



Shire of  
Serpentine  
Jarrahdale

# Audit, Risk and Governance Committee Meeting

## Minutes

Tuesday 12 September 2017

5.30pm

---

### Contact Us

#### Enquiries

Call: (08) 9526 1111

Fax: (08) 9525 5441

Email: [info@sjshire.wa.gov.au](mailto:info@sjshire.wa.gov.au)

#### In Person

Shire of Serpentine Jarrahdale

6 Paterson Street, Mundijong WA 6123

Open Monday to Friday 8.30am-5pm (closed public holidays)



[www.sjshire.wa.gov.au](http://www.sjshire.wa.gov.au)



---

## Table of Contents

1. Attendances and apologies (including leave of absence): .....	3
2. Public question time: .....	3
2.1 Response to previous public questions taken on notice.....	3
2.2 Public questions .....	3
3. Public statement time: .....	3
4. Petitions and deputations: .....	3
5. Declaration of Councillors and Officers interest: .....	3
6. Receipt of minutes or reports and consideration of adoption of recommendations from Committee meetings held since the previous Council meetings: .....	4
6.1 Minutes of previous Audit, Risk and Governance Committee Meeting: .....	4
6.2 Reports for consideration: .....	4
ARG007/09/17 – Audit Regulation 17 Improvement Plan Progress Report (SJ2247) .....	4
ARG008/09/17 – Status Reports on Statutory Compliance Calendar, Financial Management Review and Governance Health Review (SJ2196).....	11
ARG009/09/17 – Reporting on Corporate Business Plan Quarter 3 and 4 of 2016/2017 and Final Review (SJ940) .....	16
7. Motions of which notice has been given: .....	22
8. Urgent business: .....	22
9. Closure: .....	22



Minutes of the Audit, Risk and Governance Committee Meeting held in the Council Chambers, 6 Paterson Street, Mundijong on Tuesday 12 September June 2017. The Presiding Member declared the meeting open at 5.30pm and welcomed Councillors, Committee Members and staff and acknowledged that the meeting was being held on the traditional land of the Noongar People and paid his respects to their Elders past and present.

## 1. Attendances and apologies (including leave of absence):

**Councillors:** J Erren ..... Presiding Member  
S Hawkins  
M Rich  
J See

**Independent Members:** Ms E Newby  
Mr S Casilli

**Officers:** Mr K Donohoe ..... Chief Executive Officer  
Mr P Kocian ..... Acting Director Corporate and Community  
Mrs K Bartley ..... Manager Corporate Services  
Ms A Liersch ..... Minutes and Governance Officer (Minute Taker)

**Apologies:** Councillor K Ellis

**Observers:** Nil

Shire President, Cr Erren welcomed Ms Eileen Newby and Mr Santo Casilli as Independent Members to the Audit, Risk & Governance Committee.

## 2. Public question time:

### 2.1 Response to previous public questions taken on notice

Nil

### 2.2 Public questions

Nil

## 3. Public statement time:

Nil

## 4. Petitions and deputations:

Nil

## 5. Declaration of Councillors and Officers interest:

Nil



**AUDIT, RISK & GOVERNANCE COMMITTEE DECISION**

Moved Cr Erren, seconded Cr Rich

That Standing Orders 9.5, 9.6, 10.7 and 10.13 be suspended at 5.33pm in order to introduce members of the Audit, Risk & Governance Committee.

**CARRIED UNANIMOUSLY 6/0**

**AUDIT, RISK & GOVERNANCE COMMITTEE DECISION**

Moved Cr Erren, seconded Cr See

That Standing Orders be reinstated at 5.53pm.

**CARRIED UNANIMOUSLY 6/0**

**6. Receipt of minutes or reports and consideration of adoption of recommendations from Committee meetings held since the previous Council meetings:**

**6.1 Minutes of previous Audit, Risk and Governance Committee Meeting:**

**6.1.1 Audit, Risk and Governance Committee Meeting – 31 July 2017**

**AUDIT, RISK & GOVERNANCE COMMITTEE DECISION**

Moved Cr Hawkins, seconded Cr See

That the minutes of the Audit, Risk and Governance Committee Meeting held on 31 July 2017 be confirmed (E17/7557).

**CARRIED UNANIMOUSLY 6/0**

**6.2 Reports for consideration:**

<b>ARG007/09/17 – Audit Regulation 17 Improvement Plan Progress Report (SJ2247)</b>	
<b>Author:</b>	Kellie Bartley – Manager Corporate Services
<b>Senior Officer/s:</b>	Peter Kocian – Acting Director Corporate and Community
<b>Date of Report:</b>	24 August 2017
<b>Disclosure of Officers Interest:</b>	No officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

**Introduction**

The purpose of this report is to provide the Audit, Risk and Governance Committee (ARG) with a progress report on the appropriateness and effectiveness of the Shire's systems and procedures in



relation to risk management, internal controls and legislative compliance (*Local Government (Audit) Regulations 1996*).

### **Relevant Previous Decisions of Council**

AC003/03/17 – Review of Risk Management, Legislative Compliance & Internal Controls presented to Council 27 March 2017.

ARG001/06/17 – Audit Regulation 17 Improvement Plan Progress Report presented to Council 26 June 2017.

### **Background**

On 8 February 2013, amendments to the *Local Government (Audit) Regulations 1996* extended the functions of the Local Government Audit Committees. The inclusion of Regulation 17 requires the Chief Executive Officer to review the appropriateness and effectiveness of the Shire's systems and procedures in relation to risk management, internal controls and legislative compliance every two calendar years. The results are then reported to the ARG Committee.

At the Ordinary Council Meeting, 19 December 2016, Council considered the review of Risk Management, Internal Controls and Legislative Compliance pursuant to Regulation 17 of the *Local Government (Audit) Regulations 1996*, and resolved as follows:

OCM234/12/16

COUNCIL DECISION / Officer Recommendation

*Moved Cr Rich, seconded Cr Gossage*

*That with respect to the review on the appropriateness and effectiveness of the Shire's systems in regard to Risk Management, Internal Control and Legislative Compliance, as required under Regulation 17 of the Local Government (Audit) Regulations 1996, Council:*

- 1. Receive the results of the review provided by the CEO under section 17 (3) of the Local Government (Audit) Regulations 1996 being the Improvement Plan contained in OCM234.1/12/16;*
- 2. Note that the Shire will present to the Audit Committee a quarterly management review of the Improvement Plan as a standing item;*
- 3. Note that the Shire will develop an audit work plan and internal audit charter to be considered by the Audit Committee at a later date.*

CARRIED UNANIMOUSLY

The Regulation 17 review audit produced a comprehensive "Improvement Plan" sanctioned into the following main compliance areas:

- Risk Management (RM)
- Legislative Compliance (LC)
- Internal Controls (IC)

A cumulative total of 61 framework components and actions items were identified to increase procedural and system effectiveness in accordance with legislative requirements.

The initial status report was presented to the Audit Committee on 20 March 2017. The Improvement Plan Progress report was presented to the Audit, Risk and Governance Committee on 6 June 2017. The items reported against identified issues with respect to risk management, legislative compliance and internal controls.



## Community / Stakeholder Consultation

Internal stakeholder consultation has occurred with Responsible Officers as designated in the status report attached to this item (ARG007.1/09/17).

## Statutory Environment

### **Local Government (Audit) Regulations 1996**

#### 16. *Audit committee, functions of*

*An audit committee —*

- (a) *is to provide guidance and assistance to the local government —*
  - (i) *as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and*
  - (ii) *as to the development of a process to be used to select and appoint a person to be an auditor; and*
- (b) *may provide guidance and assistance to the local government as to —*
  - (i) *matters to be audited; and*
  - (ii) *the scope of audits; and*
  - (iii) *its functions under Part 6 of the Act; and*
  - (iv) *the carrying out of its functions relating to other audits and other matters related to financial management; and*
- (c) *is to review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to —*
  - (i) *report to the council the results of that review; and*
  - (ii) *give a copy of the CEO's report to the council.*

#### 17. *CEO to review certain systems and procedures*

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

Section 17 of the *Local Government (Audit) Regulations 1996* requires the Chief Executive Officer to review the appropriateness and effectiveness of the local government's systems and procedures in relation to Risk Management, Internal Control and Legislative Compliance separately or all at the one time, on the provision that each matter is reviewed at least once every two years.



Section 16(c) of the *Local Government (Audit) Regulations 1996* requires the Chief Executive Officer to report to Council the results of that review and give a copy to the Chief Executive Officer's report to Council.

### Comment

The Improvement Plan provides the organisation with a comprehensive overview of business practices and continuous improvement methodologies that work towards increasing best practice standards across all Shire business units.

The internal Technical Advisory Group (TAG) will continually perform a vital role in the Shire's ability to fulfil its governance responsibilities in relation to reporting, internal control and structure, risk management systems, legislative requirements and ethics. The TAG will be meeting in the month of October 2017 to identify all relevant Officers requirements to effectively communicate and implement the objectives outlined in the Regulation 17 "The Improvement Plan" throughout the organisation.

There are a number of actions that are partially completed or in progress. Full details are contained in attachment ARG007.1/09/17.

The following action items have been completed in accordance with the Regulation 17 Review.

No.	Framework Component Improvements (Completed)
RM1.10	Insurance – Fair Value completed building & Land
RM1.16	Council Agendas & Minutes – Organisational Risk Implications to agenda template completed August 2017
IC2.3	Staff Training – completed with performance appraisals process
IC2.5	Council Policy G003 Councillor Entitlements – reviewed by Council May 2017
IC2.8	Council Policy PC102 Financial Assistance to Community – review completed June 2017
IC2.9	Council Policy G006 Investment of Surplus Funds – review completed June 2017
IC2.14	Council Policy G917 Corporate Purchasing Cards – review completed August 2017

The following action items have been progressed in accordance with the Regulation 17 review pending Council consideration:

No.	Framework Component Improvements (In Progress)
RM1.1	Council Policy – Risk Management Policy
RM1.2	Risk Management Framework
RM1.3	Management Procedure – Occupational Health and Safety Procedures
RM1.4	Management Plan – Emergency Evacuation Plan
RM1.5	Business Continuity Plan/Disaster Recovery Plan
RM1.6	LEMA – Draft Local Emergency Management Arrangements
RM1.7	Staff Knowledge – Staff Inductions



No.	Framework Component Improvements (In Progress)
RM1.8	Entity Risk Register
RM1.12	Workforce Risk Assessment
RM1.15	Executive Management Group – Organisational Risk Register
RM1.19	Ongoing Improvement Plan – Risk Management Framework
LC2.3	Management Procedure – Staff Inductions
LC2.8	Council Policy – G009 - Depreciation
LC2.10	Communications – Code of Conduct
LC4.2	Complaints Handling
IC2.2	Experienced Staff – refer to LC4.2
IC2.10	Council Policy – G903 – Rates Collection and General Debtors Policy
IC2.12	Council Policy – G001 – Purchasing Amounts Under \$150,000
IC2.13	Council Policy – G002 – Procurement of goods or services through Public Tendering

The Risk Management Framework working group have commenced the review of the Risk Management Framework for the organisation. The outcomes have been presented to the Executive Management Group (EMG), and it is anticipated to be presented to the ARG by December 2017.

All relevant policies identified will be completed through the process with EMG and relevant Responsible Officers and is proposed to be presented to Council by November 2017.

Items RM1.12 and IC2.2 relating to Workforce and experienced staff are a work in progress now that Council has endorsed the Organisation Structural Review which was presented at the Ordinary Council meeting on 28 August 2017.

In summary, 61 areas have been assessed to date. The majority of areas audited have substantial effective systems and procedures in place. More specifically, 17 controls have been assessed as being high priority with 4 items completed.

Of the 28 controls identified as being medium priority, 7 items are now completed and of the 16 controls being low priority, 3 have now been finalised.

Therefore 14 items have now been completed of the 61 items. It is envisaged that the majority of items will be completed by the end of the 2017/2018 financial year.

The report in ARG007.1/09/17 outlines recommendations for improvements to increase all identified partially effective and ineffective controls to completion status.

### Attachments

- [ARG007.1/09/17](#) – Regulation 17 Improvement Plan (E17/8383)

### Alignment with our Strategic Community Plan

<b>Outcome 4.2</b>	A strategically focused Council
<b>Strategy 4.2.2</b>	Ensure appropriate long term strategic and operational planning is undertaken and considered when making decisions
<b>Strategy 4.2.3</b>	Provide clear strategic direction to the administration



## Financial Implications

There are no financial implications arising from the recommendations contained within this report. However, additional resources may be required for the implementation of the Improvement Plan and associated process and systems in a timely manner.

## Risk Implications

Risk has been assessed on the basis of the Officer's Recommendation.

Risk	Risk Likelihood (based on history and with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
<b>That Council does not accept this report</b>	Unlikely (2)	Moderate (3)	Moderate (5-9)	Compliance - 3 Moderate - Non-compliance with significant regulatory requirements imposed	Accept Officer Recommendation

## Risk Matrix

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

Risk Ratings have been determined with respect to probability and or consequences of adverse outcomes if action is not taken. Potential adverse outcomes may be quantitative impact (for example financial loss) or qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. An effect may be positive, negative or a deviation from the expected and may be related to the following objectives; occupational health and safety, financial, service interruption, compliance, reputation and environment. A risk matrix has been prepared and a risk rating of 6 has been determined for this item. Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk over 17 will require a specific risk treatment plan to be developed.



**Voting Requirements:** Simple Majority

**ARG007/09/17 AUDIT, RISK & GOVERNANCE COMMITTEE DECISION / Officer Recommendation:**

**Moved Cr See, seconded Ms Newby**

**That the Audit, Risk and Governance Committee receives the Audit Regulation 17 status report as contained in attachment ARG007.1/09/17 on the risk management, legislative compliance and internal controls.**

**CARRIED UNANIMOUSLY 6/0**

*Please note that the Audit Risk and Governance Committee does not have delegated authority to make decisions. All recommendations of the Audit Risk and Governance Committee are presented to Council for ratification.*



<b>ARG008/09/17 – Status Reports on Statutory Compliance Calendar, Financial Management Review and Governance Health Review (SJ2196)</b>	
<b>Author:</b>	Kellie Bartley – Manager Corporate Services
<b>Senior Officer/s:</b>	Peter Kocian – Acting Director Corporate and Community
<b>Date of Report:</b>	30 August 2017
<b>Disclosure of Officers Interest:</b>	No officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

## Introduction

The purpose of this report is to provide the Audit, Risk and Governance Committee (ARG) with a progress status report on the appropriateness and effectiveness of the Shire's systems and procedures in relation to the Statutory Compliance Calendar (SCC), Financial Management Review (FMR) and the Governance Health Review (GHR).

## Relevant Previous Decisions of Council

Statutory Compliance Calendar - There is no previous Council decision relating to this issue.

ARG002/06/17 - Financial Management Review – reviews status report.

ARG004/07/17 - Governance Health Review – accepts and actions key recommendations of report.

## Background

### Statutory Compliance Calendar

The SCC has been provided to the Shire from the Western Australia Local Government Association (WALGA) as a tool to assist Council identify compliance activities throughout the calendar year. The objective is to assist Responsible Officers to review compliance and accountability activities on a monthly basis, across various legislative components.

### Financial Management Review

Moore Stephens (WA) Pty Ltd was engaged to conduct a limited assurance review of the appropriateness and effectiveness of the Shire of Serpentine Jarrahdale's financial management systems and procedures. The objective of the review is to assist the Chief Executive Officer discharge responsibilities in respect to Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*.

### Governance Health Review

The GHR intends to capture the recommendations and actions that were received by Council at the Ordinary Council meeting on the Monday 28 August 2017 (ARG004/07/17). Presenting the GHR to Council, and consequently the wider community having access to the report, endorses transparency and accountability.



## Community / Stakeholder Consultation

### Policy Concept Forum

The GHC was presented at Policy Concept Forum.

<b>Meeting Date</b>	10 July 2017
<b>Councillors in Attendance</b>	Cr Atwell, Cr Ellis, Cr Erren, Cr Gossage, Cr Hawkins, Cr Piipponen, Cr Rich, Cr See

There has been no community consultation in the undertaking of these reports. Internal stakeholder consultation has occurred with Responsible Officers as designated in the status reports attached to this item.

## Statutory Environment

### Statutory Compliance Calendar & Governance Health Review

Whilst there are many provisions in the *Local Government Act 1995* and associated regulations regarding the auditing of financial records, assessment of risk management, internal control and legislative compliance, the undertaking of the SCC and GHR is not bound by legislative requirements. The legislative imperative for each action is noted in the SCC.

### Financial Management Review

Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996* requires the Chief Executive Officer of the Local Government to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the Local Government regularly (and not less than once in every 4 financial years) and report to the Local Government the results of those reviews.

## Comment

### Statutory Compliance Calendar

The SCC is based on the template from WALGA and is presented for consideration by the ARG Committee. It aims to provide a corporate calendar for all compliance requirements over the course of a year, including the next due date where an item is not carried out at least once per year. The calendar will commence reporting in the December 2017 ARG Committee meeting with Responsible Officers populating the relevant details as outlined in attachment ARG008.1/09/17.

### Financial Management Review

A FMR was undertaken by Moore Stephens (WA) Pty Ltd in April 2017. The review included a number of findings that were noted for improvement. The findings and status of progress is outlined in attachment ARG008.2/09/17.



### Governance Health Review

The scope of the GHR concentrated on governance, financial and compliance aspects of the Shire's operations, including: local laws, delegations, disclosure of interests, credit card control, risk management, tendering, procurement, compliance and internal control, policies, financial management systems, primary and annual returns.

The actions taken to implement the key recommendations of the GHR is to be recorded and reported to the ARG Committee. The key recommendations and status of progress is outlined in attachment ARG008.3/09/17.

### **Conclusion**

In summary, the status reports provide the organisation with a comprehensive overview of business practices and continuous improvement methodologies that work towards increasing best practice standards across all Shire business units.

### **Attachments**

- [ARG008.1/09/17](#) – Statutory Compliance Calendar Template (E17/8386)
- [ARG008.2/09/17](#) – Financial Management Review Status Report – September 2017 (E17/8477)
- [ARG008.3/09/17](#) – Governance Health Review Status Report – September 2017 (E17/8387)

### **Alignment with our Strategic Community Plan**

<b>Outcome 4.1</b>	A resilient, efficient and effective organisation
<b>Strategy 4.1.1</b>	Provide efficient, effective, innovative, professional management of Shire operations to deliver best outcomes for the community within allocated resources
<b>Strategy 4.1.2</b>	Maximise the Shire's brand and reputation in the community
<b>Outcome 4.2</b>	A strategically focused Council
<b>Strategy 4.2.1</b>	Build and promote strategic relationships in the Shire's interest.
<b>Strategy 4.2.3</b>	Provide clear strategic direction to the administration

### **Financial Implications**

There are financial implications associated with some of the key recommendations in the GHR. These costs have been identified and are part of the 2017/18 budget.

There are no financial implications associated with the status reports for SCC & FMR.



## Risk Implications

Risk has been assessed on the basis of the Officer's Recommendation.

Risk	Risk Likelihood (based on history and with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
Not proceeding with key recommendations for the individual status reports	Unlikely (2)	Minor (2)	Low (1-4)	Compliance - 2 Minor - Regular noticeable temporary non-compliances	Control through improvements as identified in each status report

## Risk Matrix

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

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

**Voting Requirements:** Simple Majority

**ARG008/09/17 AUDIT, RISK & GOVERNANCE COMMITTEE DECISION / Officer Recommendation:**

**Moved Ms Newby, seconded Cr Hawkins**

**That the Audit, Risk and Governance Committee:**

1. Accepts the Statutory Compliance Calendar as contained in attachment ARG008.1/09/17.
2. Requests that actions be taken to implement the Statutory Compliance Calendar be presented at the December 2017 Audit, Risk and Governance Committee.



3. **Receives the Financial Management Review Status report as contained in attachment ARG008.2/09/17.**
4. **Receives the Governance Health Review Status report as contained in attachment ARG008.3/09/17.**

**CARRIED UNANIMOUSLY 6/0**

*Please note that the Audit Risk and Governance Committee does not have delegated authority to make decisions. All recommendations of the Audit Risk and Governance Committee are presented to Council for ratification.*



<b>ARG009/09/17 – Reporting on Corporate Business Plan Quarter 3 and 4 of 2016/2017 and Final Review (SJ940)</b>	
<b>Author:</b>	Kellie Bartley – Manager Corporate Services
<b>Senior Officer/s:</b>	Peter Kocian – Acting Director Corporate and Community
<b>Date of Report:</b>	23 August 2017
<b>Disclosure of Officers Interest:</b>	No officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

### Introduction

The purpose of this report is for Council to receive the status and outcomes achieved on the objectives and actions of the Shire's Corporate Business Plan during the second half of 2016/2017 (January – June 2017). It will also provide an overview of the final outcomes achieved in the Corporate Business Plan 2013-2017 which has been superseded with Corporate Business Plan 2017-2021.

### Relevant Previous Decisions of Council

OCM046/04/17 – report Quarter 1 & 2 of 2016/17 Corporate Business Plan.

### Background

The Shire's Corporate Business Plan 2013/2017 demonstrates how the objectives of the Shire's Strategic Community Plan will be achieved. The *Local Government Act 1995* requires Local Government to plan for the future of their district. The *Local Government (Administration) Regulations 1996* stipulates that a Local Government is to ensure a Corporate Business Plan is made for its district and covers at least four financial years. Local Government is required to review their Corporate Business Plan every year.

### Community / Stakeholder Consultation

No community consultation is required in this instance. Responsible Officers have reviewed the Corporate Business Plan and provided a status against responsible activities.

### Statutory Environment

- Local Government Act 1995
- Local Government (Administration) Regulations 1996

Regulation 19DA of the *Local Government (Administration) Regulations 1996* refers:

#### **19DA. Corporate business plans, requirements for (Act s. 5.56)**

- (1) *A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.*



- (2) *A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.*
- (3) *A corporate business plan for a district is to —*
  - (a) *set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government’s priorities for dealing with the objectives and aspirations of the community in the district; and*
  - (b) *govern a local government’s internal business planning by expressing a local government’s priorities by reference to operations that are within the capacity of the local government’s resources; and*
  - (c) *develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.*
- (4) *A local government is to review the current corporate business plan for its district every year.*
- (5) *A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government’s strategic community plan.*
- (6) *A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine\* whether or not to adopt the plan or the modifications.*
- (7) *If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.*

*\*Absolute majority required.*

## **Comment**

The Corporate Business Plan report for quarters 3 and 4 provides information on progress against milestones for the 2016/2017 projects and programs within the Corporate Business Plan.

A commentary is provided against each quarterly milestone on the actions completed and project status reported as per attachment (ARG009.1/09/17). As this is the final report for the Corporate Business Plan 2013-2017, the following provides an overall summary of significant achievements for the period and the overall plan.

### Governance and Leadership

- Major review of the implemented workforce plan, communicate and inform staff, finalised with a report to be presented to Council in 2017-2018.
- A significant number of policies reviewed and new policies developed.
- Staff training and personal development implemented through Human Resources better practices including the support from Premah, Performance Management, EEO training & discrimination, harassment and bullying and individual Officer training.
- Improved Reporting for monthly and annual project delivery through monthly financial reporting introduced.
- The 2016 Compliance Audit Return was adopted by Council and submitted to the Department of Local Government and Communities.
- Implementation of the Public Health Plan, Development Compliance Policy and Record Keeping Plan.



- Implementation of Customer Service Statistic reporting in the Councillor Information Bulletin.
- Councillor information pack and induction training to be finalised during the October 2017 elections process.
- The Shire has become part of the Peel Regional Leadership Group through the WALGA Peel Zone.
- Operations EBA discussions are currently occurring and will be finalised in 2017/2018.

#### Financial Sustainability

- Review of the 10 Year Long Term Financial Plan and Capital Works Program commenced. Scheduled to be finalised in early 2017-2018.
- Review and adoption of Buildings Asset Management Plan.
- Review Project Management Framework for the organisation to be completed by 2017-2018.
- A significant number of policies reviewed and new policies developed.
- Complete and implement the Strategic Community Plan 2017-2027 and Corporate Business Plan 2017-2021.
- Business Continuity Plan currently under review with the Risk Management Framework.
- Economic Development Advisory Committee formed.
- Business Champions group implemented to undertake IT systems review.
- Byford Traditional Infrastructure Development Contribution Number 4 completed.
- Capital Works Projects completed:
  - Byford District Country Club
  - Replaced Byford Fire Station Roof
  - Kalimna Oval Club Facility
  - Upgrade Serpentine Ambulance Building
  - Dump master site in Jarrahdale (RV Site)
  - Upgrade Animal Pound
  - Hopelands Community Hall Water Tank
  - New flooring Serpentine Jarrahdale Community Recreation Centre
  - Serpentine Primary School crossing completed
  - Richardson, Tonkin & Hardey Roads intersection completed
  - Kingsbury Drive upgrade completed
  - Gossage Road Rehabilitation
  - Elliot Road Rehab shoulder & resurface completed
  - Kargotich Road completion
  - Hopkinson Road improvements on cross sectional width of bridge
  - Hopeland Road, Rowley Road, Wright Road, Masters & Kargotich Road upgrades
  - Footpaths renewal program completed
  - Drainage maintenance program completed

#### Built Environment

- Review of Rural Land Strategy and outcomes on the Western Australian Planning Commission's final decisions.
- Review of Development Applications policy and statutory requirements completed.
- Business Development engagement with Local and economic landholders occurred through the Business workshops.
- Endorsement of the SJ2050 as The Vision.
- Implemented STEMS program for risk management and hazard identification systems.

#### Local Economy

- Economic Advisor employed.
- Economic Development Advisory Committee established.



- Continued progress on the proposal of development within the West Mundijong Industrial Area.
- Implemented and install signs within the Peel Region, promoting the Peel Region for various locations.
- Engage with the “Switch your thinking” program.
- Memorandum in place for the Peel Harvey Biosecurity Group with regards to control of cotton bush within the region.

#### Natural Environment

- Actions from the Better Urban Water Management is accepted by WAPC’s for best practice of Water Management
- Review and implement a new Waste Disposal option.
- Actions from Briggs Park and Brickwood Reserve Management Plan implemented.
- Actions from Parks and Reserves Asset Management Plan implemented.
- Actions from Natural Assets Management Plan implemented.

#### Community Wellbeing

- Actions from Serpentine Cemetery Reserve Management Plan implemented.
- Actions from Community Grants Program implemented.
- Actions from Community Events implemented and new events calendar completed and adopted by Council.
- Community Safety and Crime Prevention Survey recently completed.
- Delivery services through YMCA for Youth Services within the region.
- Activated the Youth Advisory Council and engaged with the community through the YTime Youth Engagement Program.
- Delivery of comprehensive program of Library Services:
  - Better Beginnings Kindy Program
  - Baby Yoga and Massage sessions
  - Book Bugs and Bookworm programs
  - SJ Library Friends Events
  - Library Lovers Day
  - Hug the Library incentive for YouTube
  - Popup Library days
  - Seed saving workshops
  - Oral History

#### **Attachments**

[ARG009.1/09/17](#) – Report on Corporate Business Quarters 3 & 4 2016/2017 (E17/8430)



### Alignment with our Strategic Community Plan

<b>Outcome 4.1</b>	A resilient, efficient and effective organisation
<b>Strategy 4.1.1</b>	Provide efficient, effective, innovative, professional management of Shire operations to deliver the best outcome for the community within allocated resources
<b>Strategy 4.1.2</b>	Maximise the Shire's brand and reputation in the community
<b>Outcome 4.2</b>	A strategically focused Council
<b>Strategy 4.2.1</b>	Build and promote strategic relationships in the Shire's interest.
<b>Strategy 4.2.2</b>	Ensure appropriate long term strategic and operational planning is undertaken and considered when making decisions
<b>Strategy 4.2.3</b>	Provide clear strategic direction to the administration

### Financial Implications

There are no financial implications as a result of this report.

The Corporate Business Plan 2017-2021 will guide the allocation of resources in the annual budget and ensure Council's Strategic Community Plan can be implemented and budgeted for over the future years.

### Risk Implications

Risk has been assessed on the basis of the Officer's Recommendation.

<b>Risk</b>	<b>Risk Likelihood (based on history and with existing controls)</b>	<b>Risk Impact / Consequence</b>	<b>Risk Rating (Prior to Treatment or Control)</b>	<b>Principal Risk Theme</b>	<b>Risk Action Plan (Controls or Treatment proposed)</b>
<b>That Council does not accept the report.</b>	Unlikely (2)	Minor (2)	Low (1-4)	Compliance - 3 Moderate - Non-compliance with significant regulatory requirements imposed	Accept Officer Recommendation



## Risk Matrix

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

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

**Voting Requirements: Absolute Majority**

**ARG009/09/17 AUDIT, RISK & GOVERNANCE COMMITTEE DECISION / Officer Recommendation:**

**Moved Cr See, seconded Mr Casilli**

**That the Audit, Risk and Governance Committee receives the report on the status actions on the Corporate Business Plan for the period January to June 2017 as per attachment ARG009.1/09/17.**

**CARRIED BY ABSOLUTE MAJORITY 6/0**

*Please note that the Audit Risk and Governance Committee does not have delegated authority to make decisions. All recommendations of the Audit Risk and Governance Committee are presented to Council for ratification.*



---

**7. Motions of which notice has been given:**

Nil

**8. Urgent business:**

Nil

**9. Closure:**

There being no further business the Presiding Member declared the meeting closed at 6.20pm

I certify that these minutes were confirmed at the  
Audit, Risk and Governance Committee Meeting held on 5 December 2017

.....  
Presiding Member

.....  
Date