



Shire of Pingelly

Minutes

Ordinary Council Meeting
20 February 2019

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1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Chairman declared the meeting open at 2.05pm.

2. ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the Noongar people of this area and recognise their continuing connection to land, waters and community. We pay respect to both the Aboriginal and non-Aboriginal people past and present.

3. ANNOUNCEMENTS BY THE PRESIDING MEMBER

Nil.

3.1 Council Agenda Reports

Please note that all elected members have been provided with the relevant information pertaining to each Officers reports within today's Agenda and the Officer Recommendations are based on Council Policy and or State Acts and Legislation.

4. RECORD OF ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE

MEMBERS PRESENT

Cr WV Mulroney	President (Chairperson)
Cr DI Freebairn	Deputy President
Cr J McBurney	
Cr JM Walton-Hassell	
Cr EJ Hodges	
Cr K Hastings	
Cr PJ Wood	
Cr B Hotham	

STAFF IN ATTENDANCE

Mr M Dacombe	Acting Chief Executive Officer
Mr B Gibbs	Director Technical Services
Mrs L Boddy	Executive Assistant

APOLOGIES

Mr Stuart Billingham, Director Corporate and Community Services.

OBSERVERS & VISITORS

Nil

5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

6. PUBLIC QUESTION TIME

No members of the public present.

7. APPLICATIONS FOR LEAVE OF ABSENCE

12626 Moved: Cr Hotham

Seconded: Cr Wood

That Cr Hastings be granted leave from 26th February to 5th March 2019.

That Cr McBurney be granted leave from 24th February to 14th April 2019.

That Cr Walton-Hassell be granted leave from 9th March to 24th March 2019.

Carried 8:0

8. DISCLOSURES OF INTEREST

Nil

9. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

9.1 Ordinary Meeting – 12 December 2018

Statutory Environment:

Section 5.22 of the *Local Government Act* provides that minutes of all meeting to be kept and submitted to the next ordinary meeting of the council or the committee, as the case requires, for confirmation.

Voting Requirements:

Simple Majority

12627 Moved: Cr Hodges Seconded: Cr Hastings

Recommendation and Council Decision:

That the Minutes of the Ordinary Meeting of the Council of the Shire of Pingelly held in the Council Chambers on 12 December 2018 be confirmed.

Carried 8:0

9.2 Special Meeting – 20 December 2018 (Lease for the PRACC)

Statutory Environment:

Section 5.22 of the *Local Government Act* provides that minutes of all meeting to be kept and submitted to the next ordinary meeting of the council or the committee, as the case requires, for confirmation.

Voting Requirements:

Simple Majority

12628 Moved: Cr Freebairn Seconded: Cr Walton-Hassell

Recommendation and Council Decision:

That the Minutes of the Special Meeting of the Council of the Shire of Pingelly held in the Council Chambers on 20 December 2018 be confirmed.

Carried 8:0

9.3 Special Meeting – 29 January 2019 (CEO Resignation and Appointment of Acting CEO)

Statutory Environment:

Section 5.22 of the *Local Government Act* provides that minutes of all meeting to be kept and submitted to the next ordinary meeting of the council or the committee, as the case requires, for confirmation.

Voting Requirements:

Simple Majority

12629 Moved: Cr Hodges Seconded: Cr Wood

Recommendation and Council Decision:

That the Minutes of the Special Meeting of the Council of the Shire of Pingelly held in the Council Chambers on 29 January 2019 be confirmed.

Carried 8:0

9.4 Special Meeting – 6 February 2019 (Appointment of Acting CEO and Recruitment of CEO)

Statutory Environment:

Section 5.22 of the *Local Government Act* provides that minutes of all meeting to be kept and submitted to the next ordinary meeting of the council or the committee, as the case requires, for confirmation.

Voting Requirements:

Simple Majority

12630 Moved: Cr Hodges

Seconded: Cr Hastings

Recommendation and Council Decision:

That the Minutes of the Special Meeting of the Council of the Shire of Pingelly held in the Council Chambers on 6 February 2019 be confirmed.

Carried 8:0

10. PETITIONS / DEPUTATIONS / PRESENTATIONS / SUBMISSIONS

11. REPORTS OF COMMITTEES OF COUNCIL

Audit Committee	Full Council
Recreation & Cultural Committee	Member – Shire President Deputy – Deputy President
Bushfire Advisory Committee	Member – Cr Freebairn Deputy – Cr Hotham
Chief Executive Officer Performance Review Committee	Member – Shire President Member – Deputy President Member – Cr Hodges

12. REPORTS OF COUNCIL DELEGATES ON EXTERNAL COMMITTEES

Central Country Zone of WALGA	Delegate – Shire President Delegate – Deputy President Deputy – Cr Wood
Hotham-Dale Regional Road Sub-Group	Delegate – Shire President Deputy – Cr McBurney
Development Assessment Panel	Delegate – Cr Mulrone Delegate – Cr Freebairn Deputy – Cr Hodges Deputy – Cr Wood
Pingelly Tourism Group	Delegate – Cr McBurney Deputy – Cr Freebairn
Regional Waste Group	Delegate – Cr Mulrone Deputy – Cr Wood
Shires of Pingelly and Wandering Joint Local Emergency Management Committee	Delegate – Shire President Deputy – Cr Hodges
Youth Focus Group	Delegate – Cr Walton-Hassell Delegate – Cr Hastings Deputy – Cr McBurney
Pingelly Somerset Alliance	Delegate – Shire President Deputy – Cr McBurney
Pingelly Early Years Network	Delegate – Cr Hastings
Pingelly Community Wellbeing Group	Delegate – Cr Walton-Hassell

13. REPORTS FROM COUNCILLORS

Cr William Mulroney (President)

Meetings attended:

December 2018

13th Party on the Oval
20th Special Council Meeting
21st Council End of Year Celebration

January 2019

9th Meeting with A/CEO
16th Corporate Discussion. Brookton Business Plan re sale of aged care facility
23rd meeting with A/CEO re anonymous letter received
24th DAP training online- video
25th Telephone conversation from CEO advising of his resignation as CEO
25th Meeting with P Blight Bush Poet and Yarn spinner entertainment for Australia Day Breakfast
26th Australia Day Breakfast and Presentation of Community Person and Community Sports Person Awards
26th Presentation of Australia Day Medallions to winners of competitions at Tennis Club
28th Australia Day Presentation of Awards at Bowling Club
29th Meeting with CEO and Special Council Meeting
30th Attendance at Funeral for President of Shire of Williams

February 2019

4th Attendance with A/CEO at Fair Work Commission Hearing, Perth
5th Annual electors meeting
6th Corporate Discussion and Special Council Meeting
6th Meeting with A/CEO re length of employment

Cr David Freebairn (Deputy President)

DAP Training Session

Cr Evan Hodges

DAP Training Session

Cr Bryan Hotham

Nil

Cr Jackie McBurney

Nil

Cr Kacey Hastings

Pingelly Early Years Network Meeting

Cr Michelle Walton-Hassell

Pingelly Community Wellbeing Group Meeting

Cr Peter Wood

DAP Training Session

14 OFFICE OF THE CHIEF EXECUTIVE OFFICER

14.1 Minutes of Audit Committee and Compliance Audit Return 2018

File Reference:	ADM0074
Location:	Shire of Pingelly
Applicant:	Acting Chief Executive Officer
Author:	Acting Chief Executive Officer
Date:	11 January 2019
Disclosure of Interest:	Nil
Attachments:	Annual Compliance Audit Return 2018 (Attachment 1 following purple sheet in separate attachments booklet)
Previous Reference:	Nil

Summary:

Council to endorse recommendation from the Audit Committee of the Compliance Audit Return 2018.

Background:

Under the *Local Government Audit Regulations 1996*, Local Government is required to carry out a Compliance Audit for the period 1 January 2018 to 31 December 2018. The certified return must be submitted to the Director General, Department of Local Government, Sport and Cultural Industries by 31 March 2019.

Consultation:

Shire of Pingelly Audit Committee
Chief Executive Officer

Statutory Environment:

Regulation 14 of the *Local Government (Audit) Regulations 1996* provides:

- (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 sub regulation (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.

Regulation 15 provides that:

- (1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with —
 - (a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and
 - (b) any additional information explaining or qualifying the compliance audit,
 - (c) is to be submitted to the Executive Director by 31 March next following the period to which the return relates.
- (2) In this regulation —

certified in relation to a compliance audit return means signed by —

 - (a) the mayor or president; and
 - (b) the Chief Executive Officer.

Policy Implications:

There are no policy implications arising from this report.

Financial Implications:

There are no known financial implications upon either the Council’s current budget or long term financial plan.

Strategic Implications:

While there are no direct strategic implications in adopting the Compliance Audit Return 2018.

Risk Implications:

Risk	Low (2)
Risk Likelihood (based on history and with existing controls)	Low (2)
Risk Impact / Consequence	Low (2)
Risk Rating (Prior to Treatment or Control)	Low (2)
Principal Risk Theme	Legislative Compliance
Risk Action Plan (Controls or Treatment Proposed)	Compliance Process Review

Risk Matrix

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 2 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements:

Simple Majority

12631 Moved: Cr Hodges

Seconded: Cr Hastings

Recommendation and Council Decision:

That:

1. Council receives the minutes of the Audit Committee dated 20 February 2019.
2. Council adopts the Compliance Audit Return 2018, as presented;
3. The Chief Executive Officer and the Shire President be authorised to sign the Compliance Audit Return 2018;
4. The Compliance Audit Return be submitted to the Department of Local Government, Sport and Cultural Industries (Smarthub Portal) by the 31 March 2019 deadline.

Carried 8:0

14.2 Shire of Pingelly - Corporate Credit Card

File Reference: ADM0070
Location: Shire of Pingelly
Applicant: Acting Chief Executive Officer
Author: Acting Chief Executive Officer
Date: 6 February 2019
Disclosure of Interest: Nil
Attachments: DLGSCI Operational Guideline No11 – Use of Corporate Credit Cards, WA OAG report controls over corporate Credit cards, Draft Policy 5.14 credit cards, Officer Usage Agreement (Attachment 2 following red sheet in separate attachments booklet)
Previous Reference: Nil

Summary:

Item presented to Council to consider changing its Credit Card Policy to permit a second corporate credit card to be issued to the Director of Corporate & Community Services.

Background:

Currently the Chief Executive Officer is the only Council officer approved to hold a corporate credit card. In times of Chief Executive Officer being on leave or absent from the workplace or unavailable the Shire staff are unable to access a Shire Credit Card. Staff often using their own personal credit card and then being reimbursed through creditors.

In order to improve administration efficiency this item is presented to Council to consider amending Policy 5.14 Credit Card as attached. All Officers must sign a Corporate Credit Card Usage Agreement see attached.

Consultation:

Shire President
 Acting Chief Executive Officer

Statutory Environment:

Local Government Act 1995
Local Government (Financial Management) Regulations 1996

Policy Implications:

Policy 5.14 Credit Card.

Financial Implications:

There are no financial implications upon either the Council’s current budget or long term financial plan.

Strategic Implications:

Nil.

Risk Implications:

Risk	Low (2)
Risk Likelihood (based on history and with existing controls)	Low (2)
Risk Impact / Consequence	Low (2)
Risk Rating (Prior to Treatment or Control)	Low (2)
Principal Risk Theme	Fraud and misuse
Risk Action Plan (Controls or Treatment Proposed)	Credit Card Policy and Corporate Credit Card Usage Agreement

Risk Matrix

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 2 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements:

Absolute Majority

12632 Moved: Cr Hotham

Seconded: Cr Freebairn

Recommendation and Council Decision:

That Council

- 1. approves amended policy 5.14 Credit Card as presented and**
- 2. delegates to the Chief Executive Officer the power to approve Local Government officer applications for a Shire of Pingelly corporate credit card.**

Carried 8:0

14.3 Shire of Pingelly – Management Order Reserve 23983 Change of Purpose

File Reference:	ADM0070
Location:	Shire of Pingelly
Applicant:	Acting Chief Executive Officer
Author:	Acting Chief Executive Officer
Date:	6 February 2019
Disclosure of Interest:	Nil
Attachments:	Letter Department of Planning, Lands and Heritage (Attachment 3 following blue sheet in separate attachments booklet)
Previous Reference:	Nil

Summary:

Council to request the Minister for Lands to update the wording Management Order for Reserve 23983 be updated to include the wording “Community Purposes”.

Background:

The Shire of Pingelly has now signed a Lease with the Pingelly Recreation and Cultural Centre Association Incorporated for portion of Reserve 23983, being Lot 201 on Deposited plan 410068. The Shire had to obtain the Minister for Lands approval to Lease the land. (Please refer to attached letter from Department of Planning, Lands and Heritage granting approval subject to conditions).

The current Management Order for Reserve 23983 is set aside for the purpose of “Showground and Recreation” with a Management Order to the Shire of Pingelly with power to lease/licence for any term not exceeding 21 years, subject to the Minister for Lands consent with conditions.

Approval subject to the Management Order over Reserve 23983 being updated within the next six months from the date of the letter from the Department of Planning, Lands and Heritage 11 January 2019. Deadline 11 July 2019.

The approval is subject to the registration requirements of the *Transfer of Land Act 1893*. The Shire will need to provide a copy of the letter to Landgate when the documents are lodged for registration at Landgate.

Consultation:

Department of Planning, Lands and Heritage
Acting Chief Executive Officer

Statutory Environment:

Transfer of Land Act 1893

Policy Implications:

Nil

Financial Implications:

There are no known financial implications upon either the Council's current budget or long term financial plan.

Strategic Implications:

Nil

Risk Implications:

Risk	Low (2)
Risk Likelihood (based on history and with existing controls)	Low (2)
Risk Impact / Consequence	Low (2)
Risk Rating (Prior to Treatment or Control)	Low (2)
Principal Risk Theme	Legislative Compliance
Risk Action Plan (Controls or Treatment Proposed)	Change in Management Order purpose

Risk Matrix

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 2 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements:

Simple Majority

12633 Moved: Cr Hodges

Seconded: Cr McBurney

Council Decision:

That the item lay on the table in order to obtain more information on the matter.

Carried 8:0

Recommendation and Council Decision:

That Council

- 1. request the Minister for Lands that the current Management order for Reserve 23983 be revoked and a new order be issued with the updated wording adding “Community Purposes”.**
- 2. registers with Landgate a copy of the attached letter from the Department of Planning, Lands and Heritage along with the requirements of the Transfer of Land Act 1893.**

14.4 Termination of Agreement Between the Shires of Brookton, Beverley and Pingelly

File Reference:	0006
Location:	N/A
Applicant:	President – Shire of Beverley
Author:	Acting Chief Executive Officer
Date:	13 February 2019
Disclosure of Interest:	Nil
Attachments:	Shires of Beverley, Brookton, Pingelly Letter of Agreement to Progress Aged Support and Care Solutions February 2014 Letter dated 23 January 2019 from Cr Dee Ridgway, President Shire of Beverley (Attachment 4 following green sheet in separate attachments booklet)
Previous Reference:	Minute number 11557 – 19 February 2014

Summary:

To consider a letter from Cr Dee Ridgway, President Shire of Beverley, proposing the termination of the Agreement signed in March 2014 whereby the Presidents of the Shires of Beverley, Brookton and Pingelly on behalf of their Councils recognised an alliance between the Local Governments to *progress sustainable Aged Care Planning, Service and Support within and between* the communities of the three Shires.

Background:

In January 2014 the Presidents, delegates, Chief Executive Officers and key staff from the three Shires met to discuss working together to progress and develop aged support and care solutions in their communities. It was agreed to formalise an agreement which was adopted by the Shire of Pingelly at the Ordinary Council meeting held on 19 February 2014.

The General Principles agreed to were:

- Recognise that collaboration can achieve better aged care planning and development outcomes
- Share opportunities, resources and intellectual property to reduce duplication
- Be flexible and open to new approaches to delivery and funding
- Acknowledge the needs and constraints of all spheres of government, community and stakeholders
- Adopt a realistic approach to funding and resource issues
- Undertake appropriate consultation to facilitate understanding and consensus
- Until otherwise established communication to the community on issues of relevance is undertaken by consensus.

The Agreement was not time bound and provides for any of the three parties at any time to withdraw their membership by giving three months' notice in writing to the other parties.

The Shire of Beverley has requested that the Agreement now be terminated as there has been limited progress by the group particularly in the last twelve months. The Shire of Beverley also expressed concern regarding the Major Land Transaction and Trading Undertaking involving the Kalkarni Residential Aged Care Facility that had been publicly announced at the end of 2018 without any prior discussion under the Beverley, Brookton and Pingelly Alliance Agreement.

Comment:

The need for aged support and care solutions into the future has been well established and it is disappointing that more progress has not been made through the Beverley, Brookton and Pingelly Alliance. Where an Agreement of this nature is no longer working for all parties and one or more indicate they no longer wish to continue it is sensible to terminate the whole Agreement and review options for addressing the substantive issues on an on-going basis.

While the approach outlined in the Agreement is no longer considered appropriate to the circumstances its termination does not preclude future co-operation with Beverley and Brookton, and indeed other Shires, where this is considered by the parties to be beneficial.

Consultation:

This matter was discussed by the Council at the Corporate Information session held on 6 February 2019.

Statutory Environment:

Nil

Policy Implications:

Nil

Financial Implications:

Nil

Strategic Implications:

Outcome 4.4: A financially sustainable Shire

Strategy 4.4.1: Explore resource sharing opportunities with neighbouring Shires through the Region

Outcome 1.6: Quality of life for the aged and disabled

Strategy 1.6.1 Support and advocate for services and facilities that meet the needs of the aged and disabled

Strategy 1.6.2 Support the provision of active ageing activities for seniors

Strategy 1.6.3 Advocate for an improved Senior Citizen’s Centre

Strategy 1.6.4 Assist the expansion of Pingelly Cottage Homes with more independent living units

Strategy 1.6.5 Support independent life-style choices and advocate improved ageing in place services

Risk Implications:

Risk	Low (4)
Risk Likelihood (based on history and with existing controls)	Low (4)
Risk Impact / Consequence	Low (4)
Risk Rating (Prior to Treatment or Control)	Low (4)
Principal Risk Theme	Communication and reputation
Risk Action Plan (Controls or Treatment Proposed)	The main risk of terminating the agreement will be that the community perceives the Council to be less committed to addressing matters of aged care and support. This risk is considered to be low and it can be mitigated by ensuring that the Shire regularly communicates its work in this area.

Risk Matrix

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 4 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements:

Simple Majority

12634 Moved: Cr Walton-Hassell**Seconded: Cr Wood****Recommendation and Council Decision:****That the Council:**

- 1. Agree to the termination of the Shires of Beverley, Brookton and Pingelly Aged Care Alliance Agreement;**
- 2. Advise the Shires of Beverley and Brookton accordingly; and**
- 3. Note that while the Agreement is considered no longer relevant the Shire of Pingelly will continue to advocate for aged care and support of the community and will work with prospective partners as appropriate.**

Carried 8:0

12635 Moved: Cr McBurney Seconded: Cr Hastings

Council Decision:

That item 14.5 be moved to the end of the meeting.

Carried 8:0

15. DIRECTORATE OF CORPORATE AND COMMUNITY SERVICES

15.1 Monthly Statement of Financial Activity – December 2018

File Reference: ADM0075
Location: N/A
Applicant: Director Corporate & Community Services
Author: Director Corporate & Community Services
Date: 11 January 2019
Disclosure of Interest: Nil
Attachments: Monthly Statements of Financial Activity for the period 1 July 2018 to 31 December 2018
(Attachment 5 following gold sheet in separate attachments booklet)
Previous Reference: N/A

Summary:

In Accordance with the *Local Government Act 1995* Section 5.25 (1) and *Local Government (Financial Management) Regulations 1996*, Monthly Financial Statements are required to be presented to Council, in order to ensure that income and expenditure is in keeping with budget forecasts.

The Monthly Statements of Financial Activity for the month of **December 2018** is attached for Council consideration and adoption.

Background:

In order to prepare the monthly statements, the following reconciliations have been completed and verified:

- Reconciliation of assets, payroll and taxation services;
- Reconciliation of all shire's bank accounts, including term deposits;
- Reconciliation of Rates, including outstanding debtors;
- Reconciliation of Sundry Creditors and Debtors;

Consultation:

Chief Executive Officer.

Statutory Environment:

Local Government Act 1995;

Local Government (Financial Management) Regulations 1996

Section 34: Financial Reports to be Prepared

(1) A 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 in the following detail -

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

- (2) Each statement of financial activity is to be accompanied by documents containing -
- (a) An explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
 - (b) An explanation of each of the material variances referred to in sub regulation (1) (d); and
 - (c) Such other supporting information as is considered relevant by the local government.
- (3) The information in a statement of financial activity may be shown -
- (a) According to nature and type classification;
 - (b) By program; or
 - (c) By business unit.
- (4) A statement of financial activity, and the accompanying documents referred to in sub regulation (2), is to be -
- (a) Presented to the council -
 - (i) At the next ordinary meeting of the council following the end of the month to which the statement relates; or
 - (ii) if the statement is not prepared in time to present it to the meeting referred to in subparagraph (i), to the next ordinary meeting of the council after that meeting; and
 - (b) Recorded in the minutes of the meeting at which it is presented.
- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with AAS 5, to be used in statements of financial activity for reporting material variances.

Policy Implications:

There are no policy implications.

Financial Implications:

There are no significant trends or issues to be reported. The report and officer recommendation is consistent with Council's adopted Budget 2018/2019.

Strategic Implications:

There are no known significant strategic implications.

Risk Implications:

Risk	Low (2)
Risk Likelihood (based on history and with existing controls)	Low (2)
Risk Impact / Consequence	Low (2)
Risk Rating (Prior to Treatment or Control)	Low (2)
Principal Risk Theme	Low (2)
Risk Action Plan (Controls or Treatment Proposed)	Low (2)

Risk Matrix

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 2 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements:

Simple Majority.

12636 Moved: Cr Hodges

Seconded: Cr McBurney

Recommendation and Council Decision:

That with respect to the Monthly Statements of Financial Activity for the month ending 31 December 2018 be accepted and material variances be noted.

Carried 8:0

15.2 Monthly Statement of Financial Activity – January 2019

File Reference:	ADM0075
Location:	N/A
Applicant:	Director Corporate & Community Services
Author:	Director Corporate & Community Services
Date:	9 February 2019
Disclosure of Interest:	Nil
Attachments:	Monthly Statements of Financial Activity for the period 1 July 2018 to 31 January 2019 (Attachment 6 following yellow sheet in separate attachments booklet)
Previous Reference:	N/A

Summary:

In Accordance with the *Local Government Act 1995* Section 5.25 (1) and *Local Government (Financial Management) Regulations 1996*, Monthly Financial Statements are required to be presented to Council, in order to ensure that income and expenditure is in keeping with budget forecasts.

The Monthly Statements of Financial Activity for the month of **January 2019** is attached for Council consideration and adoption.

Background:

In order to prepare the monthly statements, the following reconciliations have been completed and verified:

- Reconciliation of assets, payroll and taxation services;
- Reconciliation of all shire's bank accounts, including term deposits;
- Reconciliation of Rates, including outstanding debtors;
- Reconciliation of Sundry Creditors and Debtors;

Consultation:

Chief Executive Officer.

Statutory Environment:

Local Government Act 1995;

Local Government (Financial Management) Regulations 1996

Section 34: Financial Reports to be Prepared

(1) A 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 in the following detail -

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

- (2) Each statement of financial activity is to be accompanied by documents containing -
- (a) An explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
 - (b) An explanation of each of the material variances referred to in sub regulation (1) (d); and
 - (c) Such other supporting information as is considered relevant by the local government.
- (3) The information in a statement of financial activity may be shown -
- (a) According to nature and type classification;
 - (b) By program; or
 - (c) By business unit.
- (4) A statement of financial activity, and the accompanying documents referred to in sub regulation (2), is to be -
- (a) Presented to the council -
 - (i) At the next ordinary meeting of the council following the end of the month to which the statement relates; or
 - (ii) if the statement is not prepared in time to present it to the meeting referred to in subparagraph (i), to the next ordinary meeting of the council after that meeting; and
 - (b) Recorded in the minutes of the meeting at which it is presented.
- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with AAS 5, to be used in statements of financial activity for reporting material variances.

Policy Implications:

There are no policy implications.

Financial Implications:

There are no significant trends or issues to be reported. The report and officer recommendation is consistent with Council's adopted Budget 2018/2019.

Strategic Implications:

There are no known significant strategic implications.

Risk Implications:

Risk	Low (2)
Risk Likelihood (based on history and with existing controls)	Low (2)
Risk Impact / Consequence	Low (2)
Risk Rating (Prior to Treatment or Control)	Low (2)
Principal Risk Theme	Low (2)
Risk Action Plan (Controls or Treatment Proposed)	Low (2)

Risk Matrix

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 2 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements:

Simple Majority.

12637 Moved: Cr Hotham Seconded: Cr Wood

Recommendation and Council Decision:

That with respect to the Monthly Statements of Financial Activity for the month ending 31 January 2019 be accepted and material variances be noted.

Carried 8:0

15.3 Accounts Paid by Authority – December 2018

File Reference: ADM0066
Location: Shire of Pingelly
Applicant: Director Corporate & Community Services
Author: Finance Officer
Date: 11 January 2019
Disclosure of Interest: Nil
Attachments: List of Accounts
(Attachment 7 following orange sheet in separate attachments booklet)
Previous Reference: N/A

Summary:

Council endorsement is required for accounts made by authority for the month of **December 2018**.

Comment:

Unless otherwise identified, all payments have been made in accordance with Council's 2018/19 Budget.

Consultation:

Nil

Statutory Environment:

Regulation 12 of the *Local Government (Financial Management) Regulations* provides that:

- (1) A payment may only be made from the municipal fund or the trust fund —
 - (a) if the local government has delegated to the Chief Executive Officer the exercise of its power to make payments from those funds — by the Chief Executive Officer; or
 - (b) otherwise, if the payment is authorised in advance by a resolution of the council.
- (2) The council must not authorise a payment from those funds until a list prepared under regulation 13(2) containing details of the accounts to be paid has been presented to the council.

Regulation 13 of the *Local Government (Financial Management) Regulations* provides that:

- (1) If the local government has delegated to the Chief Executive Officer the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the Chief Executive Officer is to be prepared each month showing for each account paid since the last such list was prepared —
 - (a) the payee's name;
 - (b) the amount of the payment;
 - (c) the date of the payment; and
 - (d) sufficient information to identify the transaction.
- (2) A list of accounts for approval to be paid is to be prepared each month showing —
 - (a) for each account which requires council authorisation in that month —
 - (i) the payee's name;
 - (ii) the amount of the payment; and
 - (iii) sufficient information to identify the transaction; and
 - (b) the date of the meeting of the Council to which the list is to be presented.

- (3) A list prepared under sub regulation (1) or (2) is to be —
- (a) presented to the Council at the next ordinary meeting of the council after the list is prepared; and
 - (b) recorded in the minutes of that meeting.

Policy Implications:

There are no policy implications arising from this amendment.

Financial Implications:

There are no known financial implications upon either the Council's current budget or long term financial plan.

Strategic Implications:

There are no known significant strategic implications relating to the report.

Risk Implications:

Risk	Low (1)
Risk Likelihood (based on history and with existing controls)	Low (1)
Risk Impact / Consequence	Low (1)
Risk Rating (Prior to Treatment or Control)	Low (1)
Principal Risk Theme	Low (1)
Risk Action Plan (Controls or Treatment Proposed)	Low (1)

Risk Matrix

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 1 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements:

Simple Majority.

12638 Moved: Cr Hodges Seconded: Cr McBurney

Recommendation and Council Decision:

That Council endorse the Accounts for Payments for December 2018 as presented:

December 2018	
MUNI - 117984856	
EFT 5555 - 5661	\$407,808.86
CHEQUE 24624 - 24636	\$13,843.45
TRUST ACCOUNTS	
DEPT OF TRANSPORT – DD10252.1 – DD10302.1	\$25,088.20
TRUST FUND – 1943 - 1946	\$480.00

DIRECT DEBIT -	
DD10250.1 – DD10284.7 & EFT 5579 – EFT 5664	\$19,762.51
CREDIT CARD	
DD10265.1 – DD10265.1	\$1,398.84
GRAND TOTAL	\$468,381.86

Notification	Explanation
Cheque 24624 Cancelled	Printing Error

Carried 8:0

15.4 Accounts Paid by Authority – January 2019

File Reference: ADM0066
Location: Shire of Pingelly
Applicant: Director Corporate & Community Services
Author: Finance Officer
Date: 09 February 2019
Disclosure of Interest: Nil
Attachments: List of Accounts
(Attachment 8 following grey sheet in separate attachments booklet)
Previous Reference: N/A

Summary:

Council endorsement is required for accounts made by authority for the month of **January 2019**.

Comment:

Unless otherwise identified, all payments have been made in accordance with Council's 2018/19 Budget.

Consultation:

Nil

Statutory Environment:

Regulation 12 of the *Local Government (Financial Management) Regulations* provides that:

- (1) A payment may only be made from the municipal fund or the trust fund —
 - (a) if the local government has delegated to the Chief Executive Officer the exercise of its power to make payments from those funds — by the Chief Executive Officer; or
 - (b) otherwise, if the payment is authorised in advance by a resolution of the council.
- (2) The council must not authorise a payment from those funds until a list prepared under regulation 13(2) containing details of the accounts to be paid has been presented to the council.

Regulation 13 of the *Local Government (Financial Management) Regulations* provides that:

- (1) If the local government has delegated to the Chief Executive Officer the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the Chief Executive Officer is to be prepared each month showing for each account paid since the last such list was prepared —
 - (a) the payee's name;
 - (b) the amount of the payment;
 - (c) the date of the payment; and
 - (d) sufficient information to identify the transaction.
- (2) A list of accounts for approval to be paid is to be prepared each month showing —
 - (a) for each account which requires council authorisation in that month —
 - (i) the payee's name;
 - (ii) the amount of the payment; and
 - (iii) sufficient information to identify the transaction; and
 - (b) the date of the meeting of the Council to which the list is to be presented.
- (3) A list prepared under sub regulation (1) or (2) is to be —
 - (a) presented to the Council at the next ordinary meeting of the council after the list is prepared; and
 - (b) recorded in the minutes of that meeting.

Policy Implications:

There are no policy implications arising from this amendment.

Financial Implications:

There are no known financial implications upon either the Council's current budget or long term financial plan.

Strategic Implications:

There are no known significant strategic implications relating to the report.

Risk Implications:

Risk	Low (1)
Risk Likelihood (based on history and with existing controls)	Low (1)
Risk Impact / Consequence	Low (1)
Risk Rating (Prior to Treatment or Control)	Low (1)
Principal Risk Theme	Low (1)
Risk Action Plan (Controls or Treatment Proposed)	Low (1)

Risk Matrix

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 1 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements:

Simple Majority

12639 Moved: Cr Hotham Seconded: Cr McBurney

Recommendation and Council Decision:

That Council endorse the Accounts for Payments for January 2019 as presented:

JANUARY 2019	
MUNI - 117984856	
EFT 5665 - 5720	\$266,765.74
CHEQUE 24637 - 24644	\$33,854.95
TRUST ACCOUNTS	
DEPT OF TRANSPORT – DD10312.1 – DD10359.1	\$35,267.70
TRUST FUND – 1947 - 1948	\$400.00

DIRECT DEBIT -	
DD10296.1 – DD10330.8 & EFT 5667 – EFT 5718	\$20,267.25
CREDIT CARD	
DD10308.1 – DD10308.1	\$4.00
GRAND TOTAL	\$356,559.64

Notification	Explanation
Nil	

Carried 8:0

15.5 Incident Management and Business Continuity Plan

File Reference: ADM0141
Author: Director Corporate & Community Services
Date: 20 December 2018
Disclosure of Interest: Nil
Attachments: Draft Shire of Pingelly Incident Management and Business Continuity Plan (Attachment 9 following pink sheet in separate attachments booklet)

Summary:

To present the Council with the draft Shire of Pingelly Incident Management and Business Continuity Plan.

Background:

The Shire of Pingelly had a Regulation 17 Review undertaken by AMD Chartered Accountants in December 2017. Item 2.2.3 of the Regulation 17 Review covered the Business Continuity Plan.

2.2.3 Business Continuity Plan

Business Continuity Plan is in draft. No testing has been completed to ensure the draft Business Continuity Plan operates effectively in the case of an emergency.

2.2.3 Business Continuity Plan

Finding Rating: Moderate

The Shire has developed a draft Incident Management and Business Continuity Plan, however our inquiries indicate the Plan is not yet finalised. As a result, the Plan has not been tested to ensure in the event of a disaster, appropriate action can be taken.

Implications/Risks

Risk of significant delays and business interruption in the event of unforeseen circumstances in the respect to Shire operations.

Recommendation

We recommend the Shire finalise their Incident Management and Business Continuity Plan ensuring approved and implemented accordingly.

In addition, we recommend the Incident and Management and Business Continuity Plan is tested on a regular basis to ensure that in the event of a disaster, appropriate actions(s) can be taken.

Management Comment

The Shire of Pingelly Draft Incident Management and Business Continuity Plan is currently being prepared by the Administration staff and once presented to and adopted by Council will be tested.

Responsible Officer: Director Corporate & Community Services/Director Technical Services

Completion Date: June 2018

The Shire of Pingelly had a Financial Management System Review undertaken by AMD Chartered Accountants in January 2018. Item 3.2.1 of the review covered the Business Continuity Plan.

3.2.1 Business Continuity Plan

Finding Rating: Moderate

The Shire has developed a draft Incident Management and Business Continuity Plan, however our inquiries indicate the Plan is not yet finalised. As a result, the Plan has not been tested to ensure in the event of a disaster, appropriate action can be taken.

Implications/Risks

Risk of significant delays and business interruption in the event of unforeseen circumstances in the respect to Shire operations.

Recommendation

We recommend the Shire finalise their Incident Management and Business Continuity Plan ensuring approved and implemented accordingly.

In addition, we recommend the Incident and Management and Business Continuity Plan is tested on a regular basis to ensure that in the event of a disaster, appropriate actions(s) can be taken.

Management Comment

The Shire of Pingelly Draft Incident Management and Business Continuity Plan is currently being prepared by the Administration staff and once presented to and adopted by Council will be tested.

Responsible Officer: Director Corporate & Community Services/Director Technical Services

Completion Date: October 2018

Regulation 17 Review was presented to the Shire of Pingelly Audit Committee and Council on 18 April 2018. The Financial Management Systems Review was presented to the Shire of Pingelly Audit Committee 2 May 2018 and Council on 16 May 2018.

Comment:

The Draft Shire of Pingelly Incident Management and Business Continuity Plan has now been drafted but not tested for consideration of Council adoption and future testing.

Consultation:

Chief Executive Officer,
Director Technical Services

Statutory Environment:

Local Government Act 1995

Policy Implications:

Nil

Financial Implications:

Regular testing of the Incident Management and Business Continuity Plan and 5 yearly reviews will require staff resources. Cost of setting up the IMT Kit.

Strategic Implications:

The Draft Shire of Pingelly Incident Management and Business Continuity Plan will be reviewed every 5 years to ensure alignment with Shires Strategic direction.

Risk Implications:

Risk	Medium (8)
Risk Likelihood (based on history and with existing controls)	Medium (8)
Risk Impact / Consequence	Medium (8)
Risk Rating (Prior to Treatment or Control)	Medium (8)
Principal Risk Theme	Business Continuity
Risk Action Plan (Controls or Treatment Proposed)	Business Continuity Plan

Risk Matrix

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 8 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements:

Simple Majority

12640 Moved: Cr Hastings

Seconded: Cr Hotham

Recommendation and Council Decision:

That the Council adopts the Shire of Pingelly Incident Management and Business Continuity Plan as presented.

Carried 8:0

15.6 Integrated Risk Management Framework

File Reference: ADM0141
Author: Director Corporate & Community Services
Date: 23 January 2019
Disclosure of Interest: Nil
Attachments: Draft Shire of Pingelly Integrated Risk Management Framework (Attachment 10 following cream sheet in separate attachments booklet)

Summary:

To present the Council with the draft Shire of Pingelly Integrated Risk Management Framework (IRMF) for consideration of adoption.

Background:

In 2014, Regulation 17 of the *Local Government (Audit) Regulations 1996* was introduced, requiring the Chief Executive Officer to review the appropriateness and effectiveness of the Shire's systems and procedures relating to risk management, internal control and legislative compliance.

As a result, the Shire drafted its first Risk Management Framework in line with the International Risk Management Standard AS/NZS ISO 31000: 2009. At its inception, the original framework aimed to:

- Identify the Shire's operational and strategic risks
- Provide an annual report on the process of further actions identified to mitigate risks, and
- Catalogue the risks into a risk register.
- Ensuring that the Shire achieves its strategic objectives as set out in the Pingelly 2023
- Highlighting areas of the Shire's risk profile that have the capacity to deliver the maximum benefit or maximum harm, and to identify those areas which should receive priority action
- Ensuring the effective allocation of resources
- Determining how risk should be reported to Council, the Audit Committee and Risk Management Committee, and external auditors
- Identifying and preparing for emerging risks, future events and change, and
- Improving stakeholder confidence and trust.

Once adopted by Council, the Shire will progress to the next stage of implementing the IRMF through identification and assessment of its strategic risks, and recording its existing controls within the Integrated Risk Register.

The Shire of Pingelly had a Regulation 17 Review undertaken by AMD Chartered Accountants in December 2017. Item 2.2.2 of the Regulation 17 Review covered the Risk Management Framework.

2.2.2 Risk Management Framework

Finding Rating: Significant

The Shire has drafted a Risk Management Framework, however this Framework has not been adopted by Council and implemented within Council operations.

The Shire has not identified tolerable risks or developed an organisational-wide risk register which identifies risks, assesses the impact of the risk and identifies controls to mitigate risk. We would expect the organisational risk register to encompass each business unit incorporating the following categories for each business unit:

- Operational;
- Strategic;
- Finance;
- Technological; and
- Compliance risks.

On this basis, the Shire is currently not equipped to prepare and present a risk report to the Audit Committee and/or Council highlighting the Shire's key risks and processes in place to mitigate these risks.

Implications / Risks

Lack of documentation in place to evidence risks have been identified and mitigated accordingly.

Recommendation

We recommend the Shire formalise the draft Risk Management Framework, including development of an organisational risk register. This should include conducting a comprehensive risk identification process to identify potential Shire risks within each business unit and incorporates the following categories:

- Operational;
- Strategic;
- Finance;
- Technological; and
- Compliance risks.

The risk register should identify the risk, analyse the risk by determining the likelihood, consequence and current controls in respect to each identified risk; evaluate the risk by deciding whether the risk is to be treated/controlled, reassessed or accepted and determine the action to be taken to treat or control each risk.

The risk register should also be monitored and reviewed on a regular basis to ensure up to date. Furthermore, once the organisational risk register is developed, we recommend this register is tabled at the Audit Committee meeting and subsequent Council meetings on a periodic basis.

Management Comment

The Shire of Pingelly has Risk Management Policy 2.7

Shire of Pingelly Risk Management Framework, Risk Management Procedure and Risk Register to be developed and then presented to Council.

Responsible Officer: Director Corporate & Community Services
2018

Completion Date: June

Regulation 17 Review was presented to the Shire of Pingelly Audit Committee and Council on the 18 April 2018.

Comment:

The Draft Shire of Pingelly Integrated Risk Management Framework has now been drafted for consideration of Council to review and adoption.

Consultation:

Chief Executive Officer
 Director Technical Services

Statutory Environment:

Local Government Act 1995

Policy Implications:

Nil

Financial Implications:

Resource requirements are in accordance with existing budgetary allocation.

Strategic Implications:

The Draft Shire of Pingelly Integrated Risk Management Framework will be reviewed annually to ensure alignment with Shires Strategic direction.

Risk Implications:

Risk	Medium (8)
Risk Likelihood (based on history and with existing controls)	Medium (8)
Risk Impact / Consequence	Medium (8)
Risk Rating (Prior to Treatment or Control)	Medium (8)
Principal Risk Theme	All Shire Risks
Risk Action Plan (Controls or Treatment Proposed)	Risk Management Framework and Risk Register

Risk Matrix

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of **8** has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements:

Simple Majority

12641 Moved: Cr Freebairn

Seconded: Cr Hotham

Recommendation and Council Decision:

That the Council adopts the Shire of Pingelly Integrated Risk Management Framework as presented.

Carried 8:0

16. DIRECTORATE OF TECHNICAL SERVICES

16.1 Proposed Trucking Depot – Lot 3524 – 12988 Great Southern Highway

File Reference:	A864
Location:	Shire of Pingelly
Applicant:	Pingelly Transport
Author:	Administration Officer Technical
Date:	8 February 2019
Disclosure of Interest:	Nil
Attachments:	Nil
Previous Reference:	Confidential Item - Planning Enquiry A864 OCM 13 December 2018

Summary:

Council to consider an application for Planning Consent for a proposed Trucking Depot to be established at Lot 3524 – 12988 Great Southern Highway, West Pingelly.

Background:

The Shire of Pingelly has received an application for planning consent for the establishment of a Trucking Depot at Lot 3524 – 12988 Great Southern Highway, West Pingelly which is accessed off Aviation Street.

Comment:

Pingelly Transport currently operate their trucking business from Lots 168 & 169 – 9 & 11 Taylor Street on the corner of Taylor, Parade and Shaddick Streets.

This area is zoned Mixed Use and the majority of the lots in this zone have residential dwellings with no commercial activities that would be considered suitable for this zone.

Mixed Use Zone

- To provide for a range of commercial activities including showrooms and other forms of bulk retailing/display in strategically located areas.
- To ensure an orderly transition from and compatibility with existing residential uses.

A transport depot does not comply with the land use for this zone and has created an issue with the surrounding land owners over many years.

The Shire of Pingelly have been liaising with Pingelly Transport and investigating other options suitable to relocate the transport business.

Pingelly Transport have purchased Lot 3524 – 12988 Great Southern Highway with settlement due to be completed on 1 March 2019.

The property is zoned General Agriculture and is located at the end of Aviation Street with the entrance on the north side of Aviation Street.

General Agriculture Zone

- To protect areas of broadacre agricultural significance for sustainable production.
- To encourage processing and value adding industries to be located within the Zone.
- To encourage intensive agriculture where it can be demonstrated that off-site impacts (if any) will not adversely affect existing agricultural activities.
- To protect and enhance rural landscapes.

- To protect the natural environment and biodiversity while ensuring appropriate development opportunities within the Zone are realised.
- To promote the sustainable management of natural resources including energy, water, land, minerals and basic raw materials by preventing land degradation and integrating land and catchment management with land use planning.

5.20 Development in the General Agriculture Zone

5.20.1 In assessing applications for development and/or subdivision within the General Agriculture Zone, Council will consider the following:

- (a) the availability of services required to support the proposed development or subdivision and the economic impact of the provision of, extension or upgrading of those services that may be required;
- (b) the adequacy of the roads, existing or proposed in the area which may be needed to support the amount of road traffic expected to be generated by the development or subdivision; and
- (c) the need to enforce such conditions as Council deems appropriate in order to minimise any adverse effect the development or subdivision may have on the general environment of the area.

The proposed land use in the Land Use table under the *Shire of Pingelly's Planning Scheme No. 3* would be considered Industry Rural:

“industry – rural” – means –

- (a) an industry handling, treating, processing or packing rural products; or
- (b) a workshop servicing plant or equipment used for rural purposes;

Pingelly Transport's business relies completely on custom from the agricultural community within the Shire of Pingelly and beyond.

The above land use is a 'D' use in the Land Use Table which means:

'D' means that the use is not permitted unless the local government has exercised its discretion by granting planning approval;

Under a 'D' use there is no requirement for advertising for public comment.

The area of the property is 68.40ha that is 160.1243 acres.

The access to A864 Aviation Street is off the far western end of Aviation Street off Great Southern Highway on the northern town boundary, and it has come to the attention of the Shire of Pingelly that Landgate have the wrong section of Aviation Street as the formed road. The unformed section on the eastern side of Great Southern Highway off Realm Street is on Landgate website as Aviation Street. The formed section on the western side of Great Southern Highway is classed as a private access road.

Confirmation received from Landgate is Aviation Street on the western side of Great Southern Highway is an unnamed gazetted road and the original Aviation Street is the eastern section off Realm Street.

Landgate advised that the unnamed road will need to be named. If this road has been sign posted for an extended period of time as Aviation Street our suggestion would be that the Shire ask for a road name amendment. That being that the current portion of Aviation Street is unnamed and the name Aviation Street be applied to the unnamed road which is currently sign posted as Aviation Street.

If this has been signposted for a long time and people within the community refer to this portion of unnamed road as Aviation Street Landgate would support the amended as stated above.

A letter was submitted to Landgate requesting the above changes to formally name the street Aviation Street, Ministerial approval was granted on the 14 January 2019 and a new property address will be Lot 3524 - 50 Aviation Street, West Pingelly.

An application was submitted to Main Roads WA for Aviation Street to be upgraded to a RAV4 route. Main Roads response to this application was to upgrade the culvert at the junction of Aviation Street and Great Southern Highway.

The Shire of Pingelly works crew will be carrying out the work to upgrade the culvert once work on Review Street is completed.



Consultation:

- Chief Executive Officer
- Director Technical Services
- Landgate
- Main Roads WA
- Heavy Vehicle Services
- Pingelly Transport

Statutory Environment:

Shire of Pingelly Local Planning Scheme No.3.

Policy Implications:

No known policy implications.

Financial Implications:

No known financial implications.

Strategic Implications:

No known strategic implications.

Risk Implications:

Risk	Low (1)
Risk Likelihood (based on history and with existing controls)	Low (1)
Risk Impact / Consequence	Low (1)
Risk Rating (Prior to Treatment or Control)	Low (1)
Principal Risk Theme	Low (1)
Risk Action Plan (Controls or Treatment Proposed)	Low (1)

Risk Matrix

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 1 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

Voting Requirements:

Simple Majority

12642 Moved: Cr Hodges

Seconded: Cr Wood

Recommendation and Council Decision:

Council to grant Planning Approval for the operation of a Trucking Depot at Lot 3524 – 50 Aviation Street, West Pingelly (formerly 12988 Great Southern Highway).

Carried 8:0

12643 Moved: Cr Walton-Hassell Seconded: Cr McBurney

Recommendation and Council Decision:

THAT pursuant to Section 5.23 of the Local Government Act 1995 this item be dealt with, with the public excluded as the items deal with a matter affecting an employee.

Carried 8:0

14.5 Confidential Item - Resignation of Chief Executive Officer

File Reference: 0000
Location: Shire of Pingelly
Applicant: Acting Chief Executive Officer
Author: Acting Chief Executive Officer
Date: 15 February 2019
Disclosure of Interest: Nil
Attachments: Letter of Resignation 25 January 2019 and Shire letter of Acceptance 30 January 2019
Previous Reference: Minute 12611 – Special Council Meeting - 29 January 2019

17. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

18. NEW BUSINESS OR URGENT BUSINESS INTRODUCED BY DECISION OF THE MEETING

New business of an urgent nature introduced by decision of the meeting. Best practice provides that Council should only consider items that have been included on the Agenda (to allow ample time for Councillors to research prior to the meeting) and which have an Officer Report (to provide the background to the issue and a recommended decision).

12645 Moved: Cr Hodges Seconded: Cr McBurney

Council Decision:

To introduce new business.

Carried 8:0

18.1 Correspondence to the Shire of Wandering

12647 Moved: Cr Wood Seconded: Cr Walton-Hassell

Council Decision:

To reopen the meeting to the public.

Carried 8:0

12648 Moved: Cr Freebairn Seconded: Cr Hastings

To introduce new business.

Carried 8:0

18.2 Chief Executive Officer Performance Review 2017/18

File Reference: 3
Location: Shire of Pingelly
Applicant: Cr William Mulroney, Shire President
Author: Cr William Mulroney, Shire President
Date: 19 February 2019
Disclosure of Interest: Nil
Attachments: Nil
Previous References: Nil

Summary:

The Chief Executive Officer's performance over the past 12 months (2017/18) of employment has been reviewed and assessed by each Councillor with all comments reviewed by the Shire President Cr Mulroney, Deputy President Cr Freebairn and Cr Hodges. The next step would have been to discuss the results with Mr Pollock and the Council at the February Corporate discussion with the outcome of that discussion being the subject of a recommendation for the February Council meeting.

The purpose of this report is to record that the process had reached an advanced stage but is effectively halted by the resignation of the Chief Executive Officer.

Background:

The Council is required to review the performance of the Chief Executive Officer on an annual basis and this has been done for each year of the contract.

The Council and the Chief Executive Officer agreed on the process for the conduct of the review which comprised the completion of a questionnaire and allocation of ratings to each question by each Councillor who were also able to attach comments to each rating. The individual questionnaires are treated as highly confidential and the results are compiled without names attached.

The Chief Executive Officer Performance Review Committee membership comprises the Shire President Cr Mulroney, Deputy President Cr Freebairn and Cr Hodges.

Council conducted the Chief Executive Officer Annual Performance Review as per the following process:

- Questionnaire distributed to the Councillors.
- 21 November 2018: Councillors return questionnaire to the Committee to collate the results.
- 19 February 2018 Committee members met to discuss the results

Had the process continued the President would now meet with the Chief Executive Officer to discuss the results and with his agreement the results and recommendation would go to the next Council meeting.

It would not be appropriate to formally report the questionnaire results as the key step of discussion and agreement with the Chief Executive Officer is not able to be completed.

The questionnaires will be retained on the relevant confidential personnel file.

Comment:

It is noted that the following KRAs were adopted by the Council for the 2017/18 year:
 After discussing the items listed above with the Chief Executive Officer the panel review members and the Chief Executive Officer have classified the following 2017/18 KRA's in the below table to address all required areas along with measurable outcomes:

	Key Result Areas (KRA's) for 2017	Actions to achieve these KRA's for 2017
1.	Projects and Programs	<p><i>1.1 Management of the Recreation and Cultural Centre project within adopted funding model and timeline.</i></p> <p><i>1.2 Management of the Aged Care facilities project within adopted funding model and timeline.</i></p>
2.	Integrated Planning Frame Work	<p><i>2.1 Undertake statutory reviews of the Strategic Community Plan, Corporate Business Plan and associated documents.</i></p> <p><i>2.2 Develop some planning stages for the future following the completion of the 2 major projects so that we can keep the momentum going.</i></p> <p><i>2.3 Continue investigating option for the development of the light industrial blocks.</i></p> <p><i>2.4 To investigate future options to develop stages 2 and 3 of Age Appropriate Housing.</i></p> <p><i>2.5 Continue planning for development of the new recreation precinct with UWA to deliver short term accommodation in the precinct.</i></p>
3.	Financial Management	<p><i>3.1 Regular monthly reporting to Council to include the budget expenditure to date and the timeline objectives being achieved or changed.</i></p>
4.	Organisation Management	<p><i>4.1 Review Delegations Manual and reviewed with the new Council.</i></p> <p><i>4.2 Review Policy Manual reviewed with the new Council.</i></p> <p><i>4.3 Review Local Laws reviewed with the new Council.</i></p> <p><i>4.4 Continue to work with Beverley, Brookton and Wandering on joint projects and partnership development.</i></p> <p><i>4.5 Keep up the momentum to achieve the suggested KRA's with the executive managers and staff.</i></p>

It is also noted that through the 2017/18 questionnaire process Councillors asked for the following matters to be considered in setting the next KRAS:

Focus on finance and longer term “realistic” budgets
Assist the PRACC Board develop a successful operation
Consider a long term plan for short term accommodation
Aged support and housing future developments
Continue investigating option for the development of the light industrial blocks.
Communication of what has been achieved over the recent past by the efforts of the Council, CEO and staff working with the community

Setting of the KRAs for the new Chief Executive Officer will be conducted through the separate recruitment process.

By any measure the Shire has been through a period of very significant development. In the last five years \$24m has been invested in the provision of a new Health Centre, Age Appropriate Housing, Recreation and Cultural Centre, Tennis Courts, Bowling Green and Waste Transfer Station. These are all investments that will benefit the Pingelly community for decades to come. Much of this has happened as a result of the Shire’s major successes in obtaining Federal, State and Lotteries grant funds. It would be appropriate to write to the former Chief Executive Officer and acknowledge his significant contribution to these achievements.

Consultation:

- Shire Councillors
- Chief Executive Officer Performance Review Committee members, Shire President Cr Mulroney, Deputy President Cr Freebairn and Cr Hodges.
- Chief Executive Officer, Gavin Pollock – completion of questionnaire

Statutory Environment:

CEO Remuneration, Amendments to section 5.39(7) of the Act now provide for a CEO’s remuneration band to be determined by the Salaries and Allowances Tribunal under the *Salaries and Allowances Act 1975*.

Policy Implications:

Nil

Financial Implications:

Nil

Strategic Implications:

Nil

Voting Requirements:

Nil

**12649 Moved: Cr Hodges Seconded: Cr Wood
Recommendation and Council Decision:**

That Council:

1. note that the legal requirement to undertake a review of the performance of the Chief Executive Officer has been met by substantially completing the agreed process; and
2. note that resignation of the Chief Executive Officer before the final agreement and reporting process has meant the final step in the process could not be completed.
3. note that setting the KRAs for the incoming Chief Executive Officer will be undertaken through the recruitment process
4. write to Mr Gavin Pollock and acknowledge and thank him for the significant achievements that were made over the last five years under his leadership as Chief Executive Officer.

Carried 8:0

12650 Moved: Cr McBurney Seconded: Cr Hodges

Recommendation and Council Decision:

That Council:

1. confirm its acceptance of the Chief Executive Officer’s resignation effective as of 29 January 2019, and
2. confirm that all entitlements on termination are to be paid in accordance with the Chief Executive Officer’s contract and the relevant legislation.

Carried 8:0

12651 Moved: Cr Hodges Seconded: Cr Wood

Council Decision:

That the Shire of Pingelly correspond with the Shire of Wandering for a low key discussion with the view of considering employing a joint Chief Executive Officer.

Carried 6:2

Cr Hastings wished her vote against this decision to be recorded.

19. CLOSURE OF MEETING

The Chairman declared the meeting closed at 3.20pm.

<p>These minutes were confirmed by Council at the Ordinary Council Meeting held on 20 March 2019.</p> <p>Signed..... Presiding Person at the meeting at which the minutes were confirmed.</p>
