



Business Papers

For The

Council Meeting

16 December 2008

7.00 START

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1.Status report.

December 2008

Date	Resolution #	Officer	Description	Action	Status	Questions & Comments
			FINANCE & ADMINISTRATION			
20 Nov 2007	602	CEO	Negotiate the Purchase of Lot 748 Omdurman Street from Landcorp.	Await valuation of lot & advice from Landcorp.	Negotiations are continuing	Landcorp have now agreed to a price of \$12,950.
19 Feb 2008	655	CEO	Have 60kps signs removed keeping 40kph signs in Tudhoe Street, place warning signs of the approach to the 80kps on all entry points and additional signage referring to the banning of use of Jake Brakes.	Letter sent to Main Roads	Has been discussed with the MR Regional Director. Main Roads audit to commence on Thursday 18 September	Works Committee to meet to consider several items involving the road network.
19 Feb 2008	656	DCEO	Liaise with the Shire's of West Arthur and Dumbleyung to prepare a submission for a shared "Speed Sign Trailer"	To be organised	Discuss at 4wd Meeting	SPO actioning
20 May 2008	718	CEO	Strategic Waste Management Plans	Council endorse agreement	Draft report will be presented to Council	Plan has been submitted to Government and is now out on public exhibition.
17 June 2008	733	CEO	4WD Draft report from a consultant	Council has considered the latest report	Zone meeting will deal with this at the Local Government Conference	MOU before Council this month.
17 June 2008	734	CEO	Development and sale of industrial land	Planning approval necessary	Planning application about to be lodged	Proceeding.
17 June 2008	736	CEO	Environmental Health Officer	Respond to letters, approach Wandering Shire RE Existing Arrangement & Formalise agreement	Negotiations have been held with the EHO	New arrangements have been communicated to the other councils

21 Oct 2008	818	CEO	Local Planning Strategy	A Special Council Meeting will be held on 4 th Nov 08 with Joe Douglas in attendance.		
21 Oct 2008	819	CEO	Operational leasing of Plant	Refer item to Works & Services Committee		
21 Oct 2008	820	CEO	Water Corporation Agreement	Refer item to Works & Services Committee		
21 Oct 2008	821 & 822	CEO	4WD Minutes	Sign MOU		
21 Oct 2008	823	DCEO	Notice of Motion	Review Purchasing and Tender Guide		
21 Oct 2008	827	CEO	Computer System – from last meeting	Explore funding options and requirements for upgrade		
18 Nov 2008	842	ADCEO	Council Policies	Update Policies		
18 Nov 2008	843 & 844	ADCEO	Computer Upgrade	Two Quotations sourced		
18 Nov 2008	845	ADCEO	Organisational Structure	Referred at Finance and General Purposes Committee		
18 Nov 2008	846	ADCEO	Health Building and Planning Policies Amended	Remove any reference to the Health, Building and Town Planning Standing Committee		

18 Nov 2008	847, 848, 849 & 850	CEO & SPO	CEO's House	New design brief to be sourced. And Lot 56 Pederick Drive be sold.		
18 Nov 2008	855	CEO	Waratah Lodge	Pursue a green field capable of accommodating a 50 bed facility, pursue avenues of funding and establish a joint committee		
18 Nov 2008	856	CEO	Waratah Lease	Proceed with plans for a sub lease.		
18 Nov 2008	857	CEO	Youth Centre	Establish a youth advisory committee, approach the Wagin Agricultural re – leasing 'old drive in' and provide assistance in set up.		
18 Nov 2008	858	ADCEO	Christmas Function/Office Hours Christmas/New Year	Advertise Office Hours		
18 Nov 2008	859	ADCEO	Councillors Request System	Implement Councillors Request System		
18 Nov 2008	861 – 863	ADCEO	Donation to Local Drug Action Group	Request recipient Tax Invoice to allow for donation to be paid.		
18 Nov 2008	866	CEO	Replacement of Tip Truck	Refer item to Works and Service Committee		

			Health, Building & Planning			
20 Nov 2007	597	PEHO	Owner of Lot 735 Forrest St permission for 12m x 18m x 4.5m shed	Issue building permit	Awaiting Plans	Building permit issued.
20 Nov 2007	599	CEO	Apply for regional headwork's grants in relation to the Lefroy/Vernal St subdivision	Make grant application	Requires design to be completed, awaiting development approval.	With planners
15 Apr 2008	697	CEO	Light Industrial Land – Lefroy/Vernal Streets	Obtain cost estimates prior to submitting a head works grant application	Letter sent to Planning Enterprises engineers contracted for revised cost estimates	Await decision from Planning Commission
20 May 2008	715 & 716	CEO	Lots 193 & 194 Vale Street	Proceed to realign boundary creating a road reserve.	Realignment proceeding	Await decision from Planning Commission
17 June 2008	742	CEO	Host Agreement – CDEP	Notify KEEDAC of intention to enter into agreement	Letter written	Papers received from KEEDAC, one indigenous employee working part time on subsidized wages.
17 June 2008	743	CEO	Collie Railway Locomotive	Advise proponent of proposal being referred to Townscape Committee	Townscape Committee accepted the proposal and a submission has been sent to Collie.	Awaiting a reply from Collie Council
19 Aug 2008	781	EHO	Lot 34 Tudhoe Street	Advise property owners Council has requested a formal plan with time frames for the proposed improvements to their property		Letter sent advising the owners of the officers recommendation from the item – Nov OCM.

21 Oct 2008	816	CEO	Dedication of portion of Ventnor Street	Place advert in local paper, contact all adjoining land owners	Planning Enterprises have been supplied details of adjoining owners and letters have been sent and advert has been placed in local paper	
18 Nov 2008	852	EHO	Wagin Woolorama – Additional Display Facility – Ballard Seeds	Correspondence to be sent advising them that Council does not want to be responsible for the maintenance on this building.		Correspondence has been sent.
18 Nov 2008	854	CEO	Proposed Rural Subdivision	Advise proponent that Council does not support this proposal.		

			WORKS & SERVICES			
18 Mar 2008	688	CEO	Unnamed Road (off Ballagin Road)	Write to the Geographic Names Comm and ask that the unnamed road be named either Johnson Road or Raymond Road	Letter sent 3/04/08 Awaiting Reply	
21 Oct 2008	828	CEO	Road study			

2. Townscape and Tidy Towns committee report

MINUTES OF A TOWNSCAPE AND TIDY TOWNS COMMITTEE MEETING HELD IN THE COUNCIL CHAMBERS ON FRIDAY 28 NOVEMBER 2008

1. **OPENING:** Meeting opened at 6:00 pm

2. **ATTENDANCE**

Cr B Anderson	Chairman
Cr K Draper	
Ms S Dimmock	
Mrs B Anderson	
Mr J Shaw	

STAFF:	Mr J Hunter	Chief Executive Officer
	Mr T Evans	Town Supervisor

APOLOGIES:

VISITORS: Nil

3. **DECLARATION OF INTEREST**

Nil

4. **CONFIRMATION OF PREVIOUS MEETING MINUTES**

Committee Resolution

Moved:	K. Draper	Seconded:	J. Shaw
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1) That the minutes of the meeting of 19/9/08 be confirmed.

Carried 5/0

5. **BUSINESS ARISING FROM THE PREVIOUS MINUTES (not already on the agenda)**

Nil

Ongoing items

6. BUSINESS ITEMS AND REPORTS

6.01 Stop and Shop provision

Committee Resolution

Moved: K. Draper

Seconded: Bev Anderson

That Committee recommends to Council that:

- 2) it includes the provision of a Stop and Shop facility on the Library Block.
- 3) Officers to prepare a report for the next meeting of the committee concerning landscaping on the block keeping in mind that a new toilet block is to be built on the site.
- 4) Advice be prepared on any other work that has to be carried out and draft designs of appropriate signage be prepared.

Carried 5/0

6.02 Main thoroughfares

Committee Resolution

Moved: J. Shaw

Seconded: Bev Anderson

That Committee recommends to Council that five main thoroughfares be recognized in town being:

- 1) Ballagin and Trent Streets.
- 2) Tudor Street.
- 3) Upland Road
- 4) Ware St
- 5) Tudhoe East and Arthur Road.

(Note Tudhoe Street through the CBD is treated separately).

Carried 5/0

6.03 Thoroughfare plantings

Committee Resolution

Moved: S. Dimmock

Seconded: J. Shaw

- 1) That Committee recommends to Council that the town's main thoroughfares be planted out with:
 - a. Ornamental Pear – Westwood
 - b. Ornamental Pear – Chanticlear

Carried 5/0

6.03 Streetscapes for the town precincts

Committee Resolution

Moved: Bev. Anderson

Seconded: S. Dimmock

- 1) That Committee recommends to Council that the seven town precincts be streetscaped with the following plants:
 - a. North East
 - i. Claret Ash - Raywood
 - ii. Flowering Plum.
 - b. South West
 - i. Maple - Pacific Sunset
 - ii. Crab Apple - Sugar Tyme
 - c. North West
 - i. Agonis flexuosa - After Dark
 - ii. Maple - Flamingo
 - d. CBD
 - i. Pear – Capital
 - ii. Gleditsia - Elegantissima
 - e. Industrial Estate
 - i. Agonis – After Dark
 - ii. Pincushion Hakea
 - f. Tavistock Street
 - i. Side trees same as CBD
 - ii. Centre tree – Norwegian Sunset (A centre line 3m wide with four breaks)
 - g. Sports precinct – defer until 2009.

Carried 4/0

7. OTHER BUSINESS

- a. Initial effort be concentrated on Tudhoe Street
- b. Future meetings to be held on the fourth Thursday night of the month at 6:00pm starting in January 2009.

CLOSURE

The meeting closed at 8:00 pm.

These Minutes were confirmed at a meeting held on

Signed _____

Presiding Member at the meeting at which the Minutes were confirmed.

Dated _____

3. Waste management committee report.

THE MINUTES OF WASTE MANAGEMENT AND RECYCLING COMMITTEE HELD IN THE WAGIN SHIRE ADMINISTRATION BUILDING TUESDAY 2 DECEMBER 2008

1. **OPENING:** Meeting open at 4:00pm

2. **ATTENDANCE:**

Cr L Ballantyne	(Chairman)
Cr Anderson	
Ms D Perrie	
Mr M Ritchie	
Mr T Pugh	
Mr J Hunter	Chief Executive Officer
Mr S Friend	Environmental Health Officer
Mr J Case	Special Projects Officer
Mr A Hicks	Works Manager
Ms L Parola	Acting Deputy Chief Executive Officer
Ms J Stroud	Tip Attendant

APOLOGIES: Cr Draper

VISITORS: Nil

3. **DECLARATION OF INTEREST:** Ted Pugh (waste contract)

4. CONFIRMATION OF PREVIOUS MINUTES

WMR29

Mr T Pugh / Mr A Hicks

That the Minutes of the Waste Management and Recycling Committee meeting held on 4 November 2008, with the date on the subject title being corrected and the inclusion of the fact that Mr S. Friend and J. Case were apologies of the previous meeting (2 October 2008) be confirmed as a true and correct record.

Carried

5/0

5. BUSINESS ARISING FROM PREVIOUS MINUTES

Nil

6. CORRESPONDENCE AND REPORTS

6.1 Warren Blackwood Proposals

Committee chairperson and CEO addressed the meeting regarding a discussion held with the Warren Blackwood Company during the previous week. The discussion was generally about the ability and desire of the Company to set up a recycling facility in

Wagin in partnership with the Shire of Wagin. The proposal would include the Shire providing a suitable building and handing over the landfill site to the group to run.

The committee discussed the options available and
Committee Recommendation

WMR30

Ms D Perrie / Mr M Ritchie

Committee recommends to Council to prepare and advertise a request for proposals from interested parties for kerbside recycling and processing in Wagin

Carried

5/0

6.2 Policy Recommendations on removal of Waste from the Landfill site and fees applicable

The Special Project Officer addressed the meeting on the proposed item. He believed that the following points needed to be included in a policy recommendation.

- Access will only be given during official tip open hours
- Must have approval of the tip attendant
- No payment is required for goods taken, however if the goods are recognised as having value a donation tin is available for Waratah and a receipt will be issued for any such donations. (Note: this does not in any way imply that the Shire doubts the integrity or honesty of the current tip attendant)
- For OS&H reasons the following apply:
 - No children or animals are permitted out of vehicles
 - Enclosed shoes must be worn
 - Permission for top area only, no access down the bank

The committee discussed the proposals and made the following recommendation:

WMR31

Cr B Anderson / Mr M Ritchie

Committee recommends to Council that a policy be adopted to state:

For the Wagin Landfill site STEEL DUMP for minor items only

- Access will only be given during official tip open hours
- Must have approval of the tip attendant to remove items
- No payment is required for goods taken, however if the goods are recognised as having value a donation tin is available for Waratah and a receipt will be issued for any such donations.
- For OS&H reasons the following apply:
 - No children or animals are permitted out of vehicles
 - Enclosed shoes must be worn

Carried

5/0

6.3 Implementation date for Landfill fees to apply

Special Project Officer advised that the date that this is scheduled to be implemented by January 10, 2009.

6.4 Status of Tip Pass distribution

Special Project Officer advised the meeting that staff had targeted a completion date of 18th December, 2008 to have this completed, due to the complexity of the data gathering from the current IT system available.

Note items 6.3 and 6.4 were discussed and voted on together

WMR32 Cr B Anderson / Mr T Pugh

Committee recommends to Council to adopt the dates scheduled by staff for the implementation of fees and tip pass distribution

Carried

5/0

7 Other Business

Recycling for Farmers

WMR33 Ms D Perrie / Mr M Ritchie

Committee recommends to Council to purchase a sea container and construct a recycling collection module.

Carried

5/0

8. CLOSURE

Cr Ballantyne thanked all for attending and closed the meeting at 5.10 pm.

9. NEXT MEETING

4 pm, Tuesday 3 February 2009

4. Finance and general purposes committee report



Shire of Wagin

Minutes of Finance and General Purpose Committee Meeting held 1 December 2008

1. OPENING:

The meeting opened at 7.00 pm

2. ATTENDANCE AND APOLOGIES:

PRESENT:

Committee Members:	Cr A Dohle (Presiding Member)
	Cr B W Anderson
	Cr G R Ball
	Cr P J Blight
	Cr I C Cumming
	Cr D K Morgan

Staff:	Mr J Hunter	Chief Executive Officer
	Ms L J Parola	Acting Deputy Chief
		Executive Officer
	Mr J Case	Special Projects Officer

Visitors: Nil

Apologies: Cr L Ballantyne

Leave of Absence: Nil

3. PUBLIC QUESTION TIME

Nil

4. DECLARATION OF INTEREST

Leanne Parola & John Case declared a financial interest in Item 6.7 – Organisational Structure as they would be affected by the proposed restructure.

Councillors Morgan & Ball declared an impartiality interest in Item 6.2 – Special Federal Grant as they are members of the Wagin Aero Club.

5. CONFIRMATION OF PREVIOUS MINUTES

Committee Resolution

F233 Cr Ball/Cr Anderson

That the minutes of the Finance and General Purposes Committee meeting held on 17 July 2008 be confirmed as a true and accurate record.

CARRIED
Vote 6/0

6. REPORTS

6.1

Location:

Audit Report

Shire of Wagin

Reporting Officer:

Acting Deputy Chief Executive Officer

Summary

The auditor's report for 2007/08 has been received.

Background

UHY Haines Norton conducted an audit of the Shire of Wagin's finances for last financial year in November 2008.

Comment

A copy of the Auditor's Report and Management Report were sent to the President and Chairman of the audit committee by the Shire's auditor, UHY Haines Norton on 18 November 2008 (see attached copy).

While the auditor found the annual statements to be correct and in compliance with the relative Standards and legislation, there were three instances where Council did not comply with the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996. These were:

Auditor's report

Staff comment

Submission of Financial Report

The accounts and financial report for the year ended 30 June 2008 were not submitted to the auditor by 30 September 2008 as required by section 6.4(3) of the Act.

The late adoption of the budget (August 2008) pushed back the preparation of the annual financial report.

The budget for 2009/10 should be adopted as early as possible to enable staff time to prepare the reports.

Monthly Creditors Payment Listing

The monthly creditors payment listing (list of accounts) for March 2008, April 2008 and May 2008 was not recorded in (attached to) the minutes of the meeting at which it was presented as required by Financial Management Regulation 13(3)(b).

In an effort to reduce the pages of the Council minutes our previous interim CEO instructed the Executive Assistant to delete creditor payment listing in the official copy of the minutes. This has now been rectified.

Monthly Financial Reports

The monthly financial reports for each month of the year were presented to Council as required by Financial Management Regulation 34. However, for the full year to June 2008, they did not contain the following information:

The monthly reports now identify material variances between actual and budgeted income and expenditure and explanations will be provided.

Council has previously indicated that the threshold for material variances is 15% and \$5,000.

- i) Material variances between the year to date actual and budgeted income and expenditure as required by Financial Management Regulation 34(1)(d), and
- ii) An explanation of each of the variances referred to in i) above as required by Financial Management Regulation 34(2)(b).

The Auditor also prepared a Management Report which highlights any weaknesses in systems and procedures which may exist. It made several comments in relation to a number of ratios, ie:

Current ratio

Declined this year, mainly due to an increase in trade payables, unexpended grants and the cash purchase of a grader. The auditor noted that these are non-recurring in nature and are not likely to repeat themselves in 2009.

Untied cash to trade creditors ratio

At 30 June 2008 there was insufficient unrestricted short term funds to pay creditors, however it was an improvement on the year before.

Rate coverage ratio

The increase in rates by 6% was noted, however the auditor states that the Shire needs to increase rates to level which will balance the needs of the community with Council's need to improve the historically low rate coverage ratio and to address past and current cash shortages at the end of the year. The Auditor believes the rate coverage should be between 35% and 40%, currently we sit at 29%.

Road infrastructure

The auditor recommended Council review the current method of recording and depreciating road infrastructure to ensure depreciation is correctly reflected. This has been an ongoing management issue for the past few years.

Electronic payments

The auditor noted insufficient controls over the loading of EFT payments and changing of staff and creditors banking details. This is a new control issue that the auditors are focusing on. Unfortunately the current accounting software system does not have the capabilities to deal with this issue, however the IT Vision software does.

Fixed assets

The fixed asset register does not tie in to the general ledger, with the general ledger being higher than the fixed asset register which could be a result of new assets not being entered into the register, or assets not being removed from the ledger. This will need to be investigated or it may be more prudent to adjust the register with the correct accounting assistance.

Corrected and Uncorrected Misstatements

There was one corrected misstatement and two uncorrected misstatements noted by the auditor. These were in relation to an incorrect balance sheet disclosure for the cash balance, stale cheques to be reversed and the previously mentioned imbalance between the general ledger and fixed assets register.

Statutory Environment

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

Policy Implications

Nil

Budget Implications

Nil

Officer's Recommendation

That the Finance Committee recommend to Council that:

- 1) the Auditor's report and management report be received
- 2) the 2008/09 Budget be set as soon as possible
- 3) the previously set material variance of +/- 15% and +/- \$5,000 be confirmed and be reported on as part of the monthly financial statements
- 4) the comments in the management report be noted
- 5) a meeting be organised between the Finance and General Purposes Committee (as Audit Committee) and the Shire's Auditor in February 2009

Committee Resolution

F234 Cr Blight/Cr Cumming

That the Officer's Recommendation be adopted.

CARRIED
Vote 6/0

18 November 2008

The Shire President
Shire of Wagin
PO Box 200
WAGIN WA 6315

Dear Cr Blight

MANAGEMENT REPORT FOR THE YEAR ENDED 30TH JUNE 2008

We advise that we have completed our audit procedures for the year ended 30th June 2008 and enclose our Audit Report.

We are required under the Local Government Audit Regulations to report certain compliance matters in our audit report. Other matters which arise during the course of our audit that we wish to bring to Council's attention are raised in this management report.

It should be appreciated that our audit procedures are designed primarily to enable us to form an opinion on the financial statements and therefore may not bring to light all weaknesses in systems and procedures which may exist. However, we aim to use our knowledge of the Shire's organisation gained during our work to make comments and suggestions, which, we hope, will be useful to you.

Comment on Financial Position

Whilst we do not consider the Shire has experienced an adverse trend in its financial position, we would like to make a comment with respect to the *current ratio*, the *untied cash to trade creditors ratio* and the *rate coverage ratio*.

• **Current Ratio**

Council's current ratio at 30 June 2008 was 0.63 (63%) (2007: 1.08). A ratio of greater than one (100%) is normally regarded as the norm as it indicates Council has more current assets than current liabilities.

The main reasons why Council's current ratio declined this year are, in the main, threefold:

- Trade payables increased by \$183,000 over 2007. Shire staff indicated this was due to staffing vacancies experienced by Council late in the financial year resulting in trade payables not being managed.
- Unexpended grants increased by \$225,000 over 2007. This impacted Council's available unrestricted cash negatively.
- During the year Council bought a new grader. The net cash outflow to Council after taking into account the trade value received for the old grader and using plant replacement reserve funds of \$50,000 was \$96,000. This reduced available unrestricted cash significantly.

In summary, the three major causes of the decline in the current ratio would appear to be non-recurring in nature (ie unique to 2008) and not likely to repeat themselves in 2009.

UHY Haines Norton - ABN 358 5397 1745

16 Lakeside Corporate, 24 Parkland Road Osborne Park WA 6017
PO Box 1707 Osborne Park DC WA 6916

t +61 8 9444 3400
f +61 8 9444 3430

e perth@uhyhn.com.au
w www.uhyhainesnorton.com.au

Comment on Financial Position (Continued)

• United Cash to Trade Creditors Ratio

The untied cash to trade creditors ratio measures Council's ability to pay trade creditors in accordance with its normal trading terms and conditions. As at 30 June 2008, the ratio was 0.12 (12%) (2007:0.00) which indicates there were insufficient unrestricted short term funds to pay creditors.

Like the current ratio, a ratio greater than one (100%) indicates unrestricted funds (free cash) is in excess of short term creditor obligations.

Three items are mainly responsible for the ratio being below 100 % :

- Relatively low bank balance which is unrestricted;
- The abnormally high creditors at 30 June 2008 (see above); and
- The negative impact on municipal funds caused by the purchase of the grader (see above).

It is noted last year the untied cash ratio was zero. At that date Council had negative untied cash funds of \$43,511 as opposed to positive untied cash funds this year at \$52,710. This equates to a year on year swing of \$96,000 which indicates Council's cash balances have improved year on year.

• Rate Coverage Ratio

This ratio measures Council's dependence on rate revenue to fund operations.

The higher the ratio, the higher the dependency on rates, and the lower the dependency on government grants and other funding sources.

Typically Shire's of similar size to the Shire of Wagin should operate in the 0.35 to 0.45 (35% - 45%) range and even then can still experience difficulties depending on circumstances.

The Shire had a rate coverage ratio of 0.29 (29%) at 30 June 2008. The ratio has now steadily improved over the past few years from 24% in 2006 to the current 29% and we commend council on this achievement. However, the ratio is still considered low and may partially have contributed to past and current cash shortages at year end and is an indication Council remains reliant on external funding sources which are becoming less reliable.

Rate revenue is one of the few income areas upon which Council can expect some influence or level of control.

The challenge every Council faces is to continue to increase this ratio in the face of ever decreasing alternative funding sources (i.e. financial assistance grants).

We note Council increased rates by 6% for the 2008/09 year. This is at the same level as for the 2007/08 year.

Whilst this is in line with the official CPI, the "basket of goods" acquired by the Shire does not necessarily fit into the same category as those used to measure CPI. Consequently, by merely adopting CPI as a guide to rate rises, the Shire, in real terms, may be going backwards with respect to revenue growth. Council should again consider this matter when setting the 2009/10 budget.

In summary then, whilst we believe that Council's overall financial position is in reasonable shape, the short term liquidity position remains under pressure, particularly at year end. An added challenge for the Shire of Wagin is to increase its rates to levels which will balance the needs of the community with Council's need to improve the historically low rate coverage ratio.

We believe management and Council are aware of these challenges and will seek ways to address them in the years ahead.

Road Infrastructure - Depreciation

As in previous years, the calculation of depreciation on roads for the year ended 30 June 2008 was performed using a weighted average method.

From our testing and review, the depreciation expense arrived at appeared to be reasonable and no adjustment to the calculation was required.

However, we recommend that Council review the current method of recording and depreciating road infrastructure with a view to implementing a system which will allow each road to be dissected into its component parts. This will enable a more reliable record of Council's road network to be maintained as well as helping to ensure depreciation is correctly reflected.

Electronic Payments

As discussed in our financial management review report, we noted insufficient controls over the loading of EFT payments and changing of staff and creditors banking details.

Evidence suggests adequate preventative controls have not yet been established or implemented.

To ensure all payments made are bona fide and appropriately authorised, we recommend further investigation and implementation of appropriate higher level control measures that are preventative (rather than detective) in nature be implemented.

The system should be structured to allow for risk areas to be easily reviewed and these reviews should be routinely conducted by staff independent of the payment process.

Fixed Assets

We noted that for three fixed asset categories the fixed asset register does not tie in to the general ledger.

In each case the general ledger is higher than the fixed asset register which could point to assets acquired not entered into the register, or to assets physically disposed of but not accounted for in the ledger.

We recommend this imbalance be investigated and corrected. This will help ensure Council maintains an accurate record of its fixed assets.

We advise that the effect on the depreciation for the year is not material.

We noted no other matters we wish to draw to Council's attention.

Corrected and Uncorrected Misstatements

We advise there was one corrected misstatement and two uncorrected misstatements noted by us during the course of our audit. This is shown in Appendix I to this letter

We take this opportunity to thank the Chief Executive Officer and all staff for the assistance provided during the audit.

Should you wish to discuss any matter relating to the audit or any other matter, please do not hesitate to contact us.

Yours faithfully



GREG GODWIN
PARTNER

Encl

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**SHIRE OF WAGIN
APPENDIX 1
FORMING PART OF THE MANAGEMENT REPORT
FOR THE YEAR ENDED 30TH JUNE 2008**

Corrected Misstatements

	Dr (\$)	Cr (\$)
Restricted Cash Balance	224,809	
Unrestricted Cash Balance		224,809
Incorrect balance sheet disclosure		

Uncorrected Misstatements

	Dr (\$)	Cr (\$)
Unrestricted Cash Balance	2,860	
Sundry Income		2,860
Stale cheques to be reversed		
Fixed Assets	1,682	
Sundry Income		1,682
Imbalance between general ledger and fixed assets register		

**INDEPENDENT AUDIT REPORT
TO THE ELECTORS OF THE SHIRE OF WAGIN**

Report on the Financial Report

We have audited the accompanying financial report of the Shire of Wagin, which comprises the balance sheet as at 30 June 2008 and the income statement by nature or type, income statement by program, statement of changes in equity, cash flow statement and rate setting statement for the year ended on that date and a summary of significant accounting policies and other explanatory notes.

Council's Responsibility for the Financial Report

Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report of the Shire of Wagin is in accordance with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended), including:

- a giving a true and fair view of the Shire's financial position as at 30 June 2008 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

UHY Haines Norton - ABN 358 5397 1745

16 Lakeside Corporate, 24 Parkland Road Osborne Park WA 6017
PO Box 1707 Osborne Park DC WA 6916

t +61 8 9444 3400
f +61 8 9444 3430

e perth@uhyhn.com.au
w www.uhyhainesnorton.com.au

**INDEPENDENT AUDIT REPORT
TO THE ELECTORS OF THE SHIRE OF WAGIN (continued)**

Statutory Compliance

During the course of the audit we became aware of the following instance where the Council did not comply with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

Submission of Financial Report

The accounts and financial report for the year ended 30 June 2008 were not submitted to the auditor by 30 September 2008 as required by section 6.4(3) of the Act.

Monthly Creditors Payment Listing

The monthly creditors payment listing (list of accounts) for March 2008, April 2008 and May 2008 was not recorded in (attached to) the minutes of the meeting at which it was presented as required by Financial Management Regulation 13 (3) (b).

Monthly Financial Reports

The monthly financial reports for each month of the year were presented to Council as required by Financial Management Regulation 34. However, for the full year to June 2008, they did not contain the following information:

- i) Material variances between the year to date actual and budgeted income and expenditure as required by Financial Management Regulation 34 (1) (d); and
- ii) An explanation of each of the variances referred to in i) above as required by Financial Management Regulation 34 (2) (b).

Other Matters

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) There are no matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Shire.
- b) Except as detailed above, no other matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) All necessary information and explanations were obtained by us.
- d) All audit procedures were satisfactorily completed in conducting our audit.

UHY HAINES NORTON
CHARTERED ACCOUNTANTS



GREG GODWIN
PARTNER

Date: 18 November 2008
Perth, WA

S:\David\Local Govt\Wagin\2008\Corr\08 June Audit Report.doc

Councillors Morgan & Ball declared an impartiality interest in Item 6.2 – Special Federal Grant as they are members of the Wagin Aero Club.

6.2 Special Federal Grant

Proponent: CEO

Summary

This proposal seeks to get the Committee's recommendation concerning a project to put forward to the Federal Government to secure \$100,000 in grant funds from its recently announced Regional and Local Community Infrastructure Program.

Background

The global economic situation has prompted most governments with the capability to spend funds in an attempt to stimulate the international economy. As part of the Australian Government's program, the Prime Minister recently announced a special grant to local government that translates to \$100,000 to the Shire of Wagin.

Comment

These grants are for specific purposes and the guidelines have been circulated to Councillors previously by email. This has prompted four proposals and these are:

- A Townscape project which is aimed at transforming the streetscape of the town and which would be leveraged by way of community involvement.
- An Airport upgrade project that would transform the town's air traffic capability and improve the service available through the RFDS.
- A project to landscape the eastern side of the Council building to upgrade the car park to provide secure parking for 20 cars, improve the walkways and gardens and re-open the eastern entrance to the building.
- Apply the funds to the Waratah project, a priority project for Council, with the funds being used to lessen the debt required or otherwise applied to the project.

The guidelines specifically state that Councils will not receive more than their allocation and that they are not expected to apply for more than their allocation.

Council needs advice from the Committee as to the priority of the projects put forward to date.

Statutory Environment

Policy Implications

These funds are additional to Council's existing budget and do not require a budgetary input from Council.

Budget Implications

The Plan will of course involve some costs and the Council requires some idea of a timetable so as to budget appropriately.

Officer's Recommendation

That Committee recommends to Council a priority project from the list contained in the report.

Committee Resolution**F235 Cr Morgan/Cr Cumming**

That the Committee recommends that Council apply for funds from the Regional and Local Community Infrastructure Program for the airstrip upgrade project.

CARRIED

Vote 4/3

The Presiding Member used his casting vote to carry the motion.

Proponent:**CEO**

Summary

This item is to update the Committee on an ongoing 4WD VROC project which has been undertaken as one of the first of its projects in cooperation as is outlined in the Agreement between the five Councils.

Background

The 4WD group has looked at the range of local government activity with the purpose of finding ways to improve efficiency leading either to lowered costs or increased community service or both.

The group has recently completed a feasibility study that examined the possibilities of developing a common platform for information and communication technology. A copy of that study is attached for information.

The purpose of the study was to provide support for a grant application to the State Government under its Connecting Local Governments and Structural Reform initiative.

Comment

The study presented a number of options and developed a preferred option which demonstrated the possibility for considerable savings across the 4WD group. As the report indicates, the overall benefits derived from this approached when compared to the current approach are:

- Initial costs of setup can be reduced through buying power
- Ongoing costs can be reduced through lower service costs derived from the suppliers dealing with a group of like businesses
- A lower specialization server at each Council which will have less frequent need to be upgraded or replaced.
- Training in ICT functions can be conducted on a regional basis on common products and a local product support group can be established
- Common operating systems enables staff across the region to be interchangeable and able to fill casual vacancies that arise through illness or leave and maintain a constant level of service at each site
- The uptake can be staged across the group of Councils if need be (with the offset being increased training costs and reduced buying power)
- Individual Councils can specialize in a particular function (such as rating) and staff in that situation develop as specialist staff (ie as rates clerks in this example) with efficiencies being gained through specialization
- More qualified staff can be employed as positions can be established that are career positions leading to efficiencies through an improved skill base
- ICT expertise is provided where it is needed at the server and software sites reducing costs and downtime at remote regional sites
- Future software and hardware upgrades can be carried out “behind the scenes” with no disruption to Council operations

- Overall operating risk is reduced with Councils operating on recent versions of software and hardware with competent support staff in place to keep it operating
- By moving on changes to ICT systems first, “as low hanging fruit”, a higher degree of cooperation and trust could be established between the Councils which in turn could lead to other shared effort initiatives.

The detailed cost benefit is attached to this report and can be summarized, if the whole group gets behind the recommended option, in terms of a once off technology spend of \$384,000 will produce an annual gain of \$315,000. As the report points out this is within industry return on investment expectations.

The grants available under the scheme have a cap of \$200,000 but amounts greater than \$200,000 may be considered if a project demonstrates exceptional merit. The funding application will be arguing exceptional merit but if that is not successful then the group of councils will be required to make up the difference which is on average about \$40,000 each.

If some Councils decide not to be part of the project the project will need to be reworked and if, say, three councils wish to proceed then all of the initial cost requirement may be able to be met from the \$200,000 available by way of grant. It is a matter of submitting the grant and seeing what happens from there.

At this point this report is provided for information only.

Statutory Environment

Policy Implications

The proposal is in keeping with the recent establishment of the 4WD VROC.

Budget Implications

These funds are additional to Council’s existing budget and the proposed project may or may not require a budgetary input from Council.

Officer’s Recommendation

That Committee receives and notes the report and refers it to Council for information.

Committee Resolution

F236 Cr Ball/Cr Anderson

That the Committee agrees with the recommendations contained in the report.

CARRIED
Vote 6/0

Attachment 1: Extract from the 4WD VROC feasibility study into shared ICT platforms.

Table 1.1: Estimated Establishment Costs

	Upgrade costs
Purchase of equipment	\$40,000
Additional software	\$10,000
Data conversion and new software set up (\$25,000 per site)	\$100,000
Finance system replacement (list price is \$60,000 each, includes training)	\$240,000
Staff training (\$10,000 per site)	\$50,000
Telecommunications network	\$5,000
Less estimated savings due to bulk purchase	(\$100,000)
Total	\$345,000

Note this table does not include the usual whole of life equipment maintenance programs of the member councils and only includes the expected additional costs that would be incurred if each Council moved to a new system by itself.

All figures in the table would be reduced if any of the councils in the group decided not to proceed to a system upgrade as part of this program.

Table 1.2: Estimated Annual Operational Costs

	Current costs	Post implementation costs
Service centre costs		\$80,000
Local ICT maintenance	\$20,000	\$5,000
Software licenses and support	\$80,000	\$75,000
Internet costs - 5 councils	\$5,000	\$5,000
Productivity dividend		(\$375,000)
Total per annum	\$105,000	(\$210,000)
Total benefit		\$315,000

Notes: The productivity dividend is explained in the next section.

The above annual operational cost estimates do not includes the support costs for all of Council's hardware and software including stand alone systems such as the library system and records management.

Benefits

The primary benefit is expressed in terms of an annual productivity dividend which has been assessed at 15% of the estimated total cost of administration. Administration is defined as those employee costs that are not otherwise allocated to "hands on" service provision and are more generally associated with access to and utilization of information.

Total employee costs across the group amount to \$5,574,712. An estimate of the cost of administration (as used in this study) across all of the Councils in the group is

\$2.5 million or approximately 45%. This is seen as the cost of the time of all of those who interface with the ICT system. The objective is to use that time more effectively.

The 15% for the productivity figure is an estimate which is made up of:

- deducting staff time now spent on ICT issues that will be done off site,
- removing the known time eroding issues with existing software such as the need to double and triple handle data,
- reduction of downtime resulting from system failure or maintenance issues,
- increased the efficiency and capability of the new systems,
- removing backlogs resulting from illness or leave and the need for catch-up,
- the opportunity for staff to become specialized, and
- the opportunity for some tasks to be dealt with by one centre (further specialization).

In summary the above figures show that for an initial expenditure of \$345,000, which is net after a bulk purchase saving of \$100,000, an annual productivity dividend of \$375,000 across the five councils in the group can be expected. This productivity outweighs the comparable current cost for the function by 3.7 to 1.

4WD VROC

Shared ICT Service Options

Feasibility Study

November 2008

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Report summary

This report is the result of a study which examined the feasibility of the five members of the 4WD VROC establishing a shared ICT system.

The study was undertaken to test the possibility that benefits could be derived from a degree of sharing ICT between some or all of the five councils.

Whilst specific architectures were not examined it became clear during the study that work processes differed between the councils even though similar packages were employed to perform similar tasks. To extract maximum benefit it will be necessary for a standardization of common process to occur between the participating councils and that issue is addressed in the recommendations.

Similarly benefit was identified if a majority of the councils standardized their software, particularly that which dealt with rating, pay roll, information management and general finances such as debtors and creditors and asset management.

However in order to do this the councils will need to move to a common software platform and minimum specifications are stipulated in the recommendations.

Significant practical benefit can be derived if the majority of councils deploy to a bureau type service although it was recognized that Internet speed could be a limiting factor for some councils in the group.

The real benefit derives from the improved service levels that can be delivered from a common system with common work processes and business rules as this enables any of the councils to deliver any of the designated services from a “remote” perspective.

This also enables specialization where one council can concentrate on delivering a function such as rating to all councils; another could specialize in pay roll, another in information management and so on.

Finally the report looks at the costs involved for the councils to move towards the proposed system, outlines the expected benefits, gives a priority list of activities and also a tentative project outline.

Background and context

The 4WD VROC

The 4WD Voluntary Regional Organisation of Councils (4WD VROC) is made up of the following five local authorities:

- Shire of Wagin
- Shire of West Arthur
- Shire of Williams
- Shire of Woodanilling
- Shire of Dumbleyung

(Four W's and a D)

The 4WD VROC was established by the five member councils in September 2008.

The Shires of Dumbleyung, Wagin, West Arthur, Williams and Woodanilling have indicated their willingness to work together to provide services on a shared basis improve the delivery of services, achieve economies of scale, support each other and provide a greater range of services to their communities.

This initiative is primarily concerned with identifying resource sharing opportunities across the five Shires and those mechanisms that will allow for increased cost savings and better service delivery. This feasibility study looks at ICT provision in this light.

Background of the Shires

The Shire of Dumbleyung has an area of 2,553sq kms with a total road network of 1,030kms of which 221kms is sealed. The main industries are Grain Growing, Pulse Crops, Sheep, Wool, Agricultural machinery and Aquaculture. The Shire has a population of 654 with the Shire Administration Office located in Dumbleyung, 267kms from Perth. The Shire's total revenue in 2007/08 was \$3,440,820 of which \$903,000 was raised from rates. The Shire has 22 full time equivalent employees.

The Shire of Wagin has an area of 1,950sq kms with a total road network of 886kms of which 260kms is sealed. The main industries are Wool, Grain, Engineering Manufacture, Seedworking and Pet Food Production. The Shire has a population of 1,845 with the Shire Administration Office located in Wagin, 227kms from Perth. The Shire's total revenue in 2007/08 was \$4,604,049 of which \$1,361,122 was raised from rates. The Shire has 23.55 full time equivalent employees.

The Shire of West Arthur has an area of 2,850sq kms with a total road network of 854kms of which 190kms is sealed. The main industries are Mixed Farming, Timber, Metal

Fabrication and Earth Moving. The Shire has a population of 914 with the Shire Administration Office located in Darkan, 204kms from Perth. The Shire's total revenue in 2007/08 was \$2,632,088 of which \$1,110,648 was raised from rates. The Shire has 19 full time equivalent employees.

The Shire of Williams has an area of 2,295sq kms with a total road network of 554kms of which 166kms is sealed. The main industries are Wool, Coarse Grains, Grain Pellets, Hay Processing, Holiday Farm Stays and Olive farming. The Shire has a population of 930 with the Shire Administration Office located in Williams, 161kms from Perth. The Shire's total revenue in 2007/08 was \$2,589,950 of which \$1,072,170 was raised from rates. The Shire has 21 full time equivalent employees.

The Shire of Woodanilling has an area of 1,126sq kms with a total road network of 521kms of which 76kms is sealed. The main industries are Wool, Grain, Poultry Farming and Processing, Abattoir. The Shire has a population of 409 with the Shire Administration Office located in Woodanilling, 252kms from Perth. The Shire's total revenue in 2007/08 was \$1,970,639 of which \$455,470 was raised from rates. The Shire has 15 full time equivalent employees.

The two tables provided below show the level of operating and capital expenditure from the 2007/08 budgets of the five Shires.

Nature & Type Expenditure – Cash Flow Statement 2007/08 Budget

<i>Shire</i>	<i>Employee Costs \$</i>	<i>Materials & Contracts \$</i>	<i>Utilities \$</i>	<i>Insurance \$</i>	<i>Interest \$</i>	<i>Other \$</i>
Dumbleyung	936,220	1,296,311	94,500	105,100	9,965	822,319
Wagin	1,803,000	1,180,000	215,000	79,000	3,000	249,000
West Arthur	1,041,437	329,266	58,649	62,454	24,553	39,333
Williams	905,000	556,607	110,000	98,000	7,500	15,000
Woodanilling	889,075	700,940	35,120	72,585	0.00	531,180
<i>Total</i>	5,574,712	4,063,124	513,269	417,139	45,018	1,656,832

Capital Purchases – 2007/08 Budget

<i>Shire</i>	<i>Governance \$</i>	<i>Law, Order & Public Safety \$</i>	<i>Health, Welfare & Community \$</i>	<i>Recreation & Culture \$</i>	<i>Transport \$</i>	<i>Economic Services \$</i>	<i>Other \$</i>
Dumbleyung	223,500	163,000	529,000	371,644	1,606,708		86,890
Wagin	90,500	20,400	136,000	83,000	741,975	7,000	256,000
West Arthur	12,000		550,800	243,303	1,014,409		149,533
Williams	38,500		400,000	171,710	748,000		
Woodanilling	69,500		191,500		1,078,150		
Total	434,000	183,400	1,807,300	869,657	5,189,242	7,000	492,423

Current ICT Services

This section of the report contains a summary of a review of all five Council's ICT systems.

All five member councils at present run their own internal IT services comprising:

- Applications software – common business software deals with rating, payroll, financial management, asset management, email, internet access, word processing etc.
- Equipment -such as servers, desktop computers, laptops and printers.
- Networks -both office based local area networks (LANs) and external wide area networks (WANs) including network equipment (hubs and routers), infrastructure (cabling, wireless, internet connections etc.) and contracts with an Internet Service Provider the most common being Westnet.
- Support services -for both the applications software and the equipment -provided by a mixture of council staff and contracted IT companies.

The potential for amalgamating these services has been an early focus for the 4WD VROC. Factors influencing this include:

- 3 out of the 5 councils use the same Haynes Norton adaptation of QuickBooks to a greater or lesser degree for rating, payroll and financial management. One uses SynergySoft and one uses Logis
- Most councils use the same technology base -Intel based servers, PCs and laptops using Microsoft operating system software. However three councils use Microsoft Server 2003 with Windows XP, one uses Microsoft Terminal Server 2003 and Windows XP and one uses Windows 2000 with Windows XP.

- All Council uses Microsoft Office software for word processing, spreadsheet, email and diary functions although there is a mix of versions from 2003 to 2007.
- One Council uses Skype for messaging and desktop SMS.
- The councils are generally of similar size (20 -47 staff, 6 -14 IT users, 5 -115 software licenses depending on the product).
- All are within the same geographical area with the time distance across the VROC being about an hour.
- 3 of the councils use 2 IT companies (Perfect Computer Solutions and Arrowsmith Midwest) to provide support services for their equipment and Microsoft software.
- All have the same issues with staffing and telecommunications.

A detailed summary of the systems in use is contained in Appendix 1.

Accordingly the decision was taken to undertake a feasibility study into the practicality, characteristics, costs and benefits of establishing one shared IT operation that had the capability of servicing all five councils.

Base systems information

See appendix 1 for a detailed list of the systems currently in place. In summary all Councils have hardware that is based around the Intel Microsoft business application. Each of the Councils has one main physical server and rely on Microsoft products for their server operating systems. However there are many variations between Councils on the actual products used (from 2000 through to Exchange) as well as the different product versions. For the Councils to entertain any idea of shared services these issues need to be addressed.

For some the change will not simply be a matter of changing software but will involved a server upgrade as well. This requirement gives the Council's a great opportunity to save costs by looking at alternative solutions such as a shared server arrangement which should give rise to savings on both software and hardware procurement.

At the desktop level all Councils again rely upon Microsoft products for their business systems such as word processing, Internet access, email systems and so forth. Again there are many variations between Councils in the actual products used with some using Office Professional 2003 and others using 2007.

Specialist software for financial management varies between the Councils and it is this area that is a key driver for change. At least three of the five Councils are looking to change their financial systems and are looking to find the most economical way of doing this.

For most the change will not simply be a matter of changing software but will involved a server upgrade as well. This requirement gives the Council's a great opportunity to save costs by looking at alternative solutions such as a shared server arrangement which should give rise to savings on both software and hardware procurement.

To be in a position to gain the most benefits from a shared system all Councils should ideally be using the same product and the same version of the product. For some this will involve little change but for the majority this will be a significant area of cost.

ICT Equipment

See appendix 1 for a detailed list of the ICT equipment in use. Again this is an area where the Councils are looking to change as servers reach capacity or the end of their useful life as a core system.

Network Infrastructure

All councils have both a local area network (LAN) for internal telecommunications and a wide area network (WAN) for connection to the outside world. All of the LANs are cable based which operate at 100Mbps and use the Ethernet protocols. Some Councils also have a wireless component to their LAN which enables users to access the server from many positions in the building including the various meeting rooms.

WAN connection for all councils is via ADSL 1 and some have limited redundancy via Telstra's NextG network and dial up. The most used ISP across the Councils is Westnet with the most common speeds being 1.5 mb/256kb services.

The limiting factor for any broad shared service is the reliability and speeds of the available Internet connections. To date BDSL does not appear to be on the horizon in the geographical area of the 4WD councils. The lack of good speeds and system reliability probably rules out any one of the councils being able to offer a shared service for the other councils and pushes the most viable system to one hosted in a larger centre.

Support

Average software support costs for the Councils are in the order of \$15,000 each per annum. However the level of service differs between the Councils and it is not uncommon for a Council's system to be down for a day or so if a major issue has occurred.

In all cases the support provided is a mixture of remote logins, telephone calls and occasional site visits. The general unavailability of appropriately skilled staff across all business applications is another argument for standardizing systems with the most efficient model being centralizing the system to some degree.

Staffing

Small councils almost by definition have problems finding suitably qualified staff to fill the various roles that are necessary to perform the local government function. Often one staff member will have several roles covering different functions whereas larger Councils will have one person carrying out one specialist task. For example a finance officer might cover debtors, creditors, payroll and do some front desk work in a small council.

In a smaller council if that person is away the stress on the organisation can be intense. Replacing such a person usually involves taking a partially trained recruit and training them to cover the various functions required. Sharing systems will enable councils to access resources that reside at different localities. A common payroll system will enable the payroll for all councils to be prepared at one point if necessary or, more simply, staff at a number of centres could do aspects of the payroll of one or many councils.

A system like this can be seen as being more robust and insulated to a degree from staff issues such as sickness, recreation leave or vacancies. The downtime that is apparent in one centre as a new recruit comes up to speed is greatly reduced as the workload and expertise is shared around.

A shared system also gives the opportunity to concentrate effort and specialize. By way of example only consider the rating function which is currently spread across all five councils. This function could be an activity that one council develops as an area of expertise and provides as a service to each of the other councils. The rating function for all five councils may be serviced by three or less specialist staff as opposed to the several staff that carry out this function as part of their role in the current situation.

Other Issues

ICT systems are mission critical and therefore should be central to risk management processes and business continuity strategies. Each council conducts routine nightly data backups and that seems to be the extent of risk consideration. If each council has standardized systems they are in effect mirror sites so if one site should go down (by way of fire for example) the Council can be operational very quickly via any one of the other sites.

If the system is centralized, say in Perth, and simply accessed remotely by each of the councils then if a site goes down it is simply a matter of plugging in from somewhere else to get it up again. This alternative access point may be at one of the other council sites or from some other local site such as a Telecentre or library.

Whilst all five Councils are local authorities it does not necessarily follow that they all carry out the same functions. Some for example contract services to other agencies at both a government and a community level and these services need to be identified in order to be accommodated in any ICT solution even if that is imply to make allowance for them to operate a stand alone systems.

Possible Ways Ahead

Introduction

Ideally what the five Councils need to pursue is a common enterprise architecture which starts at having commonality across business processes. There is little point in each Council moving to exactly the same ICT platform if they don't also move towards common business process, work flow and business rules and would include items such as the Chart of Account.

One of the greatest benefits of a common ICT system is the interchangeability of staff between the Councils whether that is done physically or by remote access. This benefit is greatly eroded if the "relief" staff has to spend a deal of time learning new work processes even though the software may be the same.

Business processes

The development of standardized procedures for the tasks undertaken in each of the Shires would benefit communication between staff members across councils and facilitate the exchange and relief of staff between the Shires.

There are not that many ways of undertaking tasks specific to local government, but of course some are more efficient than others. An opportunity to standardize procedures will lead to each of the Shires assessing their procedures against the other and should lead to taking efficiencies from each into a standardize procedure that is the most efficient.

Standardized procedures will allow for relief staff between the Shires to become productive almost immediately with a limited period of "learning the ropes" being needed.

Common terminology used between the Shires would also greatly assist in the communication and understanding of each others operations. The titles given to the different staff positions could be standardized so that there is a better understanding of the skills available.

Application forms and other forms could also be standardized. Opportunities for saving on printing costs may be available through standardization.

The standardization would be best achieved through the different staff levels or positions during their regular communications meetings.

Before anything else is done there needs to be a business process mapping exercise conducted by a suitably qualified person to codify the processes currently in use and to recommend a common set for all Councils to work towards.

A Common Platform

The greatest immediate cost savings can be expected from adopting a common base platform starting with servers and server software. Once that is in place the SOE (the standard operating environment) can be distributed. The SOE is what most desktop users see and includes the common business applications like word processing.

The next layer is the specific business applications such as the accounting package, the rating model, records or information management systems and so forth. These applications are specialized and require the most training to be used effectively.

Common systems across the councils will enable group training as well as regional support groups. These taken together will lower the cost per council and lead to faster uptake of the software.

The options available include the common platform being totally distributed like the current systems, totally offsite through one or many data centres or something in between and these options are explored next.

The most likely options

There are many possible options available for the five councils and these are:

- Do nothing different
- Operate as a buying cartel to simply upgrade the current systems as required
- To decide upon common base platforms and operate as a buying cartel to secure the best prices and service contracts
- To agree to pursue common operating systems, SOE and business applications to not only get better product and service prices but also to give effect to savings in staff efficiencies and service improvements through specialization across different sites
- To develop an offsite data centre model that delivers either a full ICT service to each of the Councils or some lesser degree of service to each council.

The greatest returns, as measured by lowest initial cost, lowest ongoing costs and highest delivery of operational efficiencies, are produced by the last two options. The greatest ongoing returns come from pooling of staff skills and expertise and specialization. The least returns across the group come from the individual councils continuing their current practices and this is also the highest risk strategy.

The last dot point option is the most favoured option as it potentially gives rise to the greatest savings, the least organizational risk and the greatest increase in service to the community. The rest of this discussion will concentrate on variations on this last option.

Variation 1: the data centre provides a full ICT service to each council.

The writer has had experience with national organisations which have had offices in the State capitals and have operated quite successfully along these lines. Each desk has had a “dumb” desktop box which does little else but run the screen and acts as a communication device back to the central server. The desktop box has no drives, not even a USB port, which affords the greatest protection against virus introduction and also data theft.

This system has the advantage of low initial greenfield startup cost but demands very high level Internet or data line services. If the system is down then the organisation is down as there is no distributed software.

This option would provide access to software and databases for all business applications. A prerequisite of this option is that all councils would need to use the same software packages - the core applications (potentially based on SynergySoft) plus email, calendar and diary (Microsoft Outlook), other software (e.g. library) as required and possibly office functions (Microsoft Office). Each council would retain a small server to provide for:

- network authentication and logon to the central server software required for accessing all applications running at the shared data centre,
- controlling local file and print operations.

The benefit of this option is the provision of a full service, thereby substantially reducing the ICT management and housekeeping duties council staff are currently required to undertake. For some Councils this amounts to a significant amount of time.

Part of that full service would also include complete risk management via mirror sites and multi-venue data storage. This is the type of system found in sensitive areas of government as well as very data centric private enterprise such as a bank.

Variation 2: the data centre provides a reduced and negotiated ICT service based on the primary business functions to each council.

This variation can be seen as a half way position between the current situation and the previously discussed variation. Each site would have an intelligent server which would hold the standard operating system and this server is maintained from a remote service centre. These applications include the usual Windows desktop programs and can include the essential business systems normally associated with financial packages.

If the Internet is down then the centre can still operate. Data can be batched so that once the WAN is operational data is moved offsite and is available across the whole network if necessary. The writer has worked with this type of system on a State wide basis in local government and it has worked quite successfully.

As with the previous variation, all councils would need to use the same core business system software packages, but would be free to use different software for other functions such as records management if they choose. The SOE would be expected to be common across the sites and this extends to versions. Windows 2003 and 2007 for example have a completely different look and feel about them and quite different capability.

This approach requires each desk to have a reasonably intelligent desktop system although all software would reside on the local server. Each council could possibly retain its existing PC's, laptops and printers at its office(s), plus a server. Again the server would be used for network authentication and logon and as a file and print server as well as for email, web access and to run other applications that might be site specific.

While this variation provides benefits in terms of reduced (but not eliminated) ICT management and housekeeping duties for council staff, it means that should the network connection to the shared data centre be lost, council staff can continue to send and receive emails, access the web and process other software – a significant improvement over the previous variation.

This variation is likely to be the less costly of the two options as the service being provided is less and much of the existing hardware could be retained.

It is the writer's view that the second variation is the only practical one, and therefore the remainder of this section is based only on a discussion of it alone.

Data Centre Management

There are a number of possible alternatives as to how a shared data centre could be managed and operated:

- a. By the 4WD Regional Council itself or one of the members,
- b. By contracting with a commercial third party organisation,
- c. With an existing larger local authority.
- d. A more distributed system involving a number of other parties.

Alternative 1: Data centre managed by the 4WD VROC.

The first alternative would require the 4WD VROC to hire staff, purchase equipment, lease suitable premises, take out licenses for the software, organize telecommunications, set up the data centre and manage the day to day operations of the data centre as well as many other tasks. This alternative would probably also require a charging mechanism to be agreed upon between all stakeholders, based on the number of users, number of modules used, data volume etc.

While this alternative is certainly a possibility, and may in the long run be less expensive than using an external commercial organisation, it is probably the least practical alternative. Issues

such as lack of experience in operating such a facility, the risk that it could dominate 4WD VROC management time, the absence of other data centre clients with which to share resources, and doubt as to whether this is what the 4WD VROC was established for, would all count against this alternative.

Alternative 2: Data centre managed by a commercial third party organisation.

This alternative assumes that the commercial organisation chosen is experienced at running a data centre, and already has one established.

There are organisations based in Perth who offer this service and who could be in a position to provide it to the five councils. None were approached as part of this study although an Internet search was carried out to view the possibilities. Potential issues would be their lack of knowledge of council specific business systems, and the software environment they may run under.

A further alternative is to use a 'hosting' service, an organisation with one or more large remote data centres (they may be located in Australia or overseas) who can dedicate servers and data storage for a client's application software. These organisations guarantee equipment availability and provide full backup and maintenance services, but do not support the application software. All contact with them is usually handled online.

Alternative 3: With an existing larger local authority

This solution revolves around a larger authority running the types of software applications that the 4WD VROC councils agree to use, having access to the WAN requirements for the systems to be successful and also having the willingness to provide this type of service. Bringing all three of these requirements together at the one time would be extremely difficult and perhaps too difficult to be a practical solution.

However benefits of this alternative include the chosen authority's knowledge of the software used in local government, sharing of the cost of resources (staff and equipment), the absence of the need to build in a commercial return, and a good understanding of the business of local government.

Potential issues include the possible need for the larger authority to take on additional staff and upgrade its equipment, the risk that the authority gives higher priority to its own needs, or the service provided is not of a commercial standard.

Alternative 4: A more distributed system.

There is no real need for all applications to reside in the one place but they could reside in several places an option requiring high level Internet services. Landgate, the Western Australia Land Information Authority commercial application, is available as an on-line subscriber service commonly used in the rating and planning functions.

Haynes Norton offer a similar client login service for some of the accounting functions for smaller councils.

Other vendors are starting to offer similar services for their own products where they offer a software hosting service guaranteeing 99.9% up time for their application. The service also includes some data centre services related to business continuity such as mirror sites, data back up with dual site storage and dual retrieval systems.

This approach takes the need for a Council to run high level servers and have onsite ICT expertise largely out of the equation. Servers such as this just seem to go on forever and are only replaced when they die.

Benefits from this type of system would only flow to the 4WD VROC members if they agree upon a common set of applications and vendor systems and are able to use their purchasing power to buy them and to negotiate service contracts.

Similarly the benefits possible from having common systems and work processes across the five councils (staff backup, training, specialization etc) are only possible if common systems and work processes are put in place.

Most preferred option

The situation the Councils are facing can be seen as the first step in a much larger journey. The pressure on Councils to reform and find efficiencies is not going to reduce. As a starting point in that journey the most practical solution is the last one discussed. The overall benefits derived from this approach when compared to the current approach are:

- Initial costs of setup can be reduced through buying power
- Ongoing costs can be reduced through lower service costs derived from the suppliers dealing with a group of like businesses
- A lower specialization server at each Council which will have less frequent need to be upgraded or replaced.
- Training in ICT functions can be conducted on a regional basis on common products and a local product support group can be established
- Common operating systems enables staff across the region to be interchangeable and able to fill casual vacancies that arise through illness or leave and maintain a constant level of service at each site
- The uptake can be staged across the group of Councils if need be (with the offset being increased training costs and reduced buying power)
- Individual Councils can specialize in a particular function (such as rating) and staff in that situation develop as specialist staff (ie as rates clerks in this example) with efficiencies being gained through specialization
- More qualified staff can be employed as positions can be established that are career positions leading to efficiencies through an improved skill base
- ICT expertise is provided where it is needed at the server and software sites reducing costs and downtime at remote regional sites

- Future software and hardware upgrades can be carried out “behind the scenes” with no disruption to Council operations
- Overall operating risk is reduced with Councils operating on recent versions of software and hardware with competent support staff in place to keep it operating
- By moving on changes to ICT systems first, “as low hanging fruit”, a higher degree of cooperation and trust could be established between the Councils which in turn could lead to other shared effort initiatives.

Location

The key determinant of location is Internet speed and reliability and the availability of appropriately experienced ICT staff. For these reasons the only practical location for a 4WD data centre is Perth. Some software vendors are inter-state and they may be able to host their applications from their facilities in those States.

Telecommunication Requirements

The key determinant of the success of the preferred is high level data services. In the 4WD situation there is really only one option and that is to use the Internet. Most sites have ADSL available and although this is not ideal for business purposes there is also the option of business grade ADSL or BDSL as it is commonly called.

The 4WD Councils are generally paying around \$80 per month for an ADSL service delivering between 1.5 to 8 MB download speed and 384 KB upload speed. Most are capped at 7 GB per month for peak time data transfer and their individual data use is probably 3 GB or less.

The nearest comparable BDSL package would cost around \$400 per month although it could be possible to establish a package that covers all sites for less than this amount. This may be an item for future exploration if it is possible for the Councils to establish a single entity to act as a body corporate on their behalf. This is not legislatively possible in this State as yet although it is a common practice in other States.

The writer has had experience with this option in local government in another State using the Internet and this was quite successful. Although the service centre was 1,000 km away and specialist staff were called upon from greater distances including in other States the system worked well for a Council larger than the combined 4WD group of councils.

Accordingly there is no need for any of the councils to move to BDSL at this point and over time the Internet itself should become more reliable and faster so the need may not arise.

Staffing Requirements

In general, no changes to staffing at any of the member councils would be expected from the shared data centre approach. However any staff that have an IT role could expect that the time required for that role will diminish to the point of reducing altogether. As the staff involved in this activity are generally the more senior staff their time no doubt can be better utilized doing something else.

The main changes for staff will be around changes to work processes and business practices. Initially coming to grips with this could require a very significant part of their time and productivity could even fall away until the new processes and practices are fully learnt and applied. From that point productivity would be expected to increase as the benefits of the new systems come into play.

If agreement can be reached around the specialization approach then the work descriptions for those staff involved in those specific processes will clearly change. It is the clear intention of each 4WD member to provide the training that will be necessary to give affect to any changes and not simply replace staff with those already qualified. This then is a development opportunity for all staff.

Support Requirements

Given that the equipment at each council is not expect to change much at all, the support required for that equipment is also not expected to change much. Currently most councils appear to spend an average of \$3,000 pa on IT equipment support. There may however be some advantage in changing the current providers of this support service so one organisation servicing all five councils.

Summary of Costs, Benefits and Risks

Costs and benefits

The cost estimates given are based on the preferred option as it is judged to be the most practical at this point. It does provide an upgrade path should the group wish to move to a more offsite option as may be determined by the economics at that time.

The figures listed below should form a useful basis for evaluating bids from either commercial organisations or other local authorities.

The underlying assumption is that all Councils wish to move to new systems as soon as possible but the proposal is robust enough should some Councils decide to not progress at this point.

Table 1.1: Estimated Establishment Costs

	Upgrade costs
Purchase of equipment	\$40,000
Additional software	\$10,000
Data conversion and new software set up (\$25,000 per site)	\$100,000
Finance system replacement (list price is \$60,000 each, includes training)	\$240,000
Staff training (\$10,000 per site)	\$50,000
Telecommunications network	\$5,000
Less estimated savings due to bulk purchase	(\$100,000)
Total	\$345,000

Note this table does not include the usual whole of life equipment maintenance programs of the member councils and only includes the expected additional costs that would be incurred if each Council moved to a new system by itself.

All figures in the table would be reduced if any of the councils in the group decided not to proceed to a system upgrade as part of this program.

Table 1.2: Estimated Annual Operational Costs

	Current costs	Post implementation costs
Service centre costs		\$80,000
Local ICT maintenance	\$20,000	\$5,000
Software licenses and support	\$80,000	\$75,000
Internet costs - 5 councils	\$5,000	\$5,000
Productivity dividend		(\$375,000)
Total per annum	\$105,000	(\$210,000)
Total benefit		\$315,000

Notes: The productivity dividend is explained in the next section.

The above annual operational cost estimates do not includes the support costs for all of Council's hardware and software including stand alone systems such as the library system and records management.

Benefits

The primary benefit is expressed in terms of an annual productivity dividend which has been assessed at 15% of the estimated total cost of administration. Administration is defined as those employee costs that are not otherwise allocated to "hands on" service provision and are more generally associated with access to and utilization of information.

Total employee costs across the group amount to \$5,574,712. An estimate of the cost of administration (as used in this study) across all of the Councils in the group is \$2.5 million or approximately 45%. This is seen as the cost of the time of all of those who interface with the ICT system. The objective is to use that time more effectively.

The 15% for the productivity figure is an estimate which is made up of:

- deducting staff time now spent on ICT issues that will be done off site,
- removing the known time eroding issues with existing software such as the need to double and triple handle data,
- reduction of downtime resulting from system failure or maintenance issues,
- increased the efficiency and capability of the new systems,
- removing backlogs resulting from illness or leave and the need for catch-up,
- the opportunity for staff to become specialized, and
- the opportunity for some tasks to be dealt with by one centre (further specialization).

In summary the above figures show that for an initial expenditure of \$345,000, which is net after a bulk purchase saving of \$100,000, an annual productivity dividend of \$375,000 across the five councils in the group can be expected. This productivity outweighs the comparable current cost for the function by 3.7 to 1.

Project Risks

Table 1.3: Risk management

Project Risk	Management
Not all Councils come on board within the timeframe of the project	This is a risk in relation to project costings as not all of the bulk buying advantages will be realized (purchasing, training etc) and the total productivity dividend will be reduced.
Staff rebel	The project can only be implemented with a thorough change management plan in place and this has to be developed once the project outline has firmed up.
Costs escalate	Every project must have a drop dead point and the first for this project will be during the detailed assessment stage which will involve negotiations with vendors and clear written and costed statements of intent from all parties.
The various service providers can't work together.	This risk can be mitigated by using WALGA preferred suppliers as they have been chosen in part on their ability to work in the local government arena. A stipulation of the project brief could be that the intending vendors present a partnership proposal.
Insufficient establishment funds can be found	Whilst initially this is an issue between agencies in today's political and economic environment the issue is a political one and the Councils will need to be prepared to use their political influence if need be.

Conclusions and Recommendations

Conclusions

There is a business case for the 4WD VROC councils to move down the path of standardizing their ICT systems. The net annual benefit to the Councils as a group has been calculated as \$315,000 for an initial expenditure of a net \$345,000.

With a payback period of close to one year the project is within the limits normal set by the industry for an IT project. Less than one year for payback is a “no-brainer” and between one and two years is the general expectation.

Each Council CEO will be responsible for pursuing the delivery of the expected productivity gains in their own organisations. It should be noted that whilst the perceived savings can on the surface be translated to approximately a position per Council that is not the intent of this study. The “position” is made up of a lot of “pieces” of a lot of different staff and affords the opportunity to improve the level of service to the organization’s various stakeholders.

Recommendations

The 4WD VROC councils immediately proceed to find funding for the ICT replacement proposal outlined in this report.

Each CEO will need to closely examine their current systems and decide on their individual responses to this report as a matter of urgency.

Each CEO should present this report to their Councils as an information item. As the proposal has no adverse impact on current budgets no decision of Council is necessary.

Project Outline

This outline is not in any strict chronological order and some of the items have already had some work done on them. In some instances some of the tasks have been assigned a home.

The list at this point is not meant to be exhaustive and some tasks are projects within themselves that could be run by one member of the group. The process would be for a draft or position to be prepared by the designated council and this then be worked on collaboratively by the rest of the 4WD.

A reference to the 4WD is a reference to a meeting of CEO's from the member councils either formally or virtually.

The 4WD VROC refers to a meeting of at least the Presidents of the member councils along with the CEO's.

The EO refers to the appointed executive officer of the 4WD.

The timing notation PG refers to post grant meaning when funds become available.

Task	Performed by	When
Agreement reached on workload sharing for the project	4WD	November 2008
Apply for grant funding to finance the project	Wagin	December 2008
Prepare a preliminary project plan	Wagin	December 2009
Obtain agreement about an implementation timetable	4WD ROC	January 2009
Map business processes	Consultant	PG
Agree upon common processes	4WD	PG
Prepare a detailed specification of the SOE	West Arthur	PG
Decide upon a common Chart of Accounts	Williams	PG
Decide upon common business processes	4WD	PG
Prepare a specification for a centralized service	Wagin	PG
Design specifications for a core business system	Dumbleyung	PG
Develop a proposal around telecommunications options	Woodanilling	PG
Tenders if necessary	4WD	PG

Appendix 1: Current ICT systems

	<i>Dumbleyung</i>	<i>Wagin</i>	<i>West Arthur</i>	<i>Williams</i>	<i>Woodanilling</i>
Does the Shire employ a full time IT person?	No	No	No	No	Yes CEO
If not, does the Shire use an IT Consultant? What is the Consultants name?	Yes Perfect Computer Solutions	Yes Lou Siragusa Narrogin Computers	Yes Leapfrog IT	No	No
Does the Shire have a contract for software maintenance?	Yes Infovision, IT Vision	No	No Pay \$100 per hour New arrangement started Jan 08	Yes	Yes 30 June 08
If so, when does it expire?	Yearly				
Annual cost of software maintenance?	\$12,000	\$20,000	This is something we are investigating	\$13,200	\$14,000 Includes software upgrades
Annual cost of hardware maintenance?	\$3,500	\$8,000	Hardware purchase from Red11	N/A	\$3,000
Inhouse? External Contractor – name?	No Yes Perfect Computer Solutions	Some Yes Lou Siragusa Narrogin Computers	Some		Yes
Number of PCs?	11	12	9	6	8
Are all PC's networked? Corporate contacts list?	Yes	Yes Not possible on terminal server	Yes	Yes	Yes
Intranet?		Rudimentary but working on it			
PC's Flash enabled?		Yes			

Server system: Windows? Version? Latest service packs? Any other – name?	Yes. Exchange Server 2003 No	Yes Terminal Server 2003 Yes No	Yes Exchange Server 2003 No Pc's	Yes Exchange Server 2003 No	Yes Windows NT, 2000
Operating system: Windows? Version? Latest service packs? Other – name?	Yes No	Yes XP 2003 Yes No	Yes XP No	Yes No	Yes Windows XP No
Desktop packages? Which package?	Windows 2003 Professional	Windows 2003 Professional	Professional		Windows 2007
Software programs: Accounting? Rates? Records management? Town Planning? Building? Year of purchase?	Synergy Soft/IT Vision Synergy Soft/IT Vision Manual None None Supplied Annually	Quickbooks Ratebook online InfoXpert None None Quickbooks 2005	Quickbooks Premier Ratebooks online Manual None None Quickbooks 2006	Quickbooks Ratebook Online Manual Quickbooks 2006	Logis Logis Logis Logis Logis 1993
Broadband capacity? Provider? Package? Broadband redundancy?	Yes Ocean Broadband No	Yes Westnet 1.5MB/384kb 7GB/10GB No	Yes Westnet 1.5MB/256kb 20GB/40GB No	Yes Westnet No	Yes Bordernet No
GPS capacity?	Landgate	Landgate – DPI Google Earth	No	No	No
Messaging and Desktop SMS VOIP?		Skype Yes			
Library management system?					

6.4

Location:

Reporting Officer:

Council and Committee Meeting Dates

Shire of Wagin

Acting Deputy Chief Executive Officer

Summary

Dates of Council and Standing Committee Meetings for 2009 are proposed for adoption by Council.

Background

Council has two standing committees which currently have no set meeting dates. In the past this has led to items being referred to Council instead of calling a meeting of the relevant committee.

Comment

The Shire currently has two standing committees, the Finance and General Purposes Committee, and the Works and Services Committee.

Recently committee meetings have been called with short notice for staff to prepare reports and agendas. This has had an impact on the quality of the information provided to Councillors.

By setting dates for committees in advance, staff are able to plan for them and ensure that the information provided is accurate and well researched.

Traditionally the Shire has held its Ordinary Council meetings on the third Tuesday of the month, with no meeting held in January.

This report proposes to change this to allow the Standing Committees to meet that week, with the Council meeting being held the following Wednesday. This timeframe should allow the monthly financial and works reports to be prepared in time to go on the agenda for the relevant committee before referral to Council.

No committee meetings are planned for December 2009.

Statutory Environment

Section 5.4 of the Local Government Act 1995 allows Council meetings to be called by the President, one third of the Councillors, or decided by the Council.

Section 5.5 requires at least 72 hours notice of a meeting to be provided, including a detailed agenda.

The Local Government (Administration) Regulations 1996 require public notice to be given of meetings for the next twelve months.

Policy Implications

Nil

Budget Implications

Financial management of the organisation can be assisted by way of an effective Finance and General Purposes Committee that reviews monthly financial reports.

Officer's Recommendation

That the following meeting dates be set and advertised for 2009:

January	Nil	
February	16	Finance & General Purposes Committee
	17	Works and Services Committee
	25	Ordinary Meeting of Council
March	16	Finance & General Purposes Committee
	17	Works and Services Committee
	25	Ordinary Meeting of Council
April	20	Finance & General Purposes Committee
	21	Works and Services Committee
	29	Ordinary Meeting of Council
May	18	Finance & General Purposes Committee
	19	Works and Services Committee
	27	Ordinary Meeting of Council
June	15	Finance & General Purposes Committee
	16	Works and Services Committee
	24	Ordinary Meeting of Council
July	20	Finance & General Purposes Committee
	21	Works and Services Committee
	29	Ordinary Meeting of Council
August	17	Finance & General Purposes Committee
	18	Works and Services Committee
	26	Ordinary Meeting of Council
September	21	Finance & General Purposes Committee
	22	Works and Services Committee
	30	Ordinary Meeting of Council
October	19	Finance & General Purposes Committee
	20	Works and Services Committee
	28	Ordinary Meeting of Council
November	16	Finance & General Purposes Committee
	17	Works and Services Committee
	25	Ordinary Meeting of Council
December	16	Ordinary Meeting of Council

Council Resolution

F237 Cr Blight/Cr Anderson

That the Officer's Recommendation be adopted.

CARRIED

Vote 4/2

Councillor Morgan voted against the Motion.

Summary

Several policy amendments are proposed for consideration.

Background

At the November Finance and General Purpose Committee Meeting, a number of policies were identified that required review.

Comment

The following policies require minor amendments:

FINANCE POLICIES		RECOMMENDED ACTION
8.	Townscape Painting Subsidies	To be amended – CEO should have DA
11.	Significant Accounting Policies	To be replaced as per policies in Budget
16.	Reserve Accounts	Update to remove reference to former reserves and obsolete reserve, Wedgecarrup Hall
20.	Corporate Credit Card	Amend to include Special Projects Officer
ADMINISTRATION POLICIES		RECOMMENDED ACTION
4.	Wagin Community Bus Charter	Retain with minor amendments
8.	Occupational Health and Safety Policy	Replace with simple policy
COUNCIL POLICIES		RECOMMENDED ACTION
11.	Civic Awards	Amend – decision of F&GP Committee instead (save advertising costs)

The proposed amendments are shown in the attachment with changes highlighted in ***bold and italics***.

There are still 20 other policies that are recommended for amendments of a larger scale, replacement or consolidation. These policies will be considered in separate reports at future Finance and General Purpose Committee meetings.

Statutory Environment

The recommended amendments to these policies are in accordance with the requirements of the Local Government Act 1995.

Policy Implications

As per comments.

Budget Implications

Nil

Officer's Recommendation

That the following policies be amended as attached:

Finance Policies

- 8. Townscape Painting Subsidies
- 11. Significant Accounting Policies
- 16. Reserve Accounts
- 20. Corporate Credit Card

Administration Policies

- 4. Wagin Community Bus Charter
- 8. Occupational Health and Safety Policy

Council Policies

- 11. Civic Awards

Council Resolution

F238 Cr Anderson/Cr Cumming

That the Officer's Recommendation be adopted.

CARRIED
Vote 6/0

Finance 8.

Townscape Painting

The ~~Wagin Shire Council Townscape Committee~~ **Chief Executive Officer** is delegated authority to approve subsidies of 1/3 total cost up to a maximum of \$500.00 for the painting of entire shop fronts under the following guidelines.

1. The whole shop front to be painted
2. Colours are to be in keeping with the character of the building and surrounding buildings and shall be approved by the Townscape Committee.
3. Funding shall be subject to availability of funds in Council's Townscape Budget and be provided on the receipt of invoices for the completed works.

(Minute # 7110, April 1995)

Explanation – if the Townscape Committee is delegated authority, its meetings have to be advertised and open to the public. While members of the public are welcome to attend these meetings, advertising them will result in additional costs which could be better spend 'on the ground'.

Finance 11.

Significant Accounting Policies

SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The Financial Statements *and budgets* are to be *prepared ~~drawn~~* in accordance with the applicable Australian Accounting Standards (*as they apply to local government and not-for-profit entities*), other mandatory professional reporting requirements and the Local Government Act 1995 and accompanying regulations. The *budget and* statements will be prepared on the accrual basis under the convention of historical cost accounting.

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions will be 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 will appear as a separate note in the *budget and* financial statements.

(c) Rounding Off Figures

All figures shown in the budget and financial statements, other than the rate in the dollar, are rounded to the nearest dollar.

(e) Rates, Grants, Donations and Other Contributions

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

(f) Goods and Services Tax

(UIG Abstract 31) 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 applicable GST.

(g) Cash and Cash Equivalents

Cash and cash equivalents 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.

(h) Trade and Other Receivables

Trade receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

Collectibility 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.

(i) Inventories

General – inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

Land held for Resale – land purchased for development and/or resale is valued at the lower 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 operating statement as at the time of signing a binding contract of sale.

Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(j) Fixed Assets

~~(FM Reg 81) Property, plant and equipment and infrastructure assets are brought to account at cost or at independent or management valuation less, where applicable, any accumulated depreciation or amortisation.~~

~~(FM Reg 16) The value of all infrastructure assets (other than land under roads) has been recorded in the Statement of Financial Position. Land under roads are excluded from infrastructure in accordance with legislative requirements.~~

~~The Shire will maintain fixed asset groupings for Buildings, Furniture & Equipment, Land, Plant & Equipment, and Tools. Items which are realisable and/or insurable and have physical substance shall be recorded as fixed assets. Items having a limited economic useful life and a cost of less than \$2,000 are to be fully expended in the year of acquisition.~~

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 includes the cost of all materials, direct labour and variable and fixed overheads.

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 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 materially from that determined using fair value at reporting date.

Land Under Roads – Land under roads is excluded from infrastructure in accordance with the transitional arrangements available under AASB 1045 and in accordance with legislative requirements.

(c) Land Held for Resale

~~(AAS 2) 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 operating statement as at the time of signing a binding contract of sale.~~

(k) Depreciation of Non-Current Assets

~~(AAS 4)~~ All non-current assets having a limited useful life are *separately and* systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets. *Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.*

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Buildings	40 years
Furniture and Office Equipment	10 years
Computer and Electronic Equipment	4 years

Plant and Equipment

- Construction Plant (Graders, FE Loaders, Tractors & Rollers)	12 10 years
- Trucks	8 5 years
- Sedans	5 1 years
- Other Plant and Equipment	10 years

Infrastructure Assets

- Roads	40 30 years
- Footpaths and Walkways – Slabs	40 20 years
- Insitu concrete	40 years
- Bitumen	40 50 years
- Pavers	40 years
- Drainage – below ground	40 60 years
- off road	40 20 years
- Pedestrian bridges (wood)	40 20 years
- Vehicle bridges and culverts (wood)	40 20 years

The following infrastructure assets are not depreciated due to high ongoing cost of maintenance;

- Parks and playing field surfaces
- Reticulation systems
- Drainage reserves

The following infrastructure assets are not capitalised owing to their cost being immaterial;

- Street Furniture
- Pedestrian / Bus shelters
- Street signs

~~Any other items having a limited economical useful life and a cost of less than \$2,000 will be fully expended in the year of acquisition.~~

~~(k) Leases~~

~~(AAS 17) 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 company, 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.~~

(l) Investments and Other Financial Assets

~~All investments are valued at cost and interest on those investments is recognised when accrued.~~

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 or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling 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 balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

(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 balance sheet 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 are initially recognised at fair value and transaction costs are expensed in the income statement. 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 income statement 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 which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement 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 assets, the cumulative loss – measured as the previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments classified as available-for-sale are not reversed through the income statement.

(m) 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 balance sheet 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 discount 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.

(n) 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 that 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 Income Statement.

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

At the time of adopting the budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June the following year.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on budget documents.

(o) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality 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.

~~(p) Joint Venture~~

~~(AAS 19) The Shire's interest in a joint venture will be recognised in the financial statements by including its share of any assets, liabilities, revenues and expenses of the joint venture within the relevant items reported in the statement of financial position and operating statement. Information about joint venture will be set out in a separate note.~~

(p) Employee Benefits

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

~~(i)(AASB 1028.5.1) Wages, Salaries, and Annual Leave and Long Service Leave (Short-term Benefits)~~

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

~~(ii) (AASB 1028.5.2) Annual Leave and Long Service Leave (Long-term Benefits) The provision for employees' benefits for long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from the employees' service to balance date.~~

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 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 Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

~~(q) Rates, Grants, Donations and Other Contributions~~

~~(AAS 27.64 & 68) 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 receipt of the rates.~~

~~(AAS 27.92) 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 of and amounts pertaining to those undischarged conditions are to be disclosed in a separate note. That note will also disclose the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.~~

(q) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

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) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(r) Superannuation

The Shire of Wagin will contribute to various the Local Government Superannuation Schemes. These funds and the Occupational Superannuation Fund. Both funds are defined contribution schemes.

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent a cash refund or a reduction in the future payments is available.

(t) Current and Non-Current Classification

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

~~(s) Interest Rate Risk~~

~~(AAS 33.5.4) The Shire's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, is considered negligible for all financial instruments other than borrowings. Information on interest rate risk as it applies to borrowings will be disclosed in a separate note of the financial statements.~~

~~(t) Credit Risk~~

~~(AAS 33.5.5) The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to and forming part of the financial statements. The Shire does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Shire.~~

~~(u) Net Fair Values~~

~~(AAS 33.5.6, AAS 33.5.6 (b) & (c)) The net fair value of assets and liabilities approximate their carrying values. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as Council intends to hold these assets to maturity.~~

~~(AAS 33.5.6 (a)) The aggregate net fair value and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to and forming part of the financial statements.~~

~~(v) Rounding Off Figures~~

~~(FM Reg 15 (3)) All figures shown in the Shire's financial statements, other than a rate in the dollar, will be rounded to the nearest dollar.~~

~~(w) Comparative Figures~~

~~Where required, comparative figures will be adjusted to conform with changes in presentation for the current financial year.~~

(Reviewed and Amended Minute #11101 May 2005)

Explanation – to reflect the policies recommended by the Town's Auditors which have been included in the Shire's current budget.
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Finance 16.

Reserve Accounts

- ~~1. That Council's Long Service Leave Reserve be changed to be called the Leave Reserve and Council and adopt the following as policy in respect to this Reserve.~~

Leave Reserve Account

The purpose of Council's Leave Reserve Account is to provide provisions to meet Council's Long Service Leave and Accrued Annual leave liabilities so as to minimise the effect on Council's Budget from year to year.

The objective of the Reserve is to provide cashed back provisions to meet Long Service Leave liability of staff with seven or more years service and accrued annual leave of staff. Funds may be expended to meet these requirements or other emergency payments resulting from termination of employees.

The balance of the reserve and Council's liability to staff leave will be reviewed each year at the annual budget.

- ~~2. Office Furniture and Equipment Reserve be changed to be called Administration Centre Furniture and Equipment Reserve and Council adopt the following policy in respect to this Reserve~~

Administration Centre Furniture and Equipment Reserve

The purpose of this reserve is to provide for the purchase of furniture, fittings and equipment with the Council's entire administration building.

The objective of the reserve is to minimise the effect on Council's budget from year to year for the purchase of furniture and equipment either for replacement or expansion. The funds may be used in emergency situations (eg photocopier or computer breakdown) or for budgeted purposes.

The reserve balance will be reviewed at budget time each year and Council will consider transfers to and from the reserve as it sees fit.

- ~~3. Aerodrome Maintenance Reserve to be changed to be called Aerodrome Maintenance and Development Reserve and Council adopt the following policy in respect to this Reserve.~~

Aerodrome Maintenance and Development Reserve

Purpose of this reserve is to provide for major maintenance type works (eg resealing of apron area, replacing lights etc) and development type works (such as reconstructing runways, sealing roadways, upgrading buildings, fences etc) at the Wagin Airstrip.

The object of the reserve is to minimise the effect on Council's budget from year to year on major expenditure on the Wagin Airstrip.

The level of funds in the Reserve will be reviewed at budget each year by Council taking into account any works identified in its budget or Principal Activities Plan.

~~4. That the Housing Reserve, District Revaluation Reserve and Municipal Building and Town Planning Reserve be amalgamated and renamed the Municipal Buildings Reserve and Council adopt the following as policy in respect to this Reserve.~~

Municipal Buildings Reserve

The purpose of the Municipal Buildings Reserve is to provide funds for the upgrading, renovating or restoration of existing Council owned buildings and the construction of new Council owned buildings including fences and Council houses.

The objective of the Reserve is to minimise the effect on Council budget from year to year on major expenditure on Municipal Buildings.

The level of funds in the Reserve will be reviewed at budget each year by Council taking into account proposed works in its budget and ~~Principal Activities~~ Plan *for the future*.

~~5. Recreation Centre Equipment Reserve to remain as is and Council adopt the following policy in respect to this Reserve.~~

Recreation Centre Equipment Reserve

The purpose of the Recreation Centre Equipment Reserve is to provide funds for the purchase of additional or replacement equipment utilised at the Wagin Community Recreation Centre including the upgrading or replacement of fixtures and fittings.

The object of the Reserve is to minimise the impact on Council budget from year to year on major expenditure items at the Recreation Centre.

The level of funds in the Reserve will be reviewed at budget each year by Council.

~~6. That a Recreation Development Reserve be created in line with Council's Principal Activities Plan and Council adopt the following as policy in respect to this Reserve.~~

Recreation Development Reserve

The purpose of the Recreation Development Reserve is to provide funds for the expansion, upgrading and development of Council's Recreation facilities. This includes the upgrading of water supplies and the like for recreation areas within the Shire of Wagin.

The objective of this Reserve is to reduce the reliance on Council's year to year budget on major expenditure items in the Recreation area.

The Reserve balance will be reviewed each year at budget taking into account works identified in the budget and Council's *Principal Activities Plan for the Future* and other matters considered relevant by Council.

~~7. — That a Land Development Reserve be created in line with Council's *Principal Activities Plan* and Council adopt the following as policy in respect to this Reserve.~~

Land Development Reserve

The purpose of this Reserve is to provide funds for the development of land within the Wagin Shire for the benefit of residents and the good Government of the local authority as determined by the Council. This includes the purchase, subdivision and development of land for industrial, residential, commercial or other purposes as the need arises and as Council sees fit.

The object of the Reserve is to reduce the reliance on Council's budget from year to year on land development issues.

The level of funds held in the Reserve will be reviewed each year by Council taking into account items identified in its budget, Council's *Principal Activities Plan for the Future* and other matters considered relevant by the Council.

~~8 — "Plant Reserve:"~~

~~"The purpose of this Reserve is to provide funds for the ongoing replacement and upgrading of motor vehicles, heavy machinery, light machinery and other equipment necessary in the performance of Council's core functions.~~

~~The object of the Reserve is to reduce the impact on Council's budget from year to year on the purchase of new and replacement plant items.~~

~~The level of funds held in the Reserve will be reviewed each year by Council, taking into account items identified in its coming budget, *Principal Activities Plan for the future* and other matters considered relevant by the Council".~~

~~9 — "Home and Community Care Plant and Leave Reserve"~~

~~"The purpose of this Reserve is to provide funds to ensure that plant and equipment, used in the provision of home help and home maintenance services provided by the HACC programme, are replaced and upgraded to ensure a service of the highest quality. Additionally, funds are used to provide for the replacement of staff, absent on extended periods of leave (sick, annual and long service), by other competent staff to ensure an ongoing service.~~

~~The purpose of this Reserve is to provide provisions to meet the HACC long service leave and accrued annual leave liabilities so as to minimise the impact on the HACC budget from year to year and to provide for the replacement of vehicles, should grant monies not be provided or are insufficient to meet requirements.~~

The object of the Reserve is to reduce the impact on the Home and Community Care budget from year to year, given the limited recurrent grant from the Health Department and contributions/donations made by clients which do not allow for large one off expenditure items that may be required from time to time.

The level of funds held in the Reserve will be reviewed each year by Council, taking into account items identified in its budget and other matter considered relevant by the HACC programme, its funding body (Health Department) or by the Council².

10.——Community Bus Reserve *Account*

The purpose of this Reserve is to provide funds to allow for the maintenance, upgrade and changeover of the Wagin Community Bus as required from time to time.

The object of the Reserve is to ensure that funds are available to ensure the ongoing effective management of the Community Bus program.

The level of funds held in the Reserve Account will be monitored by the Community Bus Management Committee and Council from time to time in line with the operations of the Community Bus and at the end of each financial year. Net operating profits will be transferred to the Reserve Account and any operating losses transferred from the Reserve Account.

Refuse Site/Waste Management

The purpose of the Refuse site/Waste Management Reserve is to provide funds for a new refuse site, restoration of the existing site and future costs for waste management in working towards zero waste.

The object of the Reserve is to reduce the impact on Council's budget from year to year on the reduction of waste to landfill.

The level of funds held in the Reserve will be reviewed each year by Council.

11.——Wedgecarrup Hall Reserve

~~*The purpose of the Reserve is to provide funds to allow for the operation, maintenance and upgrading of the Wedgecarrup hall and surrounds. The object of the Reserve is to ensure that funds are available for the ongoing maintenance and operation of the hall and to contribute towards the cost of upgrades.*~~

~~*The level of the funds held in the Reserve account will be monitored by Council from time to time in line with the operations of the hall and at the end of each financial year. Net operating profits each year will be transferred to the Reserve account and any operating loss transferred from the Reserve account.*~~

(Reviewed & Amended Minute #10115 April 2002)

Explanation – to remove unnecessary historical headings and reflect the explanation in the Shire's current budget.
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Finance 20.

Corporate Credit Card

Use of Corporate Credit Card

Purpose

The purpose of this policy is to provide the Chief Executive Officer, *Manager Corporate Services, Manager of Services, Manager of Works* ~~*Deputy Chief Executive Officer, Works Manager*~~ and Wagin Frail Aged Inc Care Manager with the ability to pay for Council expenditure incurred whilst performing Council functions with a minimum of inconvenience.

Objective

The objectives of the Policy are;

- To reduce the reliance on Council representatives carrying cash or Council Cheques.
- To reduce the reliance on Councillors and Council Staff making payments on behalf of Council.
- To reduce the need for recouping of expenditure incurred on behalf of Council by Councillors and Officers.
- To provide a modern, professional and documented payment means when incurring expenditure on behalf of Council.

The Policy

1. That the Chief Executive Officer, *Manager Corporate Services, Manager of Services, Manager of Works* ~~*Deputy Chief Executive Officer, Works Manager*~~ and Wagin Frail Aged Inc Care Manager be delegated authority to use a Master Card Business Card for the following purposes which shall relate to bona fide Council business.
 - a) Conference and meeting costs
 - b) Accommodation expenses
 - c) Meals
 - d) Fuel
 - e) Entertainment expenses
 - f) Minor equipment part and repairs
 - g) Other expenses not exceeding \$1,500 which at the discretion of the Chief Executive Officer, *Manager Corporate Services, Manager of Services or Manager of Works* ~~*Deputy Chief Executive Officer or Works Manager*~~ is most efficiently paid for by credit card.
2. The credit card limit for each card shall be:

\$8,000	Chief Executive Officer
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\$4,000	Deputy Chief Executive Officer Manager
	Corporate Services
\$4,000	Works Manager Manager of Works
\$4,000	Manager of Services
\$500	Wagin Frail Aged Care Manager

3. The credit shall be linked to Council's Municipal bank account and a recoup of expenditure be made, on a monthly basis, via funds transferred from the Shire of Wagin Municipal Account.
4. All expenditure incurred on Wagin Frail Aged Inc Care Manager's credit card to be recharged to Wagin Frail Aged Inc.

(Reviewed and Amended Minute #489 May 2007)

Explanation – to reflect the recommended organisational structure. If the structure is not amended, the Senior Project Officer should be provided with a credit card.

Administration 4.

Wagin Community Bus Charter

- i) The Wagin Community Bus shall be managed by a Committee derived of a representative from the following organisations;
 - Wagin Lions Club
 - Wagin Rotary Club
 - Wagin Apex Club
 - Wagin Care and Share
 - Wagin Shire Council
 and any other representative that Council may appoint from time to time.
- ii) The role of the Committee is to manage the Wagin Community Bus on behalf of Council and the Wagin Community.
- iii) The Committee will make recommendations to the Council with respect to the total management and operation of the Community Bus.
- iv) Any fees for the use of the Community Bus must be endorsed by Council and included in Council's list of fees and charges.
- v) Council will maintain income and expense operational accounts for the Community Bus and a specific Reserve Account to which profits from the operation of the Community Bus will be transferred or from which losses incurred from operations will be reimbursed.
- vi) The purpose of the Community Bus Reserve account will be for the maintenance, upgrade and changeover of the Wagin Community Bus.
- vii) The Shire of Wagin will be responsible for the vehicle license and insurance costs of the Wagin Community Bus and to provide financial and secretarial services to the Committee as its contribution to the Community Bus Service. All other costs will be covered by the Community Bus Service.
- viii) The effect of the operation of the Wagin Community Bus (except for license and insurance costs) is expected to be cost neutral.

~~*“That the Shire of Wagin accepts responsible for the vehicle licence and insurance costs for the Wagin Community Bus as its contribution to the upkeep of the vehicle”.*~~

(Minute #9847, August 2001)

Explanation – to remove unnecessary historical information

Administration 4.

Occupational Safety & Health

It is recommended that the previous policy be used to create internal procedures and be replaced as follows:

The Shire of Wagin recognises its duty to ensure the safety and health of its employees, contractors, volunteers and visitors and in meeting this duty will comply with the requirements of the Occupational Safety and Health Act 1984 and any other legislation and supporting documents that apply to its operations.

It is our policy objective to:

- ***Provide and maintain a workplace and systems of work, so far as is practicable, that employees, contractors, volunteers and visitors are not exposed to hazards.***
- ***Ensure that all employees are provided with information, instruction, training and supervision appropriate to the scope of work being undertaken.***
- ***Consult with employees on any issues that may affect their safety and health at work.***
- ***Continuously review the Shire of Wagin safety management systems***

All Managers and Supervisors are responsible to ensure, within their respective level of control, the safety and health of employees, contractors, volunteers and visitors to the workplace.

Employees are required to take all reasonable care to ensure their own safety and that of other persons. They are also required to comply with all instructions and directions established to provide a safe and healthy workplace.

Explanation – to set a policy for staff to follow, and allow operational procedures to be amended without referral to Council

Council 11.

Civic Awards

That a Civic Awards Committee comprising the Shire President, Deputy Shire President and Chief Executive Officer be established *to make recommendations to the Finance and General Purpose Committee* ~~with the delegated authority~~ to deal with the awarding of Australia Day Awards such as the Citizen of the Year, Young Citizen of the Year and Community Event of the Year Award. Furthermore that other Civic Awards and Presentations *recommendations* may be made ~~by this Committee~~ in line with Council's budget allowance.

In determining Civic Award winners the Committee are able to consult with other parties considered necessary to them in coming to a decision. The decision of the *Finance and General Purposes* committee is to remain confidential until the announcement of the awards are made.

Explanation – to remove ‘delegated authority’ so that meetings of this ‘committee’ do not need to be advertised.

Summary

Several amendments to the Delegations of Authority are proposed for consideration.

Background

The Delegations of Authority are due for review.

Comment

Council last reviewed its delegations in December 2007. Several amendments are recommended as follows:

The proposed amendments are shown in the attachment with changes highlighted in ***bold and italics***.

Statutory Environment

The Local Government Act 1995.

Policy Implications

As per comments.

Budget Implications

Nil

Officer's Recommendation

That the following delegations be amended as attached:

- Selection of staff
- Rostered Days Off/Time in Lieu
- Firearms
- Use of Common Seal
- Media Authorisation
- Civic Awards
- Relocated Dwelling or Building
- Townscape painting subsidies
- Rental Staff Housing and Council Motor Vehicles
- Responsible Employee - Annual Statements
- Alternative Cheque Approvals
- Cheque Signatory
- Accounts Certifying
- Issuing of Council Orders
- Corporate Credit Card

That the authorised officers for the following legislation be amended as attached:

- Local Government Act 1995
- Dog Act 1976
- Caravan Park and Camping Ground Act
- Cemetery Local Law 2001
- Local Government Property Local Law 2001
- Pest Plant Local Law 2002
- Control of Refuse on Building Sites Local Law 2001
- Activities on Thoroughfares and Trading in Public Places Local Law 2001
- Local Government (Miscellaneous Provisions) Act 1960
- Bush Fires Act 1954

Council Resolution

F 242 Cr Anderson/Cr Blight

That the Officer's Recommendation be adopted.

CARRIED
Vote 6/0

SHIRE OF WAGIN – DELEGATIONS REGISTER
ADMINISTRATION POLICIES

<u>POLICY TITLE</u>	<u>NUMBER</u>	<u>PARTICULARS</u>	<u>DELEGATED TO</u>	<u>ON DELEGATED</u>	<u>CONDITIONS</u>	<u>REVIEWED</u>
Selection of staff <i>Deputy Chief Executive Officer</i> <i>Manager Corporate Services, Manager of Services and Manager of Works</i>	1	Authority to Appoint	CEO		Shall conduct interviews. In conjunction with Council panel	18/12/07
Administration Support Staff - Ranger & Librarian	1	Authority to appoint and dismiss staff	CEO		In accordance with Award	18/12/07
Depot staff	1	Authority to appoint and dismiss staff	CEO	Manager of Works in conjunction with CEO	In accordance with Award	18/12/07
Salary Reviews	1	Authority to amend salaries	Finance and General Purposes Committee		Conduct salary review	18/12/07
Conference - Seminars	1	Authority to approve attendance and reasonable costs	CEO		Enhancement of knowledge and service to Council	18/12/07
Annual Leave	1	Authority to authorise annual leave	CEO		Note: Shire President to authorise CEO's leave	18/12/07
Study Leave	1	Authority to approve unpaid study leave	CEO		Note: Council to authorise paid study leave	18/12/07
Rostered Days Off/Time in Lieu	1	Authority to approve RDO/Time in Lieu accumulation.	CEO	<i>DCEO</i> , <i>MCS</i> , <i>MoS</i> and Manager of Works for relevant staff.		18/12/07

SHIRE OF WAGIN DELEGATIONS REGISTER

ADMINISTRATION POLICIES

<u>POLICY TITLE</u>	<u>NUMBER</u>	<u>PARTICULARS</u>	<u>DELEGATED TO</u>	<u>ON DELEGATED</u>	<u>CONDITIONS</u>	<u>REVIEWED</u>
Staff Training	1	Authority to approve attendance at training courses	CEO		In consultation with DCEO , MCS, MoS and Works Manager	18/12/07
<i>AUTHORISED OFFICERS</i>						
Authorised Officers Local Govt Act		Authority to act as Authorised Officers Sect 3.24, 3.25, 9.10 of Local Govt Act 1995	Brian Allan Roderick Leanne Jane Parola William John Case Steven Thomas Friend Allen Douglas Hicks			18/12/07
Authorised Officers Dog Act		Appointed as Authorised Officers	Brian Allan Roderick Leanne Jane Parola William John Case Allen Douglas Hicks Steven Thomas Friend Ronald Arthur Hollands Robert Alan Mcnamara			18/12/07
Registration Officers Dog Act		Appointed as Registration Officers	Debra Jane Stephens Brian Allan Roderick Leanne Jane Parola William John Case Debbie Joy Thompson Kerry Patricia Tacken Maree Joan Hough			18/12/07
Authorised Officer Caravan Park & Camping Ground		Appointed as Authorised Officers under the Regulations as follows Issue Infringement Notices Sch 4 of Regulations Issue Infringement Notices Reg. 10 Illegal Camping	CEO, DCEO MCS, MoS, MoW & PEHO/BS CEO & Manager of Works CEO, DCEO MCS, MoS, MoW & PEHO/BS Robert Alan Mcnamara			18/12/07

SHIRE OF WAGIN DELEGATIONS REGISTER
ADMINISTRATION POLICIES

<u>POLICY TITLE</u>	<u>NUMBER</u>	<u>PARTICULARS</u>	<u>DELEGATED TO</u>	<u>ON DELEGATED</u>	<u>CONDITIONS</u>	<u>REVIEWED</u>
		Authority to withdraw or extend Infringement Notices	CEO DCEO MCS, MoS, MoW			18/12/07
		Authority to receive payment of modified penalties under Sch 4	CEO, DCEO MCS, MoS, MoW, Executive Assistant, Finance Officer, Clerical Officer			
Firearms Policy	6	Authority to store Firearms on Council property in a suitable location	CEO			
Power to Lease	Res # 9687	Power to Lease residence at 5 Warwick Street	CEO		Short Term at Market Rental if not required by staff	18/12/07
Cemetery Local Law 2001 (Authorised Officers)	Res #321	Issue permits, issue/withdraw infringements, issue notices	CEO, DCEO MCS, MoS, MoW & PEHO/BS			18/12/07
Fencing Local Law 2001 (Authorised Officers)	Res #321	Issue notices	CEO, DCEO MCS, MoS, MoW & PEHO/BS			18/12/07
Local Government Property Local Law 2001 (Authorised Officer)	Res #321	Issue permits, issue/withdraw infringements, issue notices	CEO, DCEO MCS, MoS, PEHO/BS & Manager of Works			18/12/07
Pest Plant Local Law 2002 (Authorised Officer)	Res #321	Issue notices	CEO, DCEO MCS, MoS, PEHO/BS & Manager of Works			18/12/07
Control of Refuse on Building Sites Local Law 2001 (Authorised Officer)	Res #321	Issue/withdraw infringements, issue notices	CEO, DCEO MCS, MoS, MoW & PEHO/BS			18/12/07
Activities on Thoroughfares and Trading in Public Places Local Law 2001 (Authorised Officer)	Res #321	Issue/withdraw infringements, issue permits, issue notices	CEO, DCEO MCS, MoS, PEHO/BS & Manager of Works			18/12/07

SHIRE OF WAGIN DELEGATIONS REGISTER
COUNCIL POLICIES

<u>POLICY TITLE</u>	<u>NUMBER</u>	<u>PARTICULARS</u>	<u>DELEGATED TO</u>	<u>ON DELEGATED</u>	<u>CONDITIONS</u>	<u>REVIEWED</u>
Use of Common Seal (authorisation)	3	Authority to apply seal	Shire President and CEO		To documents requiring Shire President's and CEO signatures without resolution of Council.	18/12/07
Invitation for tenders	8	Authority to invite tenders	CEO		In accordance with approved budget	18/12/07
Media (authorisation)	6	Authorised spokesperson on behalf of Council	Shire President and CEO		These may authorise other Councillors	18/12/07
Civic Awards	11 Res # 9924	Awarding of Civic Awards in line with policy	Civic Awards Committee, Shire President, Deputy President & CEO Finance and General Purposes Committee		In line with budget allowance	

SHIRE OF WAGIN DELEGATIONS REGISTER

HEALTH/BUILDING POLICIES

<u>POLICY TITLE</u>	<u>NUMBER</u>	<u>PARTICULARS</u>	<u>DELEGATED TO</u>	<u>ON DELEGATED</u>	<u>CONDITIONS</u>	<u>REVIEWED</u>
<i>Relocated Dwelling or Building</i>	<i>10</i>	<i>Authority to approve relocated dwellings within the Wagin Townsite in matters of emergency</i>	<i>Health Building and Planning Committee</i>		<i>Subject to conditions listed in Policy</i>	<i>18/12/07</i>
Swimming Pool Inspections (authorisation)	1	Authority to conduct private swimming pool inspections	CEO, PEHO/BS & SPQ MoS			18/12/07
Approval/Refusal building applications	4	Authorisation to approve or refuse applications	CEO & PEHO/BS		Vide Section 374 (1b) Local Government (Miscellaneous Provisions) Act	18/12/07
Discount Sale - Outside Vendor (not permitted)	3	Authority to grant exemption	CEO		For Local Organisations	18/12/07
Dumping of Grain	6	Authority to accept small quantities of grain at Wagin refuse site	CEO		Staff time charged at Private Works rates	18/12/07
Health & Safety	7	Appointment of Safety and Health Co-ordinator	CEO			18/12/07
Planning Applications	22	Authority to grant approval to applications for permitted uses	CEO	PEHO/BS	Development complies with all requirements of Town Planning Scheme No 2	18/12/07
Septic Tanks Approval	Res # 321 Aug 2006	Authority to exercise powers conferred on Local Government for purpose of Reg 4 & Reg 10(2) of the Health (Treatment of Sewerage and Disposal of Liquid Waste) Regs 1974	CEO & PEHO/BS			18/12/07

SHIRE OF WAGIN DELEGATIONS REGISTER
FINANCE POLICIES

<u>POLICY TITLE</u>	<u>NUMBER</u>	<u>PARTICULARS</u>	<u>DELEGATED TO</u>	<u>ON DELEGATED</u>	<u>CONDITIONS</u>	<u>REVIEWED</u>
Investments	4	Authority to invest surplus funds	CEO	DCEO	Term deposits in accordance with Section 6.14 of LGA and Section 19 of Local Government (Financial Management) Regulations 1996.	18/12/07
Rates	19	Authority to accept applications for deferment or instalments	CEO		Reasonable requests in consultation with Shire President	18/12/07
Townscape painting subsidies	8	Authority to approve subsidies	Townscape Committee		1/3 rd cost up to \$500 subject to policy guidelines	18/12/07
Rental Staff Housing and Council Motor Vehicles	24	Authority to review staff rentals as part of Salary review.	CEO	Finance and General Purposes Committee		18/12/07
Responsible Employee – Annual Statements	18	Regulation 51 Local Government (Financial Management) Regulations 1996 delegation of Responsible Employee	CEO			18/12/07
Rates Concession Incentives – Commercial Property	19	Authority to determine whether direct competition exists.	CEO		In conjunction with Shire President	16/05/06
<u>AUTHORISATIONS</u>						
Alternate cheque approvals	14	Authority to approve cheques for payment	CEO	DCEO in CEO's absence. MCS	Subject to policy guidelines	18/12/07
Cheque Signatory	14	Authority to sign cheques	CEO and DCEO	MCS	DCEO in CEO's absence	18/12/07
Accounts Certifying	12	Authority to certify accounts for payment	DCEO, Manager of Works, CEO, PEHO/BS & Town Supervisor	MCS, Mos, MoW, PEHO/BS & Town Supervisor	Finance Officer in MCS's DCEO's absence	18/12/07

SHIRE OF WAGIN - DELEGATIONS REGISTER
FINANCE POLICIES

<u>POLICY TITLE</u>	<u>NUMBER</u>	<u>PARTICULARS</u>	<u>DELEGATED TO</u>	<u>ON DELEGATED</u>	<u>CONDITIONS</u>	<u>REVIEWED</u>
Issuing of Council Orders	13	On authority to issue orders	CEO, <i>DCEO, Manager of Works, Special Projects Officer & Town Supervisor</i>	<i>MCS, MoS, MoW, Town Supervisor</i>	Finance Officer in absence of CEO & <i>DCEO, MCS</i> if expenditure is budgeted or authorised by Council	18/12/07
Corporate Credit Card	20	Authority to Use a Master Card – Business Card	CEO, <i>DCEO</i>	<i>MCS, MoS, MoW</i>	Circumstances listed in Policy	18/12/07
Legal Representation – Costs Indemnification	22	Authority to organise urgent legal representation.	CEO		Up to \$5,000 where there is a need for urgent legal services prior to an application being able to be considered by Council	18/12/07

SHIRE OF WAGIN DELEGATIONS REGISTER
BUSHFIRE POLICIES

<u>POLICY TITLE</u>	<u>NUMBER</u>	<u>PARTICULARS</u>	<u>DELEGATED TO</u>	<u>DELEGATION ON</u>	<u>CONDITIONS</u>	<u>REVIEWED</u>
Expenditure Limit (authorisation)	1	Authority to commit up to \$500.00 expenditure	Registered Bush Fire Control Officers		If considered necessary to combat fire	18/12/07
Suspended Prohibited Burning period (other Act)	2	Authority to suspend or amend prohibited burning and restricted burning periods	CEO		In conjunction with CFCO	18/12/07
Use of Council equipment	3	Authority to approve use of equipment	CEO		To control Bush fires within or bordering Wagin District	18/12/07
Harvest Bans (other Act)	4	Authority to notify media of harvest bans	Fire Weather Officer Chief Fire Control Officer CEO or DCEO MoS		On request of FWO or CFCO	18/12/07
Issuing Infringements (other Act)	6	Authority to issue Infringements	CEO and CBFCO			18/12/07
Appointment to Fire Control Positions (authorisations)		CFCO DCFCO Chief Fire Weather Officer Deputy Fire Weather Officer	Ross Goldsmith Ian McDougall Ross Goldsmith Ian McDougall			18/12/07
		Fire Weather Committee	Glen Ward, Ross Goldsmith Peter Piesse, Greg Brockway, Keith Rowell, Ian McDougall			
		Base Radio Officer Clover Burning Permits CBH Bin Harvest Ban Notification Officers	Roster System CFCO and DCFCO Wagin: Greg Brockway & CEO Ballaying: Shire of Wagin			

SHIRE OF WAGIN DELEGATIONS REGISTER
BUSHFIRE POLICIES

<u>POLICY TITLE</u>	<u>NUMBER</u>	<u>PARTICULARS</u>	<u>DELEGATED TO</u>	<u>DELEGATION ON</u>	<u>CONDITIONS</u>	<u>REVIEWED</u>
Fire Control Officers		South West Brigade South West Brigade South East South East South East 2 North West Piesseville Piesseville Piesseville North East North East North East Shire Town	Geoff Abbott Ian McDougall Bruce Johnson Greg Brockway Glen Ward Nigel Drayton Ross Goldsmith Carol Goldsmith Peter Piesse Keith Rowell Malcolm Edward Steve Angwin CEO DCEO MoS			18/12/07
Dual Appointments	Updated #759	Dumbleyung FCO's for Wagin Shire Wagin FCO's for Dumbleyung Shire Woodanilling FCO's for Wagin Shire Wagin FCO's for Woodanilling Shire	Ken Wright Jamie Dare Glen Ward Steve Angwin Peter Morrell Roger Crosby Peter Eckersley Eric Crossely Mal Baxter Chris Sattler Greg Brockway Glen Ward Ian McDougall			15/07/2008

SHIRE OF WAGIN DELEGATIONS REGISTER
BUSHFIRE POLICIES

<u>POLICY TITLE</u>	<u>NUMBER</u>	<u>PARTICULARS</u>	<u>DELEGATED TO</u>	<u>DELEGATION ON</u>	<u>CONDITIONS</u>	<u>REVIEWED</u>
	# Updated 759	Wagin FCO's for West Arthur Shire	Geoff Abbott Nigel Drayton			15/07/2008
		West Arthur FCO's for Wagin	Ben Robinson			
		Narrogin FCO's for Wagin Shire	Gerald Saunders David Walker			
		Wagin FCO's for Narrogin Shire	Ross Goldsmith Peter Piesse			
		Wickepin FCO's for Wagin Shire	Lachlan White			
		Wagin FCO's for Wickepin Shire	Steve Angwin			

SHIRE OF WAGIN - DELEGATIONS REGISTER

WORKS POLICIES

<u>POLICY TITLE</u>	<u>NUMBER</u>	<u>PARTICULARS</u>	<u>DELEGATED TO</u>	<u>ON DELEGATED TO</u>	<u>CONDITIONS</u>	<u>REVIEWED</u>
Country Roadside Clearing	4	Authority to approve clearing and authority to approve Council maintenance on road reserves in conjunction with clearing	CEO		With consultation of Councillor(s)	18/12/07
Road Train Permits	5	Authority to endorse permits	CEO		On approved roads In conjunction with Shire President	18/12/07
Heavy Haulage on local roads	5	Authority to approve applications for heavy haulage on local roads	CEO		In consultation with the Shire President and Principal Works Supervisor	18/12/07
Staff use of Council plant	14	Authority to approve staff use of plant	CEO		Limited to staff member's residences and regular operator paid by proponent.	18/12/07
Private Works	9	Authority to approve Private Works	CEO		Up to \$15000 subject to conditions	18/12/07
Firewood Collection on Road Reserves	11	Authority to approve Firewood Permits	CEO		Approvals to be made in writing	18/12/07
Clearing of Rural Road Intersections	4	Authority to clear rural road intersections	CEO	Manager of Works	Report clearing to Council	18/12/07
Trees and Suckers on Table Drains	3	Authority to remove tree suckers from table drains as required	CEO	Manager of Works		18/12/07
Gravel Agreements	8	Negotiations gravel agreements	CEO	Manager of Works		18/12/07
Road Closure Wagin Woolorama	17	Authority to approve Road Closure for Woolorama and Christmas Street Carnival	CEO		In accordance with Policy	18/12/07

7. OTHER BUSINESS

Nil

8. NEXT MEETING DATE

Monday 16 February 2009

9. CLOSURE

10.04 pm

5. Works and Services report to council

**MINUTES OF THE WORKS AND SERVICES COMMITTEE MEETING
HELD ON 17 NOVEMBER 2008 AT THE SHIRE OF WAGIN
COMMITTEE MEETING ROOM**

1. OPENING: 7.00 pm

2. PRESENT: Cr I C Cumming
Cr K M Draper
Cr J P Reed
Cr J L C Ballantyne

STAFF:	Mr J Hunter	Chief Executive Officer
	Mr A Hicks	Manager of Works
	Mr J Case	Special Projects Officer
	Mrs L Parola	Acting Deputy Chief Executive Officer

VISITORS: Nil

APOLOGIES: Cr B W Anderson
Cr D K Morgan

3. PUBLIC QUESTION TIME

Nil

4. DECLARATION OF INTEREST

Nil

5. CONFIRMATION OF PREVIOUS MINUTES

COMMITTEE RESOLUTION – ITEM 5.1
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Cr Draper/Cr Reed

That the Minutes of the Works and Services Committee meeting held on 23 June 2008 be confirmed as a true and accurate recording of proceedings.

CARRIED
Vote 4/0

6. CORRESPONDENCE AND REPORTS

6.01 Review of the Works Committee

Proponent: CEO

Summary

This proposal seeks the Committee's agreement to a revision of its Terms of Reference.

Background

Council established three Standing Committees in May of 1995 by promulgating Council Policy 1 and that was some months before the current Local Government Act came into force. A copy of that policy is attached and the Works Committee was one of the committees established.

Comment

The function of this type of committee should be to establish and review policies in specified areas as may be required by various legislation and to monitor the implementation of those policies. However the functions of all of the Standing Committees were written thirteen years ago and there has been considerable change since then, including a new Local Government Act and several pieces of associated legislation, that considerably changed the way local government now operates.

Council Policy 1 refers to the Works Committee whereas the committee in more recent years has been referred to as the "Works and Services Committee". No resolution has been found the gives affect to a change in name or purpose of the Committee.

The terms of reference for the Works Committee as set out in Council Policy 1 are as follows:

"The Committee will deal with -

1. Construction, maintenance and management of works in roads, streets , ways and other public places including private streets and places as approved by Council.
2. Purchase, maintenance and upkeep of plant and equipment, procurement of materials required for carrying out of works.
3. Construction and maintenance of road signs and street furniture.
4. Engagement and dismissal of employees in respect to work performance as per Council policy
5. Construction and maintenance of parks and reserves for recreation and public use, street trees and road verges
6. Preparation of draft works and plant programs
7. Dealing with issues relating to Caravan Park, bushfires, vermin control and school bus routes.
8. Other issues relating specifically to the works division

In practical terms the committee can do very few of these things as neither the Council nor any of its committees has any power under the Act to be involved in the day to day operations of the council. The primary function of this committee is to assist Council to establish and review policies in the areas designated as belonging to the “works area”. The Committee can also assist Council by monitoring the implementation of policies.

One primary policy decision of Council is the annual budget and therefore Council would look to this committee to provide advice on the works that go to make up the “works program”. Generally these items include the creation and maintenance of capital items so would include the roads program, any program to construct buildings or parks and gardens, the maintenance program which covers the maintenance of all assets of Council and any capital related schedules such as a forward roads program or a plant replacement program.

Other policies that relate to the “works area” are any to do with occupational health and safety as well as the procurement policy of Council.

The committee also has a role in monitoring the progress of the various works programs against time and budget and other Council policies and providing advice to Council accordingly.

A revised set of terms of reference is attached for consideration.

Statutory Environment

Policy Implications

This report proposes changes to an existing policy.

Budget Implications

Officer’s Recommendation

1. That Committee recommends to Council that Council Policy 1 be amended so as to change the name of the Works Committee to the Works and Services Committee.
2. That Committee recommends to Council that it agree to the attached terms of reference for the committee.

Committee Resolution

Moved: Cr Ballantyne

Seconded: Cr Reed

That the recommendations in the report be agreed to.

Carried 4/0

Attachment 1: Council Policy 1.

Council 1.

Standing Committees

Council has three standing committees those being:

Finance and General Purpose
Works
Health, Building and Town Planning

and that the areas of responsibility for these Committees be as listed below.

That the membership of Councils standing committees be up to 6 members.

That the quorum of standing Committees be set at three members.

1. FINANCE AND GENERAL PURPOSES

will deal with

1. All financial issues including surveillance over Councils finances and accountability of revenue and expenditure as determined by the current budget.
2. Borrowing of funds by loan or overdraft
3. Council accounts
4. Appointment and remuneration of officers and matters pertaining to their employment as detailed in Councils Policy.
5. Management and Use of Council properties including buildings for municipal use
6. Purchase of lands or property as may be determined by council.
7. Sale, Lease or rental of Council property
8. Bylaws relating to areas of responsibility
9. Preparation and arrangement of civic functions
10. Surveillance over the preparation of the Council budget and compilation of estimated revenue and expenditure items from other standing committees to draw up draft budget for referral to Council.
11. Overview of matters relating to public relations, publications and other Council information
12. Management and conduct of community service including Library Ranger, Caravan Park and social welfare services
13. Promotion of cultural and recreational activities
14. Such matters not under the care of other Committees.

2. WORKS

Will deal with -

1. Construction, maintenance and management of works in roads, streets , ways and other public places including private streets and places as approved by Council.
2. Purchase, maintenance and upkeep of plant and equipment, procurement of materials required for carrying out of works.
3. Construction and maintenance of road signs and street furniture.
4. Engagement and dismissal of employees in respect to work performance as per Council policy
5. Construction and maintenance of parks and reserves for recreation and public use, street trees and road verges
6. Preparation of draft works and plant programs
7. Dealing with issues relating to caravan park, bushfires, vermin control and school bus routes.
8. Other issues relating specifically to the works division.

3. **HEALTH, BUILDING AND TOWN PLANNING**

Will deal with;

Health

1. Matters pertaining to Health and well being of community pursuant to provisions of the Health Act and relevant bylaws
2. Surveillance over sanitary provisions for collection and disposal of sewerage, refuse and liquid wastes
3. Control of nuisance, offensive trades, insects and pests, distribution and sale of foods and drugs to the public
4. Providing for the protection of health and life of the community including immunization, welfare and health education.

Building

1. Control of Building operations, supervision of construction in respect to all buildings, subject to provision of the uniform general building bylaws
2. Oversight of dangerous, neglected and dilapidated buildings and demolition as may be ordered by the Council.
3. Control of erection, location and upkeep of signs, hoardings, bill posting and fencing pursuant to relevant bylaws.
4. Construction and maintenance of buildings used for the purposes of the Council and matters relating there to.

Town Planning

1. Matters relating to the regulation and use of land pursuant to the provision of the Town Planning and Development Act and Town Planning Scheme and relevant bylaws.
2. Oversight of the subdivision of land, classification or zoning of land use, location and layout of streets and ways, reserves, parks and grounds for public use.

3. Control of the height, location, design purpose, dimensions or general character of buildings or other structures as provided in the Town Planning Scheme or bylaws.
4. Preparation of Town Planning Schemes for planning, replanning or reconstruction of areas for the purpose of improving and development of land and the supervision and operation of such schemes, and other issues relating specifically to the Health Building and Town Planning Division.

(Minute # 7156 May 95)

Works and Services Committee

TERMS OF REFERENCE

Introduction

Council has three standing committees, those being:

- Finance and General Purpose
- Works
- Health, Building and Planning

Council has been requested to review the requirement for the Health, Building and Planning committee and to re-allocate the “Service” function being “Construction and maintenance of buildings used for the purpose of the Council and matters relating there to” to a new advisory committee to be known as “Works and Services Advisory Committee”.

The title Works and Services Advisory Committee has been used incorrectly since at least July 2005, contrary to Council Policy number 1 of minute 7156 of May 1995.

Since establishment the, Works Committee has been made up of six members of Council and Council staff and this should continue. This document clarifies the role of the new Committee as an advisory committee to Council.

The Executive Officer of the Committee is TBA and other members of Council's staff may attend as advisors.

The main role of this committee is to provide advice to Council on all aspects of roads, plant and equipment, signage and street furniture, parks and reserves, caravan park, bushfires, vermin control, school bus routes, draft works and plant programs, construction and maintenance of council buildings and finally the management of staff as per council policy.

Background

A major function of local government is the construction and maintenance of the roads, buildings, recreation facilities, parks and gardens, footpaths and walkways vested under its control. Associated costs to provide the personnel, plant and equipment required by council to accommodate the needs of the infrastructure are significant. Long term planning including financial planning is required.

Legislative Requirements

N/A

Objectives of the Committee

The primary function of this committee is to assist Council to establish and review policies, which includes budget items and programs of works, in these general areas:

- Construction and maintenance of works in roads, streets and other public places including private streets and places as approved by Council.
- Programs to purchase plant items recommendations concerning tenders.
- Construction and maintenance of road signs and street furniture.
- Construction and maintenance of parks and reserves for recreation and public use, street trees and road verges
- Landfill or other waste management facility
- Forward planning concerning roads, building maintenance and plant replacement
- Emergency management for the Shire
- Construction and maintenance programs for any Council Enterprise such as the Caravan Park
- School bus routes.
- Construction and maintenance of buildings used for the purposes of the Council and matters relating thereto.

A further function of the committee is to monitor on a monthly basis the progress of the various items in the works program against time and budget and compliance with Council policies generally.

Committee members, and in particular the Chair of the Committee will need to attend Regional meetings that consider items within the above described works area in order to become and remain well informed about developments and initiatives within this area. This also includes advocating the Shire's position at appropriate forums so ensure that the Shire secures the necessary levels of funding to complete its program of works.

COMMITTEE OPERATION

Name

The Name of the Committee shall be the 'Works and Services Committee'.

Membership

The Committee shall consist of the following members:

- Six (6) Shire of Wagin Councillors; with one being the Chairperson.
- The Executive Officer.

Ex-officio Members

The following individual shall be ex-officio members of the Committee:

- The Shire of Wagin's Manager of Works.

Observers

The following may attend meetings in the capacity of observers:

- Shire of Wagin Councillors not members of the committee
- The Shire's Chief Executive Officer.

Delegations

The committee is a formally appointed committee of Council and is responsible to that body. The committee does not have executive powers or authority to implement actions in areas over which the Chief Executive Officer has legislative responsibility and does not have any delegated financial responsibility. The committee does not have any management functions and cannot involve itself in management processes or procedures.

The committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its term of reference in order to facilitate informed decision-making by Council.

Meetings

The committee shall meet monthly. Additional meetings shall be convened at the discretion of the presiding person.

Reporting

Reports and recommendations of each committee meeting shall be presented to the next ordinary meeting of the Council.

Proponent:

SPO

Summary

This paper raises the issue of the Shire of Wagin Tip fence/entrance gates and the Townsite Fire Volunteers request to move the fence alignment. Committee members are requested to review the arguments for leaving the tip fence alignment as-is or moving the alignment clear of the water stand-pipe.

Background

Last year, during the summer season, there was vandalism incidents at the tip where it was set on fire several times. Fires at the landfill site are serious as they have the ability to reach back under the filled area and continue for extended periods. Fortunately the quick response from Town and Rural firefighters rectified the problem.

Access to a water supply for the Tip is important for firefighting purposes to the Shire. The standpipe at the tip has signage that it is for Firefighting purposes only, and it is only in the last twelve months that it has been enclosed within the perimeter fencing.

Access to the standpipe is of paramount importance for residents' safety with the increasing number of houses in the South and South Eastern sector of the Townsite.

Rural and Town brigades have been given sufficient keys to allow quick access to the standpipe, however the Town brigade have requested that the Shire either move the fence behind the standpipe or conversely move the standpipe.

Fencing at the Landfill site was placed on the surveyed perimeter of the lease as required by our operating license. The proposal from the fire brigade is to move the gates on the South West corner in approximately fifteen metres to allow access to the standpipe and sufficient room to turn a fire appliance.

Future proposals to encourage re-cycling amongst residents and still maintain the managed tip closure hours will necessitate the provision of some recycling containers exterior to the tip fence. The cleared area of the fence realignment may be suitably utilized for the purpose.

Council staff believes that there are some councillors and residents that are against moving the gates, hence the request for a decision being brought to the Works and Services Committee.

Comment

The proposal is as follows:

- Re-align the tip fence in the SW corner to the new alignment marked by posts with pink flagging tape that are 5 posts each way from the corner.
- Depot staff to ensure that sufficient earthworks are undertaken in the area to allow expediency in manoeuvring a fire appliance at the Water Fill Point.

Statutory Environment

Nil

Policy Implications

Nil

Budget Implications

The proposal involves the possible engagement of a contract fencer and will be carried out utilising funds within the maintenance budget.

Officer's Recommendation

That Committee agrees with the proposal contained in the paper and recommends to Council that the proposal is implemented as soon as possible.

Committee Resolution

Moved: Cr Draper

Seconded: Cr Reed

That Council agrees with the recommendation.

Carried 4/0

6.03

Review of the Works Program

Proponent:

Works Manager

Summary

In accordance with Council's request, Council is to be presented with a Works Management Report for adoption.

Background

Works management information has previously been provided in Council's information bulletin, however it is more appropriate to formalize a report and present to the Works and Services Committee prior to Council for adoption at each Ordinary Council meeting.

Comment

A copy of the Works Management report is attached to this item including additional information that Council has deemed appropriate to receive.

Statutory Environment

Nil

Policy Implications

Nil

Budget Implications

Nil

Officer's Recommendation

That the Committee accepts the Works Management Report comprising of the Works Progress Report, Works Capital and Maintenance Reports and Plant Report for the period ending 31 October 2008.

Committee Resolution

Cr Ballantyne

/Cr Draper

That the Officer's Recommendation be adopted.

CARRIED 4/0

Proponent:**Manager of Works****Summary**

This proposal seeks the Committee's agreement to a variation in the Works program to include the relocation of the bus shelter.

Background

Council has approved funding for a small project to seal the bus stop area on Tudhoe Street.

Comment

The bus shelter is placed in a very inconvenient place for the necessary sealing work to be done. The proposal is to dig around the foundations of the shelter and move it out of the way to allow a clean go to be had at the sealing job. See the attached plan.

At present the shelter is about 40 metres from the bus stop and the proposal is to replace the shelter closer to the footpath.

This will enable the south bound bus to pull up at the bus stop and the north bound bus can pull into the sealed area immediately to the east of the shelter. These areas will be clearly marked with road paint and signs. The road pavement is wide enough for the south bound bus at that point and there is no change to the traffic pattern for the north bound bus.

Not only will this be more convenient for bus passengers but it will also reduce the wear on the sealed area. When buses go to the rear of the site they have to do a U turn to get out of the car park and that tears up the surface as can be seen there now.

This proposal will increase the number of car parking spaces in that area to 25 and will leave the way open for the proposed stop and shop area to the south.

Statutory Environment**Policy Implications**

This report proposes changes to an existing policy.

Budget Implications

As the job involved lifting and replacing the shelter the only difference is that the shelter will be put in a different position. Any cost differences will be marginal.

Officer's Recommendation

That the Committee notifies Council that the project to seal the bus shelter area has been amended to include resiting the bus shelter.

Committee Resolution

Moved: Cr Reed Seconded: Cr Ballantyne

That the recommendations in the report be agreed to.

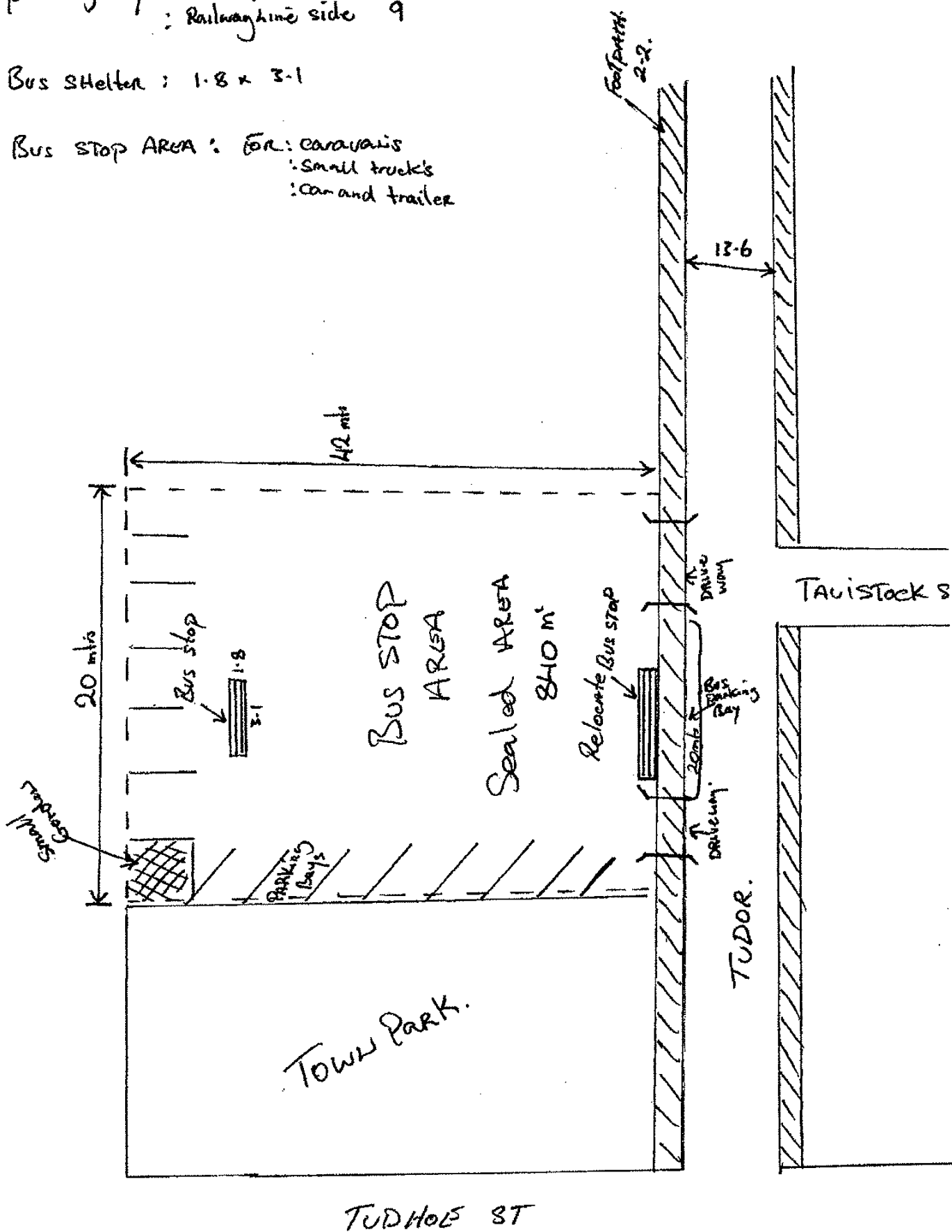
CARRIED
Vote 4/0

Attachment 1: Plan of the proposed works.

Parking Bays : Town park side 16
: Railwayline side 9

Bus shelter : 1.8 x 3.1

Bus stop AREA : for : caravans
: small truck's
: car and trailer



6.05

Drainage Kitchener Street

Proponent:

Manager of Works

Summary

This item has been deferred.

Proponent: **Manager of Works**

Summary

It was noted that there is some \$8M in grants commission funding available for bridges and that the Manager of Works is currently drawing up priority list of bridges within the Shire requiring replacement or maintenance. Many of the Shire's bridges are not adequate for the traffic volume they are currently experiencing.

There is a likelihood that there will be large amounts of grant funds available for infrastructure from both the State and Federal Government in the short term to stimulate the local economy and as a result of the Royalty to Regions program.

It is important that the Shire is prepared for grant applications.

Officer's Recommendation

That Council be prepared to submit grant funding applications to maximise opportunities to clear some of the bridge maintenance backlog as soon as they are announced.

Committee Resolution

Moved: Cr Draper Seconded: Cr Reed

That the Officer's recommendation be adopted.

CARRIED
Vote 4/0

7. OTHER BUSINESS

7.1 Works Program –Corrective Seals

Committee Resolution

Moved: Cr Ballantyne Seconded: Cr Reed

That the budget for a corrective seal on Beauford Road also be used to also engage the contractor to carry out corrective seals on the approaches on Bullock Hills Road at the same time if funds allow.

CARRIED
Vote 4/0

7.2 Intersection of Trent and Randal Streets

Councillor Ballantyne asked if Randal Street could be turned into a cul de sac at the intersection of Trent Street adjacent to the Lions Park to improve public safety.

The Manager of Works will replace the mirror at this intersection.

7.3 Network 4 Roads

Main Roads have agreed to look at the roads recommended by Council to be classed as Network 4 roads. A consultant is currently preparing a report on the works required to bring them up to the required standard.

It is likely that plans for some of these roads will be ready for submitting applications for anticipated infrastructure funding.

7.4 Heavy Haulage Route

The Shire have engaged a consultant in conjunction with Main Roads to investigate truck movements around town, looking at how heavy vehicles can be moved away from the main street, without taking other traffic from the town centre.

It is likely it will be in the form of an alternative heavy vehicle transport route, as opposed to a deviation road, and there will be signage encouraging other traffic to use the main street.

8. NEXT MEETING DATE

To be advised (January 2009)

9. CLOSURE

There being no further business to discuss the Chairperson thanked those in attendance and closed the meeting at 8.11 pm.

These Minutes were confirmed at a meeting held on _____

Signed _____

Presiding Member at the meeting at which the Minutes were confirmed.

Dated _____

6. Other reports.

6.1 President's report

6.2 Councillor's reports

6.3 Late items

7. Confidential business.