



File Code: OR.MTG 6/1/1

**CONFIRMED MINUTES**

**AUDIT & RISK COMMITTEE**  
**MEETING**

**15 AUGUST 2017**

I certify that the minutes of the meeting of the Audit & Risk Committee Meeting held 15 August 2017 Folios ARC1 to ARC163 (which includes Attachments 1 to 30) were confirmed on 21 November 2017.

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke, is written over a thin horizontal line.

Presiding Person



**CONFIRMED MINUTES**  
**AUDIT & RISK COMMITTEE MEETING**  
**15 AUGUST 2017**

**ATTENTION/DISCLAIMER**

The purpose of this Committee Meeting is to discuss and make recommendations to Council about items appearing on the agenda and other matters for which the Committee is responsible. The Committee has no power to make any decisions which are binding on the Council or the Shire of Mundaring unless specific delegation of authority has been granted by Council. No person should rely on or act on the basis of any advice or information provided by a Member or employee, or on the content of any discussion occurring, during the course of the Committee Meeting.

The Shire of Mundaring expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any advice or information provided by a Member or employee, or the content of any discussion occurring during the course of the Committee Meeting.

## LEGEND

To assist the reader, the following explains the method of referencing used in this document:

<b>Item</b>	<b>Example</b>	<b>Description</b>
Page Numbers	ARC1 AUGUST 17 (ARC2, ARC3 etc)	Sequential page numbering of ARC Agenda or Minutes for August 2017
Item Numbers	8.1 (8.2, 8.3 etc)	Sequential numbering of reports under the heading "8.0 Reports of Officers"
Committee Recommendation Reference	ARC11.08.17	Committee Recommendation number 11 from ARC meeting August 2017
Committee Decision Reference	DARC7.08.17	Committee Decision number 7 from ARC meeting August 2017

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**AUDIT & RISK COMMITTEE MEETING  
COMMITTEE ROOM**

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**1.0 OPENING PROCEDURES**

*The Presiding Person declared the meeting open at 5.33pm.*

**1.1 Announcement of Visitors**

*Nil*

**1.2 Record of Attendance/Apologies**

<b>Members</b>	<i>Cr Patrick Bertola (Presiding Person)</i>	<i>Central Ward</i>
	<i>Cr Bob Perks (Deputy Presiding Person)</i>	<i>Central Ward</i>
	<i>Cr Doug Jeans</i>	<i>Central Ward</i>
	<i>Kim Stewart</i>	<i>External Member</i>
<b>Staff</b>	<i>Jonathan Throssell</i>	<i>Chief Executive Officer</i>
	<i>Megan Griffiths</i>	<i>Director Strategic &amp; Community Services</i>
	<i>Stan Kocian</i>	<i>Manager Finance &amp; Governance</i>
	<i>Danielle Courtin</i>	<i>Governance Co-ordinator</i>
	<i>Andrea Douglas</i>	<i>Minute Secretary</i>
<b>Apologies</b>	<i>Paul O'Connor</i>	<i>Director Corporate Services</i>
	<i>Cr Tony Brennan</i>	<i>West Ward</i>
	<i>Cr David Lavell</i>	<i>South Ward</i>
	<i>Cr James Martin</i>	<i>South Ward</i>
<b>Absent</b>	<i>Nil</i>	
<b>Guests</b>	<i>Cr Lynn Fisher</i>	<i>Central Ward</i>
<b>Members of the Public</b>	<i>Nil</i>	

**2.0 ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION**

*Nil*

**3.0 DECLARATION OF INTEREST**

**3.1 Disclosure of Financial Interest and Proximity Interests**

Members must disclose the nature of their interest in matters to be discussed at the meeting (Sections 5.60B and 5.65 of the *Local Government Act 1995*).

Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting (Sections 5.70 and 5.71 of the *Local Government Act 1995*).

*Nil*

**3.2 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 (Shire of Mundaring Code of Conduct, *Local Government (Admin) Reg. 34C*).

*Nil*

**4.0 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

*Nil*

**5.0 PUBLIC QUESTION TIME**

Procedures for asking and responding to questions are determined by the Person Presiding. Questions must relate to a function of the Committee.  
Note: This is not a verbatim record of questions asked and answers given. It is a summary only.

*Nil*

**6.0 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

<b>COMMITTEE DECISION RECOMMENDATION</b>	<b>DARC1.08.17</b>
<i>Moved by: Cr Perks</i>	<i>Seconded by: Cr Jeans</i>

That the minutes of the meeting of the Audit and Risk Committee Meeting held Tuesday, 16 May 2017 be confirmed.

**CARRIED 4/0**

**For:** *Cr Bertola, Cr Perks, Cr Jeans, Ms Stewart*

**Against:** *Nil*

**7.0 PRESENTATIONS**

**7.1 Deputations**

*Nil*

**7.2 Petitions**

*Nil*

**7.3 Presentations**

*Nil*

## 8.0 REPORTS OF EMPLOYEES

### 8.1 Review of Policy FI-02 – Investments

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<b>File Code</b>	FI.INV 2
<b>Author</b>	Stan Kocian, Manager Finance & Governance
<b>Senior Employee</b>	Paul O'Connor, Director Corporate Services
<b>Disclosure of Any Interest</b>	Nil

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#### SUMMARY

As part of the review of all policies, OPs and procedures Policy FI-02 – Investments – has been reviewed and is presented to the Audit and Risk Committee for consideration.

#### BACKGROUND

Policy FI.INV 2 was last reviewed in February 2013 and has now been the subject of an in-depth review.

#### STATUTORY / LEGAL IMPLICATIONS

In accordance with Section 2.7(2)(b) of the *Local Government Act 1995* it is the role of Council to determine the Local Government's policies.

All investments are to be made in accordance with and are to comply with the following:

- *Local Government Act 1995* - Section 6.14
- *Trustees Act 1962* - Part III Investments
- *Bank Act 1959*
- *Local Government (Financial Management) Regulations 1996* – Regulation 19 and 19C.

#### POLICY IMPLICATIONS

Nil

#### FINANCIAL IMPLICATIONS

Nil

#### STRATEGIC IMPLICATIONS

Mundaring 2016 Strategic Community Plan:

Priority 1: Governance

Objective 1: A fiscally responsible Shire that prioritises spending appropriately

Strategy 1.1.4: Practise effective governance and financial risk management



## SUSTAINABILITY IMPLICATIONS

Nil

## RISK IMPLICATIONS

The policy stipulates that when placing investments, consideration will be given to the relationship between credit risk rating and interest rate.

## EXTERNAL CONSULTATION

Shire staff met with local representatives of 350 Perth, a group dedicated to promoting solutions to climate change. The group requested that the Shire, as part of its review of the Investment Policy, consider divesting itself of investments with fossil-fuel lending banks.

## COMMENT

The key changes to the reviewed Investment Policy are:

1. Subject to the policy objectives and risk management guidelines outlined in this document, the Shire will ensure its financial investments consider the reduction of fossil fuels, by investing with non-fossil fuel lending banks.
2. Local Governments can now invest in term deposits of up to three years (previously only up to one year) under section 19C(2)(b) of the *Local Government (Financial Management) Amendment Regulations 2017*. This amendment will allow the Shire to optimise its investment returns in longer term fixed term deposits until the funds are required.

**ATTACHMENT 1** is the current policy, **ATTACHMENT 2** is a tracked changes version, **ATTACHMENT 3** is the proposed final version.

## VOTING REQUIREMENT

Simple majority

<b>COMMITTEE RECOMMENDATION</b>		<b>ARC1.08.17</b>	
<b>RECOMMENDATION</b>			
<i>Moved by:</i>	<i>Cr Perks</i>	<i>Seconded by:</i>	<i>Cr Jeans</i>

That Council adopts the revised Policy FI-02 – Investments as reviewed in August 2017.

**CARRIED 4/0**

**For:** *Cr Bertola, Cr Perks, Cr Jeans, Ms Stewart*

**Against:** *Nil*

**Attachment 1**

**Report 8.1**

**3 pages**

## Shire of Mundaring

# POLICY

### INVESTMENTS

**Policy Ref:** FI-02

<b>Committee Rec:</b>	SGC4.02.09	<b>Date:</b>	9 February 2009
<b>Adopted by:</b>	C2.02.09	<b>Date:</b>	24 February 2009
<b>Amended by:</b>		<b>Date:</b>	
<b>Reviewed:</b>	C17.02.13	<b>Date:</b>	26 February 2013
<b>Procedure Ref:</b>	FI-01	<b>Delegation Ref:</b>	CE-2
<b>Statute Ref:</b>	<i>Local Government Act 1995</i> <i>Trustees Act 1962</i> <i>Local Government (Financial Management) Regulations 1996</i>		
<b>Local Law Ref:</b>	n/a		

### PURPOSE

To delegate the authority to the Chief Executive Officer, and to provide guidelines to invest funds surplus to the planned requirements of the Council.

### POLICY

#### Rationale

Local governments are required to ensure that they have effective and accountable systems in place to safeguard the Shire's financial resources. This includes the development of proper systems to authorise, verify and record the investment of monies in appropriate financial institutions.

#### Objectives

To invest the Shire of Mundaring's surplus funds, with consideration of risk and at the most favourable rate of interest available to it at the time, for that investment type, while ensuring that its liquidity requirements are being met.

While exercising the power to invest, consideration is to be given in preservation of capital, liquidity, and the return on investment.

- Preservation of capital is the principal objective of the investment portfolio. Investments are to be performed in a manner that seeks to ensure security and safeguarding the investment portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters.
- The investment portfolio will ensure there is sufficient liquidity to meet all reasonably anticipated cash flow requirements, as and when they fall due, without incurring significant costs due to the unanticipated sale of an investment.
- The investment is expected to achieve a predetermined market average rate of return that takes into account the Shire's risk tolerance. Any additional return

target set by Council will also consider the risk limitation and prudent investment principles.

### **Legislative Requirements**

All investments are to be made in accordance with and to comply with the following:

- *Local Government Act 1995* - Section 6.14;
- *Trustees Act 1962* - Part III Investments;
- *Bank Act 1959*;
- *Local Government (Financial Management) Regulations 1996* - Regulation 19C, 28, and 49; and
- Australian Accounting Standards.

### **Delegation of Authority**

Authority for implementation of the Investment Policy is delegated by Council to the Chief Executive Officer (CEO) in accordance with the *Local Government Act 1995*. The CEO may in turn delegate the day-to-day management of Council's Investment to senior staff or the Director Corporate Services, subject to regular reviews (refer on-delegation CS-01).

### **Prudent Person Standard**

The investment will be managed with the care, diligence and skill that a prudent person would exercise. Officers are to manage the investment portfolios to safeguard the portfolios in accordance with the spirit of this Investment Policy, and not for speculative purposes.

### **Ethics and Conflicts of Interest**

Officers authorised under the relevant delegations shall refrain from personal activities that would conflict with the proper execution and management of the Shire's investment portfolio. This policy requires officers to disclose any conflict of interest to the CEO.

### **Approved Investments**

Without prior approvals from Council, investments are limited to:

- Investments with banks (within the meaning of the *Bank Act 1959*) having a credit rating of Long Term A or Short Term A1 (Standard and Poor Australian Ratings), or other financial institutions (restricted to short term) with the authority of the Chief Executive Officer;
- The amount invested with any one institution shall not exceed 30% of average annual funds invested; and
- Should the credit rating of any institution or fund be downgraded then any investment will be divested on maturity or within 30 days, whichever is sooner.

### **Prohibited Investments**

In accordance with regulation 19C of the *Local Government (Financial Management) Regulations 1996* when investing money, the Shire of Mundaring will not do any of the following –

- Deposit with an institution except an authorised institution (an authorised

deposit-taking institution as defined in the *Banking Act 1959* or the Western Australian Treasury Corporation);

- Deposit for a fixed term for more than 12 months;
- Invest in bonds that are not guaranteed by the Commonwealth Government, or a State or Territory government;
- Invest in bonds with a term to maturity of more than 3 years; and
- Invest in a foreign currency.

This investment policy also prohibits any investment carried out for speculative purposes including:

- Derivative based instruments;
- Principal only investments or securities that provide potentially nil or negative cash flow;
- Stand-alone securities issued that have underlying futures, options, forwards contracts and swaps of any kind; and
- The use of leveraging (borrowing for investment purposes).

#### **Reporting and Review**

- A report will be provided to Council each month detailing the performance of all investments;
- Documentary evidence must be held for each investment and details thereof maintained in an Investment Register; and
- This Investment Policy will be reviewed at least once a year or as required in the event of legislative changes.

#### **Variation to Policy**

The Chief Executive Officer or their delegated representative is authorised to approve variations to this policy if the investment is to Shire's advantage and/or due to revised legislation.

All changes to this policy are to be reported to Council within 14 days.

**Attachment 2**

**Report 8.1**

**4 pages**

## Shire of Mundaring

# POLICY

### INVESTMENTS

Policy Ref: FI-02

<b>Committee Rec:</b>	<del>SGC4.02.09</del>	<b>Date:</b>	<del>9 February 2009</del>
<b>Adopted by:</b>	C2.02.09	<b>Date:</b>	24 February 2009
<b>Amended by:</b>	<del>C17.02.13</del>	<b>Date:</b>	<del>26 February 2013</del>
<b>Reviewed:</b>	C17.02.13	<b>Date:</b>	26 February 2013
<b>Procedure Ref:</b>	<del>FI-01Admin-28</del>	<b>Delegation Ref:</b>	CE-2
<b>Statute Ref:</b>	Local Government Act 1995 Trustees Act 1962 <u>Part III Investments</u> <u>Bank Act 1959</u> Local Government (Financial Management) Regulations 1996 <u>Australian Accounting Standards</u>		
<b>Local Law Ref:</b>	n/a		

#### PURPOSE

~~To delegate the authority to the Chief Executive Officer, and to~~ To provide direction guidelines to on the investment of -funds which are surplus to the Shire's immediate planned requirements of the Council.

#### POLICY

##### Rationale

~~Local governments are required to ensure that they have effective and accountable systems in place to safeguard the Shire's financial resources. This includes the development of proper systems to authorise, verify and record the investment of monies in appropriate financial institutions.~~

Local governments are required to establish and document internal control procedures to ensure control over investments and that effective and accountable systems are in place to safeguard the Shire's financial standing.

##### Policy

Municipal, Trust and Reserve funds surplus to the immediate needs of the Shire may be invested with approved financial institutions in accordance with the risk ratings and diversification requirements detailed under "Approved Investments" in this policy.~~current Procedure Admin-28 Investments. Organisational Practice.~~

Subject to the policy objectives and risk management guidelines outlined in this document, the Shire will ensure its financial investments consider the reduction of fossil fuels, by investing with non-fossil fuel lending banks. The Shire will refer to the research of third party bank services to determine eligible non-fossil fuels lending banks.~~outlined in the Procedure Admin-28 Investments. Organisational Practice.~~

## Objectives

To invest the Shire of Mundaring's surplus funds, with consideration of risk and at the most favourable rate of interest available to it at the time, for that investment type, while ensuring that its liquidity requirements are being met.

While exercising the power to invest, consideration is to be given in preservation of capital, liquidity, and the return on investment.

Preservation of capital is the principal objective of the investment portfolio. Investments are to be performed in a manner that seeks to ensure security and safeguarding the investment portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters.

The investment portfolio will ensure there is sufficient liquidity to meet all reasonably anticipated cash flow requirements, as and when they fall due, without incurring significant costs due to the unanticipated sale of an investment.

The investment is expected to achieve a predetermined market average rate of return that takes into account the Shire's risk tolerance. Any additional return target set by Council will also consider the risk limitation and prudent investment principles.

## Legislative Requirements

All investments are to be made in accordance with and to comply with the following:

- *Local Government Act 1995* - Section 6.14;
- *Trustees Act 1962* - Part III Investments;
- *Bank Act 1959*;
- *Local Government (Financial Management) Regulations 1996* – Regulation 19 and 19C, ~~28~~, and ~~49~~; and

~~Australian Accounting Standards.~~

### ~~Delegation of Authority~~

~~Authority for implementation of the Investment Policy is delegated by Council to the Chief Executive Officer (CEO) in accordance with the *Local Government Act 1995*. The CEO may in turn delegate the day-to-day management of Council's Investment to senior staff or the Director Corporate Services, subject to regular reviews (refer on delegation CS-01).~~

### ~~Prudent Person Standard~~

~~The investment will be managed with the care, diligence and skill that a prudent person would exercise. Officers are to manage the investment portfolios to~~



~~safeguard the portfolios in accordance with the spirit of this Investment Policy, and not for speculative purposes.~~

### Ethics and Conflicts of Interest

Officers authorised under the relevant delegations shall refrain from personal activities that would conflict with the proper execution and management of the Shire's investment portfolio. As required by the Shire's Code of Conduct employees are required~~This policy requires officers~~ to disclose any conflict of interest to the CEO.

### Approved Investments

Without prior approvals from Council, investments are limited to i:  
Investments with banks (within the meaning of the Bank Act 1959) and shall be within the percentage limits set out in the table below. When placing investments, consideration should be given to the relationship between credit rating and interest rate.

<u>Long Term Rating (Standard &amp; Poor's)</u>	<u>Short Term Rating (Standard &amp; Poor's)</u>	<u>Maximum % with any one Institution</u>	<u>Maximum % Total Portfolio</u>
<u>AAA category</u>	<u>A1+</u>	<u>35%</u>	<u>100%</u>
<u>AA category</u>	<u>A1+</u>	<u>30%</u>	<u>90%</u>
<u>A category</u>	<u>A1</u>	<u>15%</u>	<u>80%</u>
<u>BBB category</u>	<u>A2</u>	<u>10%</u>	<u>15%</u>

If any of the investments held are downgraded such that they no longer fall within the above listed credit ratings and exposure limits, they shall be divested immediately or as soon as possible.

~~having a credit rating of Long Term A or Short Term A1 (Standard and Poor Australian Ratings), or other financial institutions (restricted to short term) with the authority of the Chief Executive Officer;~~

~~The amount invested with any one institution shall not exceed 30% of average annual funds invested; and~~

~~Should the credit rating of any institution or fund be downgraded then any investment will be divested on maturity or within 30 days, whichever is sooner.~~

### Prohibited Investments

In accordance with regulation 19C of the *Local Government (Financial Management) Regulations 1996* when investing money, the Shire of Mundaring will not do any of the following –

- Deposit with an institution except an authorised institution (an authorised deposit-taking institution as defined in the *Banking Act 1959* or the Western

Australian Treasury Corporation)

- Deposit for a fixed term for more than ~~three years~~12 months
- Invest in bonds that are not guaranteed by the Commonwealth Government, or a State or Territory government
- Invest in bonds with a term to maturity of more than three years
- Invest in a foreign currency.

This investment policy also prohibits any investment carried out for speculative purposes including:

- Derivative based instruments
- Principal only investments or securities that provide potentially nil or negative cash flow
- Stand-alone securities issued that have underlying futures, options, forwards contracts and swaps of any kind
- The use of leveraging (borrowing for investment purposes).

### Reporting and Review

A report will be provided to Council each month detailing the performance of all investments.

Documentary evidence must be held for each investment and details thereof maintained in an Investment Register.

This Investment Policy will be reviewed at least once ~~every election cycle~~every year or as required in the event of legislative changes.

### ~~Variation to Policy~~

~~The Chief Executive Officer or their delegated representative is authorised to approve variations to this policy if the investment is to Shire's advantage and/or due to revised legislation.~~

~~All changes to this policy are to be reported to Council within 14 days.~~

**Attachment 3**

**Report 8.1**

**3 pages**

## Shire of Mundaring

# POLICY

### INVESTMENTS

<b>Policy Ref:</b>	FI-02
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<b>Adopted by:</b>	C2.02.09	<b>Date:</b>	24 February 2009
<b>Amended by:</b>	C17.02.13	<b>Date:</b>	26 February 2013
<b>Reviewed:</b>		<b>Date:</b>	
<b>Procedure Ref:</b>	Admin-28	<b>Delegation Ref:</b>	CE-2
<b>Statute Ref:</b>	<i>Local Government Act 1995</i> <i>Trustees Act 1962 Part III Investments</i> <i>Bank Act 1959</i> <i>Local Government (Financial Management) Regulations 1996</i> <i>Australian Accounting Standards</i>		
<b>Local Law Ref:</b>	n/a		

#### PURPOSE

To provide direction on the investment of funds which are surplus to the Shire's immediate requirements.

#### Rationale

Local governments are required to establish and document internal control procedures to ensure control over investments and that effective and accountable systems are in place to safeguard the Shire's financial standing.

#### Policy

Municipal, Trust and Reserve funds surplus to the immediate needs of the Shire may be invested with approved financial institutions in accordance with the risk ratings and diversification requirements detailed under "Approved Investments" in this policy.

Subject to the policy objectives and risk management guidelines outlined in this document, the Shire will ensure its financial investments consider the reduction of fossil fuels, by investing with non-fossil fuel lending banks. The Shire will refer to the research of third party bank services to determine eligible non-fossil fuels lending banks.

#### Objectives

To invest the Shire of Mundaring's surplus funds, with consideration of risk and at the most favourable rate of interest available to it at the time, for that investment type, while ensuring that its liquidity requirement are being met.

While exercising the power to invest, consideration is to be given in preservation of

capital, liquidity, and the return on investment.

Preservation of capital is the principal objective of the investment portfolio. Investments are to be performed in a manner that seeks to ensure security and safeguarding the investment portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters.

The investment portfolio will ensure there is sufficient liquidity to meet all reasonably anticipated cash flow requirements, as and when they fall due, without incurring significant costs due to the unanticipated sale of an investment.

The investment is expected to achieve a predetermined market average rate of return that takes into account the Shire's risk tolerance. Any additional return target set by Council will also consider the risk limitation and prudent investment principles.

### **Legislative Requirements**

All investments are to be made in accordance with and to comply with the following:

- *Local Government Act 1995* - Section 6.14;
- *Trustees Act 1962* - Part III Investments;
- *Bank Act 1959*;
- *Local Government (Financial Management) Regulations 1996* – Regulation 19 and 19C.

### **Ethics and Conflicts of Interest**

Officers authorised under the relevant delegations shall refrain from personal activities that would conflict with the proper execution and management of the Shire's investment portfolio. As required by the Shire's Code of Conduct employees are required to disclose any conflict of interest to the CEO.

### **Approved Investments**

Without prior approvals from Council, investments are limited to investments with banks (within the meaning of the *Bank Act 1959*) and shall be within the percentage limits set out in the table below. When placing investments, consideration should be given to the relationship between credit rating and interest rate.

<b>Long Term Rating (Standard &amp; Poor's)</b>	<b>Short Term Rating (Standard &amp; Poor's)</b>	<b>Maximum % with any one Institution</b>	<b>Maximum % Total Portfolio</b>
AAA category	A1+	35%	100%
AA category	A1+	30%	90%
A category	A1	15%	80%

BBB category	A2	10%	15%
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If any of the investments held are downgraded such that they no longer fall within the above listed credit ratings and exposure limits, they shall be divested immediately or as soon as possible.

### **Prohibited Investments**

In accordance with regulation 19C of the *Local Government (Financial Management) Regulations 1996* when investing money, the Shire of Mundaring will not do any of the following –

- Deposit with an institution except an authorised institution (an authorised deposit-taking institution as defined in the *Banking Act 1959* or the Western Australian Treasury Corporation)
- Deposit for a fixed term for more than three years
- Invest in bonds that are not guaranteed by the Commonwealth Government, or a State or Territory government
- Invest in bonds with a term to maturity of more than three years
- Invest in a foreign currency.

This investment policy also prohibits any investment carried out for speculative purposes including:

- Derivative based instruments
- Principal only investments or securities that provide potentially nil or negative cash flow
- Stand-alone securities issued that have underlying futures, options, forwards contracts and swaps of any kind
- The use of leveraging (borrowing for investment purposes).

### **Reporting and Review**

A report will be provided to Council each month detailing the performance of all investments.

Documentary evidence must be held for each investment and details thereof maintained in an Investment Register.

This Investment Policy will be reviewed at least once every election cycle or as required in the event of legislative changes.

## 8.2 Review of Policy OR-16 - Designated Senior Employees

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<b>File Code</b>	OR.MTG 6/1
<b>Author</b>	Paul O'Connor, Director Corporate Services
<b>Senior Employee</b>	As above
<b>Disclosure of Any Interest</b>	Nil

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### SUMMARY

As part of the review of all policies, OPs and procedures, Policy OR-16 - Designated Senior Employees - has been reviewed and is presented to the Audit and Risk Committee for consideration.

### BACKGROUND

Policy OR-16 was first adopted in February 2013 and has now been reviewed.

Designate Senior Employees includes CEO and Directors.

### STATUTORY / LEGAL IMPLICATIONS

Section 5.37 of the *Local Government Act 1995*:

#### 5.37. Senior employees

- (1) *A local government may designate employees or persons belonging to a class of employee to be senior employees.*
- (2) *The CEO is to inform the council of each proposal to employ or dismiss a senior employee, other than a senior employee referred to in section 5.39(1a), and the council may accept or reject the CEO's recommendation but if the council rejects a recommendation, it is to inform the CEO of the reasons for its doing so.*
- (3) *Unless subsection (4A) applies, if the position of a senior employee of a local government becomes vacant, it is to be advertised by the local government in the manner prescribed, and the advertisement is to contain such information with respect to the position as is prescribed.*
- (4A) *Subsection (3) does not require a position to be advertised if it is proposed that the position be filled by a person in a prescribed class.*
- (4) *For the avoidance of doubt, subsection (3) does not impose a requirement to advertise a position where a contract referred to in section 5.39 is renewed.*

*[Section 5.37 amended by No. 49 of 2004 s. 45 and 46(4); No. 17 of 2009 s. 22.]*

## POLICY IMPLICATIONS

Nil

## FINANCIAL IMPLICATIONS

Nil

## STRATEGIC IMPLICATIONS

Mundaring 2026 – Priority 1: Governance  
Objective 2: transparent, responsive and engaged processes for Shire decision making.

## SUSTAINABILITY IMPLICATIONS

Nil

## RISK IMPLICATIONS

### Compliance Impact:

<b>Risk:</b> Non-compliance with Section 5.37 of the <i>Local Government Act 1995</i>		
Likelihood	Consequence	Rating
Possible	Minor	Moderate
<b>Action / Strategy</b>		
Up to date policies encourage good governance, ensuring transparency, accountability, effectiveness and efficiency.		

## EXTERNAL CONSULTATION

Nil

## COMMENT

Under the Act, Council may designate employees or persons belonging to a class of employee to be 'senior employees'. This designation requires the CEO to keep the Council informed of any proposal to employ or dismiss an employee of this classification.

This policy was last reviewed in February 2013. The review proposes a clearer definition of the policy purposes.

Attached is a 'tracked change' version (**ATTACHMENT 4**) and a proposed final version 'without tracked changes' (**ATTACHMENT 5**).



## VOTING REQUIREMENT

Simple majority

<b>COMMITTEE RECOMMENDATION</b>	<b>ARC2.08.17</b>
<b>RECOMMENDATION</b>	
<i>Moved by:</i> <i>Cr Perks</i>	<i>Seconded by:</i> <i>Cr Jeans</i>

That Council adopts the revised Policy OR-16 – Designated Senior Employees as reviewed at August 2017.

**CARRIED 4/0**

**For:**            *Cr Bertola, Cr Perks, Cr Jeans, Ms Stewart*

**Against:**    *Nil*

**Attachment 4**

**Report 8.2**

**1 page**

## Shire of Mundaring

# POLICY

### DESIGNATED SENIOR EMPLOYEES

Policy Ref:	OR-16
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<del>Committee Rec:</del>	<del>AGC3.02.13</del>	<del>Date:</del>	<del>5 February 2013</del>
Adopted:	C17.02.13	Date:	26 February 2013
Amended:		Date:	
Reviewed:	<u>Once every four years</u>	Date:	<u>August 2017</u>
Procedure Ref:	n/a	Delegation Ref:	CE - 5
Statute Ref:	<i>Local Government Act 1995 s. 5.37</i>		
Local Law Ref:	n/a		

#### PURPOSE

To designate the employee positions which are determined by the Shire as 'senior employees' for the purposes of section 5.37 of the Local Government Act 1995.

~~To ensure that "designated senior" employees within the corporate structure are accurately identified in accordance with s. 5.37 of the Local Government Act 1995.~~

#### POLICY

Council designates as senior employees of the Shire of Mundaring the following officers:

- Chief Executive Officer
- Director Corporate Services
- Director Strategic and Community Services
- Director Infrastructure Services
- Director Statutory Services.

**Attachment 5**

**Report 8.2**

**1 page**

## Shire of Mundaring

# POLICY

### DESIGNATED SENIOR EMPLOYEES

**Policy Ref:** OR-16

<b>Adopted:</b>	C17.02.13	<b>Date:</b>	26 February 2013
<b>Amended:</b>		<b>Date:</b>	
<b>Reviewed:</b>	Once every four years	<b>Date:</b>	August 2017
<b>Procedure Ref:</b>	n/a	<b>Delegation Ref:</b>	CE - 5
<b>Statute Ref:</b>	<i>Local Government Act 1995 s. 5.37</i>		
<b>Local Law Ref:</b>	n/a		

#### PURPOSE

To designate the employee positions which are determined by the Shire as 'senior employees' for the purposes of section 5.37 of the *Local Government Act 1995*.

#### POLICY

Council designates as senior employees of the Shire of Mundaring the following officers:

- Chief Executive Officer
- Director Corporate Services
- Director Strategic and Community Services
- Director Infrastructure Services
- Director Statutory Services.

### 8.3 Review of Policy OR-15 – Ordinary Council Meetings and Forums Schedule

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<b>File Code</b>	OR.OPP 1
<b>Author</b>	Danielle Courtin, Governance Coordinator
<b>Senior Employee</b>	Paul O'Connor, Director Corporate Services
<b>Disclosure of Any Interest</b>	Nil

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#### **SUMMARY**

As part of the review of all policies, OPs and procedures Policy OR-15 – Ordinary Council Meetings and Forums Schedule – has been reviewed and is presented to the Audit and Risk Committee for consideration.

#### **BACKGROUND**

Policy OR-15 was first adopted in February 2013 and has now been reviewed.

#### **STATUTORY / LEGAL IMPLICATIONS**

In accordance with Section 2.7(2)(b) of the *Local Government Act 1995* it is the role of Council to determine the Local Government's policies.

#### **POLICY IMPLICATIONS**

Nil

#### **FINANCIAL IMPLICATIONS**

Nil

#### **STRATEGIC IMPLICATIONS**

Mundaring 2016 Strategic Community Plan:

Priority 1: Governance

Objective 2: Transparent, responsive and engaged processes for Shire decision making.

Strategy 1.2.1: Increase transparency and responsiveness of Shire administration processes.

#### **SUSTAINABILITY IMPLICATIONS**

Nil

## RISK IMPLICATIONS

<b>Risk:</b> To ensure policies are implemented as they were intended		
<b>Likelihood</b>	<b>Consequence</b>	<b>Rating</b>
Possible	Minor	Moderate
<b>Action / Strategy</b>		
Up to date policies encourage good governance, ensuring transparency, accountability, effectiveness and efficiency.		

## EXTERNAL CONSULTATION

Nil

## COMMENT

This policy was adopted in February 2013 and as a result of this review the following changes are proposed:

1. Where the policy refers to the Standing Orders Local Law, substitute with Meeting Procedures Local Law;
2. Adjust to line up with the current one Ordinary Council Meeting per month practice; and
3. Reflect current practice of one Council meeting on the second Tuesday in October.

The existing policy is attached as **ATTACHMENT 6**. The policy with tracked changes is shown in **ATTACHMENT 7** and the proposed final version is in **ATTACHMENT 8**.

## VOTING REQUIREMENT

Simple majority

<b>COMMITTEE RECOMMENDATION</b>	<b>ARC3.08.17</b>
<b>RECOMMENDATION</b>	
<i>Moved by:</i> <i>Cr Perks</i>	<i>Seconded by:</i> <i>Cr Jeans</i>

That Council adopts the revised Policy OR-15 – Ordinary Council Meetings and Forums Schedule as reviewed at August 2017.

**CARRIED 4/0**

**For:**            *Cr Bertola, Cr Perks, Cr Jeans, Ms Stewart*

**Against:**     *Nil*

**Attachment 6**

**Report 8.3**

**1 page**



## Shire of Mundaring

# POLICY

### ORDINARY COUNCIL MEETINGS AND FORUMS SCHEDULE

<b>Policy Ref:</b>	<b>OR-15</b>
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<b>Committee Rec:</b>	AGC3.02.13	<b>Date:</b>	5 February 2013
<b>Adopted:</b>	C17.02.13	<b>Date:</b>	26 February 2013
<b>Amended:</b>		<b>Date:</b>	
<b>Reviewed:</b>		<b>Date:</b>	
<b>Procedure Ref:</b>		<b>Delegation Ref:</b>	
<b>Statute Ref:</b>	<i>Local Government Act 1995 s. 5.2 and s. 5.3</i>		
<b>Local Law Ref:</b>	Shire of Mundaring Standing Orders Local Law		

#### PURPOSE

To determine the meeting schedule for ordinary council meetings and forums.

#### POLICY

1. Ordinary meetings of Council shall be held on the 2<sup>nd</sup> and 4<sup>th</sup> Tuesday of each month, with the exception of December and January each year.
2. Ordinary meetings of Council shall be held on the 2<sup>nd</sup> Tuesday of December and the 4<sup>th</sup> Tuesday of January each year.
3. No ordinary meetings of Council shall be held in October of a local government ordinary elections year. The timing of special meetings to elect the Shire President and Deputy President and to appoint committee members will be determined by the date of the election.
4. Council forums shall be held on the Monday in the 3<sup>rd</sup> week of each month except for December and January each year and October in an election year.
5. All meetings and forums shall commence at 6.30 pm.
6. Special forums of Council shall be arranged as required.
7. Special meetings of Council shall be arranged as required and in accordance with the *Local Government Act 1995* and the Shire of Mundaring *Standing Orders Local Law*.

**Attachment 7**

**Report 8.3**

**1 page**

## Shire of Mundaring

# POLICY

### ORDINARY COUNCIL MEETINGS AND FORUMS SCHEDULE

<b>Policy Ref:</b>	OR-15		
<b>Committee Rec:</b>	<a href="#">AGC3.02.13</a>	<b>Date:</b>	<a href="#">5 February 2013</a>
<b>Adopted:</b>	C17.02.13	<b>Date:</b>	26 February 2013
<b>Amended:</b>		<b>Date:</b>	
<b>Reviewed:</b>	<u>Once every four years</u>	<b>Date:</b>	<a href="#">August 2017</a>
<b>Procedure Ref:</b>		<b>Delegation Ref:</b>	
<b>Statute Ref:</b>	<i>Local Government Act 1995 s. 5.2 and s. 5.3</i>		
<b>Local Law Ref:</b>	Shire of Mundaring <a href="#">Standing Orders Meeting Procedures</a> Local Law		

### PURPOSE

To determine the meeting schedule for ordinary council meetings and forums.

### POLICY

1. Ordinary meetings of Council shall be held on the 2<sup>nd</sup> ~~and 4<sup>th</sup>~~-Tuesday of each month, with the exception of ~~December and~~ January each year.
2. ~~The~~ Ordinary meetings of Council shall be held on ~~the 2<sup>nd</sup> Tuesday of December and~~ the 4<sup>th</sup> Tuesday of January each year.
3. ~~No ordinary meetings of Council shall be held in October of a local government ordinary elections year. In a local government election year~~ ~~The~~ ~~the~~ timing of special meetings to elect the Shire President and Deputy President and to appoint committee members will be determined by the date of the election.
4. Council forums shall be held on the Monday in the 3<sup>rd</sup> week of each month except for December and January each year and October in an election year.
5. All meetings and forums shall commence at 6.30 pm.
6. Special forums of Council shall be arranged as required.
7. Special meetings of Council shall be arranged as required and in accordance with the *Local Government Act 1995* and the Shire of Mundaring [Standing Orders Meeting Procedures](#) Local Law.

**Attachment 8**

**Report 8.3**

**1 page**

## Shire of Mundaring

# POLICY

### ORDINARY COUNCIL MEETINGS AND FORUMS SCHEDULE

**Policy Ref:** OR-15

<b>Adopted:</b>	C17.02.13	<b>Date:</b>	26 February 2013
<b>Amended:</b>		<b>Date:</b>	
<b>Reviewed:</b>	Once every four years	<b>Date:</b>	August 2017
<b>Procedure Ref:</b>		<b>Delegation Ref:</b>	
<b>Statute Ref:</b>	<i>Local Government Act 1995 s. 5.2 and s. 5.3</i>		
<b>Local Law Ref:</b>	Shire of Mundaring Meeting Procedures Local Law		

### PURPOSE

To determine the meeting schedule for ordinary council meetings and forums.

### POLICY

1. Ordinary meetings of Council shall be held on the 2<sup>nd</sup> Tuesday of each month, with the exception of January each year.
2. The Ordinary meeting of Council shall be held on the 4<sup>th</sup> Tuesday of January each year.
3. In a local government election year the timing of special meetings to elect the Shire President and Deputy President and to appoint committee members will be determined by the date of the election.
4. Council forums shall be held on the Monday in the 3<sup>rd</sup> week of each month except for December and January each year and October in an election year.
5. All meetings and forums shall commence at 6.30 pm.
6. Special forums of Council shall be arranged as required.
7. Special meetings of Council shall be arranged as required and in accordance with the *Local Government Act 1995* and the *Shire of Mundaring Meeting Procedures Local Law*.

## 8.4 Review of Policy OR-08 – Audio Recording of Council Meetings

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<b>File Code</b>	OR.OPP 1
<b>Author</b>	Danielle Courtin, Governance Coordinator
<b>Senior Employee</b>	Paul O'Connor, Director Corporate Services
<b>Disclosure of Any Interest</b>	Nil

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### **SUMMARY**

As part of the review of all policies, OPs and procedures Policy OR-08 – Audio Recording of Council Meetings – has been reviewed and is presented to the Audit and Risk Committee for consideration.

### **BACKGROUND**

Policy OR-08 was last reviewed in February 2013 and has now been the subject of an in-depth review.

### **STATUTORY / LEGAL IMPLICATIONS**

In accordance with Section 2.7(2)(b) of the *Local Government Act 1995* it is the role of Council to determine the Local Government's policies.

### **POLICY IMPLICATIONS**

Nil

### **FINANCIAL IMPLICATIONS**

Nil

### **STRATEGIC IMPLICATIONS**

Mundaring 2016 Strategic Community Plan:

Priority 1: Governance

Objective 2: Transparent, responsive and engaged processes for Shire decision making.

Strategy 1.2.1: Increase transparency and responsiveness of Shire administration processes.

### **SUSTAINABILITY IMPLICATIONS**

Nil

## RISK IMPLICATIONS

<b>Risk:</b> To ensure policies are implemented as they were intended		
<b>Likelihood</b>	<b>Consequence</b>	<b>Rating</b>
Possible	Minor	Moderate
<b>Action / Strategy</b>		
Up to date policies encourage good governance, ensuring transparency, accountability, effectiveness and efficiency.		

## EXTERNAL CONSULTATION

Nil

## COMMENT

To bring this policy in line with current practice the following changes are proposed:

- replace the different access rules for employees, elected members and members of the public with the current single access rule: that the audio recordings will be available on the Shire website within 10 working days following Council meeting; and
- add an advice note that Deputations recordings may be edited for inappropriate or inaccurate comments.

**ATTACHMENT 9** is the current policy, **ATTACHMENT 10** is a tracked changes version, **ATTACHMENT 11** is the proposed final version.

## VOTING REQUIREMENT

Simple majority

## RECOMMENDATION

That Council adopts the revised Policy OR-08 – Audio Recording of Council Meetings as reviewed at August 2017.

**COMMITTEE DECISION  
RECOMMENDATION**

**DARC2.08.17**

**Moved by:** Cr Jeans

**Seconded by:** Cr Perks

*This item is to be deferred to the meeting of 21 November 2017 to enable advice to be provided on proposed changes and questions.*

**CARRIED 4/0**

**For:** Cr Bertola, Cr Perks, Cr Jeans, Ms Stewart

**Against:** Nil



**Attachment 9**

**Report 8.4**

**3 pages**

## Shire of Mundaring

# POLICY

### AUDIO RECORDING OF COUNCIL MEETINGS

<b>Policy Ref:</b>	OR-08
--------------------	-------

<b>Committee Rec:</b>	N/A	<b>Date:</b>	
<b>Adopted by:</b>	C9.04.09	<b>Date:</b>	28 April 2009
<b>Amended by:</b>	C4.03.12	<b>Date:</b>	13 March 2012
<b>Reviewed:</b>	C17.02.13	<b>Date:</b>	26 February 2013
<b>Procedure Ref:</b>	Admin 12 & Admin 13	<b>Delegation Ref:</b>	N/A
<b>Statute Ref:</b>	<i>Local Government Act 1995</i> <i>Freedom of Information Act 1992</i> <i>State Records Act 2000</i> <i>Local Government (Rules of Conduct) Regulations 2007</i>		
<b>Local Law Ref:</b>	Standing Orders Local Law		

#### PURPOSE

To provide an audio recording of meetings of Council to assist in the preparation of the minutes, ensure decisions are accurately recorded and verify the accuracy of minutes prior to their confirmation.

#### Definitions

"Act" means – *Local Government Act 1995*

"Administration Regulations" means - *Local Government (Administration) Regulations 1996*

"CEO" means – Chief Executive Officer

"Transcript" means – a transcript of the proceedings of a Council meeting.

#### BACKGROUND

The Council has resolved to record meetings of Council to assist in the preparation of the minutes of those meetings, to ensure that decisions are accurately recorded and to verify the accuracy of minutes prior to their confirmation. This policy is to guide the implementation of that decision and to describe how the recordings will be used and made available.

## POLICY

### Preamble

*Local Government (Administration Regulations) 1996 r. 11* requires that:

*The content of minutes of a meeting of a council or a committee is to include —*

- (a) the names of the members present at the meeting; and*
- (b) where a member enters or leaves the meeting during the course of the meeting, the time of entry or departure, as the case requires, in the chronological sequence of the business of the meeting; and*
- (c) details of each motion moved at the meeting, the mover and the outcome of the motion; and*
- (d) details of each decision made at the meeting; and*
- (da) written reasons for each decision made at the meeting that is significantly different from the relevant written recommendation of a committee or an employee as defined in section 5.70 (but not a decision to only note the matter or to return the recommendation for further consideration); and*
- (e) a summary of each question raised by members of the public at the meeting and a summary of the response to the question; and*
- (f) in relation to each disclosure made under section 5.65 or 5.70 in relation to the meeting, where the extent of the interest has also been disclosed, the extent of the interest.*

While not a requirement of the Act or the Administration Regulations, audio recording of Council meetings is now common practice in WA local governments. The main purpose of audio recording is to assist in preparation of meeting minutes.

Audio recordings are considered “temporary” records of the Shire as their main purpose is to assist in the preparation of minutes. The official record of the meeting is not the audio recording, but the meeting minutes, which require confirmation by Council resolution and must be signed by the person presiding at the meeting.

### Policy

All meetings of Council shall be audio recorded, consistent with the objectives of s 1.3 (2)(c) of the Act, which promotes greater accountability of local governments to their communities. This includes where Council has resolved to close the meeting to members of the public in accordance with s 5.23 of the Act except where Council has resolved to not audio record such proceedings.

### Access

#### Employees

In accordance with the CEO's recordkeeping functions under section 5.41(h) of the Act, the CEO is to have access to the audio recordings and may authorise any other employee to have access.

### **Elected Members**

An elected member may request from the CEO a copy of a recording at no cost and the copy will be emailed to the Member within 10 working days of the CEO receiving the request.

### **Members of the Public**

Copies of the audio recordings shall be made available to members of the public in a "listen only" capacity accessible via the Shire website and Library Service with recordings being available 10 working days following the relevant Council meeting.

The Chief Executive Officer at his absolute discretion may release or withhold all or part of the audio recording of any Council meeting.

Audio recordings of Public Question Time will not be released for public access.

### **Transcription**

Recordings will not be transcribed unless the CEO or Council by resolution determines otherwise.

Where a transcript has been sought by an elected member or a member of the public, and approval has been given by the CEO or the Council, the full cost must be met by the applicant with an upfront payment as provided for in the Fees & Charges Schedule with any further outstanding costs being paid prior to the release of the transcript. External resourcing may be utilised to produce the transcript.

### **Storage**

Recordings and transcripts must be stored in accordance with the *State Records Act 2000*.

*The General Disposal Authority for Local Government Records (ref. 25.1.3) states that audio recordings of council meetings must be destroyed one year after confirmation of minutes.*

### **Signage**

Clear signage is to be placed on the entrances to the Council Chamber advising members of the public that the meeting is being recorded.

### **Public Notice**

At the commencement of each Council meeting, the person presiding will publicly announce that the meeting will be audio-recorded.

**Attachment 10**

**Report 8.4**

**3 pages**

## Shire of Mundaring

# POLICY

### AUDIO RECORDING OF COUNCIL MEETINGS

<b>Policy Ref:</b>	OR-08		
<b>Committee Rec:</b>	<del>N/A</del>	<b>Date:</b>	
<b>Adopted by:</b>	C9.04.09	<b>Date:</b>	28 April 2009
<b>Amended by:</b>	C4.03.12	<b>Date:</b>	13 March 2012
<b>Reviewed:</b>	C17.02.13	<b>Date:</b>	<del>26 February</del> 2013 <u>August 2017</u>
<b>Procedure Ref:</b>	Admin 12 & <del>Admin-13</del>	<b>Delegation Ref:</b>	N/A
<b>Statute Ref:</b>	<i>Local Government Act 1995</i> <i>Freedom of Information Act 1992</i> <i>State Records Act 2000</i> <i>Local Government (Rules of Conduct) Regulations 2007</i>		
<b>Local Law Ref:</b>	<del>Standing Orders</del> <u>Meeting Procedures</u> Local Law		

#### PURPOSE

To provide an audio recording of meetings of Council to assist in the preparation of the minutes, ensure decisions are accurately recorded and verify the accuracy of minutes prior to their confirmation.

#### Definitions

"Act" means – *Local Government Act 1995*

"Administration Regulations" means - *Local Government (Administration) Regulations 1996*

"CEO" means – Chief Executive Officer

"Transcript" means – a transcript of the proceedings of a Council meeting.

#### BACKGROUND

The Council has resolved to record meetings of Council to assist in the preparation of the minutes of those meetings, to ensure that decisions are accurately recorded and to verify the accuracy of minutes prior to their confirmation. This policy is to guide the implementation of that decision and to describe how the recordings will be used and made available.

## POLICY

### Preamble

*Local Government (Administration Regulations) 1996 r. 11 requires that:*

*The content of minutes of a meeting of a council or a committee is to include —*

- (a) the names of the members present at the meeting; and*
- (b) where a member enters or leaves the meeting during the course of the meeting, the time of entry or departure, as the case requires, in the chronological sequence of the business of the meeting; and*
- (c) details of each motion moved at the meeting, the mover and the outcome of the motion; and*
- (d) details of each decision made at the meeting; and*
- (da) written reasons for each decision made at the meeting that is significantly different from the relevant written recommendation of a committee or an employee as defined in section 5.70 (but not a decision to only note the matter or to return the recommendation for further consideration); and*
- (e) a summary of each question raised by members of the public at the meeting and a summary of the response to the question; and*
- (f) in relation to each disclosure made under section 5.65 or 5.70 in relation to the meeting, where the extent of the interest has also been disclosed, the extent of the interest.*

While not a requirement of the Act or the Administration Regulations, audio recording of Council meetings is now common practice in WA local governments. The main purpose of audio recording is to assist in preparation of meeting minutes.

Audio recordings are considered “temporary” records of the Shire as their main purpose is to assist in the preparation of minutes. The official record of the meeting is not the audio recording, but the meeting minutes, which require confirmation by Council resolution and must be signed by the person presiding at the meeting.

### Policy

All meetings of Council shall be audio recorded, consistent with the objectives of s 1.3 (2)(c) of the Act, which promotes greater accountability of local governments to their communities. This includes where Council has resolved to close the meeting to members of the public in accordance with s 5.23 of the Act except where Council has resolved to not audio record such proceedings.

### Access

#### Employees

~~In accordance with the CEO's recordkeeping functions under section 5.41(h) of the Act, the CEO is to have access to the audio recordings and may authorise any other employee to have access.~~

### **Elected Members**

~~An elected member may request from the CEO a copy of a recording at no cost and the copy will be emailed to the Member within 10 working days of the CEO receiving the request.~~

### **Members of the Public**

~~CA copies~~ of the audio recordings shall be made available ~~to members of the public in a "listen only" capacity accessible on~~ via the Shire website ~~and Library Service with recordings being available within~~ 10 working days following the relevant Council meeting.

The Chief Executive Officer at his absolute discretion may release or withhold all or part of the audio recordings of any Council meeting.

Audio recordings of Public Question Time will not be released for public access.

Audio recordings of the Deputations segment may be edited if they contain inappropriate or inaccurate comments.

### **Transcription**

Recordings will not be transcribed unless the CEO or Council by resolution determines otherwise.

Where a transcript has been sought by an elected member or a member of the public, and approval has been given by the CEO or the Council, the full cost must be met by the applicant with an upfront payment as provided for in the Fees & Charges Schedule with any further outstanding costs being paid prior to the release of the transcript. External resourcing may be utilised to produce the transcript.

### **Storage**

Recordings and transcripts must be stored in accordance with the *State Records Act 2000*.

*The General Disposal Authority for Local Government Records (ref. 25.1.3) states that audio recordings of council meetings must be destroyed one year after confirmation of minutes.*

### **Signage**

Clear signage is to be placed on the entrances to the Council Chamber advising members of the public that the meeting is being recorded.

### **Public Notice**

At the commencement of each Council meeting, the person presiding will publicly announce that the meeting will be audio-recorded.



**Attachment 11**

**Report 8.4**

**3 pages**

## Shire of Mundaring

# POLICY

### AUDIO RECORDING OF COUNCIL MEETINGS

**Policy Ref:** OR-08

<b>Adopted by:</b>	C9.04.09	<b>Date:</b>	28 April 2009
<b>Amended by:</b>	C4.03.12	<b>Date:</b>	13 March 2012
<b>Reviewed:</b>	C17.02.13	<b>Date:</b>	26 February 2013
<b>Reviewed:</b>	tba	<b>Date:</b>	tba
<b>Procedure Ref:</b>	Admin 12	<b>Delegation Ref:</b>	N/A
<b>Statute Ref:</b>	<i>Local Government Act 1995</i> <i>Freedom of Information Act 1992</i> <i>State Records Act 2000</i> <i>Local Government (Rules of Conduct) Regulations 2007</i>		
<b>Local Law Ref:</b>	Meeting Procedures Local Law		

#### PURPOSE

To provide an audio recording of meetings of Council to assist in the preparation of the minutes, ensure decisions are accurately recorded and verify the accuracy of minutes prior to their confirmation.

#### Definitions

"Act" means – *Local Government Act 1995*

"Administration Regulations" means - *Local Government (Administration) Regulations 1996*

"CEO" means – Chief Executive Officer

"Transcript" means – a transcript of the proceedings of a Council meeting.

#### BACKGROUND

The Council has resolved to record meetings of Council to assist in the preparation of the minutes of those meetings, to ensure that decisions are accurately recorded and to verify the accuracy of minutes prior to their confirmation. This policy is to guide the implementation of that decision and to describe how the recordings will be used and made available.

## POLICY

### Preamble

*Local Government (Administration Regulations) 1996 r. 11* requires that:

*The content of minutes of a meeting of a council or a committee is to include —*

- (a) the names of the members present at the meeting; and*
- (b) where a member enters or leaves the meeting during the course of the meeting, the time of entry or departure, as the case requires, in the chronological sequence of the business of the meeting; and*
- (c) details of each motion moved at the meeting, the mover and the outcome of the motion; and*
- (d) details of each decision made at the meeting; and*
- (da) written reasons for each decision made at the meeting that is significantly different from the relevant written recommendation of a committee or an employee as defined in section 5.70 (but not a decision to only note the matter or to return the recommendation for further consideration); and*
- (e) a summary of each question raised by members of the public at the meeting and a summary of the response to the question; and*
- (f) in relation to each disclosure made under section 5.65 or 5.70 in relation to the meeting, where the extent of the interest has also been disclosed, the extent of the interest.*

While not a requirement of the Act or the Administration Regulations, audio recording of Council meetings is now common practice in WA local governments. The main purpose of audio recording is to assist in preparation of meeting minutes.

Audio recordings are considered “temporary” records of the Shire as their main purpose is to assist in the preparation of minutes. The official record of the meeting is not the audio recording, but the meeting minutes, which require confirmation by Council resolution and must be signed by the person presiding at the meeting.

### Policy

All meetings of Council shall be audio recorded, consistent with the objectives of s 1.3 (2)(c) of the Act, which promotes greater accountability of local governments to their communities. This includes where Council has resolved to close the meeting to members of the public in accordance with s 5.23 of the Act except where Council has resolved to not audio record such proceedings.

### Access

A copy of the audio recordings shall be made available on the Shire website within 10 working days following the relevant Council meeting.

The Chief Executive Officer at his absolute discretion may release or withhold all or part of the audio recordings of any Council meeting.

Audio recordings of Public Question Time will not be released for public access.

Audio recordings of the Deputations segment may be edited if they contain inappropriate or inaccurate comments.

### **Transcription**

Recordings will not be transcribed unless the CEO or Council by resolution determines otherwise.

Where a transcript has been sought by an elected member or a member of the public, and approval has been given by the CEO or the Council, the full cost must be met by the applicant with an upfront payment as provided for in the Fees & Charges Schedule with any further outstanding costs being paid prior to the release of the transcript. External resourcing may be utilised to produce the transcript.

### **Storage**

Recordings and transcripts must be stored in accordance with the *State Records Act 2000*.

*The General Disposal Authority for Local Government Records (ref. 25.1.3) states that audio recordings of council meetings must be destroyed one year after confirmation of minutes.*

### **Signage**

Clear signage is to be placed on the entrances to the Council Chamber advising members of the public that the meeting is being recorded.

### **Public Notice**

At the commencement of each Council meeting, the person presiding will publicly announce that the meeting will be audio-recorded.

## 8.5 Review of Policy OR-09 – Art Collection

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<b>File Code</b>	OR.OPP 1
<b>Author</b>	Shannon Foster, Manager Libraries and Community Engagement
<b>Senior Employee</b>	Megan Griffiths, Director Strategic & Community Services
<b>Disclosure of Any Interest</b>	Nil

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### **SUMMARY**

The Committee is requested to consider the review of Policy OR-09 – Art Collection (track changes) (**ATTACHMENT 12**), which ensures sound management of Shire of Mundaring's art collection. The collection is located across several facilities in the Shire.

### **BACKGROUND**

Policy OR-09 was last reviewed in September 2007 (**ATTACHMENT 13**). Changes included in this review are based on feedback from the Leadership Team and other Shire officers. These changes aim to clarify content and remove unneeded information.

### **STATUTORY / LEGAL IMPLICATIONS**

In accordance with Section 2.7(2)(b) of the *Local Government Act 1995* it is the role of Council to determine the Local Government's policies.

### **POLICY IMPLICATIONS**

Nil

### **FINANCIAL IMPLICATIONS**

Nil.

### **STRATEGIC IMPLICATIONS**

Mundaring 2026 Strategic Community Plan:

Priority 1 – Governance

Objective 1.2 – Transparent, responsive and engaged processes for Shire decision making.

Strategy 1.2.1 - Increase transparency and responsiveness of Shire administration processes

### **SUSTAINABILITY IMPLICATIONS**

Nil

## RISK IMPLICATIONS

<b>Risk:</b> Poor Management of the Art Collection and adherence to purpose of the collection		
<b>Likelihood</b>	<b>Consequence</b>	<b>Rating</b>
Unlikely	Minor	Low
<b>Action / Strategy</b>		
Adopt updated policy. Operational collection management incorporated into contractual arrangements for Mundaring Art Centre via funding agreement.		

## EXTERNAL CONSULTATION

This Policy was reviewed by the Shire's Cultural Advisory Group.

## COMMENT

The management of the Shire of Mundaring Art Collection is undertaken by the Mundaring Art Centre (MAC) as part of their contractual arrangements under a four year Service Level Funding Agreement (C17.06.17). A Shire Policy can only instruct or direct Shire operations and not the operations of other entities such as MAC. As such the operational art collection management components of the Policy, which include directing MAC ( Management, Access, Acquisitions, Exhibitions Criteria, Loans, De-accessioning and Disposal) , have been removed from the Policy and incorporated into MAC's funding agreement.

The Cultural Advisory Group suggested that Item 6 (iv) on page 4 of 6 should be removed "Work must have been completed within the last twelve months". This change has been incorporated into the MAC funding agreement as per the above.

Other changes are grammatical or for the purposes of formatting.

## VOTING REQUIREMENT

Simple majority

<b>COMMITTEE RECOMMENDATION</b>	<b>ARC4.08.17</b>
<b>RECOMMENDATION</b>	
<i>Moved by: Cr Perks</i>	<i>Seconded by: Cr Jeans</i>

That Council:

- Adopts the revised Policy OR-09 – Art Collection as reviewed at August 2017.

That the Audit and Risk Committee:

- Notes that the operational art collection management components (including Management, Access, Acquisitions, Exhibitions Criteria, Loans, De-accessioning and Disposal) have been incorporated into the Mundaring Art Centre Service Level Funding Agreement.

**CARRIED 4/0**

**For:** *Cr Bertola, Cr Perks, Cr Jeans, Ms Stewart*

**Against:** *Nil*

**Attachment 12**

**Report 8.5**

**6 pages**



## Shire of Mundaring

# POLICY

### ART COLLECTION

Policy Ref:	OR-09		
Committee Rec:	SP3.09.07	Date:	17 September 2007
Adopted:	C8.09.07	Date:	25 September 2007
Amended by:		Date:	
Reviewed:	Once every four years Once per Electoral Cycle	Date:	March/August 2017
Policy Ref:		Delegation Ref:	
Statute Ref:			
Local Law Ref:	n/a		

#### PURPOSE

To ensure the sound management of the Shire of Mundaring's Art Collection and adherence to maintaining the the Shire's art collection statement of purpose is maintained.

#### VISION

~~The Shire of Mundaring Art Collection should reflect the unique creativity of the artists of the Hills community.~~

#### DEFINITIONS

~~Shire of Mundaring = Shire~~

~~Shire of Mundaring Art Collection = Art Collection~~

~~Mundaring Arts Centre = MAC~~

#### BACKGROUND

The Shire of Mundaring Art Collection was established in 1986. It is a unique, valuable and richly varied body of artworks created by local artists and craftspeople who have resided in the Shire of Mundaring. ~~While the collection includes many donated works, the Shire has acquired the majority through its financial support of an annual exhibition, from which it purchases art using funds dedicated for this purpose. This exhibition is curated and hosted by the Mundaring Arts Centre, who also manages the care, interpretation and display of the Collection on behalf of the Shire.~~

~~The first exhibitions were open to local exhibitors but it soon became apparent that with so many prominent Western Australian artists living in the area it would be wiser to hold alternate open and invitational exhibitions. More recently, a commissioning year has been included to further enable a fully representative collection to develop.~~ Currently, the collection is comprised of over 100 acquired artworks including paintings, water colours, works on papers, photographs, sculpture, ceramics, textiles, silver and wood crafts as well as over twenty donated artworks and several public artworks. The majority of these works are housed at the Shire offices administration

building and others are located at Shire libraries and other facilities.

**POLICY\_**

**STATEMENT OF PURPOSE**

1. The ~~Shire of Mundaring Art Art~~ Collection acquires the work of artists who have an identifiable association with ~~the~~ Shire of Mundaring to establish and build a

collection which reflects the history, people, place and diverse cultural identity of the Hills community.

2. ~~The Shire of Mundaring~~ collects, promotes, preserves and interprets its collection through documentation and exhibition.
3. The collection is owned by the Shire ~~of Mundaring~~ who undertakes appropriate stewardship and seeks to provide access to and benefits for the community in recognition of this valuable asset.

## SCOPE

The policy applies to all movable and public artworks accessioned into the ~~Shire's of Mundaring~~ Art Collection.

## MANAGEMENT

1. ~~The Shire's of Mundaring Art Collection is managed by designated employees of the Mundaring Arts Centre who are charged with the role of maintaining high standards of management of the collection.~~
2. ~~The Shire of Mundaring aims to resource the collection appropriately, including budget allocation for acquisition and development of the collection's holdings.~~
3. ~~On behalf of the Shire of Mundaring, the Mundaring Arts Centre (MAC) ensures the conservation of the collection's holdings and aims for high standards of environmental control and secure collection store storage and exhibition spaces.~~
4. ~~The Shire of Mundaring ensures the collection is subject to regular valuation and appropriate insurance.~~
5. ~~On behalf of the Shire of Mundaring, the MAC Mundaring Arts Centre maintains a complete catalogue including photographic, location and registration records and provenance.~~

## ACCESS

1. ~~The Shire of Mundaring Art Collection currently has no dedicated exhibition venue. Nevertheless, the Shire of Mundaring exposes the collection to as wide an audience as possible through initial display at the MAC Mundaring Arts Centre gallery space and then in appropriate places in public ownership including public areas and offices meeting spaces within the Shire's of Mundaring administration building and public libraries within the Shire of Mundaring.~~  
public libraries within the Shire of Mundaring.
2. ~~On behalf of the the Shire of Mundaring, the MAC Mundaring Arts Centre aspires to present interpreted exhibitions of works from the collection and public programs to enhance the awareness and appreciation of the collection.~~
3. ~~Images and information about the collection can be accessed electronically via both the Shire of Mundaring and Mundaring Arts Centre's websites.~~
4. ~~Information about the artworks and artists represented in the collection will be presented in a catalogue publication accessible to the public through the Shire's Visitors Reception and public libraries website as well as the MAC Mundaring Artwebsite s Centre.~~
5. ~~Where appropriate, works from the Shire of Mundaring Art Collection are considered for external exhibitions subject to appropriate loan agreement. (See 'Loans')~~

## ACQUISITIONS

### The Shire of Mundaring:

1. Acquires works of art which build upon the existing strengths of the existing holdings which represent the depth and diversity of artistic talent in the Hills community.
2. Acquires original and significant works of a standard appropriate to the existing collection. This standard is determined as artistic integrity, the intent of the maker and the ability of the work to convey that intent.
3. Acquires work by artists living in or who have lived in or have been closely associated with the the Shire of Mundaring.
4. Selects artwork for acquisition that reflects the ongoing development of an artist already represented in the collection, or artwork by artists not currently represented in the collection.
5. Acquires artwork which has some significance to the community or relates to their experience of living in the Hills area
6. Acquires work by way of purchase from an exhibition at the Mundaring Arts Centre (See Section 9, 'Exhibition Criteria'), bequest or gift.
7. Accepts donated works that are the sole property of the donor and which accord with the acquisition policy for the collection. No conditions may be placed on donations.
8. Acquires work which does not duplicate existing holdings.

## EXHIBITION CRITERIA

1. An alternating program of Invitation; Open and Commissioning years is maintained for the annual acquisition exhibition for the collection.
2. All works purchased must accord with the acquisition policy for the collection.
3. After the Shire of Mundaring has had the opportunity to acquire works from the exhibition, all remaining exhibition artworks are available for purchase by the general public. A commission of 35% will be taken on all sales of artwork by the Mundaring Arts Centre to offset costs in promoting, managing, curating and advertising the exhibition.
4. The catering and promotional costs of the exhibition opening event are part funded by the Shire of Mundaring through their payment of an annual fee to the Mundaring Arts Centre.
5. The Shire of Mundaring is not bound to acquire any work or spend their entire budget allocation each year.
6. The exhibition is scheduled to coincide with Australia Day with the opening night held as close as convenient to January 26th.

### Invitation Year

- i) Artists will be identified by the MAC's Mundaring Arts Centre's Exhibitions Sub-committee.
- ii) To allow for a fair rotation of participating artists, if an artist is acquired in any given year, that artist will not be invited to contribute work for the



exhibition for a period of 5 years. The artist may however enter work in the 'open' exhibition and is not precluded from having that work purchased by the public or the Shire.

iii) All exhibited works to be for sale except in commissioned exhibitions.

iv) Work must have been completed within the last twelve months.

#### **Open Year**

i) In advance of the exhibition, the MAC Mundaring Arts Centre issues an open invitation to eligible artists in the local press on behalf of the Shire. Official entry forms must be submitted to the MAC Mundaring Arts Centre together with an entry fee.

ii) All exhibited works to be for sale.

iii) Work must be recent, original work by the artist not previously exhibited.

#### **Commissioning Year**

An appropriate artist will be identified by the the MAC Mundaring Arts Centre's exhibition's subcommittee. The underlying purpose of the exhibition is to commission or acquire a work from the chosen artist. The exhibition may be a solo show of the artist's works or feature works by the artist complemented by works on loan from other collections, friends and family. It may include photos and oral histories to provide a context to the artist's association with Mundaring. Works may not necessarily be for sale.

#### **Selection Panel**

1. The judging of works to be acquired by the Shire will be undertaken by a panel of at least four judges appointed by the MAC Mundaring Arts Centre. It will include one elected member from the Shire of Mundaring, one member of the Mundaring Arts Centre Board, the MAC Mundaring Arts Centre Director and at least one independent recognised expert in the field of fine arts (i.e. professional curator, gallery director, well known artist, art critic, art historian.) Two such independent judges could be appointed if a range of media exhibited requires further expertise.

2. Works will be pre-selected if necessary by the MAC's Mundaring Arts Centre's Exhibitions Sub-committee. Members of this committee who are exhibiting in open or invited years will not be on the exhibition pre-selection committee.

#### **Copyright**

The artist and the Shire of Mundaring will have joint copyright in the purchased artwork(s). Neither party will exploit the copyright without the prior written consent of the other party. Such consent will not be unreasonably withheld.

#### **Authorship and Attribution**

Acknowledgment of the artist will accompany the display of all artwork(s) and any publicity using artwork(s) created in the course of this exhibition. All reproductions of the artwork(s) for publicity or otherwise, shall properly attribute the role of the artist.

#### **LOANS**

1. All inward and outward loans are managed by the Mundaring Arts Centre.

1.

- ~~2. The Shire of Mundaring has the right to decline any loans of artworks from their~~
- ~~2. Shire of Mundaring has the right to decline any loans of artworks from their Collection, including short term, permanent or indefinite loans.~~
- ~~3. All outward loans are required to be made under signed agreement with the Shire of Mundaring.~~
- ~~4. All outward loans are to be insured by the recipient organisation for the duration of the loan period. All costs for insurance of outward loans will be the responsibility of the recipient organisation.~~
- ~~5. All loans to the collection are properly cared for by the MAC Mundaring Arts Centre in keeping with the standards outlined in this policy.~~

#### ~~DE-ACCESSIONING AND DISPOSAL~~

- ~~1. Works from the collection may be considered for removal from the collection if they are in poor condition, damaged or deteriorated beyond repair or conservation, duplicated or do not meet with the requirements of the collection's policy statement.~~
- ~~2. Where a work has been nominated for de-accession it will be fully documented by the MAC Mundaring Arts Centre before disposal.~~
- ~~3. Undamaged works to be de-accessioned will either be offered to the artist, offered to a more suitable non-profit organisation, or put up for public auction, or otherwise disposed of subject to full consultation with the Art Collection Manager, the exhibition sub-committee from the MAC Mundaring Arts Centre and Manager Libraries and Community Engagement Development with approval from the Chief Executive Officer. However, the Shire of Mundaring, as the owner of the Collection, is responsible for making the final decision as to how and to whom any de-accessioned works are to be disposed.~~
- ~~4. De-accessioned work may be acquired by elected members or Shire of Mundaring employees only through the approved public processes outlined in point 3.~~
- ~~5. In general, works donated by individuals may only be disposed of in exceptional circumstances and must have the specific approval of Council. In this case, donated items should first be first offered to the donor or donor's family, or be offered to other collections or institutions. As at last resort, artworks are offered for sale and funds employed to purchase future acquisitions.~~

#### ~~RESPONSIBILITY~~

~~Responsibility for the implementation of this policy lies with the Mundaring Arts Centre in cooperation with the Chief Executive Officer, of the Shire of Mundaring.~~

**Comment [MG1]:** This whole section Management, Access, Acquisitions, Exhibitions Criteria, Loans, De-accessioning and Disposal deleted from policy and incorporated into Mundaring Art Centre funding agreement. Proposed changes as tracked incorporated into MAC agreement.

**Attachment 13**

**Report 8.5**

**2 pages**

## Shire of Mundaring

# POLICY

### ART COLLECTION

<b>Policy Ref:</b>	<b>OR-09</b>
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<b>Adopted:</b>	C8.09.07	<b>Date:</b>	September 2007
<b>Amended:</b>		<b>Date:</b>	
<b>Reviewed by:</b>	Manager Libraries & Community Engagement	<b>Date:</b>	August 2017
<b>Procedure Ref:</b>		<b>Delegation Ref:</b>	
<b>Statute Ref:</b>			
<b>Local Law Ref:</b>	N/A		

#### PURPOSE

To ensure sound management of Shire of Mundaring's Art Collection and adherence to maintaining the statement of purpose.

#### DEFINITIONS

Shire of Mundaring Art Collection - Art Collection

#### BACKGROUND

The Shire of Mundaring Art Collection was established in 1986. It is a unique, valuable and richly varied body of artworks created by local artists and craftspeople who have resided in the Shire of Mundaring.

Currently, the collection is comprised of over 100 acquired artworks including paintings, water colours, works on papers, photographs, sculpture, ceramics, textiles, silver and wood crafts as well as over twenty donated artworks and several public artworks. The majority of these works are housed at the Shire administration building and others are located at Shire libraries and other facilities.

#### POLICY

##### STATEMENT OF PURPOSE:

1. The Art Collection acquires the work of artists who have an identifiable association with Shire of Mundaring to establish and build a collection which reflects the history, people, place and diverse cultural identity of the Hills community.



2. The Shire collects, promotes, preserves and interprets its collection through documentation and exhibition.
3. The collection is owned by the Shire who undertakes appropriate stewardship and seeks to provide access to and benefits for the community in recognition of this valuable asset.

## SCOPE

The policy applies to all movable and public artworks accessioned into the Art Collection.

## 8.6 Review of Policy HCS-01 – Bush Fire Service – Long Service and Outstanding Service Awards

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<b>File Code</b>	OR.OPP 1
<b>Author</b>	Craig Cuthbert, Coordinator Community Safety and Emergency Management
<b>Senior Employee</b>	Mark Luzi, Director Statutory Services
<b>Disclosure of Any Interest</b>	Nil

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### **SUMMARY**

The Audit and Risk Committee is invited to consider the review of Policy HCS-01 “Bush Fire Service – Long Service and Outstanding Service Awards” and note the associated procedure CSEM-01 “Bush Fire Service – Long Service and Outstanding Service Awards”.

### **BACKGROUND**

Council adopted HCS-01 in March 2011. This policy has not been reviewed since its adoption. The policy has now been reviewed and updated.

### **STATUTORY / LEGAL IMPLICATIONS**

Nil

### **POLICY IMPLICATIONS**

Nil

### **STRATEGIC IMPLICATIONS**

Mundaring 2026 – Priority 1: Governance – Objective 2: transparent, responsive and engaged processes for Shire decision making.

### **SUSTAINABILITY IMPLICATIONS**

Nil

### **RISK IMPLICATIONS**

#### **Compliance Impact**

Low - up to date policies encourage good governance, ensuring transparency, accountability, effectiveness and efficiency.

### **EXTERNAL CONSULTATION**

Nil

## COMMENT

As this policy has not been reviewed since it was adopted in March of 2011, an updated policy has now been completed to bring the policy up to date.

As part of the review operational matters have been removed from the policy and been incorporated in a new Procedure CSEM-01.

Attached are the current Policy (**ATTACHMENT 14**), a tracked changes version (**ATTACHMENT 15**) and the proposed final version (**ATTACHMENT 16**), as well as the new procedure (**ATTACHMENT 17**).

## VOTING REQUIREMENT

Simple majority

<b>COMMITTEE RECOMMENDATION</b>		<b>ARC5.08.17</b>	
<b>RECOMMENDATION</b>			
<i>Moved by:</i>	<i>Cr Jeans</i>	<i>Seconded by:</i>	<i>Cr Bertola</i>

That Council:

- Adopts the revised Policy HCS-01 - Bush Fire Service – Long Service and Outstanding Service Awards as reviewed in August 2017.

That the Audit and Risk Committee

- Notes the new Procedure CSEM-01 - Bush Fire Service – Long Service and Outstanding Service Awards.

**CARRIED 3/1**

**For:** *Cr Bertola, Cr Jeans, Ms Stewart*

**Against:** *Cr Perks*

**Attachment 14**

**Report 8.6**

**2 pages**

## Shire of Mundaring

# POLICY

### BUSH FIRE SERVICE – LONG SERVICE AND OUTSTANDING SERVICE AWARDS

<b>Policy Ref:</b>	<b>HCS-01</b>
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<b>Committee Rec:</b>		<b>Date:</b>	
<b>Adopted by:</b>	C08.03.11	<b>Date:</b>	8 March 2011
<b>Amended by:</b>		<b>Date:</b>	
<b>Reviewed:</b>	Once per Electoral Cycle	<b>Date:</b>	
<b>Procedure Ref:</b>		<b>Delegation Ref:</b>	
<b>Statute Ref:</b>			
<b>Local Law Ref:</b>			

#### PURPOSE

To grant awards and life membership to registered members of the Shire of Mundaring Bush Fire Service for:

- long service, and/or
- outstanding service to the Shire of Mundaring Bush Fire Service

#### POLICY

Life membership of the Shire of Mundaring Bush Fire Service shall be granted to a person who has served as a registered member of any Shire of Mundaring Brigade, or Brigades, for not less than fifteen (15) years.

The Shire of Mundaring Bush Fire Service Outstanding Service Award shall be granted to a person who has served as a registered member of any Brigade, or any Brigades who has, in the opinion of a selection panel of persons being members of the Bush Fire Advisory Committee (BFAC), given outstanding service to the Shire of Mundaring Bush Fire Service.

#### 1. SELECTION PANEL

The selection panel shall consist of the following persons:

- Shire of Mundaring Councillor BFAC member/s
- Chief Bushfire Control Officer
- Shire of Mundaring staff BFAC member

## **2. LONG SERVICE**

For the purpose of this policy Long Service or fifteen (15) years is defined as follows:

- 15 years' service as a registered and active member of a Shire of Mundaring Bush Fire Brigade or Brigades.
- Need not be continuous but must aggregate to 15 years.

Note: Time accumulated in service to brigades outside of the Shire of Mundaring is not applicable to this award.

## **3. OUTSTANDING SERVICE**

Outstanding service can be considered to consist of, but not be limited to any of the following:

- Extensive participation in community education initiatives
- Demonstration of leadership in the attraction and retention of brigade membership
- Demonstration of leadership and skills in response to major incidents
- Application of skills and leadership in brigade administration and financial growth.
- Demonstration of leadership and interpersonal skills in the training of brigade members
- Significant participation in and contribution to district, regional or state committees or agencies involved with the management of Bush Fire.

## **4. NOMINATIONS**

Nominations for the Shire of Mundaring Bush Fire Service Long Service and/or Outstanding Service Awards shall be received from any registered Shire of Mundaring Bush Fire Brigade.

## **5. OUTCOME**

- A. The granting of the Long Service Award and life membership in accordance with this policy shall be effected by the Chief Executive Officer on behalf of Council upon receipt of a nomination from a brigade and confirmation of the length of service of the intended recipient.
- B. The granting of the Outstanding Service Award and life membership in accordance with this policy shall be effected by the Chief Executive Officer upon receipt of a nomination from a brigade that is endorsed by the selection panel.

**Attachment 15**

**Report 8.6**

**2 pages**

## Shire of Mundaring

# POLICY

### BUSH FIRE SERVICE – LONG SERVICE AND OUTSTANDING SERVICE AWARDS

Policy Ref: HCS-01

~~Committee Rec:~~

Adopted by: C08.03.11

~~Date:~~

Date: 8 March 2011

~~Amended by:~~ Manager Community Safety & Emergency Management

~~Date:~~

June 2017

Reviewed: Manager Community Safety & Emergency Management  
Once per Electoral Cycle

Date:

August 2017

Procedure Ref: CSEM-01

Delegation Ref: n/a

Statute Ref: n/a

Local Law Ref: n/a

#### PURPOSE

To grant awards and life membership to registered members of the Shire of Mundaring Bush Fire Service for:

- long service, and/or
- outstanding service to the Shire of Mundaring Bush Fire Service.

#### POLICY

Life membership of the Shire of Mundaring Bush Fire Service shall be granted to a person who has served as a registered member of any Shire of Mundaring Brigade, or Brigades for not less than fifteen years.

The Shire of Mundaring Bush Fire Service Outstanding Service Award shall be granted to a person who has served as a registered member of any Brigade or any Brigades and who has, in the opinion of a selection panel of persons being members of the Bush Fire Advisory Committee (BFAC), given outstanding service to the Shire of Mundaring Bush Fire Service.

#### ~~1. SELECTION PANEL~~

~~The selection panel shall consist of the following persons:~~

~~Elected member BFAC appointees (2),~~

~~Chief Bushfire Control Officer,~~

~~Shire of Mundaring employee BFAC member,~~



## **1. LONG SERVICE**

For the purpose of this policy Long Service ~~or of~~ fifteen years is defined as follows:

- Fifteen years' service as a registered and active member of a Shire of Mundaring Bush Fire Brigade or Brigades,
- Such service need not be continuous but must aggregate to fifteen years.

~~Note:~~ Time accumulated in service to brigades outside of ~~the~~ Shire of Mundaring ~~is not applicable to~~ will not be considered for this award.

## **2. OUTSTANDING SERVICE**

Outstanding service ~~can be~~ considered to consist of, but not be limited to any of the following:

- Extensive participation in community education initiatives;
- Demonstration of leadership in the attraction and retention of brigade membership;
- Demonstration of leadership and skills in response to major incidents;
- Application of skills and leadership in brigade administration and financial growth;
- Demonstration of leadership and interpersonal skills in the training of brigade members; and/or
- Significant participation in and contribution to district, regional or state committees or agencies involved with the management of bush fire.

## **4. NOMINATIONS**

~~Nominations for the Shire of Mundaring Bush Fire Service Long Service and/or Outstanding Service Awards shall be received from any registered Shire of Mundaring Bush Fire Brigade.~~

## **3. OUTCOME**

1. The Chief Executive Officer, on behalf of Council, will ~~granting of~~ the Long Service Award and Life Membership in accordance with this policy ~~shall be effected by the Chief Executive Officer on behalf of Council~~ upon receipt of a nomination from a brigade and confirmation of the length of service of the intended recipient.
2. The Chief Executive Officer will ~~granting of~~ the Outstanding Service Award and Life Membership in accordance with this policy ~~shall be effected by the Chief Executive Officer~~ upon receipt of a nomination from a brigade and from a ~~brigade that is~~ endorsed by the selection panel.

**Attachment 16**

**Report 8.6**

**2 pages**

## Shire of Mundaring

# POLICY

### BUSH FIRE SERVICE – LONG SERVICE AND OUTSTANDING SERVICE AWARDS

**Policy Ref:** HCS-01

<b>Adopted by:</b>	C08.03.11	<b>Date:</b>	March 2011
<b>Reviewed:</b>	Manager Community Safety & Emergency Management	<b>Date:</b>	August 2017
<b>Procedure Ref:</b>	CSEM-01	<b>Delegation Ref:</b>	n/a
<b>Statute Ref:</b>	n/a		
<b>Local Law Ref:</b>	n/a		

#### PURPOSE

To grant awards and life membership to registered members of the Shire of Mundaring Bush Fire Service for:

- long service, and/or
- outstanding service to the Shire of Mundaring Bush Fire Service.

#### POLICY

Life membership of the Shire of Mundaring Bush Fire Service shall be granted to a person who has served as a registered member of any Shire of Mundaring Brigade or Brigades for not less than fifteen years.

The Shire of Mundaring Bush Fire Service Outstanding Service Award shall be granted to a person who has served as a registered member of any Brigade or any Brigades and who has, in the opinion of a selection panel of persons being members of the Bush Fire Advisory Committee (BFAC), given outstanding service to the Shire of Mundaring Bush Fire Service.

#### 1. LONG SERVICE

For the purpose of this policy Long Service of fifteen years is defined as follows:

- Fifteen years' service as a registered and active member of a Shire of Mundaring Bush Fire Brigade or Brigades,
- Such service need not be continuous but must aggregate to fifteen years.

Time accumulated in service to brigades outside of Shire of Mundaring will not be considered for this award.

## **2. OUTSTANDING SERVICE**

Outstanding service is considered to consist of, but not be limited to any of the following:

- Extensive participation in community education initiatives;
- Demonstration of leadership in the attraction and retention of brigade membership;
- Demonstration of leadership and skills in response to major incidents;
- Application of skills and leadership in brigade administration and financial growth;
- Demonstration of leadership and interpersonal skills in the training of brigade members; and/or
- Significant participation in and contribution to district, regional or state committees or agencies involved with the management of bush fire.

## **3. OUTCOME**

The Chief Executive Officer, on behalf of Council, will grant the Long Service Award and Life Membership in accordance with this policy upon receipt of a nomination from a brigade and confirmation of the length of service of the intended recipient.

The Chief Executive Officer will grant the Outstanding Service Award and Life Membership in accordance with this policy upon receipt of a nomination from a brigade and endorsed by the selection panel.

**Attachment 17**

**Report 8.6**

**2 pages**

Shire of Mundaring

# PROCEDURE

## BUSH FIRE SERVICE- LONG SERVICE AND OUTSTANDING SERVICE AWARDS

Procedure Ref:	CSEM-01	File Code: OR.OPP3
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**Originating Date:** August 2017  
**Reviewed by:** **Date:**  
**Amended by:** **Date:**  
**Responsible Officer:** Coordinator Community Safety & Emergency Management  
**Policy Reference:** HCS-01

### PURPOSE

To grant awards and life membership to registered members of the Shire of Mundaring Bush Fire Service for:

- long service, and/or
- outstanding service to the Shire of Mundaring Bush Fire Service.

### Procedure

#### 1. RECEIPT OF NOMINATIONS

**Long Service** (15+ years as a member of a Shire of Mundaring Bush Fire Brigade)

Nominations will be called for by the Shire of Mundaring Emergency Management team before the end of January in any given year. Nominations will only be accepted from registered Shire of Mundaring Bush Fire Brigades.

**Outstanding Service** (Under 15 years of service with evidence of outstanding service as a member of a Shire of Mundaring Bush Fire Brigade)

Nominations will be called for by the Shire of Mundaring Emergency Management team before the end of January in any given year. Nominations will only be accepted from registered Shire of Mundaring Bush Fire Brigades.

#### 2. APPOINTMENT OF SELECTION PANEL (only for Outstanding Service)

The selection panel shall consist of-

- Chief Bushfire Control Officer
- Two elected members appointed to the Bush Fire Advisory Committee (BFAC)

- One Shire of Mundaring employee member of BFAC.

The selection panel shall consider all documents supporting the nomination and ensure the criteria determined in Policy HCS-01 are adhered to.

### 3. CONFIRMATION

#### Long Service

- The Shire of Mundaring Emergency Management team will check Shire records to confirm the nominee has been a member of Shire of Mundaring Bush Fire Brigade;
- Membership commencement date shall be confirmed by the Department of Fire and Emergency Services;
- Once a decision has been made, the Brigade Secretary shall be notified of the decision in writing;
- The brigade shall then inform the successful nominee so that they can attend the Shire's annual volunteer family event in March;
- Should the nominee be unable to attend the Shire's annual event, life membership can be presented by the brigade at its discretion.

#### Outstanding Service

- As soon as the Brigade Secretary has been notified in writing of the selection panel's decision, the brigade shall inform the nominee so they can attend the award presentation;
- In the event that the nominee is unable to attend the Shire's annual event life membership can be presented by the brigade at their discretion;
- If a nominee is unsuccessful the decision and reasons shall be put in writing to the Brigade Secretary;
- If the Brigade Secretary is the award recipient, other Brigade office bearers can submit the nomination.

### 4. PRESENTATION

Upon confirmation of the award, the brigade shall prepare a brief history of the award winner, including positions held, achievements, major incidents attended etc. to be read out at the Shire's annual family event.

This procedure was approved by:  
**MARK LUZI**  
Director Statutory Services

Date:

**8.7 Review of Policy HS-01 – Temporary Accommodation and LR-01 - Short Term Use of Shire Ovals and Reserves for Accommodation**

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<b>File Code</b>	OR.OPP 1
<b>Author</b>	Martin Shurlock, Senior Environmental Health Officer
<b>Senior Employee</b>	Mark Luzi, Director Statutory Services
<b>Disclosure of Any Interest</b>	Nil

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**SUMMARY**

The Audit and Risk Committee is invited to consider the review of Policies HS-01 “Temporary Accommodation” and LR-01 “Short Term Use of Shire Ovals and Reserves for Accommodation” (ATTACHMENTS 18, 19, 20, 21, 22 and 23).

**BACKGROUND**

HS-01 was adopted by Council in October 2006 and last reviewed in 2011, while LR-01 was adopted in March 2005 and reviewed in 2013. The policies have recently been reviewed again.

**STATUTORY / LEGAL IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**STRATEGIC IMPLICATIONS**

Mundaring 2026 – Priority 1: Governance – Objective 2: transparent, responsive and engaged processes for Shire decision making.

**SUSTAINABILITY IMPLICATIONS**

Nil

**RISK IMPLICATIONS**

**Compliance Impact**

Moderate - up to date policies encourage good governance, ensuring transparency, accountability, effectiveness and efficiency.

**EXTERNAL CONSULTATION**

Nil

**COMMENT**



Since the last review in 2011 (Temporary Accommodation) and 2013 (Short Term Use of Ovals) of the policies, there has been no changes in legislation affecting the fundamental operations of the policies.

The principal changes to the policies are as follows:

Temporary Accommodation:

- This policy has been split into two streams (temporary accommodation for up to three months and temporary accommodation for up to 12 months whilst a house is under construction). The three month provision has been included following a query from a member of the public seeking such an approval. This stream is largely based on the existing policy provisions with some alterations to suit the intent of the temporary accommodation.
- Clarification of the purpose of the Policy
- Updating of zones that Policy relates to updated to reflect the provisions of LPS4
- Alteration of positions responsible for undertaking assessments to reflect restructure of Statutory Services and reflecting current work practices
- Minor clarification of terms and requirements

Short Term Use of Ovals:

- Minor update to reflect current version of the Property Local Law
- Background has been condensed
- Alteration of positions responsible for undertaking assessments to reflect restructure of Statutory Services and reflecting current work practices
- Two additional conditions of approval added (one to reflect the requirements of the Environmental Protection (Noise) Regulations 1997 and the other to prohibit live bands or amplified music (unless specifically permitted) so as to mitigate adverse noise impacts on the local community.

Attached are the existing versions (**ATTACHMENTS 18 and 21**) a “tracked change” version (**ATTACHMENTS 19 and 22**) and proposed final versions “without tracked changes” (**ATTACHMENTS 20 and 23**).

## VOTING REQUIREMENT

Simple majority

<b>COMMITTEE RECOMMENDATION</b>	<b>ARC6.08.17</b>
<b>RECOMMENDATION</b>	
<i>Moved by:</i> <i>Cr Jeans</i>	<i>Seconded by:</i> <i>Cr Perks</i>

That Council adopts the revised Policies HS-01 - Temporary Accommodation and LR-01 - Short Term Use of Shire Ovals and Reserves for Accommodation as reviewed August 2017.

**CARRIED 4/0**

**For:**            *Cr Bertola, Cr Perks, Cr Jeans, Ms Stewart*

**Against:**    *Nil*

**Attachment 18**

**Report 8.7**

**2 pages**

## Shire of Mundaring

# POLICY

### TEMPORARY ACCOMMODATION

**Policy Ref:** HS-01

<b>Committee Rec:</b>	OSC3.10.06	<b>Date:</b>	9 Oct 2006
<b>Adopted by:</b>	C4.10.06	<b>Date:</b>	24 Oct 2006
<b>Amended by:</b>	C15.08.11	<b>Date:</b>	23 June 2009
<b>Reviewed:</b>	Once per Electoral Cycle	<b>Date:</b>	23 August 2011
<b>Procedure Ref:</b>	N/A	<b>Delegation Ref:</b>	
<b>Statute Ref:</b>	<i>Caravan Park and Camping Grounds Act 1995</i> <i>Caravan Park and Camping Grounds Regulations 1997</i>		
<b>Local Law Ref:</b>	N/A		

### PURPOSE

To establish health standards, land zoning and size requirements for temporary accommodation to be approved under Regulation 11(2)(a) of the Caravan Park and Camping Grounds Regulations 1997.

### POLICY

1. Applications for temporary accommodation will only be considered in respect of land zoned Rural Landscape Living, General Rural or other zoned lands in excess of one hectare.
2. The only form of temporary accommodation to be approved shall be within a caravan or other portable structure designed for human habitation.
3. Ablution facilities either within the caravan or within a separate building must consist of :
  - water closet
  - shower or bath
  - laundry wash trough
  - kitchen sink,to the satisfaction of the Manager Health and Community Safety Services.
4. Upon receipt of an application for temporary accommodation that falls within the policy, and subject to satisfactory inspection of the proposed accommodation and ablution arrangements, approval shall be granted by the Manager Health and Community Safety Services for a period not exceeding 12 months.
5. Should the dwelling not be completed and the temporary accommodation not be vacated within twelve months the applicant must:

- Obtain approval from the Minister for Local Government for an extension of the period of temporary accommodation prior to completion of the 12 months, or
  - Vacate the temporary accommodation.
6. Application for temporary accommodation must be made by submission of a completed Shire of Mundaring Application for Temporary Accommodation and associated Statutory Declaration.

**Attachment 19**

**Report 8.7**

**3 pages**

## Shire of Mundaring

# POLICY

### TEMPORARY ACCOMMODATION

Policy Ref: HS-01

<del>Committee Rec:</del>	<del>OSC3.10.06</del>	Date:	<del>9 Oct 2006</del>
Adopted by:	C4.10.06	Date:	24 Oct 2006
Amended by:	C15.08.11	Date:	<del>23 June 2009</del> 23 August 2011
Reviewed:	<u>Once every four years</u> <u>Once per Electoral Cycle</u>	Date:	<del>23 August 2011</del> August 2017
Procedure Ref:	N/A	Delegation Ref:	
Statute Ref:	Caravan Park and Camping Grounds Act 1995 Caravan Park and Camping Grounds Regulations 1997		
Local Law Ref:	N/A		

### PURPOSE

To establish health standards, land zoning and size requirements for temporary accommodation to be approved under Regulation 11(2)(a) of the Caravan Park and Camping Grounds Regulations 1997. This is to be applied in situations whereby the owner(s) wishes to live on the property whilst their new house is being constructed or to enable occupation of a caravan or similar for defined periods of time.

### BACKGROUND

Regulation 11(2)(a) provides for the local government to grant approval for a person to camp at a property for periods between three days and no more than three months in any 12 month period on land that they have a legal right to occupy. It is anticipated that this is most likely to take the form of visiting family or friends wishing to stay for periods of time and not to be used as a form of house extension.

Regulation 11(2)(c) provides for the local government to grant approval for a person to camp at a property for up to 12 months if they hold a building permit approval for a home.

### POLICY

In instances where an applicant is seeking to reside for up to 3 months [Regulation 11(2)(a) assessments] the following policy provisions apply:

1. Applications for temporary accommodation will only be considered in respect of land in excess of 4000m<sup>2</sup> (0.4 of a hectare).
2. The only form of temporary accommodation to be approved shall be within a caravan, motorhome or converted bus designed for human habitation.
3. The use of plumbing facilities within the caravan or similar are discouraged and any effluent disposal arrangements are to be approved by the Shire's Health Services.
4. Application for temporary accommodation must be made by submission of a completed Shire of Mundaring Application for Temporary Accommodation by the land owner with an associated Statutory Declaration.
5. Upon receipt of an application, and subject to satisfactory inspection of the proposed accommodation and any effluent disposal ablation arrangements; approval may be granted for a period not exceeding three months.
6. Should the camping still be occurring beyond any three month approval, the applicant must:
  - Obtain approval from the Minister for Local Government for an extension of the period of temporary accommodation prior to the expiry of the [three](#) month approval, or
  - Ensure that no camping is taking place

In instances where an applicant is seeking to reside for up to 12 months whilst a house is being constructed [Regulation 11(2)(c) assessments] the following policy provisions apply:

1. Applications for temporary accommodation will only be considered in respect of land zoned Rural Residential, Rural Smallholdings, General Agriculture Rural Landscape Living, General Rural or other zoned lands in excess of 10,000m<sup>2</sup> (one hectare).
2. The only form of temporary accommodation to be approved shall be within a caravan or other portable structure designed for human habitation.
3. Ablution facilities either within the caravan or within a separate building must consist of :
  - toiletwater-closet
  - shower or bath
  - laundry wash trough
  - kitchen sink,

to the satisfaction of the Manager Health and Community Safety Services, Shire's Health Services

4. All ablation facilities plumbing fixtures are to be connected to an approved onsite effluent disposal system.
5. A Building Permit for the permanent house must have been issued prior to the acceptance of the temporary accommodation application.



- 6 Upon receipt of an application ~~for temporary accommodation that falls within the policy~~, and subject to satisfactory inspection of the proposed accommodation and ablution arrangements, approval may shall be granted ~~by the Manager Health and Community Safety Services~~ for a period not exceeding 12 months
- 7 Should the dwelling not be completed and the temporary accommodation not be vacated within twelve months the applicant must:

  - Obtain approval from the Minister for Local Government for an extension of the period of temporary accommodation prior to completion of the 12 months, or
  - Vacate the temporary accommodation.
- 8 Application for temporary accommodation must be made by submission of a completed Shire of Mundaring Application for Temporary Accommodation and associated Statutory Declaration.

**Attachment 20**

**Report 8.7**

**3 pages**

## Shire of Mundaring

# POLICY

### TEMPORARY ACCOMMODATION

<b>Policy Ref:</b>	<b>HS-01</b>
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<b>Adopted by:</b>	C4.10.06	<b>Date:</b>	24 Oct 2006
<b>Amended by:</b>	C15.08.11	<b>Date:</b>	23 August 2011
<b>Reviewed:</b>	Once every four years	<b>Date:</b>	August 2017
<b>Procedure Ref:</b>	N/A	<b>Delegation Ref:</b>	N/A
<b>Statute Ref:</b>	<i>Caravan Park and Camping Grounds Act 1995</i>		
	<i>Caravan Park and Camping Grounds Regulations 1997</i>		
<b>Local Law Ref:</b>	N/A		

#### PURPOSE

To establish health standards, land zoning and size requirements for temporary accommodation to be approved under Regulation 11(2) of the *Caravan Park and Camping Grounds Regulations 1997*. This is to be applied in situations whereby the owner(s) wishes to live on the property whilst their new house is being constructed or to enable occupation of a caravan or similar for defined periods of time.

#### BACKGROUND

Regulation 11(2)(a) provides for the local government to grant approval for a person to camp at a property for periods between three days and no more than three months in any 12 month period on land that they have a legal right to occupy. It is anticipated that this is most likely to take the form of visiting family or friends wishing to stay for periods of time and not to be used as a form of house extension.

Regulation 11(2)(c) provides for the local government to grant approval for a person to camp at a property for up to 12 months if they hold a building permit approval for a home.

#### POLICY

In instances where an applicant is seeking to reside for up to three months [*Regulation 11(2)(a) assessments*] the following policy provisions apply:

1. Applications for temporary accommodation will only be considered in respect of land in excess of 4000m<sup>2</sup> (0.4 of a hectare).
2. The only form of temporary accommodation to be approved shall be within a caravan, motorhome or converted bus designed for human habitation.

3. The use of plumbing facilities within the caravan or similar are discouraged and any effluent disposal arrangements are to be approved by the Shire's Health Services.
4. Application for temporary accommodation must be made by submission of a completed Shire of Mundaring Application for Temporary Accommodation by the land owner with an associated Statutory Declaration.
5. Upon receipt of an application, and subject to satisfactory inspection of the proposed accommodation and any effluent disposal ablation arrangements; approval may be granted for a period not exceeding three months.
6. Should the camping still be occurring beyond any three month approval, the applicant must:
  - Obtain approval from the Minister for Local Government for an extension of the period of temporary accommodation prior to the expiry of the three month approval, or
  - Ensure that no camping is taking place

**In instances where an applicant is seeking to reside for up to 12 months whilst a house is being constructed [*Regulation 11(2)(c) assessments*] the following policy provisions apply:**

1. Applications for temporary accommodation will only be considered in respect of land zoned Rural Residential, Rural Smallholdings, General Agriculture or other zoned lands in excess of 10,000m<sup>2</sup> (one hectare).
2. The only form of temporary accommodation to be approved shall be within a caravan or other portable structure designed for human habitation.
3. Ablution facilities either within the caravan or within a separate building must consist of :
  - toilet
  - shower or bath
  - laundry wash trough
  - kitchen sink,

to the satisfaction of the Shire's Health Services

4. All plumbing fixtures are to be connected to an approved onsite effluent disposal system.
5. A Building Permit for the permanent house must have been issued prior to the acceptance of the temporary accommodation application.
6. Upon receipt of an application, and subject to satisfactory inspection of the proposed accommodation and ablation arrangements, approval may be granted for a period not exceeding 12 months
7. Should the dwelling not be completed and the temporary accommodation not be vacated within twelve months the applicant must:

- Obtain approval from the Minister for Local Government for an extension of the period of temporary accommodation prior to completion of the 12 months, or
  - Vacate the temporary accommodation.
- 8 Application for temporary accommodation must be made by submission of a completed Shire of Mundaring Application for Temporary Accommodation and associated Statutory Declaration.

**Attachment 21**

**Report 8.7**

**2 pages**

## Shire of Mundaring

# POLICY

### SHORT TERM USE OF SHIRE OVALS AND RESERVES FOR ACCOMMODATION

<b>Policy Ref:</b>	<b>LR-01</b>
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<b>Committee Rec:</b>	SPC7.03.05	<b>Date:</b>	14 Mar 2005
<b>Adopted by:</b>	RC12.03.05	<b>Date:</b>	22 Mar 2005
<b>Amended by:</b>	C2.11.08	<b>Date:</b>	2 November 2008
<b>Reviewed:</b>	C17.02.13	<b>Date:</b>	26 February 2013
<b>Procedure Ref:</b>		<b>Delegation Ref:</b>	
<b>Statute Ref:</b>	<i>Caravan Parks and Camping Grounds Act 1995</i> <i>Caravan Parks &amp; Camping Ground Regulations 1997</i> <i>Bush Fires Act 1954</i>		
<b>Local Law Ref:</b>	Shire of Mundaring Local Government property Local Law 2004		

#### PURPOSE

To allow the use of approved shire ovals and reserves for short term camping by organised caravan and camper trailer clubs or for community events attracting a large number of people from outside the Shire.

#### BACKGROUND

Where major events that attract large numbers of people from outside of the Shire are held, Council is supportive of short term camping taking place on ovals and reserves specifically approved for that event. The short term camping is likely to be for a limited number of days only and will involve caravans, campervans or tents.

The number of caravans and camper trailers is increasing in Australia. This has resulted in the formation of a very large number of caravanning and camper trailer clubs. These groups of people can provide an economic benefit to the Shire of Mundaring that does not currently exist in terms of hire fees and secondary spend. These clubs are constantly seeking suitable locations for short term accommodation so they can experience what that area has to offer and this is getting increasingly hard due to the closure of many caravan parks in the southwest of Australia. In addition, there are very limited accommodation opportunities for these clubs to experience the Shire of Mundaring and this policy provides additional options to attract these people and the economic benefits they provide to the Shire.

Council also recognised the economic benefits that would flow from overnight stay visitors where it was able to be approved within the constraints of relevant legislation.

## POLICY

Where a major community event which will attract large numbers of people from outside the Shire is to be held or official caravan or camper trailer clubs make a request for short term camping within the Shire managed land, then Council may approve the short term use of designated ovals and reserves for camping by caravan, campervan or tent subject to the following:

- each oval or reserve on which the camping is to occur must firstly be assessed and approved by the Manager Health and Community Safety Services in relation to its general suitability for that purpose.
- toilet numbers either already available onsite or together with portable toilets must comply with the requirements of Schedule 7, Division 6, Clause 20 of the *Caravan Parks & Camping Ground Regulations 1997* relative to the number of persons to be accommodated.
- the duration of any camping approved shall not exceed a maximum of 7 days.
- where showers are not available then camping shall only be permitted on an overnight basis.
- lighting of fires/barbecues shall only occur by the use of provided facilities and in all instances in accordance with the *Bush Fires Act 1954*.
- appropriate refuse disposal arrangements are in place.
- the type of camping to be approved (i.e. tents, campervans or caravans) shall be determined by the location on which the camping is to occur.
- the maximum number of sites able to be established at each approved location being determined by the Manager Health and Community Safety Services.
- the availability of power to the approved location.
- emergency contact telephone numbers for shire personnel to be made available.
- determination of the schedule of fees (if any) that are to apply to the camping.
- no sullage to be disposed of at any Shire facility.



**Attachment 22**

**Report 8.7**

**2 pages**

## Shire of Mundaring

# POLICY

### SHORT TERM USE OF SHIRE OVALS AND RESERVES FOR ACCOMMODATION

Policy Ref: LR-01

Committee Rec:	SPC7.03.05	Date:	
Adopted by:	RC12.03.05	Date:	22 Mar 2005
Amended by:	C2.11.08	Date:	2 November 2008
Reviewed:	C17.02.13	Date:	26 February 2013
Procedure Ref:		Delegation Ref:	
Statute Ref:	<i>Caravan Parks and Camping Grounds Act 1995</i> <i>Caravan Parks &amp; Camping Ground Regulations 1997</i> <i>Bush Fires Act 1954</i>		
Local Law Ref:	Shire of Mundaring Local Government Property <u>Amendment</u> Local Law 20 <u>1304</u>		

#### PURPOSE

To allow the use of approved Shire ovals and reserves for short term camping by organised caravan and camper trailer clubs or for community events attracting a large number of people from outside the Shire.

#### BACKGROUND

Where major events that attract large numbers of people from outside of the Shire are held, Council is supportive of short term camping taking place on ovals and reserves specifically approved for that event. The short term camping is likely to be for a limited number of days only and will involve caravans, campervans or tents.

This is likely to take the form of large-scale camping or touring groups; or sporting or cultural events that attract large numbers of people.

~~The number of caravans and camper trailers is increasing in Australia.~~

~~This has resulted in the formation of a very large number of caravanning and camper trailer clubs. These groups of people can provide an economic benefit to the Shire of Mundaring that does not currently exist in terms of hire fees and secondary spend. These clubs are constantly seeking suitable locations for short term accommodation so they can experience what that area has to offer and this is getting increasingly hard due to the closure of many caravan parks in the southwest of Australia. In addition, there are very limited accommodation opportunities for these clubs to experience the Shire of Mundaring and this policy provides additional options to attract these people and the economic benefits they provide to the Shire.~~

Council also recognised the economic benefits that would flow from overnight stay visitors where ~~it was~~this is able to be approved within the constraints of relevant legislation.

## POLICY

Where a ~~major community event which will attract large numbers of people from outside the Shire is to be held or official caravan or camper trailer clubs make a request~~ for short term camping within the Shire managed land is made, then ~~the Shire Council~~ may approve the short term use of designated ovals and reserves for camping by caravan, campervan or tent subject to the following:

- each oval or reserve on which the camping is to occur must firstly be assessed and approved by the Manager Building and Health and Community Safety Services or the Senior Environmental Health Officer in relation to its general suitability for that purpose.
- toilet numbers either already available onsite or together with portable toilets must comply with the requirements of Schedule 7, Division 6, Clause 20 of the *Caravan Parks & Camping Ground Regulations 1997* relative to the number of persons to be accommodated.
- the duration of any camping approved shall not exceed a maximum of seven days.
- where showers are not available then camping shall only be permitted on an overnight basis.
- lighting of fires/barbecues shall only occur by the use of provided facilities and in all instances in accordance with the *Bush Fires Act 1954*.
- appropriate refuse disposal arrangements are in place.
- the type of camping to be approved (ie. tents, campervans or caravans) shall be determined by the location on which the camping is to occur.
- the maximum number of sites able to be established at each approved location being determined by the Manager Building and Health and Community Safety Services or the Senior Environmental Health Officer.
- the availability of power to the approved location.
- emergency contact telephone numbers for shire personnel to be made available.
- determination of the schedule of fees (if any) that are to apply to the camping.
- no sullage-liquid waste or effluent is to be disposed of at any Shire facility.
- compliance with the *Environmental Protection (Noise) Regulations 1997*
- no live bands or amplified music, unless specifically approved.

**Attachment 23**

**Report 8.7**

**2 pages**

## Shire of Mundaring

# POLICY

### SHORT TERM USE OF SHIRE OVALS AND RESERVES FOR ACCOMMODATION

**Policy Ref:** LR-01

**Committee Rec:**

**Adopted by:** RC12.03.05

**Amended by:** C2.11.08

**Reviewed:** C17.02.13

**Procedure Ref:**

**Statute Ref:**

*Caravan Parks and Camping Grounds Act 1995*

*Caravan Parks & Camping Ground Regulations 1997*

*Bush Fires Act 1954*

**Local Law Ref:**

Shire of Mundaring Local Government Property Amendment  
Local Law 2013

**Date:**

**Date:** 22 Mar 2005

**Date:** 2 November 2008

**Date:** 26 February 2013

**Delegation Ref:**

### PURPOSE

To allow the use of approved Shire ovals and reserves for short term camping by organised caravan and camper trailer clubs or for community events attracting a large number of people from outside the Shire.

### BACKGROUND

Where major events that attract large numbers of people from outside of the Shire are held, Council is supportive of short term camping taking place on ovals and reserves specifically approved for that event. The short term camping is likely to be for a limited number of days only and will involve caravans, campervans or tents.

This is likely to take the form of large-scale camping or touring groups; or sporting or cultural events that attract large numbers of people.

Council also recognise the economic benefits that would flow from overnight stay visitors where this is able to be approved within the constraints of relevant legislation.

## POLICY

Where a request for short term camping within the Shire managed land is made, then the Shire may approve the short term use of designated ovals and reserves for camping by caravan, campervan or tent subject to the following:

- each oval or reserve on which the camping is to occur must firstly be assessed and approved by the Manager Building and Health Services or the Senior Environmental Health Officer in relation to its general suitability for that purpose.
- toilet numbers either already available onsite or together with portable toilets must comply with the requirements of Schedule 7, Division 6, Clause 20 of the *Caravan Parks & Camping Ground Regulations 1997* relative to the number of persons to be accommodated.
- the duration of any camping approved shall not exceed a maximum of seven days.
- where showers are not available then camping shall only be permitted on an overnight basis.
- lighting of fires/barbecues shall only occur by the use of provided facilities and in all instances in accordance with the *Bush Fires Act 1954*.
- appropriate refuse disposal arrangements are in place.
- the type of camping to be approved (ie. tents, campervans or caravans) shall be determined by the location on which the camping is to occur.
- the maximum number of sites able to be established at each approved location being determined by the Manager Building and Health Services or the Senior Environmental Health Officer.
- the availability of power to the approved location.
- emergency contact telephone numbers for shire personnel to be made available.
- determination of the schedule of fees (if any) that are to apply to the camping.
- no liquid waste or effluent is to be disposed of at any Shire facility.
- compliance with the *Environmental Protection (Noise) Regulations 1997*
- no live bands or amplified music, unless specifically approved.

## 8.8 Repeal of Policy AS-01 – Records Management

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<b>File Code</b>	OR.OPP 1
<b>Author</b>	Danielle Courtin, Governance Coordinator
<b>Senior Employee</b>	Paul O'Connor, Director Corporate Services
<b>Disclosure of Any Interest</b>	Nil

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### **SUMMARY**

The Committee is invited to consider the proposed repeal of Policy AS-01 – Records Management (**ATTACHMENT 24**) and recommend the repeal to Council.

### **BACKGROUND**

A review of Policy AS-01 was presented to the Audit and Risk Committee on 15 November 2016, when the Committee decided to defer the item and to consider whether this should be a policy of Council or a management policy (i.e. an Organisational Practice).

### **STATUTORY / LEGAL IMPLICATIONS**

In accordance with section 2.7 of the *Local Government Act 1995* it is the role of Council to determine the Local Government's policies.

### **POLICY IMPLICATIONS**

This policy stands alone and does not affect any other policies.

### **FINANCIAL IMPLICATIONS**

Nil

### **STRATEGIC IMPLICATIONS**

Mundaring 2026 – Priority 1: Governance – Objective 2: transparent, responsive and engaged processes for Shire decision making.

### **SUSTAINABILITY IMPLICATIONS**

Nil

### **RISK IMPLICATIONS**

Nil

### **EXTERNAL CONSULTATION**

Nil

## COMMENT

It is proposed to repeal this policy for the following reasons:

- While the policy reminds elected members of their record keeping responsibilities, the substance of the policy deals with the technical side of capturing, controlling and protecting records. These are administrative clauses, best dealt with through an Organisational Practice under the authority of the CEO;
- The record keeping responsibilities of elected members are noted in clause 3.8 of the Code of Conduct; and
- The policy, if repealed, is to be replaced by an Organisational Practice.

## VOTING REQUIREMENT

Simple majority

<b>COMMITTEE RECOMMENDATION</b>	<b>ARC7.08.17</b>
<b>RECOMMENDATION</b>	
<i>Moved by: Cr Jeans</i>	<i>Seconded by: Cr Perks</i>

That Council –

1. Repeals Policy AS-01 Records Management ; and
2. Notes that an Organisational Practice will be developed.

## **CARRIED 4/0**

**For:** *Cr Bertola, Cr Perks, Cr Jeans, Ms Stewart*

**Against:** *Nil*



**Attachment 24**

**Report 8.8**

**2 pages**

## Shire of Mundaring

# POLICY

### RECORDS MANAGEMENT POLICY

**Policy Ref:** AS-01

<b>Committee Rec:</b>	SPC 6.02.04	<b>Date:</b>	16/02/2004
<b>Adopted by:</b>	RC 12.02.04	<b>Date:</b>	24/02/2004
<b>Amended by:</b>	C16.04.07	<b>Date:</b>	24/04/2007
<b>Reviewed:</b>	Once per Electoral Cycle	<b>Date:</b>	24 August 2010
<b>Procedure Ref:</b>	Admin-09	<b>Delegation Ref:</b>	
<b>Statute Ref:</b>	<i>State Records Act 2000</i>		
<b>Local Law Ref:</b>	n/a		

#### PURPOSE

The purpose of the Policy is to define the principles that underpin the record keeping function and the roles and responsibilities of those individuals who manage or perform record keeping processes on behalf of the Shire. This policy establishes a framework for the reliable and systematic management of records in accordance with legislative requirements and best practice standards.

#### 1. Record Keeping Policy

This policy will be published throughout the organisation and will be available to all employees, contractors, elected members and outsource agencies.

#### 2. Scope

This policy applies to all official records created or received by Shire of Mundaring elected members, employees, contractors or an organisation performing outsourced services on behalf of the Shire, regardless of their physical format, storage location or date of creation.

#### 3. Custodianship of Records

The Shire of Mundaring recognises its records are a government-owned asset and will ensure that they are managed as such. Ownership of and proprietary interest in records created or collected during the course of business (including those from outsourced bodies or contractors) is vested in the Shire.

#### 4. Roles & Responsibilities

**4.1 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.

Elected members' personal records are exempt.

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

**4.3 Directors and Managers** are to ensure the record keeping policy and procedures are known and adhered to in their area of responsibility.

**4.4 All Employees and Contractors** who create and collect records relating to the business activities they perform are to retain those records. They are to:

- (1) Identify significant and ephemeral records,
- (2) Ensure significant records are captured in the record keeping system (Meridio), and
- (3) All records are handled in a manner according to legislative requirements, this policy and procedures for record keeping.

## 5. Creation of Records

To meet all legislative, business, administrative, financial, evidential and historical requirements, elected members, employees and contractors will create full and accurate records, in the appropriate format, of the business decisions and transactions of the local government.

## 6. Capture & Control of Records

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

## 7. Security & 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.

## 8. Access to Records

Access to the Shire of Mundaring records by employees and contractors will be in accordance with designated access and security classifications. Access to the records by the general public will be in accordance with the *Freedom of Information Act 1992* and the *Local Government Act 1995*.

Access to the records by elected members will be via the Chief Executive Officer in accordance with the *Local Government Act 1995*.

## 9. Appraisal, Retention & Disposal of Records

All records kept by the Shire of Mundaring may be disposed of in accordance with the General Disposal Authority for Local Government Records, produced by the State Records Office of WA.

## 8.9 Repeal of Policy OR-13 – Use of the Common Seal

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<b>File Code</b>	OR.OPP 1
<b>Author</b>	Danielle Courtin, Governance Coordinator
<b>Senior Employee</b>	Paul O'Connor, Director Corporate Services
<b>Disclosure of Any Interest</b>	Nil

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### **SUMMARY**

The Committee is invited to consider the repeal of Policy OR-13 – Use of the Common Seal (**ATTACHMENT 25**) and recommend this repeal to Council.

### **BACKGROUND**

This policy was adopted in February 2013 as a “temporary policy to clarify use of the common seal until the Standing Orders Local Law is reviewed and complies with the Act.”

In 2015 the Meeting Procedures Local Law replaced the Standing Orders Local Law and it is silent on the use of the common seal as this is now governed by section 9.49A of the *Local Government Act 1995* (the Act).

### **STATUTORY / LEGAL IMPLICATIONS**

In accordance with section 2.7 of the Act it is the role of Council to determine the local government’s policies.

### **POLICY IMPLICATIONS**

This policy stands alone and does not affect any other policies.

### **FINANCIAL IMPLICATIONS**

Nil

### **STRATEGIC IMPLICATIONS**

Mundaring 2026 – Priority 1: Governance – Objective 2: transparent, responsive and engaged processes for Shire decision making.

### **SUSTAINABILITY IMPLICATIONS**

Nil

### **RISK IMPLICATIONS**

Nil

## EXTERNAL CONSULTATION

Nil

## COMMENT

Historically affixing the common seal was the standard way to execute a document or deed. In 2009 the Act was amended to allow local governments to execute a document either by affixing the common seal or by an authorised person signing it.

In reality Shire of Mundaring only uses the common seal where its use is required by a third party (such as Landgate) or by legislation, for example the *Transfer of Land Act 1893* for land transactions including leases.

## VOTING REQUIREMENT

Simple majority

<b>COMMITTEE RECOMMENDATION</b>	<b>ARC8.08.17</b>
<b>RECOMMENDATION</b>	
<i>Moved by:</i> <i>Cr Perks</i>	<i>Seconded by:</i> <i>Cr Jeans</i>

That Council repeals Policy OR-13 Use of the Common Seal.

## **CARRIED 4/0**

**For:**            *Cr Bertola, Cr Perks, Cr Jeans, Ms Stewart*

**Against:**     *Nil*

**Attachment 25**

**Report 8.9**

**2 pages**

## Shire of Mundaring

# POLICY

### USE OF THE COMMON SEAL

**Policy Ref:** OR-13

<b>Committee Rec:</b>	AGC3.02.13	<b>Date:</b>	5 February 2013
<b>Adopted by:</b>	C17.02.13	<b>Date:</b>	26 February 2013
<b>Amended:</b>		<b>Date:</b>	
<b>Reviewed:</b>	Once per Electoral Cycle	<b>Date:</b>	
<b>Procedure Ref:</b>		<b>Delegation Ref:</b>	
<b>Statute Ref:</b>	<i>Local Government Act 1995</i> – s. 9.49A and s. 9.49B		
<b>Local Law Ref:</b>	Shire of Mundaring Standing Orders Local Law		

### PURPOSE

To provide guidelines for the affixing of the Common Seal of the Shire of Mundaring to certain documents.

### POLICY

#### 1. Affixing the Common Seal

Under section 9.49A of the *Local Government Act 1995* -

- a. the Common Seal cannot be affixed to a document except as authorised by the Council (or, if the power is delegated, except as authorised by the CEO); and
- b. the Common Seal must be affixed to a document in the presence of -
  - (i) the Shire President (or, if section 5.34 applies, by the Deputy Shire President); and
  - (ii) the CEO or a senior employee authorised by the CEO,  
each of whom is to sign the document to attest that the Common Seal was affixed.

#### 2. Documents requiring the Common Seal to be affixed

Legislation, such as the *Transfer of Land Act 1893*, determines what documents are required to be executed using the Common Seal.

#### 3. Procedures for the use of the Common Seal

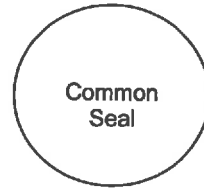
The Chief Executive Officer is responsible for the security and proper use of the Common Seal.

#### 4. Wording of the Common Seal clause

The wording to accompany the application of the Common Seal is as follows:

Dated [*add day, month and year*]

The Common Seal of the )  
Shire of Mundaring )  
was affixed in the )  
presence of: )



3629

.....  
(Insert name)  
Shire President

.....  
(Insert name)  
Chief Executive Officer

**5. Statutory environment:**

***Local Government Act 1995***

Section 2.5 (2) of the *Local Government Act 1995* stipulates that a local government is “a body corporate with perpetual succession and a common seal”. There is no stipulated requirement for the use of the common seal in particular circumstances.

Section 9.49A contains detailed provisions regulating the execution of documents by a local government, including the execution of documents using the Common Seal.

Section 9.49 stipulates that “a document is, unless this Act requires otherwise, sufficiently authenticated by a local government without its common seal if signed by the Chief Executive Officer or an employee of the local government who purports to be authorised by the Chief Executive Officer to so sign”.



## 8.10 Repeal of Policy COR-23 – Significant Accounting Policies

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<b>File Code</b>	OR.OPP 1
<b>Author</b>	Stan Kocian, Manager Finance and Governance
<b>Senior Employee</b>	Paul O'Connor, Director Corporate Services
<b>Disclosure of Any Interest</b>	Nil

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### **SUMMARY**

The Committee is requested to consider the proposed repeal of Policy COR-23 – Significant Accounting Policies (**ATTACHMENT 26**) and recommend the repeal of this policy to Council.

### **BACKGROUND**

In October 2012 Council adopted a Significant Accounting Policies document. The Shire's Significant Accounting Policies form part of the Annual Financial Statements and Annual Budget, both of which are reviewed and adopted by Council annually.

### **STATUTORY / LEGAL IMPLICATIONS**

In accordance with section 2.7 of the *Local Government Act 1995* it is the role of Council to determine the Local Government's policies.

### **POLICY IMPLICATIONS**

Nil

### **FINANCIAL IMPLICATIONS**

Nil

### **STRATEGIC IMPLICATIONS**

Mundaring 2026 – Priority 1: Governance – Objective 2: transparent, responsive and engaged processes for Shire decision making.

### **SUSTAINABILITY IMPLICATIONS**

Nil

### **RISK IMPLICATIONS**

Nil

### **EXTERNAL CONSULTATION**

Nil

## COMMENT

The Shire's Significant Accounting Policies form part of the Annual Financial Statements and Annual Budget, which are reviewed and adopted by Council annually. Therefore the Significant Accounting Policy document in reality should be updated twice a year subsequent to the annual budget and the annual financial statements being adopted by Council.

As the Shire's Significant Accounting Policies are reviewed and adopted by Council on two separate occasions each year, it is considered unnecessary to include these policies in a separate policy document.

## VOTING REQUIREMENT

Simple majority

<b>COMMITTEE RECOMMENDATION</b>	<b>ARC9.08.17</b>
<b>RECOMMENDATION</b>	
<i>Moved by:</i> <i>Cr Perks</i>	<i>Seconded by:</i> <i>Ms Stewart</i>

That Council repeals Policy COR-23 – Significant Accounting Policies.

## **CARRIED 4/0**

**For:**            *Cr Bertola, Cr Perks, Cr Jeans, Ms Stewart*

**Against:**    *Nil*

**Attachment 26**

**Report 8.10**

**19 pages**

## Shire of Mundaring

# POLICY

### SIGNIFICANT ACCOUNTING POLICIES

<b>Policy Ref:</b>	<b>COR-23</b>		
<b>Committee Rec:</b>	AOC2.10.12	<b>Date:</b>	22 October 2012
<b>Adopted:</b>	C5.11.12 (as part of the Annual Report)	<b>Date:</b>	13 November 2012
<b>Amended:</b>		<b>Date:</b>	
<b>Reviewed:</b>	C27.11.13 (as part of the Annual Report)	<b>Date:</b>	26 November 2013
<b>Procedure Ref:</b>		<b>Delegation Ref:</b>	
<b>Statute Ref:</b>	<i>Local Government Act 1995</i> <i>Local Government (Financial Management) Regulations 1996</i> <i>Australian Accounting Standards</i>		
<b>Local Law Ref:</b>			

### PURPOSE

To provide direction for the preparation of financial transactions and financial reporting.

### POLICY

The significant accounting policies which have been adopted in the preparation of this financial report are:

#### (a) Basis of Preparation

The financial report is a general purpose financial statement 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.

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 the selected non-current assets, financial assets and liabilities.

#### **Critical Accounting Estimates**

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

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

**(b) The Local Government Reporting Entity**

All Funds through which the Council controls resources to carry on its functions have been included in the financial statements.

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 financial statements, but a separate statement of those monies appears at Note 19 to the financial statements.

**(c) Classification and Capitalisation of Non-Current Assets**

Each class of property, plant and equipment and infrastructure assets can be valued at either cost or fair value. Non-Current Assets are classified into the following categories:

- Land
- Buildings
- Furniture and Equipment
- Plant and Equipment
- Infrastructure Assets - Roads and Streets
- Infrastructure Assets - Other structures
- Infrastructure Assets - Parks, Plant and Machinery
- Infrastructure Assets – Drainage
- Infrastructure Assets – Gardens

For the purpose of practicality, the following materiality thresholds have been applied, below which any expenditure on assets need not be capitalised.

***Land***

All purchases are capitalised, but land resumed for public works need not be capitalised if the resumption cost is less than \$1,000.

***Buildings***

Expenses totalling less than \$3,000 on any one building in any year need not be capitalised.

***Furniture and Equipment***

Expenses totalling less than \$3,000 on any item in any year need not be capitalised.

***Plant and Equipment***

Expenses totalling less than \$3,000 on any one item in any year need not be capitalised.

**Infrastructure Assets – Roads and Streets**

Expenses totalling less than \$5,000 on any one item in any year need not be capitalised.

**Infrastructure Assets - Other Categories**

Expenses totalling less than \$3,000 on any one item in any year need not be capitalised.

**Tools**

Expenses totalling less than \$3,000 on any one item in any year need not be capitalised.

**Mandatory Requirement to Revalue Non-Current Assets**

Effective from 1 July 2012, the *Local Government (Financial Management) Regulations 1996* were amended and the measurement of non-current assets at fair value became mandatory.

The amendments allow for a phasing in of fair value in relation to fixed assets over three years as follows:

- (a) for the financial year ending on 30 June 2013, the fair value of all of the assets of the local government that are plant and equipment; and
- (b) for the financial year ending on 30 June 2014, the fair value of all of the assets of the local government –
  - (i) that are plant and equipment; and
  - (ii) that are land and buildings or infrastructure.

and;

- (c) for a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government.

Council has commenced the process of adopting Fair Value in accordance with the Regulations.

**Land under Control**

In accordance with *Local Government (Financial Management) Regulations 1996* 16 (a), the Council is required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or regional significance.

The Shire has conducted an assessment and determined that none of the land that is required to be recognised as an asset in accordance with *Local Government (Financial Management) Regulations 1996* 16 (a) are of significant value.

**Initial Recognition**

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 Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable future economic benefits associated with the item will flow to the Shire and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the statement of comprehensive income in the period in which they are incurred.

### ***Revaluation***

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on a basis to reflect the already consumed or expired future an asset less, where applicable, accumulated depreciation calculated on a basis to reflect the already consumed or expired future economic benefits.

Those assets carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be revalued with sufficient regularity to ensure the carrying amount does not differ significantly from that determined using fair value at reporting date.

Other non-current assets are measured on the cost basis. The carrying amount of non-current assets is reviewed annually by management to ensure that they are not in excess of the recoverable amount.

In addition, the amendments to the Financial Management Regulations mandating the use of Fair Value, imposes a further minimum of 3 years revaluation requirement. As a minimum, all assets carried at a revalued amount, will be revalued at least every 3 years.

### ***Transitional Arrangement***

During the time it takes to transition the carrying value of non-current assets from the cost approach to the fair value approach, the Council may still be utilising both methods across differing asset classes.

Those assets carried at cost will be carried in accordance with the policy detailed in the Initial Recognition section as detailed above.

Those assets carried at fair value will be carried in accordance with the Revaluation methodology section as detailed above.

### ***Early Adoption of AASB 13 - Fair Value Measurement***

Whilst the new accounting standard in relation to fair value, AASB 13 - Fair Value Measurement does not become applicable until the end of the year ended 30 June 2013 (in relation to Council), given the legislative need to commence using Fair Value

methodology for this reporting period, the Council chose to early adopt AASB 13 (as allowed for in the standard).

As a consequence, the principles embodied in AASB 13 - Fair Value Measurement have been applied to this reporting period (year ended 30 June 2013).

### ***Land under Roads***

Acquired on or before 30 June 2008 –

Council has elected not to recognise the value of lands under roads acquired on or before 30 June 2008 in accordance with AASB 1051.

Acquired on or after 1 July 2008 –

Land under roads acquired after 30 June 2008 is accounted for in accordance with AASB 116 - Property, Plant & Equipment. However, *Local Government (Financial Management) Regulations 1996* 16 prohibits the recognition of land under roads as asset that is crown land, but is vested under the control or management of the local government.

*Local Government (Financial Management) Regulations 1996* 4 states that where the Accounting Standard is inconsistent with the provisions of the regulations, the provisions of the regulations prevail to the extent of that inconsistency. Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council.

### **(d) Depreciation of Non-Current Assets**

All non-current assets having a limited useful life are systematically depreciated over their useful lives to the entity in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Property, furniture and equipment are brought to account at cost, and will be carried at net written down values.

#### ***Buildings***

Buildings	3%
Stationary Plant & Equipment	3% - 10%
Fixtures & Fittings	9% - 33%

#### ***Furniture and Equipment***

Office Furniture	9% - 33%
Computer Hardware & Communications	9% - 33%
Computer Software	9% - 33%
Other Office Equipment	9% - 33%

#### ***Plant and Equipment***

Sedans & Wagons – Base Models	20% - 30%
Sedans & Wagons – Executive Models	20% - 30%
Utilities and 4WDs	10% - 30%
Construction Plant	5% - 10%
Construction Vehicles and Equipment	5% - 10%



<b>Infrastructure Assets - Roads, Streets</b>	2% - 5%
<b>Infrastructure Assets - Other Structures</b>	1% - 5%
<b>Infrastructure Assets - Drainage</b>	1% - 2%
<b>Infrastructure Assets – Gardens</b>	Nil
<b>Infrastructure Assets - Parks, Plant &amp; Equipment</b>	1.5% - 33.3%

**(e) Goods and Services Tax**

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables in the Statement of Financial Position are stated inclusive of GST.

**(f) Cash and Cash Equivalents**

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities on the Statement of Financial Position.

**(g) Inventories**

**General**

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

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the Statement of Comprehensive Income as at the time of signing a binding contract of sale.

**(h) Employee Benefits**

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

**(i) Annual Leave and Long Service Leave (Short-term Benefits)**

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

*(ii) 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 projected unit credit method. Consideration is given to expected future wage and salary levels, experience of the 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 Council does not have unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

***Superannuation***

The superannuation expense for the reporting period is the contribution the Shire makes to the WA Local Government Superannuation Plan which provides benefits to its employees. The plan is cash accumulation scheme and therefore the Shire bears no liabilities in relation to the plan that might arise if it was a defined benefits scheme.

**(i) Investments and Other Financial Assets**

***Classification***

Council classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

*(i) Financial assets at fair value through profit and loss*

Financial assets at fair value through profit and loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

*(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the Statement of Financial Position date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the Statement of Financial Position.

*(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

*(iv) Available-for-sale financial assets*

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date.

Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

***Recognition and derecognition***

Regular purchases and sales of financial assets are recognised on trade-date the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss is initially recognised at fair value and transaction costs are expensed in the Statement of Comprehensive Income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the Statement of Comprehensive Income as gains and losses from investment securities.

***Subsequent measurement***

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the Statement of Comprehensive Income within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the Statement of Comprehensive Income as part of revenue from continuing operations when Council's right to receive payments is established. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

***Impairment***

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss-measured as the difference between the acquisition costs and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in the Statement of Comprehensive Income. Impairment losses recognised in the Statement of Comprehensive Income on equity instruments classified as available-for-sale are not reversed through the Statement of Comprehensive Income.

**(j) Estimation of Fair Value**

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

**(k) Impairment**

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Comprehensive Income.

For non-cash generating assets such as roads, drains, public building and the like, value in use is represented by the depreciated replacement cost of the asset.

**(l) Joint Venture**

The Council's interest in a joint venture has been recognised in the financial statements by including its share of any assets, liabilities, revenues and expenses of the joint venture within the appropriate line items of the financial statement. Information about the joint venture is set out in Note 16.

The Council's interest in joint venture entities are recorded using the equity method of accounting.

When the Council contributes assets to the joint venture or if the Council purchases assets from the joint venture, only the portion of gain or loss not attributable to the Council's share of the joint venture shall be recognised. The Council recognises the full amount of any loss when the contribution results in a reduction in the net realisable value of current assets or an impairment loss.

**(m) Rates, Grants, Donations and Other**

Rates, grants, donations and other contributions are recognised as revenues when the Shire 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 the receipt of the rates. Control over granted assets is normally obtained upon their receipt or upon notification that a grant has been secured and the timing of commencement of control depends on the arrangements that exist between the grantor and the Shire.

Unreceived contributions over which the Shire has control are recognised as receivables. Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature and amounts pertaining to those undischarged conditions are disclosed where applicable. Where applicable, the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the Shire's operations for the current reporting period are disclosed.

**(n) Trade and Other Receivables**

Collectability of trade 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.

**(o) 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.

**(p) Trade and Other Payables**

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Local Government prior to the end of the financial year that are unpaid and arise when the Local Government becomes obligated to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

**(q) Borrowing Costs**

Borrowing Costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

**(r) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Shire are classified as finance leases. Finance leases are capitalised recording an asset and a



liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**(s) 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 twelve months, being the Councils operational cycle. In the case of liabilities, where the Council does not have the unconditional right to defer settlement beyond twelve months, such as vested long service leave, the liability is classified as current even if not expected to be settled the next twelve months. Inventories held for trading are classified as current even if not expected to be realised in the next twelve months except for land held for resale where it is held as non-current based on Council's intentions to release for sale.

**(t) Rounding Off Figures**

All figures in this annual statutory budget, other than the rate in the dollar, are rounded to the nearest dollar.

**(u) Comparative Figures**

Where required, comparative figures have been adjusted to conform to changes in presentations for the current financial year.

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

**(v) Intangible Assets**

*Easements*

The Council has determined that under AASB 138 Intangible Assets, easements are valued on an historical cost basis, because it is unlikely that an active market in easements exists to allow for fair value measurement. Due to acquisition of easements at NIL values, no easements have been included in the financial report.

**(w) Event after the Reporting Date**

Subsequent to year end the State Government has announced the proposed amalgamation of some metropolitan local councils. The impact of this proposed amalgamation on the Shire of Mundaring has yet to be determined.

**(x) New Accounting Standards and Interpretations for Application in Future Periods**

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Council.

Management's assessment of the new and amended pronouncements that are relevant to the Council, applicable to future reporting periods and which have not yet been adopted are set out as follows.

<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(i) AASB 9 – Financial Instruments	December 2009	1/01/2013	Nil – The objective of this Standard is to improve and
AASB 2012 – 6 Amendments to Australian Accounting Standards – Mandatory AASB 9 and Disclosures	September 2012	Deferred AASB 9 until 1 January 2015	simplify the approach for classification and measurement of financial effective date of assets compared with the Transition requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect.

Title and Topic	Issued	Applicable (*)	Impact
(ii) AASB 2009 – 11 Amendments to Australian Accounting Standards AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]	December 2009	1/01/2013	Nil – The revisions embodied in this standard give effect to arising from the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).
(iii) AASB 2010 – 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and 5, 10, 12, 19 & 127]	December 2010	1/01/2013	Nil – The revisions embodied in this standard give effect to the consequential changes [AASB 1, 3, 4, AASB 9 which is not anticipated to have any Interpretations 2, material effect on the Council (refer (i) above).



<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(iv) AASB 10 - Consolidated Financial Statements, AASB 11 - Joint Arrangements, AASB 12 – Disclosure of Interests in Other Entities, AASB 127 –Separate Statements, AASB 128 – Associates and Joint Ventures, AASB 2011 - 7 Amendments to Australian Accounting Standards arising from the Consolidation and Standards.	August 2011	1/01/2013	Nil - None of these, except Statements, for AASB 128 , are expected to have significant application to the operations of the Council. With respect to Financial AASB 128, where the Investments in Council has an interest in a Joint Venture, the requirements of AASB 128 supersede those of the Arrangement current Joint Venture Standard AASB 131. The new standard more clearly defines the accounting treatment and disclosure in relation to it.

Title and Topic	Issued	Applicable (*)	Impact
(v) AASB 2011 - 9 Amendments to Australian Accounting Standards – Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]	September 2011	1/07/2013	The main change embodied in this standard is the Presentation of requirement to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently. It affects presentation only and is not expected to significantly impact the Council.
(vi) AASB 119 - Employee Benefits, AASB 2011 - 10 Amendments to Accounting Standards arising from AASB 119 [AASB 1, 8, 101, 124, 134, 1049 & 2012-8 and Interpretation 14]	September 2011	1/01/2013	The changes in relation to defined benefit plans Australian contained in this standard are not expected to significantly impact the Council nor are the changes to AASBs in relation to termination benefits.

<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(vii) AASB 2012-2 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities 32]	June 2012	1/01/2013	<p>Principally amends AASB 7: Financial Instruments: Disclosures – Disclosures to require entities to include information that will [AASB 7 &amp; enable users of their financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity’s recognised financial assets and recognised financial liabilities, on the entity’s financial position.</p> <p>This Standard is not expected to significantly impact on the Council’s financial statements.</p>

Title and Topic	Issued	Applicable (*)	Impact
(viii) AASB 2012-3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]	June 2012	1/01/2014	This Standard adds application guidance to AASB 132: Financial Instruments: Presentation to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of “currently has a legally enforceable right of set-off” and that some gross settlement systems may be considered equivalent to net settlement. This Standard is not expected to significantly impact on the Council’s financial statements.

Title and Topic	Issued	Applicable (*)	Impact
(ix) AASB 2012-5: Amendments to Accounting Standards arising from Annual Improvements 2009-2011 Cycle [AASB 1, 101, 116, 132, 134 and Interpretation 2]	June 2012	1/01/2013	Outlines changes to the Australian various standards and interpretations as listed. These topics are not currently relevant to Council, nor are they expected to be in the future. As a consequence, this Standard is not expected to significantly impact on the Council's financial Statements.
(x) AASB 2012-10: Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments. [AASB 1, 5, 7, 8, 10, 11, 12, 13, 101, 102, 108, 112, 118, 119, 127, 128, 132, 133, 134, 137, 1023, 1038, 1039, 1049 & 2011-7 and Interpretation 12]	December 2012	1/01/2013	Mainly consequential changes relating to transition guidance. It is not expected to have a significant impact on Council.

(\*) Applicable to reporting periods commencing on or after the given date.

**(v) Adoption of New and Revised Accounting Standards**

During the current year, the Council adopted all of the new and revised Australian Accounting Standards and Interpretations which became mandatory and which were applicable to its operations.

These new and revised standards were:

AASB 2010 – 8

AASB 2011 – 3

AASB 2011 - 13

The standards adopted had a minimal effect on the accounting and reporting practices of the Council as they were either largely editorial in nature, were revisions to help ensure consistency with presentation, recognition and measurement criteria of IFRSs or related to topics not relevant to operations.

The Council also chose to early adopt AASB 13 – Fair Value Measurement as allowed for in the standard. For further details with respect to this early adoption, refer to Note 1(g).

## 8.11 Risk Management - Review - Six monthly Update

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<b>File Code</b>	OR.OFC 8
<b>Author</b>	Danielle Courtin, Governance Coordinator
<b>Senior Employee</b>	Paul O'Connor, Director Corporate Services
<b>Disclosure of Any Interest</b>	Nil

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### **SUMMARY**

This is the second six-monthly update of the ongoing review of the Shire's risk management, which is presented to the Audit and Risk Committee for noting.

### **BACKGROUND**

In December 2016 Council adopted the Shire's updated Risk Management Framework documenting the Shire's approach to identifying, assessing, managing, reporting and monitoring risk (C3.12.16).

The Framework allows for a dynamic ongoing approach, with regular six-monthly reviews and reporting, driven by the Risk Framework Owner (the Governance Co-ordinator).

An initial review of the Risk Dashboard was undertaken by the Executive Leadership Team together with relevant employees.

This report is the second update, reporting on progress made identifying, analysing and evaluating risk controls.

### **STATUTORY / LEGAL IMPLICATIONS**

The Risk Management Framework is based on Australia/New Zealand ISO 31000:2009 Risk Management.

### **POLICY IMPLICATIONS**

Risk Management Policy IS-01 and Procedure Admin-36 were comprehensively reviewed and adopted by the Committee in November 2016 and by Council in December 2016.

### **FINANCIAL IMPLICATIONS**

Nil.

### **STRATEGIC IMPLICATIONS**

Mundaring 2026 Strategic Community Plan:

1. Priority one: Governance

1.2 Objective two: Transparent, responsive and engaged processes for Shire decision making

## **SUSTAINABILITY IMPLICATIONS**

Nil

## **RISK IMPLICATIONS**

The Risk Management Framework sets out the Shire's approach to the identification, assessment, management, reporting and monitoring of risks.

## **EXTERNAL CONSULTATION**

Nil

## **COMMENT**

The Risk Management Committee (i.e. the Executive Leadership Team) together with the identified control owners continued its review of the risks in the Risk Dashboard given a control rating of "inadequate", as detailed in **ATTACHMENT 27**.

## **VOTING REQUIREMENT**

Simple majority

<b>COMMITTEE DECISION</b>		<b>DARC3.08.17</b>	
<b>RECOMMENDATION</b>			
<i>Moved by:</i>	<i>Cr Perks</i>	<i>Seconded by:</i>	<i>Cr Jeans</i>

That the Committee notes the second six-monthly update of the Risk Dashboard.

## **CARRIED 4/0**

**For:** *Cr Bertola, Cr Perks, Cr Jeans, Ms Stewart*

**Against:** *Nil*



**Attachment 27**

**Report 8.11**

**1 page**

**ATTACHMENT 27 – Review of “inadequate” controls**

Theme / Control	Action	Control Owner
<p><b>Theme:</b> Asset Sustainability Practices  <b>Control:</b> Asbestos management and asbestos register</p>	<p>This control was misunderstood during initial assessment while the Manager Building Assets was on secondment. Clarification received upon his return was satisfactory to the Risk Management Committee.  <b>Control now “adequate”.</b></p>	<p>Manager Building Assets</p>
<p><b>Theme:</b> Asset Sustainability Practices  <b>Control:</b> Contract management</p>	<p>A two-day in-house tailor-made training course for all staff handling contracts was provided during March 2017 to ensure that staff have a good understanding of contract clauses and can hold contractors accountable.  <b>Control now “adequate”.</b></p>	<p>All staff dealing with contracts</p>
<p><b>Theme:</b> Misconduct  <b>Control:</b> Procurement</p>	<p>Procurement internal audit recommendations have been implemented, updated and strengthened policies and procedures have been adopted by Council.  <b>Control now “adequate”.</b></p>	<p>Manager Finance and Governance</p>
<p><b>Theme:</b> Misconduct  <b>Control:</b> Fuel cards</p>	<p>Fuel cards procedure still under review.  <b>Control remains “inadequate”.</b></p>	<p>Should be Manager Finance and Governance. Currently is Director Infrastructure Services.</p>
<p><b>Theme:</b> Management of facilities, venues and events  <b>Control:</b> Lease agreements for Shire facilities</p>	<p>Lease agreements are a minor part of the job descriptions of Manager Rec &amp; Leisure, Coordinator Community Facilities and Governance Coordinator, but really require a dedicated officer, such as a Property Officer, to progress in a timely manner.  <b>Control remains “inadequate”.</b></p>	<p>Manager Recreation and Leisure, Coordinator Community Facilities and Governance Coordinator</p>
<p><b>Theme:</b> Misconduct  <b>Control:</b> Police clearances</p>	<p>Agreed in principle for identified positions. Manager HR to check with other local governments re level of application and matrix for rating offences.  <b>Control remains “inadequate”.</b></p>	<p>Manager HR</p>
<p><b>Theme:</b> Employment Practices  <b>Control:</b> Security and staff welfare systems</p>	<p>Consideration of recommendations of the Threat Protect Security Review report ongoing.                      Procedure OSH-04 Isolated Employees requires review.  <b>Control remains “inadequate”.</b></p>	<p>Directors</p>

## 8.12 Internal Audit Plan – Progress Report

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<b>File Code</b>	FI.AUD 1516
<b>Author</b>	Paul O'Connor, Director Corporate Services
<b>Senior Officer</b>	As above
<b>Disclosure of Any Interest</b>	Nil

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### **SUMMARY**

This report provides the Audit and Risk Committee with an update as to the progress in the implementation of the agreed Internal Audit Plan (**ATTACHMENT 28**).

### **BACKGROUND**

At the Audit and Risk Committee meeting of 21 February 2017, the Committee prioritised the following projects for inclusion in the internal audit plan over the next four financial years (DARC3.02.17):

1. Fleet Management
2. Animal Control
3. Complaints management system
4. Asset management
5. Human resources processes
6. Waste services
7. Planning and building applications process
8. Health inspections
9. ICT systems
10. Energy management
11. Booking of Shire facilities
12. Communications – social media
13. Community grants
14. Record keeping

### **STATUTORY / LEGAL IMPLICATIONS**

*Local Government (Audit) Regulations 1996*

### **POLICY IMPLICATIONS**

The Internal Audit Charter OR-19 provides the framework for the conduct of the internal audit function in the Shire of Mundaring. It defines the purpose, independence, authority and responsibility of the internal audit activity. Internal audits will be performed by independent external contractors appointed through a transparent Expressions of Interest process.

## FINANCIAL IMPLICATIONS

Cost of the internal audits planned is included in the annual budget each year. The amount may however cover one major review or at least two smaller reviews in a financial year.

## STRATEGIC IMPLICATIONS

Supports Strategic Community Plan 2026:

- Strategic Theme 1.1.4 - Practise effective governance and financial risk management

## SUSTAINABILITY IMPLICATIONS

Nil

## RISK IMPLICATIONS

<b>Risk:</b> Lack of progression of agreed internal audit plan		
<b>Likelihood</b>	<b>Consequence</b>	<b>Rating</b>
Possible	Minor	Moderate
<b>Action / Strategy</b>		
The implementation of the agreed internal audit plan will mitigate risks associated with each project area and encourage good governance, transparency, accountability, effectiveness and efficiency.		

## EXTERNAL CONSULTATION

Nil

## COMMENT

Nil

## VOTING REQUIREMENT

Simple majority

<b>COMMITTEE DECISION RECOMMENDATION</b>	<b>DARC4.08.17</b>
<i>Moved by: Cr Jeans</i>	<i>Seconded by: Cr Perks</i>

That the Audit and Risk Committee notes the progress of the agreed Internal Audit Plan (**ATTACHMENT 28**).

**CARRIED 4/0**

**For:** *Cr Bertola, Cr Perks, Cr Jeans, Ms Stewart*

**Against:** *Nil*

**Attachment 28**

**Report 8.12**

**1 page**

## Internal Audit - Status - Approved Projects - Four Year Plan

Audit Areas (in priority order)	Risk Level	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Future Years	Est. Hours	Cost \$	Status
Procurement	High	✓							146	37,097	Complete
Fleet Management	High		✓								
Animal Control	High				✓						
Complaints management system	High					✓					
Asset management	Moderate						✓				
Human resources processes	Moderate							✓			
Waste services	High										
Planning and building applications process	Moderate							✓			
Health inspections	Moderate							✓			
ICT systems	Moderate							✓			
Energy management	Moderate							✓			
Booking of Shire facilities	Moderate							✓			
Communications – social media	Moderate							✓			
Community grants	Moderate							✓			
Record keeping	Low							✓			
	Low							✓			RFQ in development

## 8.13 Review of Terms of Reference – Audit and Risk Committee

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<b>File Code</b>	OR.MTG 6/1
<b>Author</b>	Paul O'Connor, Director Corporate Services
<b>Senior Employee</b>	As above
<b>Disclosure of Any Interest</b>	Nil

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### **SUMMARY**

The Audit and Risk Committee (ARC) is required to conduct a review of its terms of reference (ToR) once every two years and provide Council with recommendations relating to any changes as a result of the review.

Also prior to the local government elections scheduled for October this year, it is considered appropriate that the Committee review its current terms of reference to ensure a uniform approach in its structure, timelines and compliance with statutory obligations.

### **BACKGROUND**

The ToR of the Audit and Risk Committee were adopted by Council in September 2015.

The objective of the Committee is to assist Council in providing a transparent and independent process in its audit, risk and governance management to ensure accountability to the community in the governance and compliance framework and it's financial and risk management responsibilities.

Reports from the Committee will assist Council in discharging its legislative responsibilities of controlling the Shire's affairs, determining the Shire's policies for financial, audit, risk and governance matters and overseeing the allocation of the Shire's finances and resources.

The Committee will ensure openness in the Shire's financial reporting and will liaise with the CEO to ensure the effective and efficient management of the Shire's financial accounting systems, risk management framework, and compliance with legislation.

### **STATUTORY / LEGAL IMPLICATIONS**

*Local Government Act 1995 Part 5*  
*Local Government (Audit) Regulations 1996 r. 17*

### **POLICY IMPLICATIONS**

There are no policy implications relative to this report.



## FINANCIAL IMPLICATIONS

There are no financial implications relative to this report.

## STRATEGIC IMPLICATIONS

Mundaring 2026 Strategic Community Plan

Priority 1: Governance

- Objective 1: a fiscally responsible Shire that prioritises spending appropriately
- Strategy 4: Practice effective governance and financial risk management

## SUSTAINABILITY IMPLICATIONS

Nil

## RISK IMPLICATIONS

### Compliance Impact

Moderate     The amendments will enhance the ARC objectives and role in assisting Council provide a transparent and independent process in its audit, risk and governance management. Failure to update the ToR would be in breach of the Regulations.

## CONSULTATION

Nil

## COMMENT

The proposed changes to the ToR are detailed hereunder:

cl.	Current	Proposed
2	<b>Council</b> means the Shire of Mundaring.	<b>Council</b> means the Council of Shire of Mundaring.
3	Reports from the Committee will assist Council in discharging its legislative responsibilities of controlling the Shire's affairs, determining the Shire's policies and overseeing the allocation of the Shire's finances and resources.	Reworded for clarity and to include Shire's policies for financial, audit, risk and governance matters.
4.3	The Chairperson of the Committee shall be appointed by the Committee; and	Removed and new section added to outline the role and responsibilities of the Presiding Member at Clause 5.
	The Committee is supported by the CEO, and relevant staff nominated by the CEO.	Added the word administratively to demonstrate level of support provided by the CEO etc.

7.2	Calls for an independent member to apply for a position on the Committee shall be advertised.	Added where to be advertised, ie. by local public notice.
9.2.3	-	New clause - Ensure that at least one substantial internal audit is carried out and finalised each financial year.
9.3.3	Ensure a regular review of Council policy is completed.	Strengthening ToR to ensure a regular review of Council policies for financial, audit, risk and governance matters is completed.
9.4.3	Regularly review Council's strategic risk register to check that extreme and high level risks are being managed in accordance with the Risk Management Framework.	Update of reference from risk register to dashboard.
11	Voting clause	Updated to reflect the requirements of <i>the Local Government Act 1995</i> .
14	Termination clause	Updated.
14.3	Remuneration Clause	Not required

## COMMENT

**ATTACHMENT 29** is a tracked change version, with **ATTACHMENT 30** is the proposed final version.

## VOTING REQUIREMENT

Simple majority

<b>COMMITTEE RECOMMENDATION</b>	<b>ARC10.08.17</b>
<b>RECOMMENDATION</b>	
Moved by: <i>Cr Jeans</i>	Seconded by: <i>Cr Perks</i>

That Council adopts the revised Terms of Reference for the Audit and Risk Committee as reviewed in August 2017.

**CARRIED 4/0**

**For:** *Cr Bertola, Cr Perks, Cr Jeans, Ms Stewart*

**Against:** *Nil*

**Attachment 29**

**Report 8.13**

**8 pages**



## AUDIT AND RISK COMMITTEE

### TERMS OF REFERENCE

#### 1. Name

The name of the Committee shall be the Shire of Mundaring Audit and Risk Committee.

#### 2. Definitions

**Act** means the *Local Government Act 1995*.

**Committee** means the Shire of Mundaring Audit and Risk Committee as stipulated in this document.

**Council** means the [Council of](#) Shire of Mundaring.

**Chief Executive Officer (CEO)** means the Chief Executive Officer of the Shire of Mundaring.

**Elected Member** means a Councillor of the Shire of Mundaring Council.

#### 3. Objectives

The objective of the Committee is to assist Council in providing a transparent and independent process in its audit, risk and governance management to ensure accountability to the community in the governance and compliance framework and its financial and risk management responsibilities.

Reports from the Committee will assist Council in discharging its legislative responsibilities of controlling the Shire's affairs, determining the Shire's policies for financial, audit, risk and governance matters and overseeing the allocation of the Shire's finances and resources.

The Committee will ensure openness in the Shire's financial reporting and will liaise with the CEO to ensure the effective and efficient management of the Shire's financial accounting systems, risk management framework, and compliance with legislation.

#### 4. Committee Structure

4.1 The Committee shall consist of:

4.1.1 Shire President, Deputy Shire President, four elected members; and

4.1.2 One independent member, other than an elected member;

4.2 The independent member of the Committee shall be appointed by Council;

~~4.3 The Chairperson of the Committee shall be appointed by the Committee;~~ and

4.4 A quorum will be four members.

The Committee is supported administratively by the CEO, and relevant staff nominated by the CEO.

## **5. Presiding Member**

5.1 The Committee is to determine the Presiding Member of the Committee at the first meeting of the Committee immediately following the establishment of the Committee or following each biennial local government election, whichever is applicable;

5.2 The Committee is to determine a Deputy Presiding Member of the Committee at the first meeting of the Committee immediately following the establishment of the Committee or following each biennial local government election, whichever is applicable;

5.3 If the Chairperson is absent from a meeting, the Deputy Presiding Member is to preside at that meeting.

5.4 The role of the Presiding Member includes:

5.4.1 overseeing and facilitating the conduct of meetings in accordance with the Act and the Shire's Meeting Procedures Local Law 2015;

5.4.2 ensuring all Committee members have an opportunity to participate in discussions in an open and encouraging manner; and

5.4.3 where a matter has been debated significantly and no new information is being discussed, to call the meeting to order and ask for the debate to be finalised and the motion to be put.

## **5.6. Terms of Appointments**

Appointment to the Committee shall be determined by the Council following ordinary local government elections, for a term to expire on the date of the subsequent ordinary local government elections. If a member of the Committee resigns prior to an ordinary local government election, the Council will appoint a replacement.

## **6.7. Qualification and Selection of the Independent Member**

7.1 The independent member is to possess accounting or related financial, governance and risk management experience and have strong business acumen, management and communication skills.

7.2 Calls for an independent member to apply for a position on the Committee shall be advertised by local public notice.

## **7.8. Meetings of the Committee**

8.1 The Committee will meet at least three times per year.

8.2 An ordinary or a special meeting of the Committee is to be held:

- (a) if called for by either the Chairperson or at least two Committee members in a notice to the CEO setting out the date and purpose of the proposed meeting; or
- (b) if so decided by the Committee; or
- (c) if called for by Council.

8.3 The Committee may invite, through the CEO, Shire employees, auditors or others to attend meetings and provide pertinent information, where necessary.

## **8.9. Functions of the Committee**

The Committee is to -

- (a) provide guidance and assistance to the local government –
  - (i) as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and
  - (ii) as to the development of a process to be used to select and appoint a person to be an auditor;
- (b) provide guidance and assistance to the local government as to –
  - (i) matters to be audited;
  - (ii) the scope of audits;
  - (iii) its functions under Part 6 of the Act; and
  - (iv) the carrying out of its functions relating to other audits and other matters related to financial management;
- (c) review a report given to it by the CEO under regulation 17(3) of the *Local Government (Audit) Regulations 1996* (the CEO's report) and is to –
  - (i) report to the council the results of that review; and
  - (ii) give a copy of the CEO's report to the Council;
- (d) review the annual Compliance Audit Return and report to the Council the results of that review; and
- (e) consider the CEO's biennial reviews of the appropriateness and effectiveness of the Shire of Mundaring's systems and procedures in regard to risk management, internal control and legislative compliance and report to the Council the results of those reviews.

### **9.1 External Financial Audit**

#### **9.1.1 Delegated Authority COM-46:**

The Committee has been delegated authority to meet with the auditor at least once in every year to satisfy the requirement of s.7.12A of

the Act and is to provide a report to Council on the matters discussed and the outcome of those discussions;

9.1.2 Provide guidance and assistance to Council as to the carrying out the functions of the local government in relation to audits;

9.1.3 Develop and recommend to Council an appropriate process for the selection and appointment of a person as the Shire of Mundaring's auditor;

~~9.1.4 Develop and recommend to Council:~~

~~9.1.4.1 a list of those matters to be audited; and~~

~~9.1.4.2 the scope of the audit to be undertaken;~~

9.1.5 Recommend to Council the person or persons to be appointed as auditor;

9.1.6 Develop and recommend to Council a written agreement for the appointment of the auditor. The agreement is to include:

9.1.6.1 the objectives of the audit;

9.1.6.2 the scope of the audit;

9.1.6.3 a plan of the audit;

9.1.6.4 details of the remuneration and expenses to be paid to the auditor; and

9.1.6.5 the method to be used by the local government to communicate with, and supply information to, the auditor;

9.1.7 Liaise with the CEO to ensure that the Shire of Mundaring does everything in its power to:

9.1.7.1 assist the auditor to conduct the audit and carry out his or her other duties under the Act; and

9.1.7.2 ensure that audits are conducted successfully and expeditiously;

9.1.8 Examine the reports of the auditor after receiving a report from the CEO on the matters to:

9.1.8.1 determine if any matters raised require action to be taken by the local government; and

9.1.8.2 ensure that appropriate action is taken in respect of those matters;

- 9.1.9 Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and presenting the report to Council for adoption prior to the end of the next financial year or six months after the last report prepared by the auditor is received, whichever is the latest in time;
- 9.1.10 Review the scope of the audit plan and program and its effectiveness;
- 9.1.11 Monitor the implementation of recommendations made by the audit and reviewing the extent to which Council and management react to matters raised;
- 9.1.12 Review the Shire of Mundaring's draft annual financial report, focusing on:
  - 9.1.12.1 accounting policies and practices;
  - 9.1.12.2 changes to accounting policies and practices;
  - 9.1.12.3 the process used in making significant accounting estimates;
  - 9.1.12.4 significant adjustments to the financial report (if any) arising from the audit process;
  - 9.1.12.5 compliance with accounting standards and other reporting requirements; and
  - 9.1.12.6 significant variances from prior years;
- 9.1.13 Consider and recommend adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the annual financial report is signed;
- 9.1.14 Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference; and
- 9.1.15 Seek information or obtain expert advice through the CEO on matters of concern within the scope of the committee's terms of reference.

## 9.2 Internal Audit

- 9.2.1 Review and approve the Internal Audit Charter and any subsequent changes, to ensure that internal audit activities are in accordance with the Internal Audit Charter;
- 9.2.2 The Internal Audit function shall report administratively to the CEO and functionally to the Council through the Audit and Risk Committee;



**9.2.3 Ensure that at least one substantial internal audit is carried out and finalised each financial year;**

- 9.2.4 Monitor and review recommendations arising out of internal audit reports and their implementation;
- 9.2.5 Review the effectiveness of the internal audit function, including compliance with relevant auditing standards;
- 9.2.6 Ensure the annual internal audit plan is informed by Council's Risk Management Framework; and
- 9.2.7 If considered necessary, meet with the internal audit service provider to discuss any matters the Audit and Risk Management Committee or the internal auditor believes need to be discussed privately.

**9.3 Governance**

- 9.3.1 Review the annual Compliance Audit Return and satisfy itself that the return is supported by appropriate processes and controls, to provide reasonable confidence about the accuracy of information contained in the return, and make a recommendation on its adoption to Council.
- 9.3.2 Consider the CEO's biennial reviews of the appropriateness and effectiveness of the Shire of Mundaring's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the Committee, and report to the Council the results of those reviews.
- 9.3.3 Ensure a regular review of Council policies for financial, audit, risk and governance matters is completed.

**9.4 Risk Management**

- 9.4.1 Ensure Council's Risk Management Framework addresses Council's its exposure to both strategic and operational risks;
- 9.4.2 Monitor the effectiveness of the Risk Management Framework through regular reviews and reporting;
- 9.4.3 Regularly review Council's strategic risk register-dashboard to check that extreme and high level risks are being managed in accordance with the Risk Management Framework;
- 9.4.4 To address any specific requests referred to it from Council in relation to issues of risk and risk management; and
- 9.4.5 At least once every year consider a report from the Shire's Risk Management Committee in relation to the management of risk with the Shire, and satisfy itself that appropriate controls and processes are in operation, and are adequate for dealing with risks that impact on the Shire.

## **9.10. Powers of the Committee**

- 10.1 The Committee is a formally appointed committee of Council and is responsible to that body.
- 10.2 The Committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility.
- 10.3 The Committee does not have any management functions and cannot involve itself in management processes or procedures.
- 10.4 The Committee recommendations are advisory only and shall not be binding on Council.

## **40.11. Voting**

~~40.11.1~~ Each member of the Committee at a meeting will have one vote.

~~11.2~~ In accordance with section 5.21-(3) of the Local Government Act 1995, the Presiding Member, in the event of an equality of votes, is to cast a second vote.

~~10.2~~ ~~The Presiding Member will have a deliberative vote but does not in the event of an equality of votes have a casting vote.~~

~~10.3~~ ~~In the event of a tied vote the matter will be referred to the Council for deliberation.~~

## **41.12. Reporting Requirements**

Recommendations arising from the Committee's deliberations shall be presented to the earliest available ordinary meeting of Council.

## **42.13. Alteration to Rules of Procedure**

The Committee is to conduct a review of its terms of reference providing Council with recommendations for any changes, in the first instance after twelve months of operation, with subsequent reviews to be held every two years.

## **43.14. Termination of Committee**

Termination of the Committee shall be at the discretion of Council and in accordance with the Act.

~~14.~~

~~15. Termination of the Committee shall be:~~

~~16.~~

~~17. 12.1~~ ~~in accordance with the Act; or~~

~~18.~~

~~19. 12.2~~ ~~at the discretion of Council.~~

~~20.~~

## **24.15. Remuneration**

- 14.1 The independent member of the Committee is to be reimbursed travel costs.
- 14.2 The Council will include the independent member of the Committee in its professional indemnity insurance coverage for the services they provide to the Council.
- 14.3 ~~The Council will include an allocation in its Annual Budget to allow the Committee to conduct investigations as deemed necessary and important.~~

**Attachment 30**

**Report 8.13**

**7 pages**



## AUDIT AND RISK COMMITTEE

### TERMS OF REFERENCE

#### 1. Name

The name of the Committee shall be the Shire of Mundaring Audit and Risk Committee.

#### 2. Definitions

**Act** means the *Local Government Act 1995*.

**Committee** means the Shire of Mundaring Audit and Risk Committee as stipulated in this document.

**Council** means the Council of Shire of Mundaring.

**Chief Executive Officer (CEO)** means the Chief Executive Officer of the Shire of Mundaring.

**Elected Member** means a Councillor of the Shire of Mundaring Council.

#### 3. Objectives

The objective of the Committee is to assist Council in providing a transparent and independent process in its audit, risk and governance management to ensure accountability to the community in the governance and compliance framework and its financial and risk management responsibilities.

Reports from the Committee will assist Council in discharging its legislative responsibilities of controlling the Shire's affairs, determining the Shire's policies for financial, audit, risk and governance matters and overseeing the allocation of the Shire's finances and resources.

The Committee will ensure openness in the Shire's financial reporting and will liaise with the CEO to ensure the effective and efficient management of the Shire's financial accounting systems, risk management framework, and compliance with legislation.

#### 4. Committee Structure

4.1 The Committee shall consist of:

4.1.1 Shire President, Deputy Shire President, four elected members; and

4.1.2 One independent member, other than an elected member;

4.2 The independent member of the Committee shall be appointed by Council;  
and

4.4 A quorum will be four members.

The Committee is supported administratively by the CEO, and relevant staff nominated by the CEO.

## **5. Presiding Member**

5.1 The Committee is to determine the Presiding Member of the Committee at the first meeting of the Committee immediately following the establishment of the Committee or following each biennial local government election, whichever is applicable;

5.2 The Committee is to determine a Deputy Presiding Member of the Committee at the first meeting of the Committee immediately following the establishment of the Committee or following each biennial local government election, whichever is applicable;

5.3 If the Chairperson is absent from a meeting, the Deputy Presiding Member is to preside at that meeting.

5.4 The role of the Presiding Member includes:

5.4.1 overseeing and facilitating the conduct of meetings in accordance with the Act and the Shire's Meeting Procedures Local Law 2015;

5.4.2 ensuring all Committee members have an opportunity to participate in discussions in an open and encouraging manner; and

5.4.3 where a matter has been debated significantly and no new information is being discussed, to call the meeting to order and ask for the debate to be finalised and the motion to be put.

## **6. Terms of Appointment**

Appointment to the Committee shall be determined by the Council following ordinary local government elections, for a term to expire on the date of the subsequent ordinary local government elections. If a member of the Committee resigns prior to an ordinary local government election, the Council will appoint a replacement.

## **7. Qualification and Selection of the Independent Member**

7.1 The independent member is to possess accounting or related financial, governance and risk management experience and have strong business acumen, management and communication skills.

7.2 Calls for an independent member to apply for a position on the Committee shall be advertised by local public notice.

## **8. Meetings of the Committee**

8.1 The Committee will meet at least three times per year.

8.2 An ordinary or a special meeting of the Committee is to be held:

- (a) if called for by either the Chairperson or at least two Committee members in a notice to the CEO setting out the date and purpose of the proposed meeting; or
- (b) if so decided by the Committee; or
- (c) if called for by Council.

8.3 The Committee may invite, through the CEO, Shire employees, auditors or others to attend meetings and provide pertinent information, where necessary.

## **9. Functions of the Committee**

The Committee is to -

- (a) provide guidance and assistance to the local government –
  - (i) as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and
  - (ii) as to the development of a process to be used to select and appoint a person to be an auditor;
- (b) provide guidance and assistance to the local government as to –
  - (i) matters to be audited;
  - (ii) the scope of audits;
  - (iii) its functions under Part 6 of the Act; and
  - (iv) the carrying out of its functions relating to other audits and other matters related to financial management;
- (c) review a report given to it by the CEO under regulation 17(3) of the *Local Government (Audit) Regulations 1996* (the CEO's report) and is to –
  - (i) report to the council the results of that review; and
  - (ii) give a copy of the CEO's report to the Council;
- (d) review the annual Compliance Audit Return and report to the Council the results of that review; and
- (e) consider the CEO's biennial reviews of the appropriateness and effectiveness of the Shire of Mundaring's systems and procedures in regard to risk management, internal control and legislative compliance and report to the Council the results of those reviews.

### **9.1 External Financial Audit**

#### **9.1.1 Delegated Authority COM-46:**

The Committee has been delegated authority to meet with the auditor at least once in every year to satisfy the requirement of s.7.12A of

the Act and is to provide a report to Council on the matters discussed and the outcome of those discussions;

- 9.1.2 Provide guidance and assistance to Council as to the carrying out the functions of the local government in relation to audits;
- 9.1.3 Develop and recommend to Council an appropriate process for the selection and appointment of a person as the Shire of Mundaring's auditor;
- 9.1.5 Recommend to Council the person or persons to be appointed as auditor;
- 9.1.6 Develop and recommend to Council a written agreement for the appointment of the auditor. The agreement is to include:
  - 9.1.6.1 the objectives of the audit;
  - 9.1.6.2 the scope of the audit;
  - 9.1.6.3 a plan of the audit;
  - 9.1.6.4 details of the remuneration and expenses to be paid to the auditor; and
  - 9.1.6.5 the method to be used by the local government to communicate with, and supply information to, the auditor;
- 9.1.7 Liaise with the CEO to ensure that the Shire of Mundaring does everything in its power to:
  - 9.1.7.1 assist the auditor to conduct the audit and carry out his or her other duties under the Act; and
  - 9.1.7.2 ensure that audits are conducted successfully and expeditiously;
- 9.1.8 Examine the reports of the auditor after receiving a report from the CEO on the matters to:
  - 9.1.8.1 determine if any matters raised require action to be taken by the local government; and
  - 9.1.8.2 ensure that appropriate action is taken in respect of those matters;
- 9.1.9 Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and presenting the report to Council for adoption prior to the end of the next financial year or six months after the last report prepared by the auditor is received, whichever is the latest in time;



- 9.1.10 Review the scope of the audit plan and program and its effectiveness;
- 9.1.11 Monitor the implementation of recommendations made by the audit and reviewing the extent to which Council and management react to matters raised;
- 9.1.12 Review the Shire of Mundaring's draft annual financial report, focusing on:
  - 9.1.12.1 accounting policies and practices;
  - 9.1.12.2 changes to accounting policies and practices;
  - 9.1.12.3 the process used in making significant accounting estimates;
  - 9.1.12.4 significant adjustments to the financial report (if any) arising from the audit process;
  - 9.1.12.5 compliance with accounting standards and other reporting requirements; and
  - 9.1.12.6 significant variances from prior years;
- 9.1.13 Consider and recommend adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the annual financial report is signed;
- 9.1.14 Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference; and
- 9.1.15 Seek information or obtain expert advice through the CEO on matters of concern within the scope of the committee's terms of reference.

## 9.2 Internal Audit

- 9.2.1 Review and approve the Internal Audit Charter and any subsequent changes, to ensure that internal audit activities are in accordance with the Internal Audit Charter;
- 9.2.2 The Internal Audit function shall report administratively to the CEO and functionally to the Council through the Audit and Risk Committee;
- 9.2.3 Ensure that at least one substantial internal audit is carried out and finalised each financial year;
- 9.2.4 Monitor and review recommendations arising out of internal audit reports and their implementation;

- 9.2.5 Review the effectiveness of the internal audit function, including compliance with relevant auditing standards;
- 9.2.6 Ensure the annual internal audit plan is informed by Council's Risk Management Framework; and
- 9.2.7 If considered necessary, meet with the internal audit service provider to discuss any matters the Audit and Risk Management Committee or the internal auditor believes need to be discussed privately.

### 9.3 Governance

- 9.3.1 Review the annual Compliance Audit Return and satisfy itself that the return is supported by appropriate processes and controls, to provide reasonable confidence about the accuracy of information contained in the return, and make a recommendation on its adoption to Council.
- 9.3.2 Consider the CEO's biennial reviews of the appropriateness and effectiveness of the Shire of Mundaring's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the Committee, and report to the Council the results of those reviews.
- 9.3.3 Ensure a regular review of Council policies for financial, audit, risk and governance matters is completed.

### 9.4 Risk Management

- 9.4.1 Ensure Council's Risk Management Framework addresses its exposure to both strategic and operational risks;
- 9.4.2 Monitor the effectiveness of the Risk Management Framework through regular reviews and reporting;
- 9.4.3 Regularly review Council's strategic risk dashboard to check that extreme and high level risks are being managed in accordance with the Risk Management Framework;
- 9.4.4 To address any specific requests referred to it from Council in relation to issues of risk and risk management; and
- 98.4.5 At least once every year consider a report from the Shire's Risk Management Committee in relation to the management of risk with the Shire, and satisfy itself that appropriate controls and processes are in operation, and are adequate for dealing with risks that impact on the Shire.

## 10. Powers of the Committee

- 10.1 The Committee is a formally appointed committee of Council and is responsible to that body.

- 10.2 The Committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility.
- 10.3 The Committee does not have any management functions and cannot involve itself in management processes or procedures.
- 10.4 The Committee recommendations are advisory only and shall not be binding on Council.

## **11. Voting**

- 11.1 Each member of the Committee at a meeting will have one vote.
- 11.2 In accordance with section 5.21(3) of the *Local Government Act 1995*, the Presiding Member, in the event of an equality of votes, is to cast a second vote.

## **12. Reporting Requirements**

Recommendations arising from the Committee's deliberations shall be presented to the earliest available ordinary meeting of Council.

## **13. Alteration to Rules of Procedure**

The Committee is to conduct a review of its terms of reference providing Council with recommendations for any changes, in the first instance after twelve months of operation, with subsequent reviews to be held every two years.

## **14. Termination of Committee**

Termination of the Committee shall be at the discretion of Council and in accordance with the Act.

## **15. Remuneration**

- 14.1 The independent member of the Committee is to be reimbursed travel costs.
- 14.2 The Council will include the independent member of the Committee in its professional indemnity insurance coverage for the services they provide to the Council.

## **9.0 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

*Nil*

## **10.0 URGENT BUSINESS (LATE REPORTS)**

- *CEO advised that this will be the last meeting of the current members of the Audit and Risk Committee due to elections in October.*
- *Presiding Person wished to thank Kim Stewart for her attendance and contribution as a long standing member of the committee and all staff for their time and effort put into writing the reports.*

## **11.0 CONFIDENTIAL REPORTS**

*Nil*

## **12.0 CLOSING PROCEDURES**

### **12.1 Date, Time and Place of the Next Meeting**

The next meeting will be held on Tuesday, 21 November 2017 at 5.30pm in the Committee Room.

### **12.2 Closure of the Meeting**

*The Presiding Person declared the meeting closed at 6.56pm.*