
No Material Variance	0
4.2.8 OTHER EXPENDITURE	
Members - Expenses, badges & honour boards	1,000
Members - Training & Conferences	4,000
Private Works	10,000
Fringe Benefits Tax	(5,926)
Members - Sitting Fees Paid	(1,440)
4.3 CAPITAL REVENUE	
4.3.1 GRANTS, SUBSIDIES AND CONTRIBUTIONS	
No Material Variance	0

SHIRE OF CUBALLING
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 31 JANUARY 2021

4. PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$ <u>Permanent</u>
4.3.2 PROCEEDS FROM DISPOSAL OF ASSETS	
No Material Variance	0
4.3.3 PROCEEDS FROM NEW DEBENTURES	
No Material Variance	0
4.3.4 TRANSFER FROM RESERVES (RESTRICTED ASSETS)	
No Material Variance	0
4.4 CAPITAL EXPENSES	
4.4.1 LAND HELD FOR RESALE	
No Material Variance	0
4.4.2 LAND AND BUILDINGS	0
No Material Variance	
4.4.3 PLANT AND EQUIPMENT	
Road Plant Purchases	27,555
4.4.4 FURNITURE AND EQUIPMENT	
No Material Variance	0
4.4.5 INFRASTRUCTURE ASSETS - ROADS	
No Material Variance	0
4.4.6 INFRASTRUCTURE ASSETS - OTHER	
4.4.7 REPAYMENT OF DEBENTURES	
No Material Variance	0
4.5 OTHER ITEMS	
4.5.10 TRANSFER TO RESERVES (RESTRICTED ASSETS)	
No Material Variance	2,588
4.5.11 TRANSFER FROM RESERVES (RESTRICTED ASSETS)	
Road Plant Purchases	(27,555)
Long Service Leave Provision	(10,000)
Plant Reserve Transfer	(132,000)
4.5.1 RATE REVENUE	0
Increase to Rates Income	
4.5.2 OPENING FUNDING SURPLUS (DEFICIT)	
During the compilation of the annual financial statements, amendments resulted in a permanent change to the balance brought forward.	161,467

SHIRE OF CUBALLING
 NOTES TO THE REVIEW OF THE ANNUAL BUDGET
 FOR THE PERIOD ENDED 31 JANUARY 2021

4. PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$ <u>Permanent</u>
4.5.3 NON-CASH WRITE BACKS	
Depreciation	0
Total Predicted Variances as per Annual Budget Review	<u>2,129</u>

SHIRE OF CUBALLING
NOTES TO THE BUDGET REVIEW REPORT
FOR THE PERIOD ENDED 31 JANUARY 2021

5. BUDGET AMENDMENTS

GL Acc	Program	Description	Council Resolution	Classification	Non Cash Adjustments	Increase In Available Cash	Decrease In Available Cash	Amended Budget Running Balance
					\$	\$	\$	\$
		Budget Adoption						945,522
		Opening Surplus(Deficit)		Opening Surplus(Deficit)			161,467	1,106,989
1032000	General Purpose Funding	General Purpose Grants		Operating Revenue			(3,882)	1,103,107
1032010	General Purpose Funding	Interest Received - Muni Account		Operating Revenue			(859)	1,102,248
1032020	General Purpose Funding	Interest Received - Reserves Account		Operating Revenue			(2,588)	1,099,660
1031010	General Purpose Funding	Rates - Discounts Allowed		Operating Expenses			(5,455)	1,094,205
1041010	Governance	Members - Training & Conferences		Operating Expenses		4,000		1,098,205
1041100	Governance	Members Sitting Fees Paid		Operating Expenses			(1,440)	1,096,765
1041110	Governance	Members - Exp/Badges/Honour Board		Operating Expenses		1,000		1,097,765
1041170	Governance	Council Donations		Operating Expenses		1,000		1,098,765
1042310	Governance	Printing & Stationery		Operating Expenses			(4,253)	1,094,512
1042320	Governance	Fringe Benefits Tax		Operating Expenses			(5,926)	1,088,586
1042350	Governance	Admin Salaries & Wages		Operating Expenses		17,249		1,105,835
1042360	Governance	Administration Superannuation		Operating Expenses		4,177		1,110,012
1042380	Governance	Insurance Administration		Operating Expenses			(2,692)	1,107,320
1042480	Governance	Administration Support Services		Operating Expenses			(2,650)	1,104,670
1042500	Governance	Photocopying, maps & minutes		Operating Revenue			(400)	1,104,270
1042510	Governance	Contributions and Reimbursements		Operating Revenue		10,922		1,115,192
1042540	Governance	Youth Development Traineeship funding		Operating Revenue		35,000		1,150,192
1042890	Governance	Administration Office Maintenance		Operating Expenses			(4,306)	1,145,886
1042930	Governance	Computer Equipment Maintenance		Operating Expenses			(38,281)	1,107,605
1042980	Governance	Bank Fees		Operating Expenses		1,000		1,108,605
1042970	Governance	Training Administration Staff		Operating Expenses			(1,000)	1,107,605
1042390	Governance	Administration Other		Operating Expenses			(3,403)	1,104,202
105150	Law, Order & Public Safety	Fire Prevention Grants		Operating Revenue		71,075		1,175,277
1051550	Law, Order & Public Safety	Fire Mitigation Grants	Resolution 2020/126	Operating Revenue		84,825		1,260,102
1051150	Law, Order & Public Safety	Fire Mitigation Works	Resolution 2020/126	Operating Expenses			(84,825)	1,175,277
1051010	Law, Order & Public Safety	Maintenance of Fire Vehicles		Operating Expenses			(51,688)	1,123,589
1081060	Education & Welfare	Bus Shelters		Operating Expenses			(1,500)	1,122,089
1091060	Housing	CEO Housing		Operating Expenses		6,461		1,128,550
1101050	Community Amenities	Tip Maintenance Costs		Operating Expenses		6,000		1,134,550
1102000	Community Amenities	Sanitation - Other		Operating Expenses		1,500		1,136,050
1106050	Community Amenities	Town Planning & Regional Development		Operating Expenses			(13,000)	1,123,050

Attachment 9.1.7A

GL Acc	Program	Description	Council Resolution	Classification	Non Cash	Increase in	Decrease in	Amended	
					Adjustments	Available Cash	Available Cash	Budget Running Balance	
					\$	\$	\$	\$	
1106100	Community Amenities	Town Planning Consultant		Operating Expenses			(8,339)	1,114,711	
1106500	Community Amenities	Town Planning & Regional Development		Operating Revenue		50,093		1,164,804	
1107050	Community Amenities	Maintenance - Popanyinning Public Toilets		Operating Expenses			(1,100)	1,163,704	
1107150	Community Amenities	Cemetery Maintenance		Operating Expenses		1,000		1,164,704	
1111050	Recreation & Culture	Maintenance of Parks & Reserves		Operating Expenses		3,000		1,167,704	
1111250	Recreation & Culture	Maintenance - Recreation		Operating Expenses		5,000		1,172,704	
1121550	Transport	MRWA Direct Grant		Operating Revenue			0	1,172,704	
1121770	Transport	Sale of Scrap		Operating Revenue		6,500		1,179,204	
1121850	Transport	Local Roads Grant		Operating Revenue			(38,981)	1,140,223	
1122100	Transport	Depot Maintenance		Operating Expenses			0	1,140,223	
1122050	Transport	Maintenance on street & roads		Operating Expenses		8,184		1,148,407	
1124050	Transport	Road Plant Purchases		Capital Expenses		27,555		1,175,962	
1134100	Economic Services	Stand Pipe Costs		Operating Expenses			(10,881)	1,165,081	
1134550	Economic Services	Standpipe charges (income)		Operating Revenue		8,000		1,173,081	
1141050	Other Property & Services	Private Works		Operating Expenses		10,000		1,183,081	
1141500	Other Property & Services	Private Works		Operating Revenue			(20,000)	1,163,081	
1142070	Other Property & Services	Long Service Leave Wages		Operating Expenses		10,000		1,173,081	
1143100	Other Property & Services	Tyres & Tubes		Operating Expenses		0		1,173,081	
1143200	Other Property & Services	Parts & Repairs		Operating Expenses			(58,463)	1,114,618	
1042990	Governance	Depreciation		Non Cash Item				1,114,618	
1107990	Community Amenities	Depreciation		Non Cash Item				1,114,618	
1110990	Recreation & Culture	Depreciation		Non Cash Item				1,114,618	
1122990	Transport	Depreciation		Non Cash Item				1,114,618	
1143520	Other Property & Services	Depreciation		Non Cash Item				1,114,618	
1143990	Other Property & Services	Depreciation		Non Cash Item				1,114,618	
	Rates	Increase to Rates Income						1,114,618	
1701020	Equity	Transfer (to)/from reserves		Capital Revenue		0	(166,967)	947,651	
Amended Budget Cash Position as per Council Resolution						0	373,541	(371,412)	947,651

SHIRE OF CUBALLING
BUDGET REVIEW REPORT
FOR THE PERIOD ENDED 31 JANUARY 2021

Attachment 9.1.7B BUDGET REVIEW COMMENTARY

GL Acc	Description	Cash Increase	Cash Decrease	Explanation	Timing / Permanent
	Opening Surplus		161467	Higher than budgeted due to early payment of 2020/21 grant funding in June 2020	Permanent
1032000	General Purpose Grants		-3,882	Revenue from general purpose grants has been lower than budgeted	Permanent
1032010	Interest Received - Muni Account		-859	Interest on Muni account is lower than budgeted	Permanent
1032020	Interest received - Reserve Account		-2,588	Interest on Reserve account is lower than budgeted	Permanent
1031010	Rates - Discounts Allowed		-5,455	More ratepayers took advantage of the early payment discount than in previous years	Permanent
1041010	Members Training & Conferences	4,000		Due to the members training being conducted online rather than in person	Permanent
1041100	Members Sitting Fees Paid		-1,440	Due to holding special meetings of council	Permanent
1041110	Members - Exp/Badges/Honour Board	1,000		No expenditure required so far in this financial year	Permanent
1041170	Council Donations	1,000		Council has not made donations to date this financial year	Permanent
1042310	Printing & Stationery		-4,253	Printing of new to town folders and tourist brochures & changes to the rates invoice template	Permanent
1042320	Fringe Benefits Tax		-5,926	Instalments based on previous years assessment	Permanent
1042350	Administration Salaries & Wages	17,249		Administratoin Trainee's wages have been subsidised	Permanent
1042360	Administration Superannuation	4,177		Flow on effect of administration salaries & wages being under budget	Permanent
1042380	Insurance Administration		-2,692	Insurance costs higher than budgeted	Permanent
1042480	Administration Support Services		-2,650	Extra assistance required with new finance regulations	Permanent
1042500	Photocopying, maps & minutes		- 400	Photocopying income lower than in previous years	Permanent
1042510	Contributions and Reimbursements	10,922		Reimbursement from insurance company for truck hire (\$4,900) & traineeship subsidies (\$6,022)	Permanent
1042540	Youth Development Traineeship funding	35,000		Grant funding not budgeted for, successful grant application	Permanent

1042890	Administration Office Maintenance		-4,306	Maintenance higher than budgeted, phone line repairs, roof repairs, toilet repairs, COVID screens. Some can be attributed to staff time for cleaning, mowing etc	Permanent
1042930	Computer Equipment Maintenance		-38,281	Change over to new IT provider uncovered several issues. Extra costs associated with issues with Synergy Bank Reconciliations Module \$1375, onboarding to WCS \$5970, upgrade to WIFI connection \$716, replace Network switch \$2198, Install Firewall \$3500, Make Server Lockable & tagging \$3288, Synergy updates \$3249, Update Landgate SLIP service \$2149, Anti Phising set up \$887, install fail over service \$1336 & replace backup service \$12097	Permanent
1042980	Bank Fees	1,000		Bank fees under budget	Permanent
1042390	Training Administration Staff		- 1,000	Extra staff training required	Permanent
1042390	Administration Other		-3,403	Financial Reporting templates, subscription to Grant Guru, other subscriptions .	Permanent
1051500	Fire Prevention Grants	71,075		Reimbursement for the maintenance to four fire vehicles \$51,688 and the reimbursement of the 2019/20 overspend to fire prevention of \$19,387.	Permanent
1051550	Fire Mitigation Grant Income	84,825		Fire Mitigation grant income of \$84,825 is unbudgeted income which is offset by the fire mitigation costs to the same value.	Permanent
1051150	Fire Mitigation Works		-84825	Fire Mitigation expenditure unbudgeted expenditure which is offset by the fire mitigation grant of the same value.	Permanent
1051010	Maintenance of Fire Vehicles		-51688	Maintenance to 4 fire vehicles - has been claimed back from FESA in full.	Permanent
1081060	Bus Shelters		- 1,500	Due to damage from motorist, partially covered by insurance	Permanent
1091050	CEO Housing	6,461		Expenses under budget	Timing
1101050	Transfer Stations	6,000		Both transfer station running underbudget	Permanent
1102000	Sanitation - Other	1,500		Sanitation underbudget	Permanent

1106050	Town Planning & Regional Development Expenses		-13000	Planning costs associated with Feed Mill application	
1106100	Town Planning Consultant		-8339	Planning costs associated with aged persons accommodation	Permanent
1106500	Town Planning & Regional Development Revenue	50,093		Planning fees charged in association with Feed Mill application	Permanent
1107050	Maintenance of Popanyinning Public Toilets		-1,100	Over budget - extra staff time required for extra cleaning. Public	Permanent
1107150	Cemetery Maintenance	1,000		Cemetery costs less than previous use, less usage	Permanent
1111050	Maintenance of Parks & Reserves	3,000		Maintenance of Parks & Gardens of Parks lower than previous years.	Timing
1111250	Maintenance - Recreation	5,000		Maintenance costs lower than previous years	Timing
1121770	Sale of Scrap	6,500		Auction of depot obsolete items	Permanent
1121850	Local Roads Grant		-38,981	Local Roads grant is \$38,981 lower than budgeted. This is due to Main Roads correcting the amount of the grant after the budget had been adopted by Council.	Permanent
1122050	Maintenance on street & roads	8,184		Road maintenance well under budget due to large capital works program.	Timing
1124050	Road Plant Purchases	27,555		New grader change over was less than the budgeted amount.	Permanent
1134100	Stand Pipe Costs		-10,881	Expenses higher than budgeted - more water useage due to dry season - this is reflected by the increased income from standpipe charges	Permanent
1134550	Standpipe charges	8,000		Increased income from standpipes due to increased consumption of water	Permanent
1141050	Private Works - Expenses	10,000		Less private works carried out this financial year.	
1141500	Private Works Income		-20000	Less private works carried out this financial year.	
1142070	Long Service Leave Wages	10000		No Long service Leave taken by staff this financial year	Permanent
1143200	Parts & Repairs		-58,463	Cost to repair Cat Loader	Permanent
1701020	Transfer (to)/from reserves		-166,967	Transfer from reserve to balance budget not required	Permanent

9.1.8 Record Keeping Plan 2021-2026

Applicant:	N/A
File Ref. No:	ADM40
Disclosure of Interest:	N/A
Date:	3 rd February 2021
Author:	Bronwyn Dew, Deputy CEO
Attachments:	9.1.8A Draft Record Keeping Plan 2021-2026 9.1.8B Draft Records Management Policy

Summary

Council is required to review its record keeping practices and submit a revised Record Keeping Plan to the State Records Office every five (5) years.

Background

In 2016 Council reviewed the Shire's Record Keeping practices and updated to the Keywords for Councils system. Keywords for Council was successfully implemented and the revised Record Keeping Plan was adopted by Council in March 2016 and approved by the State Records Office in August 2016.

Comment

Council is required to submit an updated Record Keeping Plan to the State Records Office every five years. Council is required to submit a revised plan in 2021.

The 2016 Record Keeping Plan has worked well and the draft 2021 revised Record Keeping Plan, included at Attachment 9.1.8A, has minimal changes. Any changes included have been recommended by the State Records Office.

Strategic Implications - Nil

Statutory Environment – Nil

Policy Implications

Council is recommended to replace Policy 1.5 Records Management Policy with an updated draft policy included at Attachment 9.1.8B. This draft policy includes recommendations made by State Records Office.

Financial Implications – Nil

Economic Implication - Nil

Environmental Considerations - Nil

Consultation

State Records Office

Options

Council may resolve:

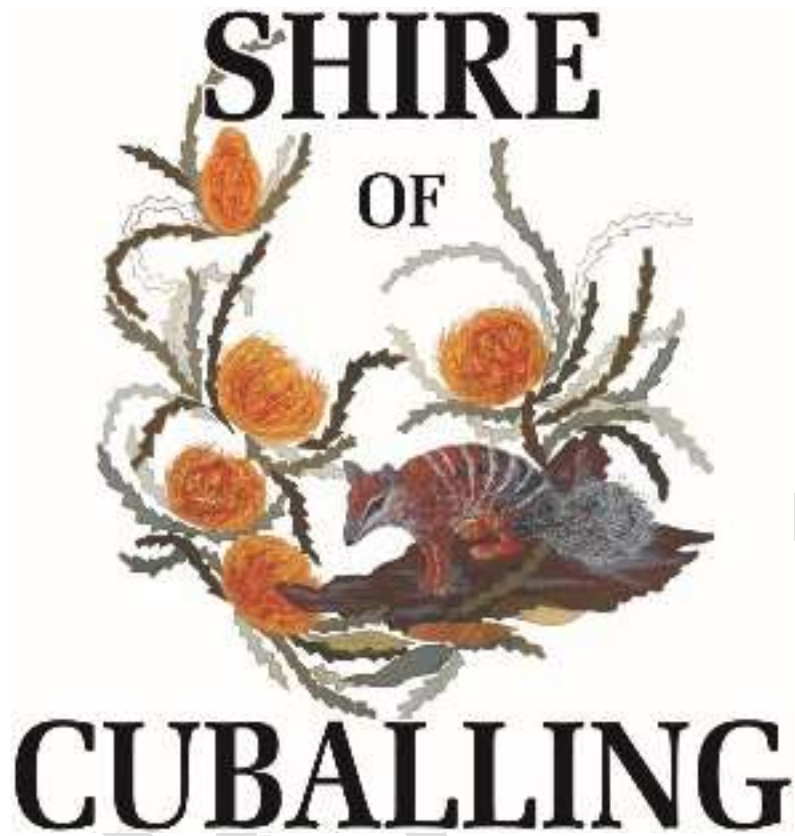
1. the Officer's Recommendation; or
2. defer consideration of this matter at this time and request staff to provide additional information prior to a future reconsideration of this matter.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION:

That Council adopt the:

- 1. Record Keeping Plan 2021-2026 as included at Attachment 9.1.8A; and**
- 2. Records Management Policy as included at Attachment 9.1.8B**



RECORDKEEPING PLAN

2021-2026

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Introduction

This document is presented to the State Records Commission in accordance with Section 28 of the *State Records Act 2000* (the Act). Section 28 (5) of that Act requires that no more than 5 years must elapse between approval of a government organization's Recordkeeping Plan and a review of it.

State Records Commission (SRC) Standard 1 – *Government Recordkeeping* requires that government organizations ensure that records are created, managed and maintained over time and disposed of in accordance with principles and standards issued by the SRC. SRC Standard 2 – *Recordkeeping Plans* comprises six recordkeeping principles each of which contains minimum compliance requirements.

The purpose of this Recordkeeping Plan is to set out the matters about which records are to be created by the Shire of Cuballing and how it is to keep its records. The Recordkeeping Plan is to provide an accurate reflection of the recordkeeping program within the organization, including information regarding the organization's recordkeeping system(s), disposal arrangements, policies, practices and processes. The Recordkeeping Plan is the primary means of providing evidence of compliance with the Act and the implementation of best practice recordkeeping within the organization.

The objectives of the Shire of Cuballing RKP are to ensure:

- Compliance with Section 28 of the *State Records Act 2000*;
- Recordkeeping within the Local Government is moving towards compliance with State Records Commission Standards and Records Management Standard AS ISO 15489;
- Processes are in place to facilitate the complete and accurate record of business transactions and decisions;
- Recorded information can be retrieved quickly, accurately and cheaply when required; and the
- Protection and preservation of the Local Government's records.

In accordance with Section 17 of the Act, the Shire of Cuballing and all its employees are legally required to comply with the contents of this Plan.

This Recordkeeping Plan applies to all of the Shire of Cuballing:

- Employees;
- Contractors;
- Organizations performing outsourced services on behalf of the Shire of Cuballing; and
- Elected members.

NOTE: *The policy approach of the State Records Commission in monitoring the recordkeeping obligations in respect to Local Government elected members is:*

"In relation to the recordkeeping requirements of local government elected members, records must be created and kept which properly and adequately record the performance of member functions arising from their participation in the decision making processes of Council and Committees of Council.

This requirement should be met through the creation and retention of records of meetings of Council and Committees of Council of local government and other communications and transactions of elected members which constitute evidence affecting the accountability of the Council and the discharge of its business.

Local governments must ensure that appropriate practices are established to facilitate the ease of capture and management of elected members' records up to and including the decision making processes of Council."

Local Governments are to address the management of elected members government records in accordance with this policy, in their Recordkeeping Plans.

This Recordkeeping Plan supersedes RKP2007043 and applies to all records created or received by any of the above parties, regardless of:

- Physical format;
- Storage location; or
- Date created.

For the purposes of this RKP, a record is defined as meaning “any record of information however recorded” and includes:

- (a) any thing on which there is writing or Braille;
- (b) a map, plan, diagram or graph;
- (c) a drawing, pictorial or graphic work, or photograph;
- (d) any thing on which there are figures marks, perforations, or symbols, having meaning for persons qualified to interpret them;
- (e) any thing from which images, sounds, or writings can be reproduced with or without the aid of anything else; and
- (f) any thing on which information has been stored or recorded, either mechanically, magnetically, or electronically.”
(State Records Act, 2000)

1. Principle One: Proper and Adequate Records

Government organizations ensure that records are created and kept which properly and adequately record the performance of the organization's functions and which are consistent with any written law to which the organization is subject when performing its functions.

1.1 Historical Background

Initially, the Shire of Cuballing and its district came under the administration of the combined Narrogin-Cuballing Road Board. In 1903, the Cuballing Road Board was formed when Cuballing members decided that the ratepayers of the area would be better served by a board of their own. In 1961 the Cuballing Road Board was renamed the Shire of Cuballing and has been recognized as a Local Government Authority since.

At present, the Shire of Cuballing has twelve localities within the district. These localities are:

West Popanyinning	Popanyinning
East Popanyinning	Stratherne
Lol Gray	Yornaning
Dryandra	Townsendale
Commodine	Contine
Cuballing	Wardering

The Shire comprises of a Shire President, who is elected by Council. There are six elected members.

The Shire is managed by the Chief Executive Officer (CEO) and supported by a team of Administration Officers and a Works Supervisor who is responsible for managing the outside works staff. The Chief Executive Officer's role is to carry the ultimate responsibility for the efficient and effective utilization of the organisation's resources in the achievement of Council's objectives.

1.2 Strategic Focus and Main Business Activity

The Shire of Cuballing is a rural Local Government with primary industries being broad acre farming and sheep production. However, there are other activities carried out which include: steel product manufacturing, boarding kennels, bobcat and truck hire and building maintenance.

The Shire is comprised of two town sites, being Cuballing and Popanyinning.

Cuballing's strategic focus is to provide services and facilities to maintain and enhance the quality of life for its residents and ratepayers through the responsible use of available resources.

1.3 Functions, including those outsourced

The Shire of Cuballing provides for the good governance of the community in its district, including legislative and executive functions. The services of the Shire of Cuballing are available to all customers, free from any form of discrimination. The functions and activities of the Shire of Cuballing (including those contracted out to other organizations) can be broadly described as follows:

Function	Brief Description
Commercial Activities	The function of competing commercially or providing services to other local governments or agencies on a fee for service basis. Includes undertaking activities on a consultancy or contract basis.
Community Relations	The function of establishing rapport with the community and raising and advancing the Council's public image and its relationships with outside bodies, including the media and the public.
Community Services	The function of providing, operating or contracting services to assist local residents and the community.
Corporate Management	The function of applying broad systematic planning to define the corporate mission and determine methods of the Shire of Cuballing's operation.
Council Properties	The function of acquiring, constructing, designing, developing, disposing and maintaining facilities and premises owned, leased or otherwise occupied by the Shire of Cuballing.
Customer Service	The function of planning, monitoring and evaluating services provided to customers by the council.
Development & Building Controls	The function of regulating and approving building and development applications for specific properties, buildings, fences, signs, antennae, etc. covered by the Building Code of Australia and the Environment Protection Authority (EPA).
Economic Development	The function of improving the local economy through encouragement of industry, employment, tourism, regional development and trade.
Emergency Services	The function of preventing loss and minimising threats to life, property and the natural environment, from fire and other emergency situations.
Environmental Management	The function of managing, conserving and planning of air, soil and water qualities, and environmentally sensitive areas such as remnant bushlands and threatened species.
Financial Management	The function of managing the Shire of Cuballing's financial resources.
Governance	The function of managing the election of Council representatives, the boundaries of the Shire of Cuballing, and the terms and conditions for Elected Members.
Government Relations	The function of managing the relationship between the Council and other governments, particularly on issues which are not related to normal Council business such as Land Use and Planning or Environment Management.
Grants & Subsidies	The function of managing financial payments to the Shire of Cuballing from the State and Federal Governments and other agencies for specific purposes.
Information Management	The function of managing the Shire of Cuballing's information resources, including the storage, retrieval, archives, processing and communications of all information in any format.
Information Technology	The function of acquiring and managing communications and information technology and databases to support the business operations of the Shire of Cuballing.

Function	Brief Description
Land Use & Planning	The function of establishing a medium to long term policy framework for the management of the natural and built environments.
Laws & Enforcement	The function of regulating, notifying, prosecuting, and applying penalties in relation to the Council's regulatory role.
Parks & Reserves	The function of acquiring, managing, designing and constructing parks and reserves, either owned or controlled and managed by Council.
Personnel	The function of managing the conditions of employment and administration of personnel at the Shire of Cuballing including consultants and volunteers.
Plant, Equipment & Stores	The function of managing the purchase, hire or leasing of all plant and vehicles, and other equipment. Includes the management of the Shire of Cuballing's stores. Does not include the acquisition of information technology and telecommunications.
Public Health	The function of managing, monitoring and regulating activities to protect and improve public health under the terms of the Public Health Act, health codes, standards and regulations.
Rates & Valuations	The function of managing, regulating, setting and collecting income through the valuation of rateable land and other charges.
Recreation & Cultural Services	The function of the Shire of Cuballing arranging, promoting or encouraging programs and events in visual arts, craft, music, performing arts, sports and recreation, cultural activities and services.
Risk Management	The function of managing and reducing the risk of loss of Shire of Cuballing properties and equipment and risks to personnel.
Roads	The provision of road construction and maintenance of rural roads and associated street services to property owners within the Shire of Cuballing area.
Drainage	The function of designing and constructing, maintaining and managing Council's drainage, storm water and flood mitigation works.
Waste Management	The function of providing services by the Shire of Cuballing to ratepayers for the removal of solid waste, destruction and waste reduction.

1.4 Major Stakeholders

The Shire of Cuballing's major stakeholders are employees, residents, ratepayers, the general public and Elected Members.

The Shire of Cuballing recognises and supports the activities of those groups that also provide services to residents, including community groups, the business community and State and Federal Government agencies.

1.5 Enabling Legislation

The Shire of Cuballing is established under the *Local Government Act 1995*.

1.6 Legislation and Regulations Administered by the Shire of Cuballing

For a list of the legislation, regulations and local laws the Shire of Cuballing is wholly or partly responsible for administering, please see Appendix 2.

1.7 Other Legislation Affecting the Shire of Cuballing

For a list of the legislation and regulations that also affect the functions and operations of the Shire of Cuballing, please see Appendix 3.

1.8 Major Government Policy and/or Industry Standards

For a list of government and industry standards and codes of practice have been imposed upon or adopted by the Shire of Cuballing, please see Appendix 4.

2. Principle Two: Policies and Procedures

Government organizations ensure that recordkeeping programs are supported by policy and procedures.

2.1 Records Management and Business Information Systems

The Shire of Cuballing's record keeping program will be compliant with legislative requirements and best practice standards. It strives to be reliable, systematic and well managed within a framework for consistent and accountable implementation.

2.1.1 Records Management System

The Shire of Cuballing Records System is a manual paper based system. Files are recorded in an excel spreadsheet, where all incoming and outgoing correspondence is also recorded. The physical document is placed onto the correct file for later reference.

The system was last reviewed in late 2015, where it was updated to Keywords for Council as a classification system. The changeover was managed by an external consultant with extensive support from the Administration team. Training was provided to all staff members that use the records system on the new classification system and the correct procedures for managing records.

2.1.2 Business Information System/s

The Shire of Cuballing uses the software SynergySoft to record its Financial Management, Human Resources (including payroll), Rates and Asset Management data.

Some data runs through both systems, largely information such as grant funding, Rates Rolls and Audit information. Rates Rolls are received from Landgate, run through the record keeping system and the data is entered into SynergySoft for use. Audit information is taken from Synergy data and then stored in the record keeping system to be provided to the Auditor as supporting documentation for end of year processes and calculations. Personal information is also stored in the record keeping system, this data is entered into SynergySoft for use.

2.2 Records Management Policy and Procedures

The creation and management of records is coordinated by the Shire of Cuballing's Administration team. The policy and procedures are to be reviewed annually to ensure accuracy and relevance.

For the recordkeeping policy and procedures of the Shire of Cuballing please refer to Appendix 5.

Table 2.1

Recordkeeping Activities for the management of hard copy records and covered in the Shire of Cuballing's Policies and Procedures	YES	NO
Correspondence capture and control – including incoming and outgoing mail registration; responsibilities assigned for classifying, indexing and registration; file titling and file numbering conventions. Include specific provisions for capture and control of Elected Members' correspondence.	<input checked="" type="checkbox"/>	

Recordkeeping Activities for the management of hard copy records and covered in the Shire of Cuballing's Policies and Procedures	YES	NO
<p>Digitization – including categories of records digitized; disposal of source records; digitization specifications. See <i>General disposal authority for source records</i>;</p> <p>NB: This procedure is only required where the organization intends to dispose of source records prior to the expiration of the approved minimum retention period after digitising.</p>		<input checked="" type="checkbox"/>
<p>Mail distribution – including frequency, tracking mechanisms and security measures.</p>	<input checked="" type="checkbox"/>	
<p>File creation and closure – including assigned responsibility and procedures for both physical and automated file creation.</p>	<input checked="" type="checkbox"/>	
<p>Access to corporate records – procedures for access to and security of corporate records.</p>	<input checked="" type="checkbox"/>	
<p>Authorised disposal of temporary records and transfer of State archives to the State Records Office (SRO) – any assigned responsibilities.</p>	<input checked="" type="checkbox"/>	
<p>Electronic records management – including the organization's approach and methodology for the capture and management of its electronic records (e.g. print and file, identification of the official record, use of EDRMS, hybrid system etc).</p>	<input checked="" type="checkbox"/>	
<p>Email management – including the capture, retention and authorised disposal of email messages to ensure accountability. Should indicate whether the organization is utilising a document management system or hard copy records system (e.g. print and file, identification of the official record, use of EDRMS, hybrid system etc.)</p>	<input checked="" type="checkbox"/>	
<p>Website management –</p> <p>i) including guidelines to determine which is the complete and accurate record, particularly in regard to the purpose of the site (e.g. whether informational/transactional).</p> <p>ii) Responsibility for the website and strategies implemented for the management of the website over time, including capture of periodic snapshots of the site and mechanisms for recording website amendments.</p>	<input checked="" type="checkbox"/>	
<p>Metadata management – including authority for the capture and control of metadata.</p>	<input checked="" type="checkbox"/>	
<p>System/s management – including any delegations of authority for the control and security of systems utilised by the organization (e.g. provision of access to systems through individual logins and passwords, protection of servers etc).</p>	<input checked="" type="checkbox"/>	
<p>Migration strategy – strategies planned or in place for migrating information and records over time (e.g. through upgrades in hardware and software applications, and any assigned responsibilities) for long-term retention and access. See <i>Public Records Policy: 8 – Policy for the ongoing management of electronic records designated as having archival value</i>.</p>	<input checked="" type="checkbox"/>	

2.3 Certification of Policies and Procedures

Evidence of formal authorisation that the policies and procedures are in place and promulgated throughout the Shire of Cuballing is provided by the copy of the certification document signed by the CEO. Please refer to Appendix 5.

2.4 Evaluation of Policies and Procedures

The recordkeeping policies and procedures for the Shire of Cuballing cover all categories identified in Principle 2 of SRC Standard 2 and are assessed as operating efficiently and effectively across the Shire of Cuballing.

3 Principle Three: Language Control

Government organizations ensure that appropriate controls are in place to identify and name government records.

3.1 Keyword for Councils Thesaurus Implemented

The Shire of Cuballing has adopted and implemented the Keyword for Councils thesaurus for the titling of all its records.

3.2 Assessment of its Effectiveness

The thesaurus operates well within the Shire of Cuballing. It covers both administrative and functional activities of the Shire of Cuballing, is available for use by all staff and information can be filed and found without difficulty. This tool will be adjusted to reflect changes to the functions and activities of the Shire of Cuballing as may occur from time to time.

3.3 Identified Areas for Improvement

Nil.

4 Principle Four: Preservation

Government organizations ensure that records are protected and preserved

For the Records Disaster Recovery Plan for the Shire of Cuballing please refer to Appendix 6.

4.1 Assessment of the Risks

4.1.1 On Site Storage

The Shire of Cuballing has its current and active records located in onsite storage at 22 Campbell St, Cuballing WA 6311. The Shire of Cuballing has its non-current, inactive and archival records located in the same onsite storage facility.

The storage facility includes:

- Metal shelving,
- Fire retardant safe,
- Secure alarmed premises,
- Fire detection system, and
- Air-conditioning for 10 hours a day.

The main disaster threatening records stored onsite comes from fire or flood. With the storage conditions as described here the risk is assessed as *low*.

4.1.2 Offsite Storage

The Shire of Cuballing does not have offsite storage. All non-current, inactive and archival records are located in the Administration Building at 22 Campbell Street, Cuballing WA 6311.

4.1.3 Storage of Archives

The Shire of Cuballing is currently reviewing the storage of Archives and are looking to move this to an offsite facility to ensure compliance with the directions for keeping hard copy State archives awaiting transfer to the State Records Office. Currently all Archives are stored in the same facility as our onsite records (as described above).

4.1.4 Storage of Backups

Electronic backups of the Shire of Cuballing's computer records are held offsite and in a Cloud Based environment at the Sydney Data Centre on a daily basis.

4.1.5 Quantity of Records

The Shire of Cuballing has custody of:

- 16 linear metres of temporary records stored onsite; and
- 5 linear metres of State archives stored onsite.

4.1.6 Security and Access

The following security measures have been implemented by the Shire of Cuballing:

- Hard copy records are stored in an open compactus unit accessible to all staff
- Electronic records have varying degrees of access depending on delegations assigned to staff within the organisation. Electronic records are backed up on a regular basis as described previously.

4.2 Assessment of the Impacts of Disasters

As stated previously, the risk of a disaster occurring to the records of the Shire of Cuballing has been assessed as low. The impact of a disaster on the organization's records has therefore been assessed as low. There are sufficient strategies in place to ensure that

business activities of the organization are not unduly affected in the event of the more likely disaster occurring.

4.3 Strategies in Place for Prevention and Response

The following strategies have been implemented by the Shire of Cuballing in order to reduce the risk of disaster and for quick response should a disaster occur:

4.3.1 Vital Records Program

A vital records program has been developed for the Shire of Cuballing. Vital records have been identified as

- Employee Records
- Building Licence Information
- Council Meeting Minutes
- Leases and Vesting Orders

The vital records hard copy is stored in a locked, fire resistance strong room accessible to Executive Management and Administration staff. An electronic copy is taken of all vital records, which is securely backed up as described in 4.3.2.

The Vital Records Register is reviewed annually with a Records Management review in January. It is the responsibility of the Administration Officer to ensure this register is up to date.

4.3.2 Back-up Procedures for Electronic Records

Electronic records of the Shire of Cuballing are backed up daily. The back-ups are stored offsite and in a Cloud Based environment and kept for 30 days. As part of the Risk Management strategy the Shire of Cuballing recently conducted, a controlled test of the server being shut down. The test was designed to ensure that staff know how actions to take in the event of electronic data being lost and how to retrieve this data from the backup system. The test was conducted by the Shire's IT service provider.

4.3.3 Security

The following security measures have been implemented by the Shire of Cuballing to prevent unauthorized access to records:

- Hard copy sensitive records are stored in a locked/secure room accessible only to administration staff.
- Hard copy records are stored in a secure room accessible only to staff.
- Electronic records are backed up on a regular basis as described previously.

4.3.4 Storage Reviews

The records storage facilities utilised by the Shire of Cuballing are reviewed annually to ensure that conditions are appropriate for the organization's records. As part of an overall review of the Shire of Cuballing Record Keeping practices, storage conditions were reviewed in 2021. The review has identified that current storage conditions need updating to ensure compliance and the Shire is evaluating offsite storage of Archives. The cost of these changes will be reviewed with budget preparation for 2021/22.

4.3.5 Recovery of Lost Information

The Shire of Cuballing has developed a set of quick response strategies to recover lost information, in all formats, should a disaster occur.

- duplication of hard copy vital records;
- back up of electronic records;
- offsite storage of backups;

- A records disaster recovery kit.

4.4 Identified Areas for Improvement

Currently archival records awaiting transfer to the State Records Office are stored in the administration building located at 22 Campbell Street Cuballing WA 6311. The Shire of Cuballing is looking to move this to a suitable offsite facility.

5. Principle Five: Retention and Disposal

Government organizations ensure that records are retained and disposed of in accordance with an approved disposal authority.

5.1 General Disposal Authority for Local Government Records

The Shire of Cuballing uses the General Disposal Authority for Local Government Records, produced by the State Records Office, for the retention and disposal of its records.

5.2 Restricted Access Archives

The Shire of Cuballing does not have any State archives to which it intends to restrict access when they are transferred to the SRO.

5.3 Archives not Transferred to the SRO

Under s32(1) of the *State Records Act 2000*, a government organization is required to transfer its archives to the State archives collection when those archives become twenty-five (25) years old.

The Shire of Cuballing has not identified any State archives that will not be transferred to the SRO for permanent preservation.

5.4 Disposal Program Implemented

The Shire of Cuballing has implemented the General Disposal Authority for Local Government Records and conducts a disposal program on an annual basis. The program was implemented as part of a review of the entire Record Keeping system of the Shire of Cuballing that was conducted in 2015.

Please refer to Appendix 7 for a recent authorised list of records for disposal.

5.5 Authorisation for Disposal of Records

Before any temporary records are destroyed or State archives are transferred to the SRO, a list of those records due for destruction or transfer is reviewed by the CEO and authorised for destruction or transfer.

5.6 Identified Areas for Improvement

The Shire of Cuballing reviewed the processes around Archiving and Record Disposal in 2015. The review highlighted that a consistent and up to date management system of these records was not in place. Since the review, staff have reorganized the system to ensure all Archives are stored in the strongroom and a Register kept with clear listings of the content of each box. Old temporary records stored in the office have also been reviewed and a number of boxes identified as overdue for destruction. This will take place in 2016. An up to date register of all the temporary records by destruction date has been compiled and the storage organized to help facilitate orderly record keeping.

6. Principle Six: Compliance

Government organizations ensure their employees comply with the record keeping plan.

6.1 Staff Training, Information Sessions

The Shire of Cuballing has implemented the following activities to ensure that all staff are aware of their recordkeeping responsibilities and compliance with the Recordkeeping Plan:

Table 6.1

Activities to ensure staff awareness and compliance	YES	NO
Presentations on various aspects of the Local Government's recordkeeping program are conducted. These are delivered to all staff on a regular basis.		<input checked="" type="checkbox"/>
In-house recordkeeping training sessions for staff are conducted.	<input checked="" type="checkbox"/>	
From time to time an external consultant is brought in to run a recordkeeping training session for staff. Staff are also encouraged to attend training courses outside the organization whenever practicable.	<input checked="" type="checkbox"/>	
Staff information sessions are conducted on a regular basis for staff as required.	<input checked="" type="checkbox"/>	
The Local Government provides brochures or newsletters to publish recordkeeping information, highlight issues, or bring particular recordkeeping matters to staff attention.	<input checked="" type="checkbox"/>	
The Local Government's Intranet is used to publish recordkeeping information, highlight issues, or bring particular recordkeeping matters to staff attention.		N/A
The Local Government's Induction Program for new employees includes an introduction to the Local Government's recordkeeping system and program, and information on their recordkeeping responsibilities.	<input checked="" type="checkbox"/>	

Coverage of the training/information sessions as detailed here extends to all staff. However, records management staff are offered more frequent and more specialised training where required. Records Inductions are conducted one on one with key staff and involve practical application.

Please refer to Appendix 8 for samples of training materials.

6.2 Performance Indicators in Place

The following performance indicators have been developed to measure the efficiency and effectiveness of the Shire of Cuballing's recordkeeping systems:

- Staff survey eliciting feedback on use, effectiveness of recordkeeping system/training, ease of use;
- Percentage of correspondence registered or captured into the Recordkeeping system; and
- Percentage of accurate retrieval of information.

6.3 Agency's Evaluation

On the basis of staff satisfaction, the recordkeeping systems are assessed as being efficient and effective within the organization.

6.4 Annual Report

An excerpt from the Shire of Cuballing's latest Annual Report is attached, demonstrating the organization's compliance with the State Records Act 2000, its Recordkeeping Plan and the training provided for staff. Please refer to Appendix 9.

6.5 Identified Areas for Improvement

Nil

7 SRC Standard 6: Outsourced Functions

The purpose of this Standard, established under Section 61(1)(b) of the State Records Act 2000, is to define principles and standards governing contracts or arrangements entered into by State organizations with persons to perform any aspect of record keeping for the organization.

State organizations may enter into contracts or other arrangements whereby an individual or an organization is to perform a function or service for the State organization, or act as the State organization's agent to deliver services to clients, or for the State organization's own use. The general term 'outsourcing' is used for such arrangements.

Contractual arrangements should provide that the contractor create and maintain records that meet the State organization's legislative, business and accountability requirements.

7.1 Outsourced Functions Identified

The Shire of Cuballing does not outsource any key functions.

7.1.1 Planning

The Shire of Cuballing includes the creation and management of proper and adequate records of the performance of the outsourced functions detailed above, in the planning process for the outsourced functions.

7.1.2 Ownership

The Shire of Cuballing will ensure that the ownership of State records is addressed and resolved during outsourcing exercises. Where possible this will be included in the signed contract/agreement.

7.1.3 Control

The Shire of Cuballing will ensure that the contractor creates and controls records in electronic or hard copy format, in accordance with recordkeeping standards, policies, procedures and guidelines stipulated by the Shire of Cuballing.

7.1.4 Disposal

The disposal of all State records which are the product of or are involved in any contract/agreement with the Shire of Cuballing and a contractor/agent will be disposed of in accordance with the General Disposal Authority for Local Government Records, produced by the State Records Office.

7.1.5 Access

Conditions for the provision of access to any State records produced in the course of the contract/agreement have been agreed between the Shire of Cuballing and the contractor(s).

7.1.6 Custody

Custody arrangements between the Shire of Cuballing and the contractor(s) for State records stored on and off site by the contractor are specified in the contract/as follows:

- All Records are to be treated by the contractor as per the Shire of Cuballing's Record Keeping Policies and Procedures.

7.1.7 Contract Completion

All arrangements regarding record custody, ownership, disposal and transfer upon the completion of the contract(s)/agreement(s) are specified in the contract(s)/agreement(s)/as follows:

- Records are to be returned to the Shire of Cuballing upon completion of Contract/Agreement for appropriate disposal action as per Local Government GDA.

7.2 Identified Areas for Improvement

Nil

APPENDIX 1

Functions of the Local Government			
Function	Brief Description of LG Function	Performed by the LG Tick If Yes	Performed by an External Agency Tick If Yes
Commercial Activities	The function of competing commercially or providing services to other local governments or agencies on a fee for service basis. Includes undertaking activities on a consultancy or contract basis.	<input checked="" type="checkbox"/>	
Community Relations	The function of establishing rapport with the community and raising and advancing the Council's public image and its relationships with outside bodies, including the media and the public.	<input checked="" type="checkbox"/>	
Community Services	The function of providing, operating or contracting services to assist local residents and the community.	<input checked="" type="checkbox"/>	
Corporate Management	The function of applying broad systematic planning to define the corporate mission and determine methods of the LG's operation.	<input checked="" type="checkbox"/>	
Council Properties	The function of acquiring, constructing, designing, developing, disposing and maintaining facilities and premises owned, leased or otherwise occupied by the LG.	<input checked="" type="checkbox"/>	
Customer Service	The function of planning, monitoring and evaluating services provided to customers by the council.	<input checked="" type="checkbox"/>	
Development & Building Controls	The function of regulating and approving building and development applications for specific properties, buildings, fences, signs, antennae, etc. covered by the Building Code of Australia and the Environment Protection Authority (EPA).	<input checked="" type="checkbox"/>	
Economic Development	The function of improving the local economy through encouragement of industry, employment, tourism, regional development and trade.	<input checked="" type="checkbox"/>	
Emergency Services	The function of preventing loss and minimising threats to life, property and the natural environment, from fire and other emergency situations.	<input checked="" type="checkbox"/>	
Energy Supply & Telecommunications	The function of providing infrastructure services, such as electricity, gas, telecommunications, and alternative energy sources.		<input checked="" type="checkbox"/>
Environmental Management	The function of managing, conserving and planning of air, soil and water qualities, and environmentally sensitive areas such as remnant bushlands and threatened species.		<input checked="" type="checkbox"/>
Financial Management	The function of managing the LG's financial resources.	<input checked="" type="checkbox"/>	
Governance	The function of managing the election of Council representatives, the boundaries of the LG, and the terms and conditions for elected members.	<input checked="" type="checkbox"/>	
Government Relations	The function of managing the relationship between the Council and other governments, particularly on issues which are not related to normal Council business such as Land Use and Planning or Environment Management.	<input checked="" type="checkbox"/>	
Grants & Subsidies	The function of managing financial payments to the LG from the State and Federal Governments and other agencies for specific purposes.	<input checked="" type="checkbox"/>	
Information Management	The function of managing the LG's information resources, including the storage, retrieval, archives, processing and communications of all information in any format.	<input checked="" type="checkbox"/>	

Functions of the Local Government			
Function	Brief Description of LG Function	Performed by the LG Tick If Yes	Performed by an External Agency Tick If Yes
Information Technology	The function of acquiring and managing communications and information technology and databases to support the business operations of the LG.	<input checked="" type="checkbox"/>	
Land Use & Planning	The function of establishing a medium to long term policy framework for the management of the natural and built environments.	<input checked="" type="checkbox"/>	
Laws & Enforcement	The function of regulating, notifying, prosecuting, and applying penalties in relation to the Council's regulatory role.	<input checked="" type="checkbox"/>	
Legal Services	The function of providing legal services to the LG.		<input checked="" type="checkbox"/>
Parks & Reserves	The function of acquiring, managing, designing and constructing parks and reserves, either owned or controlled and managed by the LG.	<input checked="" type="checkbox"/>	
Personnel	The function of managing the conditions of employment and administration of personnel at the LG, including consultants and volunteers.	<input checked="" type="checkbox"/>	
Plant, Equipment & Stores	The function of managing the purchase, hire or leasing of all plant and vehicles, and other equipment. Includes the management of the LG's stores. Does not include the acquisition of information technology and telecommunications.	<input checked="" type="checkbox"/>	
Public Health	The function of managing, monitoring and regulating activities to protect and improve public health under the terms of the Public Health Act, health codes, standards and regulations.	<input checked="" type="checkbox"/>	
Rates & Valuations	The function of managing, regulating, setting and collecting income through the valuation of rateable land and other charges.	<input checked="" type="checkbox"/>	
Recreation & Cultural Services	The function of LG in arranging, promoting or encouraging programs and events in visual arts, craft, music, performing arts, sports and recreation, cultural activities and services.	<input checked="" type="checkbox"/>	
Risk Management	The function of managing and reducing the risk of loss of LG properties and equipment and risks to personnel.	<input checked="" type="checkbox"/>	
Roads	The provision of road construction and maintenance of rural roads and associated street services to property owners within the LG area.	<input checked="" type="checkbox"/>	
Sewerage & Drainage	The function of designing and constructing, maintaining and managing the liquid waste system, including drainage, sewerage collection and treatment, stormwater and flood mitigation works.		
Traffic & Transport	The function of planning for transport infrastructure and the efficient movement and parking of traffic. Encompasses all service/facilities above the road surface and includes all forms of public transport.	<input checked="" type="checkbox"/>	
Waste Management	The function of providing services by the LG to ratepayers for the removal of solid waste, destruction and waste reduction.		<input checked="" type="checkbox"/>
Water Supply	The function of managing the design, construction, maintenance and management of water supplies, either by the LG or by service providers.		<input checked="" type="checkbox"/>

APPENDIX 2

Legislation and Regulations that may be wholly or partly administered by Local Government, And Local Laws of the Local Government	
<i>Legislation, Regulations and Local Laws</i>	<i>Tick if YES, the LG administers</i>
Agriculture and Related Resources Protection Act 1976	<input checked="" type="checkbox"/>
Animal Welfare Act 2002	<input checked="" type="checkbox"/>
Building Act 2011	<input checked="" type="checkbox"/>
Building Regulations 2012	<input checked="" type="checkbox"/>
Bush Fires Act 1954	<input checked="" type="checkbox"/>
Bush Fire Regulations	<input checked="" type="checkbox"/>
Caravan Parks and Camping Grounds Act 1995	<input checked="" type="checkbox"/>
Caravan Parks and Camping Grounds Regulations 1997	<input checked="" type="checkbox"/>
Cat Act 2011	<input checked="" type="checkbox"/>
Dangerous goods safety Act 2004	<input checked="" type="checkbox"/>
Disability Services Act 1993	<input checked="" type="checkbox"/>
Dog Act 1976	<input checked="" type="checkbox"/>
Dog Regulations 2013	<input checked="" type="checkbox"/>
Emergency Management Act 2005	<input checked="" type="checkbox"/>
Environmental Protection Act 1986	<input checked="" type="checkbox"/>
Environmental Protection (Noise) Regulations 1997	<input checked="" type="checkbox"/>
Food Act 2008	<input checked="" type="checkbox"/>
Food Regulations 2009	<input checked="" type="checkbox"/>
Health Act 1911	<input checked="" type="checkbox"/>
Health Regulations	<input checked="" type="checkbox"/>
Heritage of Western Australia Act 1990	<input checked="" type="checkbox"/>
Land Administration Act 1997	<input checked="" type="checkbox"/>
Litter Act 1979	<input checked="" type="checkbox"/>
Liquor Control Act 1988	<input checked="" type="checkbox"/>
Local Government Act 1995	<input checked="" type="checkbox"/>
Local Government (Miscellaneous Provisions) Act 1960	<input checked="" type="checkbox"/>
Local Government Grants Act 1978	<input checked="" type="checkbox"/>
Local Government Regulations	<input checked="" type="checkbox"/>
Main Roads Act 1930	<input checked="" type="checkbox"/>
Parks and Reserves Act 1895	<input checked="" type="checkbox"/>
Planning and Development Act 2005	<input checked="" type="checkbox"/>
Radiation Safety Act 1975	<input checked="" type="checkbox"/>
Radiation Safety Regulations	<input checked="" type="checkbox"/>

Legislation and Regulations that may be wholly or partly administered by Local Government, And Local Laws of the Local Government	
<i>Legislation, Regulations and Local Laws</i>	<i>Tick if YES, the LG administers</i>
Rates and Charges (Rebates and Deferments) Act 1992	<input checked="" type="checkbox"/>
Rights in Water and Irrigation Act 1914d	<input checked="" type="checkbox"/>
Residential Design Codes of WA	<input checked="" type="checkbox"/>
Road Traffic Act 1974	<input checked="" type="checkbox"/>
Strata Titles Act 1985	<input checked="" type="checkbox"/>
Telecommunications Act (Commonwealth) 1997	<input checked="" type="checkbox"/>
Telecommunications (Low Impact Facilities) Determination 1997	<input checked="" type="checkbox"/>
Transfer of Land Act 1893	<input checked="" type="checkbox"/>
Valuation of Land Act 1978	<input checked="" type="checkbox"/>
Waterways Conservation Act 1976	<input checked="" type="checkbox"/>
Local Laws of the Shire of Cuballing	
Standing Orders	<input checked="" type="checkbox"/>
Cemetery Local Law	<input checked="" type="checkbox"/>
Health Local Law	<input checked="" type="checkbox"/>
Shire of Cuballing Dog Local Law	<input checked="" type="checkbox"/>

APPENDIX 3

Other Legislation and Regulations affecting the functions and operations of the Local Government	
<i>Other Legislation and Regulations</i>	<i>Tick If Yes</i>
Building Services (Registration) Act 2011	<input checked="" type="checkbox"/>
Criminal Code 1913	<input checked="" type="checkbox"/>
Electronic Transactions Act 2011	<input checked="" type="checkbox"/>
Equal Opportunity Act 1984	<input checked="" type="checkbox"/>
Evidence Act 1906	<input checked="" type="checkbox"/>
Freedom of Information Act 1992	<input checked="" type="checkbox"/>
Freedom of Information Regulations 1993	<input checked="" type="checkbox"/>
Industrial Awards	<input checked="" type="checkbox"/>
Industrial Relations Acts (State and Federal)	<input checked="" type="checkbox"/>
Interpretation Act 1984	<input checked="" type="checkbox"/>
Limitation Act 1935, 2005	<input checked="" type="checkbox"/>
Occupational Safety and Health Act 1984	<input checked="" type="checkbox"/>
Occupational Safety & Health Regulations 1996	<input checked="" type="checkbox"/>
Parliamentary Commissioner Act 1971	<input checked="" type="checkbox"/>
State Records Act 2000	<input checked="" type="checkbox"/>
State Records (Consequential Provisions) Act 2000	<input checked="" type="checkbox"/>
State Records Commission Principles & Standards 2002	<input checked="" type="checkbox"/>
Workers Compensation and Injury Management Act 1981	<input checked="" type="checkbox"/>

APPENDIX 4

Government & Industry Standards and Codes of Practice that have been imposed upon or adopted by the Local Government	
<i>Government & Industry Standards and Codes of Practice</i>	<i>Tick if Yes</i>
Australian Accounting Standards	<input checked="" type="checkbox"/>
Australian Records Management Standard ISO/AS 15489-2002 Parts 1 & 2	<input checked="" type="checkbox"/>
General Disposal Authority for Local Government Records	<input checked="" type="checkbox"/>
National Competition Policy	<input checked="" type="checkbox"/>
Other:	
Shire of Cuballing Code of Conduct	<input checked="" type="checkbox"/>
Shire of Cuballing Electoral Code of Conduct	<input checked="" type="checkbox"/>
Shire of Cuballing Delegated Authority Register	<input checked="" type="checkbox"/>
Shire of Cuballing Sexual Harassment Policy	<input checked="" type="checkbox"/>
Shire of Cuballing Disability Access and Inclusion Plan	<input checked="" type="checkbox"/>
Equal Employment Opportunity	<input checked="" type="checkbox"/>
Shire of Cuballing Induction Manual	<input checked="" type="checkbox"/>

APPENDIX 5

Record Keeping Policies and Procedures for the Shire

1.5 Records Management Policy

Policy Statement

Documents, images and other media created, received or used by Council staff, Volunteers and external service providers in the normal course of business are the property of the Council. The Council's official Records constitute its corporate memory, and as such are a vital asset for ongoing operations, and for providing evidence of business activities and transactions.

Under current records-related legislation such as the *State Records Act*, the *Freedom of Information Act* and the accredited standard ISO 9001:2000 the Shire of Cuballing is obliged to maintain record keeping systems that are dedicated to the creation and control of Council's records. The systems have to ensure that Council's records accurately and adequately record the performance of its functions and are able to contribute towards informed decision-making at the Shire of Cuballing.

The policy applies to all government records, which are created or received by the Shire of Cuballing (or on behalf of), regardless of their media, date of creation or storage location. Complete and accurate records of all business decisions and transactions are to be recorded in the Shire's records keeping system both in respect to their content and context. The records are to be managed in accordance with the relevant legislation, the Shire's Recordkeeping Plan and Council policy and procedures.

Records Creation

All Elected Members, staff and contractors will create full and accurate records in the appropriate format, of the Shire's business decisions and transactions to meet all legislative, business, administrative, financial, evidential and historical requirements.

Records Capture and Control

All records created and received in the course of Shire of Cuballing business are to be captured at the point of creation, regardless of the format, with required metadata, into appropriate record keeping and business systems that are managed in accordance with sound record keeping principles.

Records Protection and Security

All records are to be managed and adequately protected and stored according to whether they are significant or insignificant records or vital records, and in accordance with their security classification definitions.

Retention / Disposal actions

All records within the record keeping system maintained by the Shire of Cuballing are to be disposed of in accordance with the State Records Office's General Disposal Schedule for Local Government Records.

Records transfer

Records are only to be transferred according to legislative requirements and the transfer is to be recorded in the relevant record keeping system.

Access to Records

Access to Shire records by staff and contractors will be in accordance with designated access and security classifications. Access to the Shire's records by the general public will be in accordance with the *Freedom of Information Act 1992* and the Shire's policy on Freedom of Information. Access to the Shire's records by elected members will be through the CEO in accordance with the *Local Government Act 1995*.

RESPONSIBILITIES

All employees, external service providers and volunteers have a responsibility to create, capture and manage appropriately the complete and accurate records of the Shire of Cuballing business, including records of decisions made, actions taken and transactions of daily business in accordance with the records management program, this policy and Council's records management procedures and processes.

The Chief Executive Officer:

Chief Executive Officer is to ensure that an organisational system for capture and management of records is maintained that is compliant with legislative requirements and best practice standards.

Executive Management Team

The Deputy Chief Executive Officer and the Manager of Works & Services are to ensure the record keeping policy and procedures are known and adhered to in their area of responsibility.

The Records Officers:

- Ensure the Keyword Master File Program is properly utilised, including training to other staff where needed;
- advise the CEO and DCEO on the management, storage, classification, retention and disposal of records according to standards and Disposal Authorities issued by the State Records Office of Western Australia (SRO); and
- manage the transfer of hardcopy and electronic records such as images, plans and web based content, and the capture and preservation of The Shire of Cuballing.

Elected Members:

Elected members must create and keep records of communications or transactions, which convey information relating to the Shire's business or functions. These records should be forwarded to the Shire's administration for capture into the official recordkeeping system.

External service providers will be responsible for:

- Ensuring that complete records are accurately created and managed properly and adequately record evidence of the business activities of the work functions for which they are responsible. This applies to both hardcopy and electronic information, including email, images, plans and web based content;

- Complying with the requirements of the Act, and any other applicable legislation with requirements pertaining to recordkeeping;
- Respecting and protecting the confidentiality of these Records from unauthorised access and release of information, and
- Ensuring that these Records are returned to Council upon completion or termination of the Contract or work.

Objective

This policy establishes a framework for best practice management and consistency in the keeping of information in the form of documents, images, plans and web based content in both hard copy and electronic environment, in order to meet evidentiary, legislative and good governance accountabilities.

Resolution No:

Resolution Date:



RECORD KEEPING HANDBOOK

Last Reviewed: February 2021

CORRESPONDENCE CAPTURE & CONTROL

WHAT IS A RECORD?

All elected members, staff and contractors will create full and accurate records, in the appropriate format, of the Shire of Cuballing's business decisions and transactions to meet all legislative, business, administrative, financial, evidential and historical requirements.

To assist with determining if a document/email/request should be registered, ask yourself the following questions. If the answer is 'YES', then the information should be registered.

A record should be registered if: -

- It concerns Council's Core business, including legal advice;
- It details a policy change or development;
- It approves or authorises action or expenditure;
- Council is required to respond to the record;
- It involves a decision made by an employee on Council's behalf;
- It involves a complaint that requires investigation;
- It involves attending a formal meeting;
- It concerns a safety issue;
- It adds to Councils knowledge base.

A record is not required to be registered if it is: -

- A transitory or short term item such as a phone message, notes, compliment slips, delivery slips etc;
- Distributed to staff for information only (such as newsletters);
- A personal message unrelated to official business;
- Rough working papers and/or calculations created in the preparation of official records;
- Published material which does not form an integral part of a Council record;
- Advertising material or 'junk' mail;
- Duplicate copies of material used for reference purposes.

DEFINITIONS AND TERMS

"Record" means information recorded in any form created or received and maintained by an organisation in the transaction of business and kept as evidence of such activity and includes:

- a) anything on which there is writing;
- b) a map, plan, diagram or graph;
- c) a drawing, pictorial or graphic work, or photograph;
- d) anything on which there are figures, marks, perforations or symbols, having a meaning for persons qualified to interpret them;
- e) anything from which images, sounds or writings can be reproduced with or without the aid of anything else; and
- f) anything on which information has been stored or recorded, either mechanically, magnetically, or electronically.

"Government record" means a record created or received by a government organisation or a government organisation employee in the course of their work for the organisation.

"General Disposal Authority (GDA)" is for Local Government records (the schedule) and is designed to provide consistency throughout Local Government in disposal activities and decisions. It is a continuing authority for the disposal and archival of records which document a Local Government's operations.

"General Disposal Authority for Source Records (GDASR)" provides for the digitisation of records and the retention for the reproductions that meet the requirements of the of the *State*

Records Act 2000 is the official and continuing authority for the destruction of source records that have been successfully digitised.

“Record Keeping Plan” ensures that the Shire’s records are created, managed and maintained over time and disposed of in accordance with principles and standards issued by the State Records Commission. It is the primary means of providing evidence of compliance with the *State Records Act 2000*, and that best practices have been implemented in the organisation.

“Records disposal” is by way of depositing records in the State Archives, managing the records as designated by State Archives, or by destruction in accordance with policy.

“Vital records” are records essential to the continued business of the Shire. Vital records include those that protect the rights of individuals and the Shire and are absolutely essential for the Shire’s reconstruction in the event of a disaster. As for significant records, vital records have a continuing value to the organisation and need to be incorporated into the Shire’s record keeping systems.

“Metadata” means data describing context, content and structure of records that must be captured to enable the record to be understood and to support its management and use through time.

Government Records of Continuing Value (“Significant Records”)

Government records of continuing value are records created or received which –

- Contain information that is of administrative value to Council. These records may be referred to for many administrative purposes, including the need:-
 - To check an interpretation of Council policy or the rationale behind it,
 - To check the facts on a particular case or provide information to management,
 - To monitor progress and coordination of responses to issues,
 - To document formal communications and/or transactions (e.g. a minute, report or submissions) between Councillors and another party, and
 - To document Councillors’ decisions, directives, reasons and actions.
- Contain information that is of legal value to Council on the basis that there are statutory requirements or court orders that stipulate the retention of records, which must be observed.
- Contain information of fiscal value to Council that includes original records documenting the receipt, expenditure and control of public money that must be left for a period of time, and will facilitate transparent accountability by the officers responsible.
- Contain information of evidential value to Council such as those that contain information about the legal rights and obligations of the Local Government including Councillors, ratepayers, organisations and the general community.
- Contain information of historical value to Council and to the State.
- They describe an issue, record who was involved, record why a decision was made, and may embody actual guidelines. These records need to be incorporated into the Council’s record keeping systems

Government Records of No Continuing Value (“Ephemeral Records”)

Government records of no continuing value are records which –

- Are considered ephemeral in that they do not have the attributes stated above and only need to be kept for a limited or short period of time, for example, a few hours or a few days.
- Have only a facilitative or routine instructional value and are used to further some minor activity.
- They may include insignificant emails, preliminary drafts and rough notes, records or routine enquiries. These records generally need to be kept for only a limited or short period of time and may be destroyed when reference to them ceases.

Important Note: Distinguishing between significant and insignificant records is a matter of judgment. If a Councillor or an employee is uncertain about a particular record's status, it is required to be submitted to the CEO or the employee's Supervisor for determination.

CAPTURE AND CONTROL OF RECORDS

All records created and received in the course of Shire of Cuballing business are to be captured at the point of creation, regardless of format, with required metadata, into appropriate recordkeeping and business systems, that are managed in accordance with sound recordkeeping principles.

INCOMING MAIL

Incoming mail is the responsibility of the Administration Officer.

All mail is date stamped, entered into the "Keyword Master File" (excel spreadsheet) and allocated a file reference, then passed onto the Chief Executive Officer for review. Mail is then returned to the Administration Officer to be distributed to the appropriate officer or filed as necessary. File references are sourced from our file plan.

Details of registration (metadata fields) should include:

- Routing – incoming
- Record Type – correspondence
- File Number – as per file plan
- Correspondence – who sent the letter – get details from names and addresses
- Properties – assessment number is applicable
- Short Title Contents – what, where and when
- Internal Correspondent – officer/s who will deal with correspondence
- Received Date – date we received the letter
- Document Date – date on correspondence

The Administration Officer opens all incoming mail including correspondence marked private and confidential, is then date stamped, entered into the "Keyword Master File" and then distributed to the relevant staff.

Other incoming correspondence that does not come via mail e.g. email, fax and over the counter is entered as it arrives.

OUTGOING MAIL

A **copy** is made of all outgoing mail and entered into the Keywords Master File “Outward Mail” and then filed on the appropriate file. The signed original will be placed in an envelope and placed in the outwards mail bag.

Details of registration (metadata fields) should include:

- Routing – outgoing
- File Number – as per file plan
- Correspondence – who the correspondence is being sent to
- Properties – assessment number is applicable
- Short Title – what, where and when
- Internal Correspondent – Officer who is sending the letter
- Sent Date – date letter was typed
- Document – date letter was typed

RECEIVING INVOICES AND BANK STATEMENTS

All invoices or bank statements received are date stamped and forwarded to the Deputy Chief Executive Officer or Creditors Officer for distribution.

FACSIMILES

Facsimiles received/sent to or from the Shire of Cuballing that have continuing value to the Shire of Cuballing are allocated a file number and recorded in the Keyword Master File. Facsimiles are monitored frequently.

EMAILS

Emails are received or sent by staff members that have continuing value to the Shire of Cuballing are assigned a file number and printed. This hard copy is then incorporated into the Shire of Cuballing Record Keeping System.

Emails of continuing value and considered local government records are also entered into the inwards/ outwards correspondence register and given a file number.

ELECTRONIC RECORDS

Any Electronic Records that is received or sent by staff members that has a continuing value to the Shire of Cuballing is assigned a file number and printed. This hard copy is then incorporated into the Shire of Cuballing Record Keeping System. This includes, but is not limited to, submissions of grant quarterly progress reports, provided statistical information and completed surveys.

Electronic Records of continuing value and considered local government records are also entered into the inwards/ outwards correspondence register and given a file number.

EPHEMERAL ITEMS

Correspondence items that have no continuing value to the Shire of Cuballing e.g. junk mail do not need to be entered into the Keyword Master File. It is handed to the appropriate officer or disposed of at the Administration Officer’s discretion.

INTERNAL MAIL

All correspondence between the Shire Staff e.g. memos, staff updates etc are copied or emailed to the appropriate officers with the original entered in the Keyword Master File and then filed.

NEWSPAPER ARTICLES

Any advertisements that have been placed in the newspaper by the Shire of Cuballing or if they are articles about the Shire, a copy will be made and recorded into the Keyword Master File. The original is placed in the "Advertising Journal" and the copy is placed on the project file.

MINUTES AND AGENDAS

Once signed off by the Shire President the minutes are entered into the Keyword Master File, sent off to be bound then stored in the Strong Room.

WEBSITE

Only authorised users who have undergone appropriate training are to publish content within the Shire of Cuballing corporate web environment, subject to their allocated role.

All online content published on behalf of the Shire of Cuballing is to be checked for accuracy, accessibility and duplication of currently published information, and must adhere to the Shire of Cuballing strategic objectives, branding guidelines, web design and content standards and website management procedures, by:

- a. Ensuring material to be placed on the Shire of Cuballing website has been approved;
- b. Meets the Shire of Cuballing online design, content, photography, and media standards and using only approved templates;
- c. Adhering to the intent of any specific area of the website to service an audience or customer type through consistency of design and tone of voice as outlined in the web and brand guidelines provided to content creators and publishers.

The Chief Executive Officer (or his/her delegate) reserves the right to access, edit and delete content published on behalf of the Shire of Cuballing which breaches this policy, is deemed inappropriate or does not acceptably represent the Shire of Cuballing.

SYSTEMS MANAGEMENT

Computer systems, network and telecommunications installations should be designed to cope with current and predicted information processing requirements and protected using a range of in-built controls to ensure that they can meet the security requirements of the critical business applications they support, i.e. protect against the compromise of confidentiality, integrity and availability of information being processed.

The system, network and telecommunications equipment should have:

- sufficient capacity to cope with peak workloads
- expansion/upgrade capabilities to cope with projected demand
- a control and monitoring facility capable of providing management reports
- malware protection software on key servers installed
- the ability to be managed from a central point
- support the prompt application of security updates to respond to

changing threats and vulnerabilities, and attacks when they occur

Networks should be designed to:

- incorporate the use of security domains to segregate information systems with specific security requirements or different levels of trust
- employ firewalls in a manner that prevents them from being bypassed
- isolate particular types of network traffic using a dedicated network to prevent impact on other network traffic
- perform network traffic prioritisation and 'class of service' to reduce network latency
- restrict the number of entry points into networks
- allow access only to 'trusted' users by preventing unauthorised devices from connecting to networks

SERVER CONFIGURATION

Servers should be configured to function as required, and prevent unauthorised or incorrect updates to ensure servers operate as intended and not compromise the security of computer installations or other environments.

Servers should be protected against unauthorised access by:

- disabling unnecessary or insecure user accounts
- changing important security-related parameters to be different from the defaults set by vendors or suppliers
- invoking time-out facilities that automatically log off computing devices after a predetermined period of inactivity, clear screens and require users to sign-on again before restoring screens

Servers should be subject to standard security management practices, which include:

- restricting physical access to a limited number of authorised individuals
- keeping them up-to-date
- maintaining up-to-date malware protection software to prevent infection by malicious software
- applying a comprehensive set of system management tools
- monitoring so that events such as hardware failure and attacks against them can be detected and responded to quickly and effectively
- using secured technologies
- reviewing them on a regular basis to verify configuration settings, evaluate password strengths and assess activities performed on the server

NETWORK STORAGE SYSTEMS

Network storage systems should be protected using system and network controls to ensure network storage systems operate as intended, are available when required and do not compromise the security of information they store.

Network storage systems should be subject to standard security management practices.

Sensitive information stored on network storage systems should be protected

according to its security requirements

Network storage system components should be protected by:

- restricting administration access to a limited number of authorised staff;
- using access controls that support individual accountability, and prevent unauthorised access
- restricting management functions
- using secure web protocols and secure services for running terminal sessions

BACKUP

Backups of essential information and software should be performed on a regular basis, according to a defined cycle to ensure that, in the event of an emergency, essential information or software can be restored within critical timescales.

Backups of essential information and software should be performed frequently enough to meet business requirements.

MIGRATION STRATEGY

Due to regular changes and improvements in technology the Shire will ensure that the transfer of records preserves the data. Any migration process should ensure that the potential for data loss is limited.

To ensure continued access to digital records over time, the Shire will periodically be required to transfer these records to keep in line with technology improvements.

As software upgrades and the transfer of data from one system to another has the potential to corrupt records the migration process must ensure that the data is preserved.

FILING CORRESPONDENCE

When filing correspondence to files, all documents should be secure and clearly labelled with a file reference/number. Staples should be avoided as they can damage documents. Plastic paper clips should be used whenever possible or document wallets for large folios. There should be no "post it notes" or other adhesive notices attached to the documents. Documents/ folios that are stored in document wallets should be neatly arranged and secure, with no pages caught against others causing them to fold over, or pages sticking out of the document holder.

Documents and files should be filed in ascending chronological order i.e. most recent documents at the front of the file. Care should be taken when filing that documents are neatly inserted into files.

TRANSFERRING DOCUMENTS BETWEEN FILES

Individual correspondence can be moved to a different file as long as the files are active. To do this the file number needs to be changed on the original document and in the Keyword Master File.

SECURITY AND PROTECTION OF RECORDS

All records are to be categorised as to their level of sensitivity and adequately secured and protected from violation, unauthorised access or destruction, and kept in accordance with necessary retrieval, preservation and storage requirements.

For example, all active Payroll files are kept in a locked cabinet by the Payroll Officer and only accessible by the Chief Executive Officer, Deputy CEO, Manager Works and Services and the Payroll Officer. Inactive payroll information is kept in the strong room where it can be locked and access controlled.

ELECTED MEMBERS RECORDS CAPTURE AND CONTROL

ELECTED MEMBER CORRESPONDENCE

Correspondence received for Elected Members will be entered as per incoming mail procedure and a copy is provided to the Elected Member.

The Shire will ensure records will be created which properly and adequately record the performance of member functions arising from their participation in the decision making process of council and the various committees of council.

This requirement will be met through the creation and retention of records of meetings of the Council and the Committees of Councils and other communications and transactions of elected members which constitutes evidence affecting the accountability of the Council and the discharge of Council Business.

All elected members are required to ensure any documents meeting the above criteria are passed to council to be registered as part of Council's correspondence registration process into the current registration system.

CONTRACTOR RECORDS CAPTURE AND CONTROL

All correspondence for/ from contractors is required to be entered as incoming/ outgoing mail as per the Shire procedures. Any questions regarding what records need to be entered into the Record Keeping System should be directed to the Administration Officer.

At the end of the contract, all original documentation is to be returned to the Shire for storage and destruction as per the Record Keeping Plan and Local Government GDA.

ACCESS TO RECORDS

Access to the Shire of Cuballing's records by staff and contractors will be in accordance with designated access and security classifications. Access to the Shire of Cuballing's records by the general public will be in accordance with the Freedom of Information Act 1992 and Shire of Cuballing policy. Access to the Shire of Cuballing's records by elected members will be via the Chief Executive Officer in accordance with the Local Government Act 1995.

DISTRIBUTION

All staff have incoming/outgoing trays.

Daily mail is reviewed by the Chief Executive Officer for approval of the officer listed to action the correspondence. Once the correspondence has been entered into Records Registration it is then placed in the officer's in tray in a timely manner. If there is more than one officer that needs to deal with the correspondence the first officer will read it and next to their name initial and state no further action or responded, and forward onto the next officer listed, this keeps track of the correspondence.

If the correspondence is for Councillors' attention a copy is placed in their "in tray".

FILE CREATION AND CLOSURE

CREATING FILES

To create a new file within the system: (this is done by the Administration Officer)

- Make a hard copy file including relevant details.
- Enter into the File Plan.

Additional files are to be created when an existing file becomes too large. The new file is to have a reference to the preceding file and the word Volume added to the file reference. This reference needs also to be entered into the Keyword Master File which includes the opening and closing dates of the file.

CLOSING FILES

Files cannot be closed by anyone except the Administration Officer. The closure of a file/volume must be recorded in the Keyword Master File, along with any other relevant details relating to the closure of the file. A form is to be inserted in the file to indicate that no further documents are to be placed on the file and that there is now a new volume.

RETENTION AND DISPOSAL

All records within record keeping system maintained by the Shire of Cuballing are to be disposed of in accordance with the State Records Office's General Disposal Schedule for Local Government Records (GDALG) RD2010046.

The Administration Officer is responsible for keeping the Disposal Registers up to date. In January of each year, the relevant Disposal Authority will be checked for accuracy. All boxes in the temporary records system are labelled by destruction year, for example "Temporary Record Box 2016/01". As files are closed, they will be moved into records boxes and added to the relevant disposal register by their recommended destruction date and stored in the records room. Please ensure the Record Disposal Authority lists the GDA reference to ensure correct application.

The Disposal Authority is checked and signed by the Deputy CEO and CEO before actioning. Records are sent offsite to be destroyed and a certificate of completion is supplied to the Shire. The Authority must be signed before any action is taken.

ARCHIVES

All records within record keeping system maintained by the Shire of Cuballing are to be archived in accordance with the State Records Office's General Disposal Schedule for Local Government Records (GDALG) RD2010046.

The Administration Officer is responsible for keeping the Archive Register up to date. This document is kept on the Shire Server (electronic copy) and details the contents of each archive box as stored in the Shire Office Strongroom. All boxes are labelled "Archive Box 01" (increasing as boxes are added). Any changes to documents or additions to boxes needs to be recorded on this Register.

RISK MANAGEMENT

The Shire of Cuballing's Audit Risk & Compliance review has procedures outlined to minimise specific risks and consequences relating to loss of documents.

The Audit, Risk & Compliance review outlines the risk framework, disaster recovery for records and IT to ensure business continuity.

The Audit, Risk and Compliance review is attached at Appendix 10

FILE PLAN

- Subdivision files Tied To WAPC application, all correspondence related to subdivision plans – ADMIN
- Road files ((KW – ADM no) contains maintenance information, road design, Benefit / Cost Analysis) all general funding related issues should be filed on the funding grant applications and acquittal files covered by A Keyword For Council type document)
- Plant Files (KW – ADM no) held at Depot.
- Staff Personal files P contain all employment related matters for individual employees. Eg TIL, Superannuation, Taxation, Bank Details.
- Separate individual file for Workers Compensation Matters
- Assessment related files (tied to assessment number) – One file to contain Planning and Environmental Health and Building matters as agreed, second pocket file with Building Envelopes related relevant Assessment.
- TP files for all Town Planning Scheme specified matters to be placed on appropriate Keyword file
- Other identified specific file types include asset management related files. Eg. Shire buildings etc that could find a home under Keyword For Council with specific files for each asset covering such things as maintenance (programmed and reactive), replacement. Council Properties will also have an Assessment File for long term Planning and Environmental Health and Building matters as agreed.
- All other Administrative file matters, eg Finance, Information Management, Rates, Ranger Services can be captured using Keywords for Council.

APPENDIX 6

Disaster Recovery Plan – Records

SHIRE OF CUBALLING

COUNTER DISASTER STRATEGIES FOR RECORDS AND RECORDKEEPING SYSTEM

Issue: Original
Date: 28 July 2014
Distribution: Chief Executive Officer (CEO)
Deputy Chief Executive Officer (DCEO)
Administration Officer (AO)

Confirmation _____ CEO
_____ DCEO
_____ AO

This Counter Disaster Plan is confidential and is to be distributed to the above officers only.

The Plan addresses potential threats to records held by the Shire of Cuballing. These threats include natural hazards, criminal or terrorist attack, industrial accidents and system failures.

Emergency Response Team

After identifying potential threats, the Emergency Management Coordinator should establish a team of staff to take part in salvaging records. All team members must be accessible by telephone in the event of an after-hours call out.

The team will be led by the Administration Officer and will be trained in response and recovery techniques with respect to hard copy and electronic records.

Equipment and Materials

To ensure efficient recovery of records the following equipment and materials will be purchased:

Materials for a Disaster Kit

Paper Towels	Blank Newsprint	Rolls of Polyethylene plastic
Mops, Buckets,	Sponges	Freezer Paper
Plastic garbage bins	Extension Cords	Power Boards
Labels	Paper/Pencils	Plastic Bin Liners
Rubber Gloves	Clipboards	Plastic Tubing
Electric Fans	Absorbent Cloths	Plastic Paper Clips
Surgical Gloves	Filing Index	Recovery Information
Pliers	Forceps	Plastic String, Pegs
Torches	Blotting Paper	
Means of recording movement and restoration of Acid Free Archive boxes		

These items should be stored in an accessible place where document recovery will be carried out. In the first instance, this will be either the Cuballing Hall or Cuballing Recreation Centre if the Administration Office is not in a condition to enable recovery to take place there.

Business Continuity

To ensure the business of the Shire of Cuballing can carry on post disaster, additional power points and a telephone line will be installed in the Shire Hall. Cloud backups are taken of the Shire's server and Synergy data, with a copy stored offsite for 30 days as well as being accessible by Cloud. The Disaster Recovery Environment can be accessed by Shire staff on any nominated computer with internet access once it has been activated.

Materials for business continuity

Blank Cheques	Pens, paper, fold back clips, Folders
Order Book	Shire letterheads and envelopes
Copies of Town Planning Maps, Shire Maps and Scheme text	
Rulers, Pencils and Erasers	Receipt Books
Calculator	Shire Telephone Directory
Scotch Tape	Punch
Dog/Cat licensing requirements	

The following list can be purchased post disaster:

Plastic Crates	Archive Boxes	Portable Pump
Dehumidifier	Portable Generator	Folding Tables
Wooden Pallets	Large Fans	Wet/Dry Vacuum Cleaner
Portable Lighting		

Identification of Priorities for Salvage and Restoration

To assist in the efficient recovery of records, it is essential that the following categories of records can be identified in order to prioritise recovery/salvage:

- **Vital Records**

These are deemed essential to reconstruct and continue operations of the Shire and to protect organisational, legal and financial interests. Vital Records are recorded on their own Register and as part of the Record Keeping Plan.

- **General Records**

Control Records such as indexes and registers

Historical or artistic records such as plans and drawings

Permanent value general correspondence including agendas and minutes of meetings, ratebooks and other data that cannot be provided by the issuing agency.

Electronic back up media

Computer Systems Requirements

It is essential that the computer system is backed up on a daily basis. Verification of backup will be required from Cloud Storage provider in order to ensure integrity of the backups.

Communications

The CEO will be initially informed of the disaster and be involved in recovery. He/she will alert the Deputy CEO, who will be responsible for the formation of the team responsible for commencement of records recovery. Communication will be via telephone in the first instance, followed by in person if required.

The Command Centre (in the event of a disaster affecting the Administration Office) will be the Cuballing Hall.

Council's President will be the Recovery Coordinator and the CEO will assist. A contact list for all external emergency service agencies (contacts and authority), together with disaster manager contact and disaster team contact numbers and alternatives, is provided within Council's Emergency Management Plan.

Aftermath Management

As the Shire of Cuballing has a very small administration office and staff, it is expected that some roles within the aftermath management will not be able to be filled whilst business is being carried on. There is a possibility that the temporary office will only be operational during the afternoons in order for document recovery to take place in the mornings. Alternatively staff may have to be sourced from outside the organisation for recovery/salvage and restoration.

The CEO will ensure that Council's insurance will cover such an eventuality should it arise. Policies for review and evaluation of the disaster situation, procedures for formal closure of a disaster and the production of a disaster response evaluation form (for feedback on perceptions of warnings, impacts, management and outcomes of the disaster situation) together with procedures for post disaster analysis, review and updating of this plan and reporting requirements to Council will be prepared annually with the policy manual review.

APPENDIX 7

Sample Disposal Authority

File Ref: ADM2.43

Record Destruction Authority

The following have been assessed according to the Local Government General Disposal Authority and, according to that authorised schedule are programmed for destruction. Please read through the list of records tabled below and, pending your approval, **sign at the conclusion of the table** to signify your approval for these records to be destroyed.

File #	File Title / Description	Document Date		Box Number	Disposal Action	Authority
		From	To			
	Correspondence Staff 2006-2012 Correspondence Fitzgerald Strategies 2007-2012 Insurance Buildings 2010-2012 Insurance Vehicles 2006-2012 Correspondence Lands 2007-2012 Insurance Policies 2012 Correspondence Tenders 2009-2012 Correspondence Tourism: 2007-2012 Computer 2008-2012 (1-2) Roads 2008-2012 Roads 2006-2012 Roads 2007-2012 Correspondence Community Services 2007-2012 Local Government Act 2006-2012 Works Diaries 2012 Correspondence Recreation 2007-2012 (1-3) Financial Reports 2010-2011	2006	2012	2019/01 77	2019	
	Creditors Cheque Listing 2012	2012	2012	2019/02 78	2019	
	Gift Register 2009-2012 Cheque Account Statements 2011-2012 Budget 2012 BAS Statements 2011-2012 (1-2) Budget Working Papers 2012 (1-2) Audit 2011-2012 (1-3) Finance 2011-2012 (1-2) Committees of Council 2012	2009	2012	2019/03 79	2019	
	Correspondence Main Roads 2011 Rates Reconciliations 2009-2011 (1-2) WALGA State Council Agenda June 2011 WALGA Bulletins 2007-2011 (1-2)	2007	2012	2019/04 80	2019	

FORM – RK01 S:\Admin\11. Keyword Master File\Record Destruction Authority\Record Destruction Authority - 2019.doc

06-Jan-20

File Ref: ADM243

	Correspondence Community Service, Government Department Campaign Promotions 2007-2011 (1-2) Correspondence Community Organisations 2006-2011 Town Streets 2007-2012 Grants Healthways 2007-2012 Correspondence Health 2011-2012 (1-2) Correspondence Central Country Zone 2007-2012 Creditors 2011-2012	2011	2012	2019/05 81	2019	
	Insurance 2012 Financial Statements 2010-2012 Correspondence Rates 2007-2012 Rates Journals 2008-2012 Correspondence Finance 2011-2012 Correspondence Bushfire 2006-2012 Rate Book 2012 (1-2) Rates Enquiries 2007-2012 (1-2)	2007	2012	2019/06 83	2019	
	Payroll Reports 2011-2012	2001	2012	2019/07 110	2019	
	Payroll Reports July 2012 Payroll Reports November/ December 2012 Etipos Receipts and Reconciliations 2011/2012 Election Information/ Ballots & Rolls 2015 Subdivision: 1999 - PLANNING APPLICATION NO. 106476 - LOT NO. PT1658, PT3019, 14863, 14421, 1360, 14376, 1209,90, 11810, 979, 477, 1938, NARROGIN-CONGELIN ROAD 1999 - PLANNING APPLICATION NO. 110820 - LOT NO. 4881 DENT ROAD, POPANYINNING 1999 - PLANNING APPLICATION NO. 112105 - LOT NO. 2, CUBALLING SOUTH WEST ROAD Correspondence 1985-2012 ADM139 - Employment Applications (Outside Crew) - 2014-2016			2019/08	2019	

Recommended for Approval: NICHOLE GARD Name
 Signed [Signature] Date 6/1/20
 Chief Executive Officer BEANWYN DEW Name
 Signed [Signature] Date 7/1/20

06-Jan-20

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APPENDIX 8

Sample of Staff Record Training

Staff Induction: Records Training

Record Keeping (*All management and Administration staff who use the system*)

- What is a record? (including vital records etc)
- Why do records matter?
- What are your responsibilities? (State Records Act 2000)
- When should you make or keep a record?
- Where should you keep records?
- Can you destroy records?
- When should records have restricted access?
- Where can you get help?
- Shire of Cuballing Record Keeping (Record Keeping Plan, Handbook etc)
- Disaster Recovery

Use of Keywords for Council (*All management and Administration staff who use the system*)

- How to use the Keywords Master File
- Finding Files/ Records
- Creating new Files – how to use the thesaurus/ classifications
- PRACTICAL TASK: Mail Register (enter and distribute day's mail, classify correspondence)

Record Disposal (*Recommended for Administration staff, including management*)

- Using the Local Government GDA
- Who is responsible?
- How to navigate the Shire of Cuballing Temporary Records System
- Record Conditions (conditions to be kept in)
- Process for Record Disposal

Archiving (*Recommended for Administration staff, including management*)

- How to navigate the Shire of Cuballing Archive System (Register, storage)
- Record Conditions (conditions to be kept in)
- Who is responsible?

APPENDIX 9

Shire of Cuballing Annual Report Excerpt

State Records Act

State Records Commission Standard 2 (Record Keeping Plan), Principle 6 (Compliance) states that the Government Organisations, including Local Governments, should develop and implement strategies for ensuring that each employee is aware of the compliance responsibilities under their Record Keeping Plan.

Council is guided by its record keeping plan to maintain compliance with the State Records Commission. The Shire of Cuballing's Record Keeping Plan was endorsed by the Commission in August 2016, and is due for review in August 2021.


Staff continually work on implementing the strategies outlined in the Record Keeping Plan.

Councils Administration Officer/ Executive Officer is delegated the responsibility of maintaining the filing and record system of the Shire. The officer attends appropriate training courses to build knowledge in this area. All staff are trained to use the system as well as being trained in their record keeping responsibilities.

Staff training and development in this area is ongoing to ensure best case practise.

The Shire of Cuballing's Induction Program for new employees includes an introduction to Council's record keeping system and program, and information on their record keeping responsibilities.

APPENDIX 10

SHIRE
OF

CUBALLING

**AUDIT, RISK &
COMPLIANCE REVIEW
REPORT
January 2020**

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LEGISLATIVE FRAMEWORK FOR REVIEW

The Local Government Audit Regulations were amended in February 2013 and now require the following:

17 (1) The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to:

- *(a) Risk management; and*
- *(b) Internal control; and*
- *(c) legislative compliance*

(2) The review may relate to any or all of the matters referred to in sub regulation (1) (a), (b) and (c), but each of those matters is to be the subject of a review at least once every 2 calendar years.

(3) The CEO is to report to the audit committee the results of that review.

The last review completed for the Shire of Cuballing was in January 2020 and is attached for information purposes (Appendix 1). The review was due by 31st December 2019.

METHODOLOGY & FRAMEWORK

This Review was conducted by the DCEO in consultation with administration staff. The draft report was then presented to the CEO for review before presentation to the Audit Committee.

Each of the three sections outlines the minimum requirements for a local government and the Shire of Cuballing level of compliance with these standards. Information on the current framework, controls and any ongoing monitoring are also provided. Areas for improvement are identified with specific areas for further action included in the final recommendations. Any work currently expected to be undertaken, as per the 2019/20 Budget, is also outlined.

RISK MANAGEMENT

For a minimum guideline, Local Government should have:

- A Risk Management Policy
- Management Procedures
- Risk Identification
- Risk Register
- Risk Treatment Plans

It is also recommended that as part of an effective risk management system, business continuity planning is conducted and tested. There should be strong links between the Risk Management Framework and Internal Controls and Legislative Compliance.

RISK FRAMEWORK

The Risk Management Policy was reviewed and updated as part of the Policy Review in April 2016, this was based on best case practise example as supplied by LGIS. As part of this process it was identified by staff that the Shire did not have sufficient Risk Management processes in place.

In May 2016, Shire staff worked closely with LGIS to assess and implement a functional Risk Management Framework. The Framework includes definitions, responsibilities, procedures and, a Risk Matrix for tracking of actions and risk levels. The Risk Matrix is broken down by identified key risk areas then risk identification for each area (such as Misconduct) and actions to reduce the impact of each risk.

The full Risk Management Framework was viewed by Council at the June 2016 Council Forum. A complete review of the themes was completed in November 2017. A follow up review was completed in January 2020. As part of this review current actions were assessed for completion and ability to meet a future deadline, relevancy of current controls and their adequacy to Council operations. Ongoing review is required to ensure the information assessed remains up to date and effective. The summary risk management review findings is included at Appendix 1.

Shire staff will continue to monitor the effectiveness and action points relating to Risk Management. It is the ongoing use of these systems that ensure their effectiveness in mitigating risk to Council's operations. Key Performance Indicators will also be developed as part of the continuing development of the Risk Management Framework.

OCCUPATIONAL HEALTH & SAFETY

Shire staff have also implemented a Safety Committee to ensure that risks for Occupational Health and Safety are identified and dealt with. This process has included the creation of more detailed procedures and tracking processes for the Occupational Health and Safety area.

The Occupational Health and Safety Committee meets once a month with our Regional Risk Co-ordinator (LGIS) to monitor progress.

Occupational Health and Safety has been a focus in the Works Department for some time, with an appointed Safety Officer and regular staff meetings. As the number of Workers Compensation claims made from the Shire is considered high for its size, mitigating risks in this area is important. The Administration Department has now created its own specific focus on these issues with staff

involvement. A baseline OSH Audit was conducted through LGIS in November 2019, with an action plan developed for best case practice.

Shire staff have also made use of the Health & Wellbeing account through LGIS to provide skin cancer checks, hearing assessments and ergonomic training to employees in the last two years.

In 2020 the Shire of Cuballing will be participating in the LGIS Early Intervention Trial Program, a program designed to reduce workplace injuries and as such reduce Workers Compensation claims.

BUSINESS CONTINUITY

Disaster Recovery for Records and IT has been completed, including IT testing of back up data and reinstatement. The backup system includes a daily local backup of all server information to an external hard drive, a local backup of Synergy into the Server hosting Synergy, plus a backup of all the above data to the offsite Data Centre Network. A daily backup report is received advising if the backup has been completed successfully.

As the server including all Council documents is being backed up to the Cloud it can be reinstated and accessed in the event of a disaster. The live data is kept on the local server (located in the Shire Administration Office), with a copy of the data taken each night and a physical copy kept for 30 days.

This system worked effectively in November 2019 when the Shire had a cyber-attack to the server rendering all data and software programs unusable. Council was able to remove the cryptolocker off the server and restore all the data to the server with no loss of data/information, using a backup taken from the previous evening. The system was fully restored and functional within 3 hours.

The migration of Shire emails to the Office365 Exchange makes remote access easy and effective should computers be lost, or an alternative office location be in use. It will also greatly decrease the length of time to reinstate new computers, in the event of an event. Office365 will also allow Shire staff members to remotely access the office suite if needed.

As part of the Records Management Review conducted in January 2016, a Disaster Recovery Plan for Shire records was created and presented to Council as part of the Record Keeping Plan (endorsed March 2016). The Record Keeping Plan has been approved by the Office of State Records and is due to be reviewed by January 2021.

Business Continuity is only in the early stages of development and further planning is expected to be undertaken by the DCEO in 2020.

INTERNAL CONTROLS

Internal Controls are a sign of good governance and are designed to minimise risk factors identified by the local government. Typically, internal controls are policies and procedures to ensure accurate and reliable reporting, compliance and effective use of resources.

At a minimum, the Shire of Cuballing should have the following Internal Controls in place:

- Segregation of duties;
- Experienced and Qualified Staff;
- Documented Procedures and Processes covering recording, reporting and authorisation of transactions; and
- Monitoring performance and adherence.

MANAGEMENT SYSTEMS REVIEW

As part of the 2015/16 Budget, Council authorised expenditure to conduct a Management Systems Review. The review was conducted by Council's Auditor, Butler Settineri, in March 2016.

The scope of this review covered:

- Internal Control Systems and Procedures;
- Policy Manual; and
- Legislative Compliance.

No significant issues were identified as part of this review. The review and its findings were also incorporated into Council's Risk Management Framework.

The full report and findings were provided to Council at the April 2016 Ordinary Council Meeting. Reports on the progress of completing the outcomes from this review have been provided in Council Forum. All outcomes have been implemented and are now considered ongoing or complete (Appendix 2).

Funds will be allocated in the 2020/21 Budget for Management Systems review to be conducted prior to March 2021.

SEGREGATION OF DUTIES

Segregation of duties is continually identified in Audits as a concern for The Shire of Cuballing given its smaller workforce. To mitigate the risks that arise from not enough staff to separate duties, it is vital that internal controls are in place to ensure that correct processes are followed. Documenting these procedures is designed to reduce the risks of the situation arising where an officer overrides the procedure and errors go undetected.

The Management Systems Review identified that many of Council's procedures for ensuring segregation of duties are not written down.

The development of the Financial Policy & Procedure Manual in December 2016 has documented all financial internal controls one place.

Further development of documentation of these internal controls is being undertaken in conjunction with relevant staff including:

- All journals, creditor and debtor batches, and end of day documentation are checked and signed by two employees before updating;
- Payroll, rates, credit card and bank statement reconciliations are checked and signed by two employees;
- Creditor quotation checklist ensures compliance with Purchasing Policy and Delegated Authority;
- Payment of accounts from Council's bank accounts requires two signatories for each transaction. This authorisation is printed, signed and stored with the payment for reference. All payments are presented to Council;
- All the relevant documentation, including original Bank Statements and reconciliations is available for Council to review upon request and at each Council Meeting; and
- Ongoing staff training in correct procedures, including why they are relevant.

The Policy Manual was reviewed in April 2018 by Council and is scheduled for review in 2020. The Delegations Register is reviewed annually in June by Council. Changes to these documents are endorsed by Council.

EXPERIENCED AND QUALIFIED STAFF

All current staff had an annual performance review in April 2019. Performance reviews are scheduled for April 2020.

From the staff annual Performance Reviews, staff training has been conducted in:

- End of year process's for payroll;
- Community Development Officer meetings;
- End of year process's for rates;
- Finance workshops/conferences;
- Minutes and Agenda's;
- Traffic Management;
- Working at Heights; and
- Dogging ticket.

Council has procedures in place for the recruitment of qualified staff to new positions.

All new employees undergo an induction process to set clear standards for work expectations. There is currently no formal succession planning for key management roles with the Shire staff structure (CEO, DCEO, MWS).

RECORDS CONTROLS

Staff permissions to access and amend Shire records is limited based on job descriptions. All Personnel records are stored in a locked cabinet in the strong room separately to other sensitive records. Permissions on SynergySoft are also restricted by job description, for example only administrators (CEO, DCEO) and the Payroll Officer can access payroll records.

All Shire computers are equipped with anti-virus software that is regularly updated. Back-ups are conducted daily and the effectiveness of back-ups is tested annually. Each computer requires a unique username and password to access the remote desktop (where data is stored). Only Shire computers are connected to the network, this includes password protected access to the Server data.

MONITORING ACTIVITIES

The Monthly Financial Reporting processes being completed by staff and presented to Council for review at Council meetings is another measure to ensure that accounts balance and variances in Budget to Actuals are being monitored on a regular basis. The Monthly Financial Report is prepared by the DCEO and endorsed by Council.

Other Financial Reports such as the Budget and Budget Review are completed by the DCEO in conjunction with the CEO and MWS. Both these reports are presented for Council endorsement.

The End of Financial Year Report is completed by the DCEO, checked by the Auditor then supplied to the Office of the Auditor General for endorsement before being presented to Council.

Grant agreements and income are monitored by the DCEO throughout the year, included in financial reports and reviewed by the Auditor at the end of the financial year. Some require a separate Audit as part of their acquittal process, and all are assessed by the grant provider.

Staff also complete a Compliance Checklist for monthly duties performed that will outline where internal controls are met against specific tasks.

LEGISLATIVE COMPLIANCE

Local Governments are subject to hundreds of State and Federal statutes, which makes compiling a compliance checklist difficult. Therefore, a list of systems need to be in place to monitor and ensure legislative compliance, rather than simply using a checklist.

As a guideline, the Shire needs the following to monitor legislative compliance:

- Formal policies/ procedures for Legislative Compliance;
- Legislative Compliance Risk Rating;
- Communication with employees, contractors and volunteers regarding legislation requirements, their responsibility to comply and any changes made to legislation;
- Procedures to receive, retain and treat complaints, including confidential employee complaints;
- Formal lines of responsibility for monitoring, reporting and recording breaches of legislative requirements;
- Training of staff, contractors, volunteers and elected members on legislative requirements;
- Compliance Audit Return completed, and
- Role and function of the Audit Committee

POLICIES & PROCEDURES

A Complaints and Feedback Register was developed and implemented by Shire staff in July 2016 and is reported to Council as part of the Council Forum each month. This system has proved useful in tracking the progress of requests made to the Shire and how long it takes to respond to ensure effectiveness. The Register is for the management of comments from the Public.

COMPLIANCE AUDIT RETURN

Completed and presented to the Audit Committee on time for the last five years. This Audit is being completed internally.

INTEGRATED PLANNING & REPORTING (IPR)

In the 2019/20 Budget, Council allocated \$22,000 to bring all IPR into line. This will include a review and construction of any missing IPR documents. The review is scheduled to take place in 2020, with staff currently undertaking ground works.

Documents to be prepared include the Long-Term Financial Plan, Asset Management Plan & Corporate Business Plan.

CONCLUSION & RECOMMENDATIONS

This review has made the following findings in each of the three assessment areas:

RISK MANAGEMENT

Shire staff have been working to bring the Shire to compliance in this area. A compliant Risk Management Framework has been developed and implemented. However, this is only the first step in this process. Key Performance Indicators still need to be developed for each area and continuous review is needed to keep risk management relevant. A Risk Management process could also be extended to include specific projects.

Ongoing works for key areas such as Business Continuity and, Occupational Health & Safety are due to be completed by June 2021. A full breakdown of actions required for each Risk Management area is included in Appendix 1.

INTERNAL CONTROLS

Many of the Internal Controls implemented by Shire staff were previously based on knowledge of the system. Since the Management Review, staff have been working towards documenting these policies and procedures and refining them.

There are still areas that it is difficult to meet some expected Internal Controls, such as the segregation of duties. With low staff members in the Administration area independent review is not always possible. However, Shire staff try to work around this by ensuring that two staff members review documentation even if they may have previously handled it.

Ongoing monitoring is required.

LEGISLATIVE COMPLIANCE

One of the development actions from the Risk Management Framework was the development of a Compliance Calendar to track known and standard compliance deadlines. The calendar is ongoing and updated yearly.

It would be beneficial to have IPR reviewed more frequently.

RECOMMENDATIONS

After undertaking this review, the following actions are recommended to be completed:

- Ongoing review of Risk Management practices;
- Ongoing review of procedures (Internal Controls);
- Ongoing review of the Compliance Calendar;
- Development of a procedure to have Council review the Compliance Calendar; and
- IPR to be completed to a satisfactory level.

1.5 Records Management Policy

Policy Statement

Documents, images and other media created, received or used by Council staff, Volunteers and external service providers in the normal course of business are the property of the Council. The Council's official Records constitute its corporate memory, and as such are a vital asset for ongoing operations, and for providing evidence of business activities and transactions.

Under current records-related legislation such as the *State Records Act*, the *Freedom of Information Act* and the accredited standard ISO 9001:2000 the Shire of Cuballing is obliged to maintain record keeping systems that are dedicated to the creation and control of Council's records. The systems have to ensure that Council's records accurately and adequately record the performance of its functions and are able to contribute towards informed decision-making at the Shire of Cuballing.

The policy applies to all government records, which are created or received by the Shire of Cuballing (or on behalf of), regardless of their media, date of creation or storage location. Complete and accurate records of all business decisions and transactions are to be recorded in the Shire's records keeping system both in respect to their content and context. The records are to be managed in accordance with the relevant legislation, the Shire's Recordkeeping Plan and Council policy and procedures.

Records Creation

All Elected Members, staff and contractors will create full and accurate records in the appropriate format, of the Shire's business decisions and transactions to meet all legislative, business, administrative, financial, evidential and historical requirements.

Records Capture and Control

All records created and received in the course of Shire of Cuballing business are to be captured at the point of creation, regardless of the format, with required metadata, into appropriate record keeping and business systems that are managed in accordance with sound record keeping principles.

Records Protection and Security

All records are to be managed and adequately protected and stored according to whether they are significant or insignificant records or vital records, and in accordance with their security classification definitions.

Retention / Disposal actions

All records within the record keeping system maintained by the Shire of Cuballing are to be disposed of in accordance with the State Records Office's General Disposal Schedule for Local Government Records.

Records transfer

Records are only to be transferred according to legislative requirements and the transfer is to be recorded in the relevant record keeping system.

Access to Records

Access to Shire records by staff and contractors will be in accordance with designated access and security classifications. Access to the Shire's records by the general public will be in accordance with the *Freedom of Information Act 1992* and the Shire's policy on Freedom of Information. Access to the Shire's records by elected members will be through the CEO in accordance with the *Local Government Act 1995*.

RESPONSIBILITIES

All employees, external service providers and volunteers have a responsibility to create, capture and manage appropriately the complete and accurate records of the Shire of Cuballing business, including records of decisions made, actions taken and transactions of daily business in accordance with the records management program, this policy and Council's records management procedures and processes.

The Chief Executive Officer:

Chief Executive Officer is to ensure that an organisational system for capture and management of records is maintained that is compliant with legislative requirements and best practice standards.

Executive Management Team

The Deputy Chief Executive Officer and the Manager of Works & Services are to ensure the record keeping policy and procedures are known and adhered to in their area of responsibility.

The Records Officers:

- Ensure the Keyword Master File Program is properly utilised, including training to other staff where needed;
- advise the CEO and DCEO on the management, storage, classification, retention and disposal of records according to standards and Disposal Authorities issued by the State Records Office of Western Australia (SRO); and
- manage the transfer of hardcopy and electronic records such as images, plans and web based content, and the capture and preservation of The Shire of Cuballing.

Elected Members:

Elected members must create and keep records of communications or transactions, which convey information relating to the Shire's business or functions. These records should be forwarded to the Shire's administration for capture into the official recordkeeping system.

External service providers will be responsible for:

- Ensuring that complete records are accurately created and managed properly and adequately record evidence of the business activities of the work functions for which they are responsible. This applies to both hardcopy and electronic information, including email, images, plans and web based content;
- Complying with the requirements of the Act, and any other applicable legislation with requirements pertaining to recordkeeping;
- Respecting and protecting the confidentiality of these Records from unauthorised access and release of information, and
- Ensuring that these Records are returned to Council upon completion or termination of the Contract or work.

Objective

This policy establishes a framework for best practice management and consistency in the keeping of information in the form of documents, images, plans and web based content in both hard copy and electronic environment, in order to meet evidentiary, legislative and good governance accountabilities.

Resolution No:

Resolution Date:

1.5 Records Management Policy

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The policy applies to all government records, which are created or received by the Shire of Cuballing (or on behalf of), regardless of their media, date of creation or storage location. Complete and accurate records of all business decisions and transactions are to be recorded in the Shire's records keeping system both in respect to their content and context. The records are to be managed in accordance with the relevant legislation, the Shire's Recordkeeping Plan and Council policy and procedures.

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All records created and received in the course of Shire of Cuballing business are to be captured at the point of creation, regardless of the format, with required metadata, into appropriate record keeping and business systems that are managed in accordance with sound record keeping principles.

Records Protection and Security

All records are to be managed and adequately protected and stored according to whether they are significant or insignificant records or vital records, and in accordance with their security classification definitions.

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Access to Records

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RESPONSIBILITIES

All employees, external service providers and volunteers have a responsibility to create, capture and manage appropriately the complete and accurate records of the Shire of Cuballing business, including records of decisions made, actions taken and transactions of daily business in accordance with the records management program, this policy and Council's records management procedures and processes.

The Chief Executive Officer:

Chief Executive Officer is to ensure that an organisational system for capture and management of records is maintained that is compliant with legislative requirements and best practice standards.

Executive Management Team

The Deputy Chief Executive Officer and the Manager of Works & Services are to ensure the record keeping policy and procedures are known and adhered to in their area of responsibility.

The Records Officers:

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Elected members must create and keep records of communications or transactions, which convey information relating to the Shire's business or functions. These records should be forwarded to the Shire's administration for capture into the official recordkeeping system.

External service providers will be responsible for:

- Ensuring that complete records are accurately created and managed properly and adequately record evidence of the business activities of the work functions for which they are responsible. This applies to both hardcopy and electronic information, including email, images, plans and web based content;
- Complying with the requirements of the Act, and any other applicable legislation with requirements pertaining to recordkeeping;
- Respecting and protecting the confidentiality of these Records from unauthorised access and release of information, and
- Ensuring that these Records are returned to Council upon completion or termination of the Contract or work.

Objective

This policy establishes a framework for best practice management and consistency in the keeping of information in the form of documents, images, plans and web based content in both hard copy and electronic environment, in order to meet evidentiary, legislative and good governance accountabilities.

Resolution No:

Resolution Date:

9.1.9 Transfer of Trust Funds – Water Standpipe Charges

Applicant: N/A
File Ref. No: ADM335
Disclosure of Interest: Nil
Date: 15th January 2021
Author: Bronwyn Dew

Summary

Council is to consider transferring monies currently held in Council's Trust ledger to the Shire of Cuballing Municipal ledger.

Background

Council is holding funds totalling \$1,880 in Councils Trust Fund relating to the purchase of water standpipe access card fees between 2011 and 2014.

Comment

In 2011 Council upgraded the water standpipe system to introduce a standpipe access swipe card system for customers to access standpipes and then be invoiced for water use. Customers wishing to use the standpipe were required to purchase a standpipe access swipe card. Initially the swipe cards were charged at \$15 for ratepayers and \$20 for non ratepayers. This fee was to recover the cost of the access swipe cards.

From 2011 to 2014 these fees for the swipe cards were collected and held in Council's Trust Fund.

The standpipe card application form does not state that the fee would be held in trust or that it was a bond or reimbursable, but rather calls the fee a charge. As such the fee should have been receipted into the Municipal account under fees & charges.

Commencing in August 2014 the fees for the access swipe cards were increased to \$30 per card with the fee being entered into the Municipal account ledger as a fee & charge. The fees charged from 2011 to 2014, totalling \$1,880, remained in Council's Trust Fund.

Because the amount held in the Trust Fund should have been entered as a fee and charge not as a trust/bond the Officer's Recommendation is that the amount of \$1,880 being for standpipe access swipe card fees be transferred from Council's Trust Fund to Council's Municipal Fund.

Strategic Implications – Nil

Statutory Environment – Nil

Policy Implications – Nil

Financial Implications

A total of \$1,880 will be transferred from the Shire of Cuballing Trust Fund to the Shire of Cuballing Municipal Fund.

Economic Implication – Nil

Environmental Considerations – Nil

Consultation – Nil

Options

Council may resolve:

1. the Officer's Recommendation; or
2. defer consideration of this matter at this time and request staff to provide additional information prior to a future reconsideration of this matter.

Voting Requirements – Simple Majority

OFFICER'S RECOMMENDATION:

That Council transfer the amount of \$1,880 from the Shire of Cuballing Trust Fund to the Shire of Cuballing Municipal Fund.

9.2 CHIEF EXECUTIVE OFFICER:

Nil at this time.

9.3 MANAGER OF WORKS AND SERVICES:

Nil at this time.

10. ELECTED MEMBERS' MOTION OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN:

Nil

11. URGENT BUSINESS WITHOUT NOTICE WITH THE APPROVAL OF THE PRESIDENT OR MEETING:

Nil at this time.

12. CONFIDENTIAL MATTERS:

Nil at this time.

13. NEXT MEETING:

Ordinary Council Meeting, 2.00pm, Wednesday 17th February 2021 at the Shire of Cuballing Council Chambers, Campbell Street, Cuballing.

14. CLOSURE OF MEETING: