



27 April 2021

ORDINARY MEETING

MINUTES

CONTENTS

1. OPENING	1
2. ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE	1
2.1 Members Present.....	1
2.2 Staff In Attendance	1
2.3 Observers And Visitors	1
2.4 Apologies and Approved Leave of Absence	1
2.5 Applications for Leave of Absence	1
3. DECLARATIONS OF INTEREST	1
4. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE	1
5. PUBLIC QUESTION TIME	1
5.1 Questions by Email	1
6. CONDOLENCES	3
7. CONFIRMATION OF MINUTES	4
7.1 Minutes Of The Ordinary Council Meeting Held 23 March 2021	4
7.2 Minutes Of The Works Committee Meeting Held 23 March 2021	5
7.3 Minutes Of The Audit Committee Meeting to be Held 27 April 2021	16
8. TECHNICAL SERVICES	17
9. PLANNING SERVICES	18
9.1 Development Application: Caravan Shelter – 21 (Lot15) Brooking Street.....	18
10. BUILDING SERVICES & ENVIRONMENTAL HEALTH SERVICES	25
11. FINANCE	26
11.1 Monthly Financial Report	26
11.2 Accounts Paid by Authority	40
11.3 Draft 2019/20 Representation Letters	44
11.4 Draft 2019/20 Independent Auditor’s Report.....	54
11.5 2019/20 Councillors’ Declaration	57
11.6 Draft 2019/20 Annual Financial Report	60
12. ADMINISTRATION	124
12.1 Use of the Common Seal	124
12.2 Code of Conduct for Council Members, Committee Members and Candidates	127
12.3 Policy Manual: CEO Recruitment, Performance and Termination	154
12.4 Recording of Council Meetings	185
12.5 Avondale Farm Machinery Museum	188
13. ELECTED MEMBERS’ MOTIONS WHERE NOTICE HAS BEEN GIVEN ..	214
14. NEW BUSINESS ARISING BY ORDER OF THE MEETING	215
14.1 ANZ Bank – Beverley Branch Closure	215
15. CLOSURE	215

1. OPENING

The Chairperson declared the meeting open at 3:00pm in Council Chambers.

2. ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE

2.1 Members Present

Cr DW Davis Shire President
Cr CJ Pepper Deputy President
Cr P Gogol
Cr CJ Lawlor
Cr SW Martin
Cr TF McLaughlin
Cr TWT Seed
Cr DC White

2.2 Staff In Attendance

Mr SP Gollan Chief Executive Officer
Mr BS de Beer Manager of Planning and Development Services (until 3:20pm)
Mrs A Lewis Executive Assistant

2.3 Observers And Visitors

Ms Robyn Cashmore (until 3:19pm)
Mr John Alexander

2.4 Apologies and Approved Leave of Absence

Mr SK Marshall Deputy Chief Executive Officer

2.5 Applications for Leave of Absence

Nil

3. DECLARATIONS OF INTEREST

Nil

4. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

5. PUBLIC QUESTION TIME

5.1 Questions by Email

Mr John Alexander in relation to Agenda Item 12.5

Questions were Taken on Notice, with responses to be provided after consideration of Item 12.5.

1. When will the Council provide surety to the volunteers that the Insurance issues have been costed and will be rectified? On the 31st August 2020 the Volunteers forwarded a possible rectification plan to the Shire Project Officer.

Response: Rectification Plan/email was received by Shire Staff however on direction from Council it was proposed that Staff engage in a consultant to carry out a report on the viability of the Museum at its current location including options of possible re-location. This took into consideration the current insurance issues.

Council were at the time of receiving the plan reluctant to spend money on a building that isn't a Shire asset.

2. When will the Council start assisting the volunteers to categorise the collection and start recording the history behind these items for future generations to enjoy? Over 10 years since acquisition of collection.

Response: With the employment of a Warden/Place Manager this can be addressed as a task to be completed. Shire staff currently do not have the time or capacity to complete such a project.

3. Why is one of the Shires largest assets (The Community owned Agricultural Collection) recognised only as a financial liability, (and left only to volunteers to run) instead of a potential Tourism attraction to benefit the businesses of our community? Look forward people 2029 is the 200th anniversary of our State, do you want Beverley to be reduced to just a 'pit stop' or a reason for travellers to stay? You (the Councillors) control the future of our town.

Response: The Shire of Beverley only deems the collection as a liability as it costs Council money with little to no return. There is potential for a greater Tourism approach at Avondale, this is something that will need to be worked on with the National Trust to re-activate the space as a whole. Discussions have already commenced with the National Trust with regards to the potential of re-activating Avondale.

Mr John Hawke in relation to Agenda Item 12.5.

Questions were Taken on Notice, with responses to be provided after consideration of Item 12.5.

1. Is the council interested in funding, either a part time or full time, a coordinator to promote Avondale Museum as a tourism destination in the Shire?

Response: Council through its budgeting process will make an allocation of \$35k for a trial period of 2 years towards the employment of a place manager/ warden for Avondale this will include the management of the Machinery Museum. This trial period will help Council gage the viability of the Museum at Avondale and will allow time to develop plans for a possible relocation.

2. The doors to the Avondale Museum have been shut to the public since February 2020, by order of the Shire CEO. Despite requests to rectify the safety issues, no action has been taken to by the Shire, therefore the doors cannot be reopened. The volunteer's themselves have rectified many of the issues but need shire assistance to complete the rest. Will the shire assist the volunteers in completing the safety audit?

Response: Council have arranged for a site visit to take place before the next Council meeting to discuss the insurance issues and the viability of fixing these issues.

There were no questions from observers or visitors.

6. CONDOLENCES

The Shire of Beverley flew the flag at half-mast, as a mark of respect to:

NICHOLSON	Percy Albert	31 March 2021
CULLEN	Judy Langton	8 April 2021
UGLE	Ricky David	10 April 2021
BARDON	Joseph Dean	15 April 2021

7. CONFIRMATION OF MINUTES

7.1 Minutes Of The Ordinary Council Meeting Held 23 March 2021

OFFICER'S RECOMMENDATION

That the Minutes of the Ordinary Council Meeting held Tuesday 23 March 2021 be confirmed.

COUNCIL RESOLUTION

M1/0421

Moved Cr Gogol

Seconded Cr Martin

That the Minutes of the Ordinary Council Meeting held Tuesday 23 March 2021 be confirmed.

CARRIED 8/0

7.2 Minutes Of The Works Committee Meeting Held 23 March 2021

RECOMMENDATION

That the Minutes of the Works Committee Meeting held 23 March 2021 be received and the following recommendations be endorsed:

1. That the reviewed 10 Year Plant Program be received; and
2. That the reviewed Five Year Road Program be received.

COUNCIL RESOLUTION

M2/0421

Moved Cr Lawlor

Seconded Cr Gogol

That the Minutes of the Works Committee Meeting held 23 March 2021 be received and the following recommendations be endorsed:

- 1. That the reviewed 10 Year Plant Program be received; and**
- 2. That the reviewed Five Year Road Program be received.**

CARRIED 8/0

Attachment 7.2



23 MARCH 2021

WORKS COMMITTEE MEETING

MINUTES

Attachment 7.2

Works Committee Meeting Minutes
23 March 2021

CONTENTS

1. OPENING	2
2. ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE	2
2.1 Members Present.....	2
2.2 Staff in Attendance	2
2.3 Observers and Visitors.....	2
2.4 Apologies and Approved Leave of Absence	2
3. DECLARATIONS OF INTEREST	2
4. CONFIRMATION OF PREVIOUS MINUTES.....	3
5. OFFICER INFORMATION	4
5.1 10 Year Plant Replacement Program	4
5.2 5 Year Road Construction Program	7
6. NEW BUSINESS ARISING BY ORDER OF THE MEETING	9
7. CLOSURE	9

Attachment 7.2

Works Committee Meeting Minutes
23 March 2021

1. OPENING

Meeting held in Council Chambers.

The Chairperson declared the meeting open at 10:34am.

2. ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE

2.1 Members Present

Cr DW Davis	Shire President/Chairperson
Cr CJ Pepper	Deputy President
Cr CJ Lawlor	

2.2 Staff In Attendance

Mr SP Gollan	Chief Executive Officer
Mr SK Marshall	Deputy Chief Executive Officer
Mr SP Vincent	Manager of Works
Mrs A Lewis	Executive Assistant
Mr I Moulton	Works Crew Supervisor
Mr D Burton	Mechanic (until 11.18am)

2.3 Observers and Visitors

Cr P Gogol

2.4 Apologies and Approved Leave of Absence

Cr TWT Seed Apologies

3. DECLARATIONS OF INTEREST

Nil

Attachment 7.2

Works Committee Meeting Minutes
23 March 2021

4. CONFIRMATION OF PREVIOUS MINUTES

OFFICER'S RECOMMENDATION

That the Minutes of the Works Committee Meeting held on 26 November 2020 be confirmed.

COMMITTEE RESOLUTION

MW1/0321

Moved Cr Pepper

Seconded Cr Lawlor

That the Minutes of the Works Committee Meeting held on 26 November 2020 be confirmed.

CARRIED 3/0

Attachment 7.2

Works Committee Meeting Minutes
23 March 2021

5. OFFICER INFORMATION

5.1 10 Year Plant Replacement Program

SUBMISSION TO: Works Committee Meeting 23 March 2021
REPORT DATE: 17 March 2021
AUTHOR: S.P. Vincent, Manager of Works
ATTACHMENTS: 10 Year Plant Replacement Program

SUMMARY

Works Committee to discuss and review the Shire's Ten (10) Year Plant Replacement Program.

BACKGROUND

A review of the 10 Year Plant Replacement is conducted annually to determine which plant should be replaced or deferred.

Consequently, each financial year the program requires reviewing and updating to ensure previously identified machinery are still required and operating to our satisfaction.

COMMENT

The 10 Year Plant Replacement Program is attached.

STATUTORY ENVIRONMENT

Nil

FINANCIAL IMPLICATIONS

Future Budgets

STRATEGIC IMPLICATIONS

Goal 12 - Council leads the organisation and engages with the community in an accountable and professional manner.

POLICY IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That the Works Committee recommend to Council the reviewed 10 Year Plant Program be received.

COMMITTEE'S RESOLUTION

MW2/0321

Moved Cr Lawlor

Seconded Cr Pepper

That the Works Committee recommend to Council the reviewed 10 Year Plant Program be received.

CARRIED 3/0

Attachment 7.2

Works Committee Meeting Minutes
23 March 2021

Reviewed 10 Year Plant Replacement Programme

PLANT ITEM	AGE	REG NO	Average KM/HRB per Year	Suggested Replacement KM/HRB	13/2000	14/2000	15/2000	16/2000	17/2000	18/2000	19/2000	20/2000	21/2000	22/2000	23/2000	24/2000	25/2000	26/2000	27/2000	28/2000	29/2000	30/2000	31/2000	32/2000					
					10/210	11/210	12/210	13/210	14/210	15/210	16/210	17/210	18/210	19/210	20/210	21/210	22/210	23/210	24/210	25/210	26/210	27/210	28/210	29/210	30/210	31/210	32/210		
Sedans & Utilities																													
CECs Vehicle (Mazda CX9)	2019	BE - 1		30000	6000				10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	
Donny's CECS Vehicle (Holden Commodore)	2016	BEV - 8		30000	12000				12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	
Doctor vehicle (Holden Commodore)	2018	BEV - 104		30000	12000				12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	
CECS Vehicle (Holden Colorado 4x4)	2018	BEV - 009		30000	12000				12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	
W/anger Vehicle (Holden Trail Blazer 4x4)	2020	BE - 020	31000	60000	12000				12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	
Mechanics (Holden Rodeo 4x4 Tray top)	2010	BE- 024	88800	60000	42000				12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	
Rice Grader (Titan 4 x 4 Manual Diesel Utility)	2017	BE- 035	74020	10,630	6000				12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	
Scrubbers (Holden 4 x 2 Manual Diesel Utility)	2019	BE-015	106248	6659	20000				12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	
Builders (Holden Rodeo 4x2 Tray top)	2014	BE-022	66266	6,314	6000				12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	
Gardeners (Holden 4 x 2 Manual Diesel Utility)	2014	BE-031	42800	6,071	6000				12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	
Construction (Colorado net Dual Cab Tray top)	2009	BE-016	16667	16,667	12000				12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	
Emergency Use (Titan 4x4 Club Cab Diesel Utility)	2017	BE-041	97923	14,411	6000				12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	12000	
Trucks																													
Isuzu 6ign Tandem Tip Truck	2013	BE-013	198131	24,756	18000				130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000
Isuzu Tip Truck	2011	BE-028	138679	13,867	14000				70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	
Hino Tandem Tip Truck	2014	BE-012	149005	20,742	18000				130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	130000	
Hino FH 3032 Water Truck	2019	BE-019	19434	9,217	18000				90000	90000	90000	90000	90000	90000	90000	90000	90000	90000	90000	90000	90000	90000	90000	90000	90000	90000	90000	90000	
Hino Maintenance Truck	2009	BE-037	9999	9,999	12000				70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	70000	
Side Tipping Trailer	2006	BE-3314	0	0	0				50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	
Side Tipping Trailer	2008	BE-3635	0	0	0				50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	
Plant Trailer	2007	BE-3879	0	0	0				40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	
Tractors																													
John Deere 4064 B Tractor	2019	BE-008	298	149	40000				40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	40000	
Kubota 4x2 Tractor	2016	BE-023	978	196	6000				245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	
Loaders, Graders & Backhoes																													
John Deere 676 6B Grader	2014	BE-001	5236	748	6000				245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	
John Deere 670G Grader	2017	BE-019	4140	1,037	6000				245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	245000	
John Deere 670G Grader	1992	BE-003	1259	610	6000				160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	
John Deere 644K Loader	2009	BE-036	4724	394	9000				160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	160000	
Komatsu Wheel Loader	1998	BE-004	3946	104	9000				50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	
Case 7213C Loader	2019	BE-032	309	159	9000				180000	180000	180000	180000	180000	180000	180000	180000	180000	180000	180000	180000	180000	180000	180000	180000	180000	180000	180000	180000	

Attachment 7.2

Works Committee Meeting Minutes
23 March 2021

PLANT ITEM	Year	Age	REG NO	current	Average KWh/HR per Year	Suggested CHARGE/HR KWh/HR	13/2000	402000	292000	464000	421000	331000	50000	255000	336000	376000	315000	462000	156000	290000	
							18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	
Case 59057 Backhoe	2016	5	BE-030	2229	451	5000															
Case178 300 wheel loader	2019	2	BE-021	605	303	4000	30000					110000			30000						110000
Rollers & Compactors																					
Bomag Tyrod Roller	2012	9	BE-026	5100	567				110000												
Bomag B6211D Vibrating Roller	2016	5	BE-033	1654	331							110000									110000
Other Plant																					
Kubota Rice on Mower	2016	5	BE-023	300	70				120000												
Mitsubishi Roma Bus	2000	21	BEV 0	102293	0,601							25000									25000
Squirrel Cherry Picker	2017	4	BE-027	240	62													60000			
Cement Mixer																					
Bingenol Band Compactor			BE-122	0																	
TOTAL PLANT CHARGE/HR							132000	402000	292000	464000	421000	331000	50000	255000	336000	376000	315000	462000	156000	290000	

Attachment 7.2

Works Committee Meeting Minutes
23 March 2021

11.18am – Daryle Burton left the meeting and did not return.

5.2 5 Year Road Construction Program

SUBMISSION TO: Works Committee Meeting 23 March 2021
REPORT DATE: 17 March 2021
APPLICANT: N/A
FILE REFERENCE: ADM 0309
AUTHOR: S.P. Vincent, Manager of Works
ATTACHMENTS: Proposed 2021/22 - 2025 Road Program

SUMMARY

The Works Committee to consider recommending to Council to endorse the Five Year Road Construction Program.

BACKGROUND

The forward road program is reviewed annually to inform future budgets and planning.

COMMENT

Attached is the draft Road Program for the committee to review.

STATUTORY ENVIRONMENT

Nil

FINANCIAL IMPLICATIONS

Future Budgets.

STRATEGIC IMPLICATIONS

Goal 12 - Council leads the organisation and engages with the community in an accountable and professional manner.

POLICY IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That the Works Committee recommend to Council that the reviewed Five Year Road Program be received.

COUNCIL RESOLUTION

MW3/0321

Moved Cr Pepper

Seconded Cr Lawlor

That the Works Committee recommend to Council that the reviewed Five Year Road Program be received.

CARRIED 3/0

Attachment 7.2

Works Committee Meeting Minutes
23 March 2021

ROAD PROGRAM 5 year Draft
eg. **21 = 2021/2022**

Year	Year	Year	Project Description	Work Type	Cost
8.24	11.00	2.26	BEVERLEY EAST RD (Motorway)	Widen lead to 7m	212,234
11.50	13.00	2.00	BEVERLEY EAST RD (Motorway)	Reconstruct shoulders to 8 metres	108,000
12.81	13.05	0.94	EDISON MILL RD	Final seal from Dobabery Rd to Dale bin North Rd	33,379
1.96	3.00	1.02	BRIMNER RD	Reconstruct and seal to 7m from over bridge 3205	93,990
6.70	11.70	3.00	YENYENING LAKES ROAD	gravel sheet	86,804
8.00	8.02	2.02	TOP BEVERLEY YORK RD	Final seal	65,890
8.00	8.50	0.50	BALLY-BALLY RD	seal 500 metres	13,380
			RIPLE BARRIE RD	gravel sheet	21,826
-0.00	0.03	0.63	WILLOWBROOK RD	gravel sheet	35,079
2.8	7.75	4.75	DALE BIN NORTH RD	gravel sheet	72,940
01.75	04.74	3.00	WEST DALE RD	seal to 7m 6 cement slab on 10 metres to	222,114
8.49	13.21	4.00	MANSON RD	seal to 7m 6 cement slab	289,085
-0.00	1.50	1.50	DETHAWY ROAD	Reconstruct and seal (only 177)	38,798
			Subsidiary Local Road	seal 4.5 Concrete slabs over seal and bitumen and	252,714
			CP 100/100	gravel sheeting 100/100 (and Council Road 100/100)	11,269
					1,628,968
6.24	17.00	2.26	BEVERLEY EAST RD (Motorway)	Final seal	73,000
17.50	13.00	3.00	BEVERLEY EAST RD (Motorway)	Reconstruct and seal to 7 metres	110,000
18.51	19.00	3.00	BEVERLEY EAST RD (Motorway)	Reconstruct shoulders to 8 metres	80,000
19.00			BEVERLEY EAST RD (Motorway)	replace wooden culvert	20,000
7.01	5.74	1.00	WATERWATCH RD	Widen seal to 7m	248,960
3.88	3.00	1.00	BRIMNER RD	Reconstruct and seal	80,000
6.70	11.70	3.00	YENYENING LAKES ROAD	gravel sheet	75,000
-0.00	0.00	0.50	BALLY-BALLY RD	Final seal	13,000
3.26	9.7	3.00	DALE BIN NORTH RD	Gravel Sheet	46,000
3.70	7.75	4.00	WATERWATCH RD	Form Concrete Slab to 10 metres to	605,000
-0.00	0.50	0.50	BRIMNER RD	seal 500 metres	10,000
11.75	08.74	3.00	WEST DALE RD	Final seal	302,700
8.49	13.21	4.00	MANSON RD	Final seal	372,700
12.40	08.00	4.00	MANSON RD	Widen to 7m 6 cement slab	371,000
					1,903,960
11.50	11.50	3.00	BEVERLEY EAST RD (Motorway)	Final seal	80,000
14.00	17.00	3.00	BEVERLEY EAST RD (Motorway)	Reconstruct and seal to 7 metres	110,000
15.00	17.00	2.00	BEVERLEY EAST RD (Motorway)	Reconstruct shoulders to 8 metres	80,000
1.87	3.74	1.87	WATERWATCH RD	Final seal	56,800
4.34	6.00	1.66	WATERWATCH RD	Widen and seal to 7m	258,000
0.00	3.00	3.00	KOBBY EAST RD	Widen and seal to 7m	268,000
11.70	14.75	3.00	YENYENING LAKES ROAD	gravel sheet	75,000
0.5	4	3.5	BALLY-BALLY RD	Gravel Sheet	87,500
0.00	3.00	3.00	POTTS RD	Gravel Sheet	75,000
0.00	0.00	0.50	CULLOWS RD	seal 500 mts	10,000
0.00	1.00	1.00	THOMAS RD	exposed rocks	43,250
12.40	16.00	4.28	MANSON RD	Final seal	338,400
16.88	20.76	4.00	MANSON RD	Widen to 7m 6 cement slab	308,000
20.35	20.35	0.00	MANSON RD	replace culvert and widen road over footway	20,000
					1,488,260
13.50	15.50	3.00	BEVERLEY EAST RD (Motorway)	Final seal	80,000
15.50	17.50	2.00	BEVERLEY EAST RD (Motorway)	Reconstruct and seal to 7 metres	110,000
17.50	19.00	1.50	BEVERLEY EAST RD (Motorway)	Reconstruct shoulders to 8 metres	64,500
4.34	9.00	1.86	WATERWATCH RD	Final seal	55,800
8.00	9.00	2.20	WATERWATCH RD	Widen seal to 7m	381,000
0.00	3.00	3.00	KOBBY EAST RD	Final seal	114,000
3.36	4.33	1.17	EDISON MILL RD	seal of 1st channel gate	28,250
6.49	7.06	1.17	EDISON MILL RD	weir/bill area	34,250
14.38	16.30	1.32	EDISON MILL RD	East of Scots	33,000
3.80	7.00	4.00	POTTS RD	gravel sheet	600,000
0.00	0.50	0.50	CULLOWS RD		15,000
0.00	4.00	4.00	ENBERTS RD	Dale Dale Hill to Fisher Rd	216,250
-0.40	7.40	5.00	BARFLAND ROAD		25,000
16.48	20.76	4.00	MANSON RD	Final seal	332,000
20.76	24.76	4.00	MANSON RD	Widen to 7m 6 cement slab	295,250
					1,922,280
19.50	17.50	2.00	BEVERLEY EAST RD (Motorway)	Final seal	80,000
17.50	19.00	1.50	BEVERLEY EAST RD (Motorway)	Reconstruct and seal to 7 metres	108,250
18.50	21.00	2.50	BEVERLEY EAST RD (Motorway)	Reconstruct shoulders to 8 metres	80,500
19.00			BEVERLEY EAST RD (Motorway)	replace wooden culvert	20,000
0.80	0.00	2.20	WATERWATCH RD	Final seal	66,000
0.80	11.81	2.41	WATERWATCH RD	Widen seal to 7m	254,850
3.68	0.70	0.91	BRIMNER RD	gravel sheeting section	22,750
-0.00	1.00	1.00	NORTH BURNING RD	Flushing of footway to 6m	41,500
0.40	0.00	0.13	BALAHAIN RD	gravel sheet	128,000
			WEST DALE RD	to be advised on the (seal) work and replace	405,000
20.76	24.76	4.00	MANSON RD	Final seal	302,800
0	0.00	0.40	CANYON HILL ROAD	seal 1400 metres section	101,000
0	0.00	0.80	WILLYE HILL ROAD	seal 1400 metres section	171,250
					1,461,880

Attachment 7.2

Works Committee Meeting Minutes
23 March 2021

6. NEW BUSINESS ARISING BY ORDER OF THE MEETING

Nil

7. CLOSURE

The Chairman declared the meeting closed at 11:44am

I hereby certify these Minutes as being confirmed in accordance with Section 5.22 of the Local Government Act 1995.

PRESIDING MEMBER:

DATE:

7.3 Minutes Of The Audit Committee Meeting to be Held 27 April 2021

OFFICER'S RECOMMENDATION

That the Minutes of the Ordinary Council Meeting held Tuesday 27 March 2021 be received.

Minutes to be provided. Please refer to Agenda Items 11.3, 11.4, 11.5 and 11.6.

COUNCIL RESOLUTION

M3/0421

Moved Cr White

Seconded Cr Seed

That the Minutes of the Ordinary Council Meeting held Tuesday 27 March 2021 be received.

CARRIED 8/0

8. TECHNICAL SERVICES

Nil

9. PLANNING SERVICES

9.1 Development Application: Caravan Shelter – 21 (Lot15) Brooking Street

Submission To:	Ordinary Council Meeting 27 April 2021
Report Date:	19 April 2021
Applicant:	Robyn Cashmore
File Reference:	BRO595
Author and Position:	S. de Beer, Manager of Planning & Development Services
Previously Before Council:	N/A
Disclosure(s) Of Interest:	N/A
Attachments:	Locality Map, Site Plans and Shed Structure Image

SUMMARY

An application has been received to construct a Colorbond Caravan Shelter, in extent approx. 38 m² at 21 (Lot 15) Brooking Street, Beverley. It will be recommended the application be approved.

BACKGROUND

The subject site is located at 21 (Lot 15) Brooking Street, is 855 m² in extent and zoned Residential R10/25 in terms of the Shire of Beverley Local Planning Scheme No. 3 (LPS 3). It contains a Colorbond Outbuilding (in extent approx. 53 m² - conditionally approved in 1992), associated with the established dwelling on the adjacent lot at 19 (Lot 16) Brooking Street.

The proposal for the Caravan Shelter (regarded as an Outbuilding), requires departure from the Shire's Outbuilding Policy on the following matters:

- The Policy determines that an Outbuilding is not to be constructed prior to commencement of construction of a residence (on the same lot). There is however an existing Outbuilding on the subject land;
- The maximum roof height according to the Shire's Outbuilding Policy is to be 4m, whereas the proposed roof height at the apex of the Caravan Shelter is 4.1m;
- The maximum total area of all outbuildings on the lot is to be 75m², whereas the combined total of the proposed Caravan Shelter (38m²) and existing Outbuilding (53m²), will be approx. 91 m².

COMMENT

When considering the proposed departure beyond the parameters as set by the Outbuilding Policy, Shire Planner is of the opinion that the following aspects of the development should be taken into consideration:

- a) The specific circumstances and elements of the application;
- b) The siting of the proposed shelter on the subject property;
- c) The possibility of creating an undesirable precedent, by deviating from the established principle (and Policy Directive), to not permit construction of an Outbuilding prior to commencement of construction of a dwelling on the same lot, in the Residential Zone.

From a pragmatic perspective it is submitted that the existing established dwelling at 19 (lot 16) Brooking Street and the adjacent land on which the Caravan Shelter is

proposed (21 – lot 15 Brooking Street) really functions as a single de facto (factual) unit, although the de jure (legal) situation is that it is two separate cadastral entities. Both lots are owned by one person.

The Beverley Council at its meeting of 1 October 1992 conditionally approved the erection of the existing outbuilding on lot 15. A condition was imposed at the time to amalgamate the two adjacent lying lots 15 and 16. There is evidence on file that an application for such was submitted to the *Department of Planning and Urban Development* at the time, but there is no further evidence of the successful completion of this action. It can only be assumed that the Shire Council at the time imposed this condition to align the proposal with the Shire's Outbuilding Policy which prohibits outbuildings on vacant residential zoned land.

Given the passage of time since the 1992 approval though, it is recommended that the existing situation be acknowledged, and no further action be taken as to possible non-compliance with the previously imposed condition.

Given the aforementioned unique factual (de facto) situation, it is not considered that departure from the Policy would create an undesirable precedent and therefore the application will be recommended for approval.

STATUTORY ENVIRONMENT

The application may be approved under the Shire of Beverley's Local Planning Scheme No. 3.

CONSULTATION

No consultation was deemed required.

FINANCIAL IMPLICATIONS

There are no financial implications relative to this application.

STRATEGIC IMPLICATIONS

There are no strategic implications relative to this application.

POLICY IMPLICATIONS

Departure from Council's Outbuilding Policy

RISK IMPLICATIONS

It is considered that the proposal has insignificant risks.

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

Risk Rating	Action
Low	Monitor for ongoing improvement.
Medium	Comply with risk reduction measures to keep risk as low as reasonably practical.
High	Review the risk and take additional measures to ensure risk is low as reasonably achievable.
Severe	Unacceptable risk level, reduction measures must be introduced before proceeding.

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That Council resolve to grant planning approval for a Caravan Shelter at 21 (Lot 15) Brooking Street, Beverley, subject to the following conditions and advice notes:

Conditions:

1. Development shall be carried out only in accordance with the terms of the application as approved herein and any approved plan, prepared by the applicant and endorsed by Council's Shire Planner.
2. The Caravan Shelter shall not be used for human habitation, commercial or industrial purposes.

Advice Notes:

Note 1: If the development the subject of this approval is not substantially commenced within a period of 2 years, or another period specified in the approval after the date of determination, the approval will lapse and be of no further effect.

Note 2: Where an approval has so lapsed, no development shall be carried out without the further approval of the local government having first been sought and obtained.

Note 3: Nothing in the approval or these conditions shall excuse compliance with all relevant written laws in the commencement and carrying out of the development.

Note 4: The applicant is advised a building permit is required prior to commencement of any building works.

Note 5: If an applicant is aggrieved by this decision there is a right of review by the State Administrative Tribunal in accordance with the *Planning and Development Act 2005* Part 14. An application must be made within 28 days of the determination.

COUNCIL RESOLUTION

M4/0421

Moved Cr Lawlor

Seconded Cr Gogol

That Council resolve to grant planning approval for a Caravan Shelter at 21 (Lot 15) Brooking Street, Beverley, subject to the following conditions and advice notes:

Conditions:

- 1. Development shall be carried out only in accordance with the terms of the application as approved herein and any approved plan, prepared by the applicant and endorsed by Council's Shire Planner.**
- 2. The Caravan Shelter shall not be used for human habitation, commercial or industrial purposes.**

Advice Notes:

Note 1: If the development the subject of this approval is not substantially commenced within a period of 2 years, or another period specified in the approval after the date of determination, the approval will lapse and be of no further effect.

Note 2: Where an approval has so lapsed, no development shall be carried out without the further approval of the local government having first been sought and obtained.

Note 3: Nothing in the approval or these conditions shall excuse compliance with all relevant written laws in the commencement and carrying out of the development.

Note 4: The applicant is advised a building permit is required prior to commencement of any building works.

Note 5: If an applicant is aggrieved by this decision there is a right of review by the State Administrative Tribunal in accordance with the *Planning and Development Act 2005* Part 14. An application must be made within 28 days of the determination.

CARRIED 8/0

Attachment 9.1



Attachment 9.1

The screenshot displays the Wholesale Direct mobile website interface. At the top, the logo for Wholesale Direct is on the left, and the phone number 1800 915 801 is on the right, with operating hours Mon-Fri: 9AM to 5PM AEST. Below the logo are links for My Account, My Cart, Checkout, and Log In. A search bar contains the text "Search entire store here...". A red banner below the search bar reads "We are open! COVID-19" with a circular icon. A dark blue bar with a white hamburger menu icon and the word "CATEGORIES" is next. The breadcrumb trail shows "Home » Carport 3.6 x 10.6m x 3.51m (Gable) Backyard Boat Portable Vehicle Shelter". The main product section features a "Certified Australian Standard" badge with three checkmarks, followed by the dimensions "3.6M X 10.64M X 3.51M". Three perspective views of the carport are shown. A green circular badge says "UPGRADED ECONOMY TYPE". Below are smaller images: a side view, a technical diagram of the gable roof structure with dimensions, and a close-up of the metal frame. A blue "LIVE CHAT Click to Chat!" button is at the bottom right. The footer contains a small copyright notice and a mobile navigation bar with three icons.

10. BUILDING SERVICES & ENVIRONMENTAL HEALTH SERVICES

Nil

11. FINANCE

11.1 Monthly Financial Report

Submission To:	Ordinary Council Meeting 27 April 2021
Report Date:	20 April 2021
Applicant:	N/A
File Reference:	N/A
Author and Position:	S.K. Marshall, Deputy Chief Executive Officer
Previously Before Council:	N/A
Disclosure(s) Of Interest:	Nil
Attachments:	March 2021 Financial Reports

SUMMARY

Council to consider accepting the financial report for the period ending 31 March 2021.

BACKGROUND

There is a statutory requirement that the Local Government is to prepare, each month, a statement of financial activity reporting on sources and applications of its funds and to present the statement to Council.

Council adopted a budget variance reporting parameter of 10% on budgeted items of \$10,000 or greater at the July 2020 Ordinary Meeting, item 11.3.

COMMENT

The monthly financial reports for the period ending 31 March 2021 have been provided and include:

- Financial Activity Statement;
- Statement of Net Current Assets;
- Statement of Financial Position; and
- Supplementary information, including;
 - Operating Statement by Nature and Type;
 - Road Maintenance Report; and
 - Investment of Surplus Funds Report.

STATUTORY ENVIRONMENT

Section 6.4(1) of the *Local Government Act* provides that a local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.

Regulation 34 of the *Local Government (Financial Management) Regulations* requires a Statement of Financial Activity to be prepared each month which is to contain the following details:

- (a) annual budget estimates;
- (b) budget estimates to the end of the month;
- (c) actual amount of expenditure and revenue;
- (d) material variances between comparable amounts in (b) and (c) above; and
- (e) the net current assets at the end of the month to which the statement relates (i.e. surplus / (deficit) position).

The Statement is to be accompanied by:

- (a) explanation of the composition of net current assets, less committed assets and restricted assets;
- (b) explanation of the material variances; and
- (c) such other information considered relevant by the local government.

FINANCIAL IMPLICATIONS

All revenue and expenditure, unless disclosed in the notes to material variances, are as per the 2020/21 Budget.

STRATEGIC IMPLICATIONS

Nil

POLICY IMPLICATIONS

AF004 – Investing Surplus Funds

RISK IMPLICATIONS

It is a requirement of the *Local Government (Financial Management) Regulations 1996* that a Statement of Financial Activity is prepared within two months of the end of the reporting period. This report mitigates the risk of non-compliance.

Consequence	Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
Low	Monitor for ongoing improvement.
Medium	Comply with risk reduction measures to keep risk as low as reasonably practical.
High	Review the risk and take additional measures to ensure risk is low as reasonably achievable.
Severe	Unacceptable risk level, reduction measures must be introduced before proceeding.

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That the monthly financial report for the month of March 2021 be accepted and material variances be noted.

COUNCIL RESOLUTION

M5/0421

Moved Cr White

Seconded Cr Martin

That the monthly financial report for the month of March 2021 be accepted and material variances be noted.

CARRIED 8/0

**SHIRE OF BEVERLEY
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDING
31 March 2021**

Description	Budget 2020/21	YTD Budget 2020/21	YTD Actual 2020/21	YTD Variance	Notes To Material Variances
Operating Revenue					
General Purpose Funding	3,260,334.00	3,146,326.00	3,150,503.38	4,177.38	
Governance	1,100.00	1,000.00	16,039.36	15,039.36	Long Service Leave contributions from Shire of Pingelly and Bruce Rock \$13,897 unbudgeted.
Law, Order & Public Safety	299,857.00	118,828.00	126,584.54	7,756.54	
Health	300.00	144.00	1,746.14	1,602.14	
Education & Welfare	0.00	0.00	0.00	0.00	
Housing	137,492.00	108,492.00	101,512.03	(6,979.97)	
Community Amenities	206,278.00	204,027.00	211,676.05	7,649.05	
Recreation & Culture	895,083.00	882,437.00	1,268,338.51	385,901.51	Drought Communities Program funding for YAA \$420,000 received. LRCI Round 1 funding (\$50,000) to be carried over to 2021/22 following final projects acquittal.
Transport	2,559,656.00	756,139.00	756,611.64	472.64	
Economic Activities	119,676.00	88,812.00	571,834.89	483,022.89	Drought Communities funding for Onsite Accommodation \$480,000.
Other Property & Services	43,100.00	32,247.00	41,835.67	9,588.67	
Total Operating Revenue	7,522,876.00	5,338,452.00	6,246,682.21	908,230.21	
Operating Expenditure					
General Purpose Funding	(173,512.00)	(112,053.00)	(113,020.68)	(967.68)	
Governance	(254,954.00)	(194,486.00)	(186,767.57)	7,718.43	
Law, Order & Public Safety	(417,800.00)	(276,735.00)	(274,396.07)	2,338.93	
Health	(171,727.00)	(123,040.00)	(113,646.87)	9,393.13	
Education & Welfare	(98,098.00)	(56,694.00)	(55,302.94)	1,391.06	
Housing	(213,750.00)	(160,203.00)	(150,256.72)	9,946.28	
Community Amenities	(669,796.00)	(512,150.00)	(513,042.51)	(892.51)	
Recreation & Culture	(1,512,753.00)	(1,093,334.00)	(1,075,418.14)	17,915.86	Halls \$1,879, Old Fire Station \$3,671 and Function Centre \$1,693 maintenance expenses lower than anticipated YTD. Administration expenses reallocated \$10,560 lower than anticipated YTD.
Transport	(2,563,701.00)	(1,781,064.00)	(1,773,715.18)	7,348.82	
Economic Activities	(479,909.00)	(323,339.00)	(299,480.45)	23,858.55	Noxious weed control expenditure \$11,268 less than anticipated YTD. Administration expenses reallocated \$11,735 lower than anticipated YTD.
Other Property & Services	(15,081.00)	(3,766.00)	37,972.52	41,738.52	PWOH & POC allocation timing versus expenditure.
Total Operating Expenditure	(6,571,081.00)	(4,636,864.00)	(4,517,074.61)	119,789.39	
Net Operating	951,795.00	701,588.00	1,729,607.60	1,028,019.60	
Capital Income					
Self Supporting Loan - Principal Repayment	17,288.00	8,513.00	8,513.06	0.06	
Proceeds from Sale of Assets	267,364.00	67,364.00	64,545.46	(2,818.54)	
New Loan Raised	2,000,000.00	0.00	0.00	0.00	

**SHIRE OF BEVERLEY
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDING
31 March 2021**

Description	Budget 2020/21	YTD Budget 2020/21	YTD Actual 2020/21	YTD Variance	Notes To Material Variances
Total Capital Income	2,284,652.00	75,877.00	73,058.52	(2,818.48)	
Capital Expenditure					
Land and Buildings	(2,061,000.00)	(1,568,000.00)	(1,495,199.76)	72,800.24	Residential Solar Power installation \$22,068 less than anticipated due to a revision of project scope (no battery system installed on advice from Electrician), Youth Activity Area \$8,895, Old Court House Roof Replacement \$34,435, Platform Theatre Green Room painting \$4,218 and artificial turf replacement \$1,353 less than anticipated.
Plant and Equipment	(802,475.00)	(156,475.00)	(150,004.98)	6,470.02	
Office Furniture and Equipment	(15,000.00)	(15,000.00)	(13,143.68)	1,856.32	
Road Construction	(4,669,434.00)	(941,726.00)	(730,279.73)	211,446.27	Hill Rd Gravel Sheet \$15,571, Smith Rd Gravel Sheet \$2,574 less than anticipated. Westdale Rd Reconstruction \$11,264 lower than anticipated YTD. Bethany Rd (\$26,085), Top Beverley Rd Widen & Seal (\$4,389) and Anzac Ln works (\$2,484) greater than anticipated. Bremner Rd \$92,799 and Barrington Rd \$123,140 jobs to be carried over to 2021/22.
Other Infrastructure	(105,835.00)	(65,835.00)	(65,928.01)	(93.01)	
Land Under Control	0.00	0.00	0.00	0.00	
Loans - Principal Repayments	(137,937.00)	(76,155.00)	(76,154.84)	0.16	
Total Capital Expenditure	(7,791,681.00)	(2,823,191.00)	(2,530,711.00)	292,480.00	
Net Capital	(5,507,029.00)	(2,747,314.00)	(2,457,652.48)	289,661.52	
Adjustments					
Depreciation Written Back	2,313,194.00	1,749,283.00	1,761,647.10	12,364.10	Depreciation expense higher than anticipated YTD.
Movement in Leave Reserve Cash Balance	0.00	0.00	698.43	698.43	
Movement in Non-Current Loan Repayments	0.00	0.00	0.00	0.00	
Movement in Non-Current SSL Income	0.00	0.00	0.00	0.00	
Movement in Non-Current Investments	0.00	0.00	0.00	0.00	
Movement in Non-Current LSL Provision	0.00	0.00	0.00	0.00	
Movement in Non-Current Deferred Pensioner Rates	0.00	0.00	0.00	0.00	
(Profit)/Loss on Disposal of Assets Written Back	(2,364.00)	13,636.00	17,657.19	4,021.19	
Loss on Revaluation of Non-Current Assets Written Back	0.00	0.00	0.00	0.00	
Rounding	0.00	0.00	0.00	0.00	
Add Funding From					
Transfer (To)/From Reserves	817,971.00	(10,632.00)	(10,631.66)	0.34	
Opening Surplus/(Deficit)	1,426,433.00	1,426,433.00	1,426,433.44	0.44	
Total Adjustments	4,555,234.00	3,178,720.00	3,195,804.50	17,084.50	
CLOSING SURPLUS/(DEFICIT)	0.00	1,132,994.00	2,467,759.62	1,334,765.62	

**SHIRE OF BEVERLEY
STATEMENT OF NET CURRENT ASSETS
FOR THE PERIOD ENDING
31 March 2021**

Description	YTD Actual 2019/20	YTD Actual 2020/21
Current Assets		
Cash at Bank	904,115.25	979,040.81
Cash - Unrestricted Investments	711,099.95	1,500,000.00
Cash - Restricted Reserves	2,582,024.26	2,592,655.92
Cash on Hand	300.00	300.00
Accounts Receivable	416,886.40	438,357.62
Prepaid Expenses	0.00	0.00
Self Supporting Loan - Current	17,288.32	8,775.26
Inventory - Fuel	9,344.99	9,831.02
Total Current Assets	4,641,059.17	5,528,960.63
Current Liabilities		
Accounts Payable	(432,823.43)	(277,978.54)
Loan Liability - Current	(137,938.08)	(61,783.24)
Annual Leave Liability - Current	(198,907.44)	(198,907.44)
Long Service Leave Liability - Current	(153,203.22)	(153,203.22)
Doubtful Debts	0.00	0.00
Total Current Liabilities	(922,872.17)	(691,872.44)
Adjustments		
Less Restricted Reserves	(2,582,024.26)	(2,592,655.92)
Less Self Supporting Loan Income	(17,288.32)	(8,775.26)
Add Leave Reserves - Cash Backed	169,620.94	170,319.37
Add Loan Principal Expense	137,938.08	61,783.24
Total Adjustments	(2,291,753.56)	(2,369,328.57)
NET CURRENT ASSETS	1,426,433.44	2,467,759.62

**SHIRE OF BEVERLEY
STATEMENT OF FINANCIAL POSITION
AS AT
31 March 2021**

Description	Actual 2019/20	YTD Actual 2020/21	Movement
Current Assets			
Cash and Cash Equivalents	4,197,539.46	5,071,996.73	874,457.27
Accounts Receivable	399,091.49	438,357.62	39,266.13
Contract Asset - Current	17,794.91	0.00	(17,794.91)
Prepaid Expenses	0.00	0.00	0.00
Self Supporting Loan - Current	17,288.32	8,775.26	(8,513.06)
Inventory	9,344.99	9,831.02	486.03
Total Current Assets	4,641,059.17	5,528,960.63	887,901.46
Current Liabilities			
Accounts Payable	(432,823.43)	(277,978.54)	154,844.89
Contract Liability - Current	0.00	0.00	0.00
Loan Liability - Current	(137,938.08)	(61,783.24)	76,154.84
Lease Liability - Current	0.00	0.00	0.00
Annual Leave Liability - Current	(198,907.44)	(198,907.44)	0.00
Long Service Leave Liability - Current	(153,203.22)	(153,203.22)	0.00
Doubtful Debts	0.00	0.00	0.00
Total Current Liabilities	(922,872.17)	(691,872.44)	230,999.73
Non-Current Assets			
Non-Current Debtors	125,188.45	125,188.45	0.00
Non-Current Investments	53,415.80	53,415.80	0.00
Land and Buildings	20,958,439.69	21,951,362.65	992,922.96
Plant and Equipment	2,099,798.37	1,947,164.21	(152,634.16)
Furniture and Equipment	110,244.48	111,732.35	1,487.87
Infrastructure	60,366,533.32	60,135,463.06	(231,070.26)
Self Supporting Loan - Non Current	25,253.18	25,253.18	0.00
Total Non-Current Assets	83,738,873.29	84,349,579.70	610,706.41
Non-Current Liabilities			
Loan Liability - Non Current	(1,379,225.02)	(1,379,225.02)	0.00
Lease Liability - Non Current	0.00	0.00	0.00
Annual Leave - Non Current	0.00	0.00	0.00
Long Service Leave Liability - Non Current	(67,240.88)	(67,240.88)	0.00
Total Non Current Liabilities	(1,446,465.90)	(1,446,465.90)	0.00
Net Assets	86,010,594.39	87,740,201.99	1,729,607.60

**SHIRE OF BEVERLEY
STATEMENT OF FINANCIAL POSITION
AS AT
31 March 2021**

Description	Actual 2019/20	YTD Actual 2020/21	Movement
Equity			
Accumulated Surplus	(43,427,040.81)	(45,146,016.75)	(1,718,975.94)
Reserves - Cash Backed	(2,582,024.26)	(2,592,655.92)	(10,631.66)
Reserve - Revaluations	(40,001,529.32)	(40,001,529.32)	0.00
Total Equity	(86,010,594.39)	(87,740,201.99)	(1,729,607.60)

SHIRE OF BEVERLEY OPERATING STATEMENT BY NATURE & TYPE FOR THE PERIOD ENDING 31 March 2021		
Description	Budget 2020/21	YTD Actual 2020/21
Income		
Rates	2,669,880.00	2,791,834.89
Operating Grants, Subsidies and Contributions	2,271,419.00	734,953.43
Profit On Asset Disposal	12,000.00	0.00
Service Charges	0.00	0.00
Fees & Charges	523,761.00	536,507.64
Interest Earnings	103,888.00	41,081.59
Other Revenue	60,500.00	104,058.47
Non-Operating Grants, Subsidies and Contributions	9,238,188.00	2,040,532.37
Total Income by Nature & Type	14,879,636.00	6,248,968.39
Expenditure		
Employee Costs	(2,134,739.00)	(1,494,230.96)
Materials & Contracts	(1,840,463.00)	(1,033,178.39)
Utilities	(208,638.00)	(159,509.53)
Depreciation On Non-Current Assets	(1,691,589.00)	(1,761,647.10)
Interest Expenses	(34,504.00)	(30,767.32)
Insurance Expenses	(168,227.00)	(201,256.32)
Other Expenditure	(81,975.00)	(84,733.92)
Loss On Asset Disposal	(8,000.00)	(17,657.19)
Loss on Revaluation of Non-Current Assets	0.00	0.00
Total Expenditure by Nature & Type	(6,168,135.00)	(4,782,980.73)
Allocations		
Reallocation Codes Expenditure	421,192.00	263,619.94
Reallocation Codes Income	0.00	0.00
Total Allocations	421,192.00	263,619.94
Net Operating by Nature & Type	9,132,693.00	1,729,607.60

**SHIRE OF BEVERLEY
ROAD MAINTENANCE REPORT
FOR THE PERIOD ENDING
31 March 2021**

Job #	Job Description	YTD Actual 2020/21
	Rural Road Maintenance	
RR001	Aikens Rd (RoadID: 51) (Maintenance)	3,634.45
RR002	Athol Rd (RoadID: 26) (Maintenance)	9,084.54
RR003	Avoca Rd (RoadID: 98) (Maintenance)	1,124.11
RR004	Balkuling Rd (RoadID: 32) (Maintenance)	1,652.59
RR005	Balkuling North Rd (RoadID: 177) (Maintenance)	666.07
RR006	Bally-Bally Countypeak Rd (RoadID: 25) (Maintenance)	7,909.36
RR007	Bally-Bally Rd (RoadID: 9) (Maintenance)	7,902.19
RR008	Barrington Rd (RoadID: 13) (Maintenance)	2,620.43
RR009	Batemans Rd (RoadID: 78) (Maintenance)	133.02
RR010	Batys Rd (RoadID: 60) (Maintenance)	2,649.36
RR011	Bellrock Rd (RoadID: 158) (Maintenance)	450.18
RR012	Bennetts Rd (RoadID: 91) (Maintenance)	0.00
RR013	Beringer Rd (RoadID: 29) (Maintenance)	6,102.49
RR014	Bethany Rd (RoadID: 148) (Maintenance)	1,619.38
RR015	Billabong Rd (RoadID: 179) (Maintenance)	0.00
RR016	Blackburn Rd (RoadID: 46) (Maintenance)	1,309.51
RR017	Bremner Rd (RoadID: 6) (Maintenance)	640.21
RR018	Buckinghams Rd (RoadID: 94) (Maintenance)	1,772.19
RR019	Bushhill Road (RoadID: 183) (Maintenance)	361.54
RR020	Butchers Rd (RoadID: 20) (Maintenance)	10,002.39
RR021	Cannon Hill Rd (RoadID: 176) (Maintenance)	915.68
RR022	Carrs Rd (RoadID: 47) (Maintenance)	1,582.35
RR023	Cattle Station Road (RoadID: 181) (Maintenance)	637.32
RR024	Caudle Rd (RoadID: 140) (Maintenance)	0.00
RR025	Chocolate Hills Rd (RoadID: 138) (Maintenance)	0.00
RR026	Clulows Rd (RoadID: 16) (Maintenance)	12,486.94
RR027	Collins Rd (RoadID: 66) (Maintenance)	3,138.46
RR028	Cookes Rd (RoadID: 61) (Maintenance)	387.55
RR029	Corberding Rd (RoadID: 43) (Maintenance)	3,489.85
RR030	County Peak Rd (RoadID: 96) (Maintenance)	947.82
RR031	Dale Kokeby Rd (RoadID: 10) (Maintenance)	4,159.97
RR032	Dalebin North Rd (RoadID: 24) (Maintenance)	9,603.49
RR033	Deep Pool Rd (RoadID: 82) (Maintenance)	582.03
RR034	Dobaderry Rd (RoadID: 102) (Maintenance)	14,974.23
RR035	Dongadilling Rd (RoadID: 18) (Maintenance)	13,114.81
RR036	Drapers Rd (RoadID: 79) (Maintenance)	934.12
RR037	East Lynne Rd (RoadID: 52) (Maintenance)	2,470.73
RR038	Edison Mill Rd (RoadID: 5) (Maintenance)	54,215.16
RR039	Ewert Rd (RoadID: 27) (Maintenance)	8,192.18

**SHIRE OF BEVERLEY
ROAD MAINTENANCE REPORT
FOR THE PERIOD ENDING
31 March 2021**

Job #	Job Description	YTD Actual 2020/21
RR040	Fergusons Rd (RoadID: 64) (Maintenance)	889.99
RR041	Fishers Rd (RoadID: 75) (Maintenance)	2,260.69
RR042	Glencoe Rd (RoadID: 33) (Maintenance)	7,918.55
RR043	Gors Rd (RoadID: 30) (Maintenance)	0.00
RR044	Greenhills South Rd (RoadID: 36) (Maintenance)	259.26
RR045	Heals Rd (RoadID: 95) (Maintenance)	3,384.78
RR046	Hills Rd (RoadID: 76) (Maintenance)	435.91
RR047	Hobbs Rd (RoadID: 40) (Maintenance)	4,445.30
RR048	Jacksons Rd (RoadID: 57) (Maintenance)	823.75
RR049	Jacobs Well Rd (RoadID: 15) (Maintenance)	9,514.19
RR050	Jas Rd (Maintenance)	0.00
RR051	Johnsons Rd (RoadID: 73) (Maintenance)	725.47
RR052	Jones Rd (RoadID: 48) (Maintenance)	2,885.34
RR053	K1 Rd (RoadID: 85) (Maintenance)	2,828.74
RR054	Kennedys Rd (RoadID: 92) (Maintenance)	0.00
RR055	Kevills Rd (RoadID: 69) (Maintenance)	0.00
RR056	Kieara Rd (RoadID: 55) (Maintenance)	777.10
RR057	Kilpatrick's Rd (RoadID: 74) (Maintenance)	1,665.90
RR058	Kokeby East Rd (RoadID: 4) (Maintenance)	884.12
RR059	Kokendin Rd (RoadID: 11) (Maintenance)	28,403.70
RR060	Lennard Rd (RoadID: 58) (Maintenance)	1,636.41
RR061	Little Hill Rd (RoadID: 180) (Maintenance)	666.06
RR062	Luptons Rd (RoadID: 22) (Maintenance)	5,878.40
RR063	Maitland Rd (RoadID: 39) (Maintenance)	2,926.57
RR064	Mandiakon Rd (RoadID: 87) (Maintenance)	1,113.09
RR065	Manns Rd (RoadID: 59) (Maintenance)	1,303.40
RR066	Manuels Rd (RoadID: 37) (Maintenance)	3,384.15
RR067	Mawson Rd (RoadID: 100) (Maintenance)	11,869.34
RR068	Mawson North Rd (RoadID: 167) (Maintenance)	1,068.50
RR069	Mcdonalds Rd (RoadID: 54) (Maintenance)	748.95
RR070	Mckellars Rd (RoadID: 93) (Maintenance)	1,291.10
RR071	Mclean Rd (RoadID: 84) (Maintenance)	770.29
RR072	Millers Rd (RoadID: 49) (Maintenance)	1,497.16
RR073	Mills Rd (RoadID: 80) (Maintenance)	0.00
RR074	Morbinning Rd (RoadID: 1) (Maintenance)	7,815.42
RR075	Murrays Rd (RoadID: 71) (Maintenance)	1,909.68
RR076	Negus Rd (RoadID: 50) (Maintenance)	1,303.38
RR077	Northbourne Rd (RoadID: 28) (Maintenance)	49.88
RR078	Oakdale Rd (RoadID: 17) (Maintenance)	8,906.61
RR079	Patten Rd (RoadID: 53) (Maintenance)	2,722.59

**SHIRE OF BEVERLEY
ROAD MAINTENANCE REPORT
FOR THE PERIOD ENDING
31 March 2021**

Job #	Job Description	YTD Actual 2020/21
RR080	Petchells Rd (RoadID: 38) (Maintenance)	4,909.57
RR081	Piccadilly Rd (RoadID: 70) (Maintenance)	0.00
RR082	Pike Rd (RoadID: 45) (Maintenance)	1,872.83
RR083	Potts Rd (RoadID: 14) (Maintenance)	2,706.41
RR084	Qualandary Rd (RoadID: 19) (Maintenance)	4,620.00
RR085	Rickeys Rd (RoadID: 35) (Maintenance)	6,071.96
RR086	Rickeys Siding Rd (RoadID: 137) (Maintenance)	5,202.14
RR087	Rifle Range Rd (RoadID: 56) (Maintenance)	2,229.26
RR088	Rigoll Rd (RoadID: 157) (Maintenance)	2,803.44
RR089	Rogers Rd (RoadID: 62) (Maintenance)	1,939.92
RR090	Rossi Rd (RoadID: 156) (Maintenance)	897.63
RR091	Rumble Rd (Maintenance)	0.00
RR092	Schillings Rd (RoadID: 65) (Maintenance)	874.08
RR093	Shaw Rd (RoadID: 184) (Maintenance)	1,334.15
RR094	Sheahans Rd (RoadID: 90) (Maintenance)	99.77
RR095	Simmons Rd (RoadID: 101) (Maintenance)	99.77
RR096	Sims Rd (RoadID: 155) (Maintenance)	0.00
RR097	Ski Rd (RoadID: 83) (Maintenance)	1,084.17
RR098	Smith Rd (RoadID: 72) (Maintenance)	127.81
RR099	Southern Branch Rd (RoadID: 41) (Maintenance)	1,240.01
RR100	Spavens Rd (RoadID: 44) (Maintenance)	178.51
RR101	Springhill Rd (RoadID: 23) (Maintenance)	3,291.33
RR102	Steve Edwards Drv (RoadID: 173) (Maintenance)	780.88
RR103	St Jacks Rd (RoadID: 34) (Maintenance)	2,281.90
RR104	Talbot West Rd (RoadID: 12) (Maintenance)	437.53
RR105	Thomas Rd (RoadID: 31) (Maintenance)	4,042.21
RR106	Top Beverley York Rd (RoadID: 8) (Maintenance)	1,656.21
RR107	Turner Gully Rd (RoadID: 169) (Maintenance)	219.45
RR108	Vallentine Rd (RoadID: 21) (Maintenance)	6,160.70
RR109	Walgy Rd (RoadID: 42) (Maintenance)	1,939.15
RR110	Walkers Rd (RoadID: 86) (Maintenance)	922.50
RR111	Wansbrough Rd (RoadID: 77) (Maintenance)	985.85
RR112	Warradale Rd (RoadID: 67) (Maintenance)	7,716.65
RR113	Waterhatch Rd (RoadID: 2) (Maintenance)	422.05
RR114	Westdale Rd (RoadID: 166) (Maintenance)	4,705.18
RR115	Williamsons Rd (RoadID: 63) (Maintenance)	547.47
RR116	Woods Rd (RoadID: 68) (Maintenance)	0.00
RR117	Woonderlin Rd (RoadID: 175) (Maintenance)	0.00
RR118	Wyalgima Rd (RoadID: 154) (Maintenance)	0.00
RR119	Yenyening Lakes Rd (RoadID: 7) (Maintenance)	19,044.49

SHIRE OF BEVERLEY ROAD MAINTENANCE REPORT FOR THE PERIOD ENDING 31 March 2021		
Job #	Job Description	YTD Actual 2020/21
RR120	York-Williams Rd (RoadID: 3) (Maintenance)	1,084.29
RR121	Young Rd (RoadID: 81) (Maintenance)	0.00
RR777	Contract Road Side Spraying	23,800.00
RR888	Tree Lopping - Rural Roads (Maintenance)	8,971.42
RR999	Rural Roads Various (Maintenance)	42,658.73
WANDRRA	Disaster Recovery Works	0.00
Sub Total	Rural Road Maintenance	486,389.89
	Town Street Maintenance	
TS001	Barnsley St (RoadID: 162) (Maintenance)	450.94
TS002	Bartram St (RoadID: 114) (Maintenance)	3,674.32
TS003	Brockman St (RoadID: 129) (Maintenance)	251.32
TS004	Brooking St (RoadID: 122) (Maintenance)	1,962.45
TS005	Broun St (RoadID: 144) (Maintenance)	0.00
TS006	Chestillion Ct (RoadID: 139) (Maintenance)	0.00
TS007	Chipper St (RoadID: 126) (Maintenance)	1,335.16
TS008	Council Rd (RoadID: 149) (Maintenance)	4,583.05
TS009	Courtney St (RoadID: 153) (Maintenance)	0.00
TS010	Dawson St (RoadID: 106) (Maintenance)	1,253.78
TS011	Delisle St (RoadID: 120) (Maintenance)	544.02
TS012	Dempster St (RoadID: 111) (Maintenance)	2,027.12
TS013	Duffield St (RoadID: 160) (Maintenance)	0.00
TS014	Edward St (RoadID: 107) (Maintenance)	0.00
TS015	Elizabeth St (RoadID: 131) (Maintenance)	194.47
TS016	Ernest Drv (RoadID: 135) (Maintenance)	0.00
TS017	Forrest St (RoadID: 103) (Maintenance)	8,477.20
TS018	George St North (RoadID: 161) (Maintenance)	0.00
TS019	George St South (RoadID: 145) (Maintenance)	0.00
TS020	Grigson St (RoadID: 172) (Maintenance)	2,085.80
TS021	Hamersley St (RoadID: 130) (Maintenance)	24.32
TS022	Harper St (RoadID: 109) (Maintenance)	1,839.21
TS023	Hope St (RoadID: 115) (Maintenance)	4,612.98
TS024	Hopkin St (RoadID: 128) (Maintenance)	49.39
TS025	Horley St (RoadID: 127) (Maintenance)	1,303.66
TS026	Hunt Rd (Maintenance)	4,766.94
TS027	Husking St (RoadID: 117) (Maintenance)	0.00
TS028	Hutchinson St (RoadID: 168) (Maintenance)	43.13
TS029	John St (RoadID: 105) (Maintenance)	2,927.24
TS030	Langsford St (RoadID: 152) (Maintenance)	1,211.85

<p align="center">SHIRE OF BEVERLEY ROAD MAINTENANCE REPORT FOR THE PERIOD ENDING 31 March 2021</p>		
Job #	Job Description	YTD Actual 2020/21
TS031	Lennard St (RoadID: 113) (Maintenance)	238.79
TS032	Ludgate St (RoadID: 143) (Maintenance)	481.15
TS033	Lukin St (RoadID: 104) (Maintenance)	11,532.84
TS034	Mcneil St (RoadID: 141) (Maintenance)	0.00
TS035	Monger St (RoadID: 116) (Maintenance)	609.63
TS036	Morrison St (RoadID: 112) (Maintenance)	0.00
TS037	Nicholas St (RoadID: 123) (Maintenance)	1,836.92
TS038	Prior Pl (RoadID: 174) (Maintenance)	0.00
TS039	Queen St (RoadID: 110) (Maintenance)	267.56
TS040	Railway Pde (RoadID: 147) (Maintenance)	122.52
TS041	Railway St (RoadID: 146) (Maintenance)	81.63
TS042	Richardson St (RoadID: 124) (Maintenance)	92.52
TS043	Seabrook St (RoadID: 118) (Maintenance)	1,710.00
TS044	Sewell St (RoadID: 119) (Maintenance)	424.85
TS045	Shed St (RoadID: 136) (Maintenance)	403.44
TS046	Short St (RoadID: 121) (Maintenance)	903.78
TS047	Smith St (RoadID: 108) (Maintenance)	1,653.00
TS048	Taylor St (RoadID: 165) (Maintenance)	0.00
TS049	Vincent St (RoadID: 125) (Maintenance)	5,378.52
TS050	Wright St (RoadID: 150) (Maintenance)	24.71
TS051	Great Southern Hwy (Maintenance)	0.00
TS555	Road Sign Updates	6,372.98
TS888	Tree Lopping - Town Streets (Maintenance)	7,131.83
TS999	Town Streets Various (Maintenance)	9,959.24
Sub Total	Town Streets Maintenance	92,844.26
Total	Road Maintenance	579,234.15

SHIRE OF BEVERLEY						
INVESTMENT OF SURPLUS FUNDS						
AS AT 31 March 2021						
Account #	Account Name	Amount Invested (\$)	Total	Term	Interest Rate	Maturation
3630922	Reserve Funds Bendigo					
	Long Service Leave	30,694.69				
	Airfield Emergency	40,111.89				
	Plant	368,774.86				
	Emergency Services	28,687.72				
	Building	290,187.00				
	Recreation Ground	434,194.23				
	Cropping Committee	159,750.50				
	Avon River Development	25,947.21				
	Annual Leave	139,624.68				
	Community Bus	37,998.22				
	Infrastructure	515,775.54				
	Senior Housing	153,402.35				
	Mainstreet Development	307,259.98				
	Avondale Mach Museum	60,247.05	2,592,655.92	3 mnths	0.20%	22/06/2021
3569117	Term Deposit Bendigo	1,000,000.00		3 mnths	0.25%	12/04/2021
9795-01574	ANZ Term Deposit	500,000.00	1,500,000.00	3 mnths	0.25%	14/04/2021
	Total		4,092,655.92			

11.2 Accounts Paid by Authority

Submission To:	Ordinary Council Meeting 27 April 2021
Report Date:	20 April 2021
Applicant:	N/A
File Reference:	N/A
Author and Position:	S.K. Marshall, Deputy Chief Executive Officer
Previously Before Council:	N/A
Disclosure(s) Of Interest:	Nil
Attachments:	March 2021 List of Reports (Contact Shire for Copy)

SUMMARY

Council to consider authorising the payment of accounts.

BACKGROUND

The following list represents accounts paid by authority for the month of March 2021.

COMMENT

Unless otherwise identified, all payments have been made in accordance with Council's 2020/21 Budget.

STATUTORY ENVIRONMENT

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

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

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

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

and

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

FINANCIAL IMPLICATIONS

Unless otherwise identified, all payments have been made in accordance with Council's 2020/21 Budget.

STRATEGIC IMPLICATIONS

Nil

POLICY IMPLICATIONS

Authority to Purchase – All acquisitions should be in accordance with budget provisions or to a maximum specified cost.

RISK IMPLICATIONS

Failure to present a detailed listing in the prescribed form would result in non-compliance *Local Government (Financial Management) Regulations 1996*, this report mitigates the risk of non-compliance.

Consequence	Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
Low	Monitor for ongoing improvement.
Medium	Comply with risk reduction measures to keep risk as low as reasonably practical.
High	Review the risk and take additional measures to ensure risk is low as reasonably achievable.
Severe	Unacceptable risk level, reduction measures must be introduced before proceeding.

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That the List of Accounts as presented, be received:

March 2021:

(1) **Municipal Fund – Account 016-540 259 838 056**

Cheque vouchers

11 March 2021	1817-1818	(2)	\$	11,594.67	(authorised by DCEO S Marshall and Cr D White)
29 March 2021	1819-1819	(1)	\$	1,473.19	(authorised by DCEO S Marshall and Pres D Davis)
30 March 2021	1820-1820	(1)	\$	8,800.00	(authorised by CEO S Gollan and DCEO S Marshall)
Total of cheque vouchers for March 2021 incl					\$ 21,867.86 previously paid

EFT vouchers

02 March 2021	EFT 1-36	(36)	\$	54,343.91	(authorised by CEO S Gollan and DCEO S Marshall)
11 March 2021	EFT 6716-6741	(26)	\$	53,479.85	(authorised by DCEO S Marshall and Cr D White)
12 March 2021	EFT 6742-6742	(1)	\$	78,000.00	(authorised by DCEO S Marshall and Pres D Davis)
17 March 2021	EFT 6744-6758	(15)	\$	75,022.84	(CEO S Gollan and DCEO S Marshall)
17 March 2021	EFT 1-36	(36)	\$	55,442.82	(authorised by CEO S Gollan and DCEO S Marshall)
22 March 2021	EFT 6761-6766	(7)	\$	19,156.63	(authorised by CEO S Gollan and DCEO S Marshall)
29 March 2021	EFT 6770-6775	(6)	\$	16,855.99	(authorised by DCEO S Marshall and Pres D Davis)
30 March 2021	EFT 6776-6775	(26)	\$	64,580.82	(authorised by CEO S Gollan and DCEO S Marshall)
31 March 2021	EFT 1-36	(36)	\$	55,489.92	(authorised by CEO S Gollan and DCEO S Marshall)
Total of EFT vouchers for March 2021 incl					\$ 472,372.78 previously paid.

(2) **Trust Fund – Account 016-259 838 128**

Cheque vouchers

Nil vouchers

Total of cheque vouchers for March 2021 incl \$0.00 previously paid.

EFT vouchers

17 March 2021	EFT 6743-6743	(1)	\$	50.00	(authorised by CEO S Gollan and DCEO S Marshall)
22 March 2021	EFT 6759-6760	(2)	\$	250.00	(authorised by CEO S Gollan and DCEO S Marshall)
29 March 2021	EFT 6769-6769	(1)	\$	50.00	authorised by DCEO S Marshall and Pres D Davis)
Total of EFT vouchers for March 2021 incl					\$350.00 previously paid.

(3) **Direct Debit** Payments totalling \$122,198.79 previously paid.

(4) **Credit Card** Payments totalling \$1,498.18 previously paid.

COUNCIL RESOLUTION

M6/0421

Moved Cr Gogol

Seconded Cr Lawlor

That the List of Accounts as presented, be received:

March 2021:

(1) Municipal Fund – Account 016-540 259 838 056

Cheque vouchers

11 March 2021	1817-1818	(2)	\$	11,594.67	(authorised by DCEO S Marshall and Cr D White)
29 March 2021	1819-1819	(1)	\$	1,473.19	(authorised by DCEO S Marshall and Pres D Davis)
30 March 2021	1820-1820	(1)	\$	8,800.00	(authorised by CEO S Gollan and DCEO S Marshall)
Total of cheque vouchers for March 2021 incl				\$ 21,867.86	previously paid

EFT vouchers

02 March 2021	EFT 1-36	(36)	\$	54,343.91	(authorised by CEO S Gollan and DCEO S Marshall)
11 March 2021	EFT 6716-6741	(26)	\$	53,479.85	(authorised by DCEO S Marshall and Cr D White)
12 March 2021	EFT 6742-6742	(1)	\$	78,000.00	(authorised by DCEO S Marshall and Pres D Davis)
17 March 2021	EFT 6744-6758	(15)	\$	75,022.84	(CEO S Gollan and DCEO S Marshall)
17 March 2021	EFT 1-36	(36)	\$	55,442.82	(authorised by CEO S Gollan and DCEO S Marshall)
22 March 2021	EFT 6761-6766	(7)	\$	19,156.63	(authorised by CEO S Gollan and DCEO S Marshall)
29 March 2021	EFT 6770-6775	(6)	\$	16,855.99	(authorised by DCEO S Marshall and Pres D Davis)
30 March 2021	EFT 6776-6775	(26)	\$	64,580.82	(authorised by CEO S Gollan and DCEO S Marshall)
31 March 2021	EFT 1-36	(36)	\$	55,489.92	(authorised by CEO S Gollan and DCEO S Marshall)
Total of EFT vouchers for March 2021 incl				\$ 472,372.78	previously paid.

(2) Trust Fund – Account 016-259 838 128

Cheque vouchers

Nil vouchers

Total of cheque vouchers for March 2021 incl \$0.00 previously paid.

EFT vouchers

17 March 2021	EFT 6743-6743	(1)	\$	50.00	(authorised by CEO S Gollan and DCEO S Marshall)
22 March 2021	EFT 6759-6760	(2)	\$	250.00	(authorised by CEO S Gollan and DCEO S Marshall)
29 March 2021	EFT 6769-6769	(1)	\$	50.00	authorised by DCEO S Marshall and Pres D Davis)
total of EFT vouchers for March 2021 incl				\$350.00	previously paid.

(3) Direct Debit Payments totalling \$122,198.79 previously paid.

(4) Credit Card Payments totalling \$1,498.18 previously paid.

CARRIED 8/0

11.3 Draft 2019/20 Representation Letters

SUBMISSION TO: Ordinary Council Meeting 27 April 2021
REPORT DATE: 22 April 2021
APPLICANT: N/A
FILE REFERENCE: ADM 0231
AUTHOR: S.P. Gollan, Chief Executive Officer
ATTACHMENTS: 2019/20 Representation Letters

SUMMARY

As recommended by the Audit and Risk Committee at their meeting held 9am 27 April 2021, Council to consider authorising the Representation Letters to the Office of Auditor General and AMD Chartered Accountants be signed by the Chief Executive Officer and Deputy Chief Executive Officer.

BACKGROUND

The final audit was conducted by AMD Chartered Accountants between 16 – 19 September 2020 and authorised by the OAG in April 2021.

COMMENT

The Representation Letters are attached.

After working through the Exit Agenda with AMD and OAG, the representation letters require signatures from the Chief Executive Officer and Deputy Chief Executive Officer.

Note there is no management letter this year as there were no findings to report.

STATUTORY ENVIRONMENT

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

COMMITTEE'S RECOMMENDATION

That Council approve the Representation Letters to the Office of Auditor General and AMD Chartered Accountants be signed by the Chief Executive Officer and Deputy Chief Executive Officer.

COUNCIL RESOLUTION

M7/0421

Moved Cr McLaughlin

Seconded Cr White

That Council approve the Representation Letters to the Office of Auditor General and AMD Chartered Accountants be signed by the Chief Executive Officer and Deputy Chief Executive Officer.

CARRIED 8/0

Attachment 11.3 – Representation Letter to AMD

SHIRE LETTERHEAD

XX March 2021

Maria Cavallo
Director
AMD Chartered Accountants
PO Box 1306
BUNBURY WA 6230

Dear Maria

REPRESENTATION LETTER

This representation letter is provided in connection with your contract engagement with the Office of the Auditor General ("OAG") to complete the audit of the financial report of the Shire of Beverley for the year ended 30 June 2020.

We confirm that (to the best of our knowledge and belief, having made such enquires as we considered necessary for the purpose of appropriately informing ourselves):

Financial Report

- We have fulfilled our responsibilities for the preparation of the financial report in accordance with the Australian Accounting Standards and the Local Government Act 1995 (as amended); to the extent outlined within Note 1; in particular the financial report gives a true and fair view in accordance therewith.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards.
- All events subsequent to the date of the financial report and for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed.
- There were no uncorrected misstatements.
- The selection and application of accounting policies are appropriate.

Information Provided

- We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
 - Additional information that you have requested from us; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

SHIRE LETTERHEAD

- All transactions have been recorded in the accounting records and are reflected in the financial report.
- We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal audit control; and
 - Others.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others.
- We have disclosed to you known actual or possible litigation and claims whose effects should be considered when preparing the financial report.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- We have provided you with all requested information, explanations and assistance for the purposes of the audit.
- We have provided you with all the information required by the Local Government Act 1995 (as amended) and applicable Regulations.

Other

- We acknowledge our responsibility for the design and implementation of internal control to prevent and detect error. We have established and maintained adequate internal control to facilitate the preparation of a reliable financial report, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.
- We have no plans or intentions that may materially affect the carrying values, or classification, of assets and liabilities.
- We have considered the requirements of AASB 136 – "Impairment of Assets" when assessing the impairment of assets and in ensuring that no assets are stated in excess of their recoverable amount.

SHIRE LETTERHEAD

- There are no violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial report or as a basis for recording an expense.
- The entity has satisfactory title to all assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral. Allowances for depreciation have been adjusted for all items of property, plant and equipment that have been abandoned or are otherwise unusable.
- The entity has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.
- There are no liabilities, both actual and contingent, that have arisen which we have not disclosed to you.
- There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, such as investments or intangibles, other than as disclosed in the financial report.
- We confirm we have made our assessments of fair value as required by Local Government (Financial Management) Regulation 1996 (as amended) 17A; and that fair values recognised as at 30 June 2020 have been determined in accordance with Australian Accounting Standards AASB13.

We understand that your examination was made in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the entity taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully

Stephen Gollan
Chief Executive Officer

Simon Marshall
Deputy Chief Executive Officer

Attachment 11.3 – Representation Letter to OAG

Our Ref:
Your Ref:

Ms Caroline Spencer
Auditor General
Office of the Auditor General
7th Floor, Albert Facey House
469 Wellington Street
PERTH WA 6000

Dear Ms Spencer

REPRESENTATION LETTER IN RESPECT OF THE SHIRE OF BEVERLEY ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

This representation letter is provided in connection with your audit of the Shire of Beverley (the 'Shire') annual financial report for the year ended for the purpose of expressing an opinion as to whether the annual financial report is fairly presented in accordance with the *Local Government Act 1995* (the Act), the *Local Government (Financial Management) Regulations 1996* and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

We submit the following representations for the year ended after making appropriate enquiries and according to the best of our knowledge and belief. This representation covers all material items in each of the categories listed below.

1. GENERAL

- (a) We have fulfilled our responsibilities for the preparation and fair presentation of the annual financial report in accordance with the *Local Government Act 1995* (the Act), the *Local Government (Financial Management) Regulations 1996* and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.
- (b) We have advised your auditors of all material contentious methods used in the presentation of the financial report.
- (c) There have been no changes in accounting policies or application of those policies that would have a material effect on the financial report.
- (d) The prior period comparative information in the financial report has not been restated.
- (e) Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. We confirm the disclosures related to accounting estimates are complete and appropriate.
- (f) We have established and maintained an adequate internal control structure and adequate financial records as we have determined are necessary to facilitate the

preparation of the financial report that is free from material misstatement, whether due to fraud or error.

- (g) We have provided your auditors with
 - (i) Access to all information of which we are aware that is relevant to the preparation of the financial report, such as records, documentation and other matters.
 - (ii) Additional information that your auditors have requested for the purpose of the audit.
 - (iii) Unrestricted access to staff and councillors of the Shire from whom your auditors determined it necessary to obtain audit evidence.
- (h) All transactions have been recorded in the accounting and other records and are reflected in the financial report.
- (i) All internal audit reports and reports resulting from other management reviews, including legal issues and legal opinions which have the capacity to be relevant to the fair presentation of the financial report including, where relevant, minutes of meetings, have been brought to your auditors' attention and made available to them.
- (j) We have advised your auditors of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.
- (k) We have provided to your auditors the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
- (l) No frauds or suspected frauds affecting the Shire involving:
 - (i) Management;
 - (ii) Employees who have significant roles in internal control; or
 - (iii) Others.

have occurred to the knowledge of management of the Shire of Beverley.

- (m) To our knowledge no allegations of fraud or suspected fraud affecting the Shire's financial report has been communicated to us by employees, former employees, analysts, regulators or others.
- (n) We have disclosed to your auditors all known actual or possible litigation and claims whose effects should be considered when preparing the financial report, and they have been accounted for and disclosed in accordance with Australian Accounting Standards.

2. FAIR VALUE MEASUREMENTS AND DISCLOSURES

We confirm that where assets and liabilities are recorded at fair value, the value attributed to these assets and liabilities is the fair value.

We confirm that the carrying amount of each physical non-current asset does not materially differ from its fair value at the end of the reporting period. Significant fair value assumptions, including those with high estimation uncertainty, are reasonable.

We confirm the measurement methods, including related assumptions, used by management in determining fair values are appropriate and have been consistently applied.

We confirm that the fair value disclosures in the financial report are complete and appropriate.

3. GOING CONCERN

We confirm that the going concern basis of accounting is appropriate for the annual financial report.

4. CONTINGENT LIABILITIES

There are no material contingent liabilities at year end that have not been completely and adequately disclosed in the Notes to the financial report.

5. COMMITMENTS FOR CAPITAL AND OTHER EXPENDITURE

Other than those commitments reported in the Notes to the financial report, there were no significant commitments for capital or other expenditure contracts carrying over at year end.

6. FINANCIAL LIABILITY FOR CONTAMINATED SITES

We are aware of our obligations under the *Contaminated Sites Act 2003* and have reported to the Department of Water and Environmental Regulation, all land owned, vested or leased by the Shire that is known to be, or is suspected of being, contaminated. All actual liabilities or contingent liabilities, if any, have been recognised and/or disclosed in the financial report as appropriate.

7. RELATED ENTITIES

We acknowledge our responsibility under section 17(1) of the *Auditor General Act 2006* (as applied by section 7.12AL of the *Local Government Act 1995*) to give written notice to the Auditor General if any of the Shire's functions are being performed in partnership or jointly with another person or body, through the instrumentality of another person or body, and/or by means of a trust. We confirm that we have provided the Auditor General with details of all related entities in existence at the Shire.

8. RELATED PARTIES

We have disclosed to your auditors the identity of the Shire's related parties, as defined in Australian Accounting Standards, of which we are aware, and all the related party relationships and transactions of which we are aware. These include the Shire's key management personnel (KMP) and their related parties, including their close family members and their controlled and jointly controlled entities.

We have appropriately accounted for and disclosed such relationships and transactions in accordance with the requirements of Australian Accounting Standards.

9. KEY MANAGEMENT PERSONNEL COMPENSATION

We confirm the Shire's key management personnel (KMP) have not received any other money, consideration or benefit (except amounts being reimbursements for out of pocket expenses) which has not been included in the compensation disclosed in the Notes to the financial report.

10. SUBSEQUENT EVENTS

No matters or occurrences have come to our attention between the date of the financial report and the date of this letter which would materially affect the financial report or disclosures therein, or which are likely to materially affect the future results or operations of the Shire of Beverley.

11. INTERNAL CONTROL

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

12. INSURANCE

We have established procedures to assess the adequacy of insurance cover on all assets and insurable risks. We believe, where appropriate, assets and insurable risks are adequately covered by insurance.

13. RISK MANAGEMENT

We confirm that we have established and maintained a risk management framework that is appropriate to the Shire.

14. FINANCIAL RATIOS

We confirm that the financial ratios included in the annual financial report have been prepared and fairly presented in accordance with the *Local Government (Financial Management) Regulations 1996*.

We confirm that the asset consumption ratio and the asset renewal funding ratio are supported by verifiable information and reliable assumptions.

15. ACCOUNTING MISSTATEMENTS

There are no uncorrected misstatements in the financial report.

16. ELECTRONIC PRESENTATION OF THE AUDITED ANNUAL FINANCIAL REPORT AND AUDITOR'S REPORT

(a) We acknowledge that we are responsible for the electronic presentation of the annual financial report.

(b) We will ensure that the electronic version of the audited annual financial report and the auditor's report presented on the Shire's website is the same as the final signed versions of the audited annual financial report and the auditor's report.

- (c) We have clearly differentiated between audited and unaudited information in the construction of Shire's website and understand the risk of potential misrepresentation in the absence of appropriate controls.
- (d) We have assessed the security controls over the audited annual financial report and the auditor's report and are satisfied that procedures in place are adequate to ensure the integrity of the information provided.
- (e) We will ensure that where the auditor's report on the annual financial report is provided on the website, the annual financial report is also provided in full.

17. OTHER (UNAUDITED) INFORMATION IN THE ANNUAL REPORT

We will provide the final version of the annual report to you when available, to enable you to complete your required procedures.

Deputy Chief Executive Officer

Date

Chief Executive Officer

Date

11.4 Draft 2019/20 Independent Auditor's Report

SUBMISSION TO: Ordinary Council Meeting 27 April 2021
REPORT DATE: 22 April 2021
APPLICANT: N/A
FILE REFERENCE: ADM 0047
AUTHOR: S.P. Gollan, Chief Executive Officer
ATTACHMENTS: Draft 2019/20 Audit Report

SUMMARY

As recommended by the Audit and Risk Committee at their meeting held 9am 27 April 2021, Council to consider receiving the draft 2019/20 Independent Auditor's Report from the Office of the Auditor General.

BACKGROUND

The audit of the 2019/20 Financial Report was conducted by AMD Chartered Accountants in September 2020.

The Independent Auditor's Report was received on 22 April 2021.

COMMENT

Please see attached draft 2019/20 Independent Auditor's Report.

STATUTORY ENVIRONMENT

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

COMMITTEE'S RECOMMENDATION

That the 2019/20 Independent Auditor's Report be received.

COUNCIL RESOLUTION

M8/0421

Moved Cr White

Seconded Cr Martin

That the 2019/20 Independent Auditor's Report be received.

CARRIED 8/0

Attachment 11.4



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Councillors of the Shire of Beverley

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the Shire of Beverley which comprises the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In my opinion the annual financial report of the Shire of Beverley:

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2020 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Shire in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the annual financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Accounting

I draw attention to Notes 1 and 11 to the annual financial report, which describe the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the Shire's financial reporting responsibilities under the Act, including the *Local Government (Financial Management) Regulations 1996* (Regulations). My opinion is not modified in respect of these matters:

- (i) Regulation 17A requires a local government to measure vested improvements at fair value and the associated vested land at zero cost. This is a departure from AASB 16 *Leases* which would have required the entity to measure the vested improvements also at zero cost.
- (ii) In respect of the comparatives for the previous year ended 30 June 2019, Regulation 16 did not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report.

Responsibilities of the Chief Executive Officer and Council for the Financial Report

The Chief Executive Officer (CEO) of the Shire is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of the annual financial report that is free from material misstatement, whether due to fraud or error.

Attachment 11.4

In preparing the annual financial report, the CEO is responsible for assessing the Shire's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

The Council is responsible for overseeing the Shire's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Report

The objectives of my audit are to obtain reasonable assurance about whether the annual financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual financial report.

A further description of my responsibilities for the audit of the annual financial report is located on the Auditing and Assurance Standards Board website at https://www.aasb.gov.au/auditors_responsibilities/ur4.pdf. This includes the identification and assessment of the risk of material misstatement due to fraud arising from management override of controls. This description forms part of my auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) In my opinion, there are no matters which indicate significant adverse trends in the financial position of the financial management of the Shire.
- (ii) There were no instances of non-compliance with Part 6 of the Local Government Act 1995, the Local Government (Financial Management) Regulations 1996 or applicable financial controls of any other written law identified during the course of our audit.
- (iii) All required information and explanations were obtained by me.
- (iv) All audit procedures were satisfactorily completed.
- (v) In my opinion, the Asset Consumption Ratio included in the annual financial report was supported by verifiable information and reasonable assumptions.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the annual financial report of the Shire of Beverley for the year ended 30 June 2020 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the annual financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this annual financial report. If users of the annual financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited annual financial report to confirm the information contained in this website version of the annual financial report.

11.5 2019/20 Councillors' Declaration

SUBMISSION TO: Ordinary Council Meeting 27 April 2021
REPORT DATE: 22 April 2021
APPLICANT: N/A
FILE REFERENCE: ADM 0047
AUTHOR: S.P. Gollan, Chief Executive Officer
ATTACHMENTS: 2019/20 Councillor's Declaration

SUMMARY

As recommended by the Audit and Risk Committee at their meeting held 9am 27 April 2021, Council to consider that the 2019/20 Councillors' Declaration be signed and received.

BACKGROUND

The Councillors' Declaration was first introduced by Council in 2012/13 to demonstrate Council's satisfaction of the appropriateness and integrity of the financial reports being presented.

COMMENT

The Councillors' Declaration is not a legislative requirement, however it gives Council a responsibility in ensuring that the contents of the annual report and annual financial report are accurate and in line with appropriate legislation and standards.

The declaration also stipulates that it is the opinion of Council that all outstanding debts will be paid when due.

STATUTORY ENVIRONMENT

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

COMMITTEE'S RECOMMENDATION

That Council authorise the President and Deputy President to sign the 2019/20 Councillors' Declaration and include the Declaration for the 2019/20 Annual Financial Report.

COUNCIL RESOLUTION

M9/0421

Moved Cr Seed

Seconded Cr Gogol

That Council authorise the President and Deputy President to sign the 2019/20 Councillors' Declaration and include the Declaration for the 2019/20 Annual Financial Report.

CARRIED 8/0

Attachment 11.5

Councillors' Declaration

In accordance with a resolution of the Councillors of the Shire of Beverley, we state that:

1. In the opinion of the Councillors:
 - 1.1 the financial statements and notes of the Shire of Beverley are in accordance with the Local Government Act 1995 and Regulations, including:
 - (a) giving a true and fair view of the Shire of Beverley's financial position as at 30 June 2020 and of its performance for the year ended on that date; and,
 - (b) complying with applicable Australian Accounting Standards; and
 - 1.2 there are reasonable grounds to believe that the Shire of Beverley will be able to pay its debts as and when they become due and payable.

On behalf of the Council:

Cr DW Davis
President

Cr CJ Pepper
Deputy President

Dated this 27th day of April 2021

11.6 Draft 2019/20 Annual Financial Report

SUBMISSION TO: Ordinary Council Meeting 27 April 2021
REPORT DATE: 22 April 2021
APPLICANT: N/A
FILE REFERENCE: ADM 0199
AUTHOR: S.P. Gollan, Chief Executive Officer
ATTACHMENTS: Draft 2019/20 Annual Report

SUMMARY

As recommended by the Audit and Risk Committee at their meeting held 9am 27 April 2021, Council to consider that the 2019/20 Annual Financial Report be received.

BACKGROUND

The 2019/20 Annual Financial Report has been produced in-house by the Deputy Chief Executive Officer and was audited by AMD Chartered Accountants in September 2020.

COMMENT

The 2019/20 Annual Financial Report is attached for the Councils consideration.

On receipt, the Annual Financial Report will be incorporated into the 2019/20 Annual Report to be formatted by Workhouse Advertising and presented at either the Ordinary 25 May 2021 Ordinary Council Meeting or a Special Meeting of Council.

Once the complete Annual Report is adopted a date for the Annual Electors Meeting can be set and the report made available for public viewing for at least 14 days before the Annual Electors Meeting.

STATUTORY ENVIRONMENT

The *Local Government Act 1995* outlines the following in relation to the Annual Report:

5.53. Annual reports

- (1) The local government is to prepare an annual report for each financial year.
- (2) The annual report is to contain —
 - (a) a report from the mayor or president; and
 - (b) a report from the CEO; and
 - [(c), (d) *deleted*]
 - (e) an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and
 - (f) the financial report for the financial year; and
 - (g) such information as may be prescribed in relation to the payments made to employees; and
 - (h) the auditor's report for the financial year; and
 - (ha) a matter on which a report must be made under section 29(2) of the *Disability Services Act 1993*; and

- (hb) details of entries made under section 5.121 during the financial year in the register of complaints, including —
- (i) the number of complaints recorded in the register of complaints; and
 - (ii) how the recorded complaints were dealt with;
- and
- (iii) any other details that the regulations may require;
- and such other information as may be prescribed.

5.54. Acceptance of annual reports

- (1) Subject to subsection (2), the annual report for a financial year is to be accepted* by the local government no later than 31 December after that financial year.

* *Absolute majority required.*

- (2) If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.

5.55. Notice of annual reports

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

Local Government (Financial Management) Regulations 1996 provide:

51. Completion of financial report

- (1) After the annual financial report has been audited in accordance with the Act the CEO is to sign and append to the report a declaration in the form of Form 1.
- (2) A copy of the annual financial report of a local government is to be submitted to the Departmental CEO within 30 days of the receipt by the local government's CEO of the auditor's report on that financial report.

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

COMMITTEE'S RECOMMENDATION

That;

1. the 2019/20 Annual Financial Report be approved and incorporated into the 2019/20 Annual Report; and
2. a special meeting of Council be called if the 2019/20 Annual Report is available from Workhouse Advertising prior to the May Ordinary Council meeting.

COUNCIL RESOLUTION

M10/0421

Moved Cr White

Seconded Cr Gogol

That;

- 1. the 2019/20 Annual Financial Report be approved and incorporated into the 2019/20 Annual Report; and**
- 2. a special meeting of Council be called if the 2019/20 Annual Report is available from Workhouse Advertising prior to the May Ordinary Council meeting.**

CARRIED 8/0

Attachment 11.6

SHIRE OF BEVERLEY
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

TABLE OF CONTENTS

Statement by Chief Executive Officer	1
Statement of Comprehensive Income by Nature or Type	2
Statement of Comprehensive Income by Program	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Rate Setting Statement	7
Notes to and Forming Part of the Financial Report	8 to 55
Independent Audit Report	56 to 58
Councillor's Declaration	59

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

**SHIRE OF BEVERLEY
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Beverley for the financial year ended 30th June 2020 is based on proper accounts and records to present fairly the financial position of the Shire of Beverley at 30th June 2020 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not consistent with the Act, the Australian Accounting Standards.

Signed on the 31st day of July, 2020



S. P. Gollan
Chief Executive Officer

**SHIRE OF BEVERLEY
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2020**

	NOTE	2019/20 Actual \$	2019/20 Budget \$	2018/19 Actual \$
Revenue				
Rates	23(a)	2,813,252	2,800,672	2,694,744
Operating Grants, Subsidies and Contributions	29	1,899,398	1,192,083	1,683,236
Fees and Charges	28	630,881	583,040	589,732
Interest Earnings	2(a)	117,455	88,455	158,925
Other Revenue		483,785	471,451	480,248
		<u>5,944,771</u>	<u>5,135,701</u>	<u>5,606,885</u>
Expenses				
Employee Costs		(2,056,018)	(2,132,703)	(1,962,529)
Materials and Contracts		(1,570,890)	(2,051,198)	(1,464,477)
Utility Charges		(230,369)	(221,479)	(203,037)
Depreciation on Non-Current Assets	2(a)	(2,330,127)	(2,308,734)	(2,452,839)
Interest Expenses	2(a)	(82,572)	(98,015)	(81,547)
Insurance Expenses		(195,150)	(192,504)	(184,221)
Other Expenditure		(110,361)	(84,325)	(101,145)
		<u>(8,575,457)</u>	<u>(7,084,958)</u>	<u>(6,449,705)</u>
		(630,716)	(1,949,257)	(842,910)
Non-Operating Grants, Subsidies and Contributions	29	824,214	1,679,656	5,793,490
Profit on Asset Disposals	21	-	30,000	35,161
Loss on Asset Disposal	21	(40,052)	(55,000)	(25,483)
Asset Accounting Change - Regulations	7(b)	-	-	(96,513)
Net Result		153,446	(294,601)	4,863,745
Other Comprehensive Income				
Changes on revaluation of non-current assets	13	-	-	238,273
Total Other Comprehensive Income		-	-	238,273
Total Comprehensive Income		153,446	(294,601)	5,102,018

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

SHIRE OF BEVERLEY
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2020

	NOTE	2019/20 Actual \$	2019/20 Budget \$	2018/19 Actual \$
Revenue				
General Purpose Funding		3,741,567	3,296,127	3,686,492
Governance		53,682	35,100	81,896
Law, Order, Public Safety		212,127	210,156	214,112
Health		582	100	364
Housing		130,858	117,192	119,433
Community Amenities		223,806	207,073	210,223
Recreation and Culture		260,516	242,701	128,164
Transport		727,773	399,056	1,543,925
Economic Services		176,097	208,929	129,240
Other Property and Services		71,288	15,466	56,632
		<u>5,598,324</u>	<u>4,731,903</u>	<u>6,170,481</u>
Expenses				
General Purpose Funding		(145,995)	(182,995)	(142,773)
Governance		(209,513)	(274,300)	(338,017)
Law, Order, Public Safety		(415,298)	(357,971)	(331,198)
Health		(144,873)	(170,695)	(136,060)
Education and Welfare		(72,603)	(92,513)	(82,605)
Housing		(181,850)	(212,325)	(298,426)
Community Amenities		(648,050)	(674,741)	(627,697)
Recreation and Culture		(1,414,829)	(1,480,668)	(1,289,393)
Transport		(2,518,082)	(2,558,918)	(2,378,080)
Economic Services		(409,781)	(558,586)	(385,443)
Other Property and Services		14,205	(6,433)	(43,045)
		<u>(6,146,468)</u>	<u>(6,570,145)</u>	<u>(6,032,735)</u>
Finance Costs				
Housing		-	-	(117)
Community Amenities		(1,706)	(1,467)	(2,437)
Recreation and Culture		(80,868)	(84,548)	(78,993)
	2(a)	<u>(82,572)</u>	<u>(96,015)</u>	<u>(81,547)</u>
Non-Operating Grants, Subsidies and Contributions				
Law, Order, Public Safety		26,950	-	-
Recreation and Culture		38,847	400,000	300,005
Transport		758,417	1,284,656	4,594,376
		<u>824,214</u>	<u>1,684,656</u>	<u>4,894,381</u>
Profit(Loss) on Disposal of Assets				
Governance		(15,530)	(9,000)	(9,847)
Law, Order, Public Safety		-	(35,000)	(7,998)
Health		-	-	(8,638)
Other Property and Services		(24,522)	19,000	33,161
	21	<u>(40,052)</u>	<u>(25,000)</u>	<u>9,678</u>
Asset Accounting Change - Regulations	7(b)	-	-	(96,513)
Net Result		153,446	(294,601)	4,863,745
Other Comprehensive Income				
Changes on revaluation of non-current assets	13	-	-	238,273
Total Other Comprehensive Income		-	-	238,273
Total Comprehensive Income		<u>153,446</u>	<u>(294,601)</u>	<u>5,102,018</u>

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

SHIRE OF BEVERLEY
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2020

	NOTE	2019/20 Actual \$	2018/19 Actual \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	1,931,559	4,453,120
Trade and Other Receivables	4	416,379	624,874
Other Financial Assets	5	2,599,819	-
Inventories	6	9,345	12,501
TOTAL CURRENT ASSETS		<u>4,957,102</u>	<u>5,090,595</u>
NON-CURRENT ASSETS			
Other Receivables	4	150,441	154,483
Other Financial Assets	5	53,416	49,400
Property, Plant and Equipment	7(x)	23,069,483	23,360,563
Infrastructure	8(x)	60,366,533	60,219,209
TOTAL NON-CURRENT ASSETS		<u>83,639,873</u>	<u>83,780,655</u>
TOTAL ASSETS		<u>88,596,975</u>	<u>88,871,250</u>
CURRENT LIABILITIES			
Trade and Other Payables	9	444,812	814,267
Long Term Borrowings	10	137,938	153,429
Employee Related Provisions	11	352,111	342,435
TOTAL CURRENT LIABILITIES		<u>934,861</u>	<u>1,310,131</u>
NON-CURRENT LIABILITIES			
Trade and Other Payables	9	304,054	-
Long Term Borrowings	10	1,379,225	1,517,163
Employee Related Provisions	11	67,240	25,790
TOTAL NON-CURRENT LIABILITIES		<u>1,750,519</u>	<u>1,542,953</u>
TOTAL LIABILITIES		<u>2,685,380</u>	<u>2,853,084</u>
NET ASSETS		<u>85,911,595</u>	<u>86,018,166</u>
EQUITY			
Retained Surplus		43,427,040	43,643,768
Reserves - Cash Backed	12	2,582,025	2,372,868
Revaluation Surplus	13	39,902,530	40,001,530
TOTAL EQUITY		<u>85,911,595</u>	<u>86,018,166</u>

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

SHIRE OF BEVERLEY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2020

NOTE	RESERVES			TOTAL EQUITY
	RETAINED SURPLUS	CASH INVESTMENT BACKED	REVALUATION SURPLUS	
	\$	\$	\$	\$
Balance as at 1 July 2018	38,891,645	2,271,246	39,763,257	80,918,148
Comprehensive Income				
Net Result	4,863,745	-	-	4,863,745
Changes on Revaluation of Non-Current Assets	-	-	238,273	238,273
Total Comprehensive Income	4,863,745	-	238,273	5,102,018
Reserve Transfers	(101,602)	101,602	-	-
Balance as at 30 June 2019	43,643,788	2,372,848	40,001,530	86,018,166
Changes in Accounting Policy - AASB 15 Adoption	(101,017)	-	-	(101,017)
Changes in Accounting Policy - Regulation Changes	-	-	(89,000)	(89,000)
Revised total equity at 1 July 2019	43,482,751	2,372,848	39,902,530	85,758,149
Comprehensive Income				
Net Result	153,448	-	-	153,448
Total Other Comprehensive Income	153,448	-	-	153,448
Reserve Transfers	(208,157)	208,157	-	-
Balance as at 30 June 2020	43,427,640	2,582,005	39,902,530	85,911,885

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

**SHIRE OF BEVERLEY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2020**

	NOTE	2019/20 Actual \$	2019/20 Budget \$	2018/19 Actual \$
Cash Flows From Operating Activities				
Receipts				
Rates		2,813,252	2,800,672	2,694,744
Operating Grants, Subsidies and Contributions		1,899,366	1,192,063	1,683,236
Fees and Charges		630,662	563,040	589,733
Interest Earnings		117,456	88,455	158,925
Other Revenue		439,848	471,454	852,730
		<u>5,900,636</u>	<u>5,135,704</u>	<u>5,979,368</u>
Payments				
Employee Costs		(2,004,892)	(2,132,703)	(1,922,012)
Materials and Contracts		(1,570,890)	(2,051,198)	(1,484,477)
Utility Charges		(230,369)	(221,479)	(203,037)
Insurance Expenses		(195,150)	(192,504)	(184,221)
Interest expenses		(101,836)	(98,015)	(82,855)
Other Expenditure		(253,893)	(84,325)	(1,231,865)
		<u>(4,357,030)</u>	<u>(4,778,224)</u>	<u>(5,088,467)</u>
Net Cash Provided By (Used In) Operating Activities	14(b)	<u>1,543,606</u>	<u>357,480</u>	<u>890,901</u>
Cash Flows from Investing Activities				
Payments for Purchase of Property, Plant & Equipment	7(b)	(978,364)	(1,846,000)	(972,877)
Payments for Construction of Infrastructure	8(b)	(1,517,042)	(2,700,790)	(5,473,045)
Non-Operating Grants, Subsidies and Contributions	29	663,197	1,679,656	5,793,490
Proceeds from Sale of Plant & Equipment	21	169,982	-	167,920
Proceeds from Advances		-	345,000	-
Proceeds from financial assets at amortised cost - Bonds		316,042	-	-
Payments (to) financial assets at amortised cost - Term Deposits		(2,582,024)	-	-
Net Cash Provided By (Used In) Investing Activities		<u>(3,928,209)</u>	<u>(2,522,134)</u>	<u>(484,512)</u>
Cash Flows from Financing Activities				
Repayment of Debentures	22	(153,429)	(153,429)	(129,929)
Repayment of Finance Leases		-	16,270	-
Proceeds from Self Supporting Loans	22	16,271	-	15,313
Proceeds from New Debentures	22	-	150,000	-
Net Cash Provided By (Used In) Financing Activities		<u>(137,158)</u>	<u>12,841</u>	<u>(114,616)</u>
Net Increase (Decrease) in Cash Held		<u>(2,521,561)</u>	<u>(2,151,813)</u>	<u>291,773</u>
Cash at Beginning of Year		4,453,120	4,453,118	4,161,347
Cash and Cash Equivalents at the End of the Year	14(a)	<u>1,931,559</u>	<u>2,301,305</u>	<u>4,453,120</u>

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

**SHIRE OF BEVERLEY
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2020**

	NOTE	2019/20 Actual \$	2019/20 Budget \$	2018/19 Actual \$
Revenue				
General Purpose Funding		928,315	494,955	991,754
Governance		53,682	26,100	81,896
Law, Order, Public Safety		239,077	210,156	214,112
Health		582	100	364
Housing		130,888	117,192	119,433
Community Amenities		223,806	207,073	210,223
Recreation and Culture		299,363	642,701	428,169
Transport		1,486,190	1,663,712	8,138,301
Economic Services		178,097	208,929	129,240
Other Property and Services		71,286	45,469	56,832
		<u>3,609,286</u>	<u>3,616,387</u>	<u>8,370,124</u>
Expenses				
General Purpose Funding		(145,995)	(182,495)	(142,773)
Governance		(225,043)	(274,300)	(344,864)
Law, Order, Public Safety		(415,298)	(392,971)	(339,194)
Health		(144,873)	(170,695)	(144,696)
Education and Welfare		(72,603)	(92,513)	(62,605)
Housing		(181,850)	(212,325)	(298,543)
Community Amenities		(849,756)	(678,208)	(630,134)
Recreation and Culture		(1,495,695)	(1,575,216)	(1,366,386)
Transport		(2,518,082)	(2,558,918)	(2,474,593)
Economic Services		(409,781)	(558,586)	(385,443)
Other Property and Services		(10,316)	(17,433)	(9,884)
		<u>(6,269,092)</u>	<u>(6,711,660)</u>	<u>(6,201,117)</u>
Net Result Excluding Rates		<u>(2,659,806)</u>	<u>(3,095,273)</u>	<u>2,169,007</u>
Adjustments for Cash Budget Requirements:				
Non-Cash Expenditure and Revenue				
(Profit)/Loss on Asset Disposals	21	40,052	25,000	(9,678)
Asset Accounting Change - Regulations	7(b)	-	-	96,513
Movements in Non-Current to Current Items		10,917	-	(54,716)
Depreciation and Amortisation on Assets	2(a)	2,330,127	2,308,735	2,452,839
Total Non-Cash Expenditure and Revenue		<u>2,381,096</u>	<u>2,331,735</u>	<u>2,484,958</u>
Capital Expenditure and Revenue				
Purchase Land and Buildings	7(b)	(423,598)	(979,000)	(656,551)
Purchase Plant and Equipment	7(b)	(554,765)	(867,000)	(257,329)
Purchase Furniture and Equipment	7(b)	-	-	(58,967)
Purchase Infrastructure Assets - Roads	8(b)	(1,276,983)	(2,441,722)	(1,798,238)
Purchase Infrastructure Assets - Other	8(b)	(240,059)	(259,068)	(3,674,807)
Proceeds from Disposal of Assets	21	169,883	345,000	167,920
Repayment of Debentures	22	(153,429)	(153,429)	(129,929)
Proceeds from New Debentures	22	-	150,000	-
Self-Supporting Loan Principal Income		16,271	16,270	15,313
Transfers to Reserves (Restricted Assets)	12	(537,901)	(547,696)	(262,401)
Transfers from Reserves (Restricted Assets)	12	328,744	974,867	160,779
Total Capital Expenditure and Revenue		<u>(2,671,737)</u>	<u>(3,761,778)</u>	<u>(6,494,240)</u>
ADD Surplus/(Deficit) July 1 B/Fwd.	23(b)	1,563,627	1,724,644	870,175
LESS Surplus/(Deficit) June 30 C/Fwd.	23(b)	1,426,432	-	1,724,644
Total (Deficit) to be covered by General Rate	23(a)	<u>(2,813,252)</u>	<u>(2,800,872)</u>	<u>(2,694,744)</u>

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

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

(a) Basis of Preparation

The financial report is a general purpose financial statement which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

The Local Government (Financial Management) Regulations 1996 (FM Regs) take precedence over Australian Accounting Standards. Prior to 1 July 2019, Regulation (Reg) 16 arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. land under roads, and land not owned by but under control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the Shire. This was not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7.

From 1 July 2019, the Shire has applied AASB 16 Leases which requires leases to be included by lessees in the balance sheet. Also, the FM regs have been amended to specify that vested land is a right of use (ROU) asset to be measured at cost. All ROU assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the balance sheet) rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of the selected non-current assets, financial assets and liabilities.

Critical Accounting Estimates

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

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

(b) The Local Government Reporting Entity

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

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

All monies held in the Trust Fund are excluded from the financial statements, but a separate statement of those monies appears at Note 20 to these financial statements.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

1. SIGNIFICANT ACCOUNTING POLICIES

(c) **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to the ATO, is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flows.

(d) **Cash and Cash Equivalents**

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

Bank overdrafts are shown as short term borrowings in current liabilities in the statement of financial position.

(e) **Restricted Assets**

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

(f) **Trade and Other Receivables**

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Information about impairment of trade receivables and their exposure to credit risk can be found in Note 34.

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

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

**SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Trade and Other Receivables (continued)

Recognition of revenue is dependent on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of Goods and Services	When obligations typically satisfied	Payment terms adopted by Council during the year	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates	General rates	Over time	Payment dates adopted by Council during the year	None	Adopted by Council annually	When taxable event occurs	N/A	When rates notice is issued
Grants, subsidies or contributions for the construction of non-financial assets.	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed term transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with funding body	Based on the progress of works matched to performance obligations	Returns limited to repayment of transaction price of terms	Output method based on project milestones and/or completion date matched to performance obligations
Grants, subsidies or contributions with no contractual commitments	General appropriations and contributions with no reciprocal commitment	No obligations	N/A	N/A	Cash received	On receipt of funds	N/A	When assets are controlled
Fees and charges- licences, registrations, approvals	Building, planning, development and animal management, having the same nature as a licence	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost provision	Base don timing of issue of the associated rights	No refunds	On payment of the licence, registration or approval

**SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Trade and Other Receivables (continued)

Revenue Category	Nature of Goods and Services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Fees and charges- Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annual fee	None	Set by State legislation	Apportioned equally across the inspection cycle	N/A	After inspection complete based on a four year cycle
Fees and charges- Other inspections	Regulatory food, health and safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost provision	Applied fully at time of inspection	N/A	After inspection complete
Fees and charges- Waste management	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by Council annually	Apportioned equally over the collection period	N/A	Output method based on regular weekly and fortnightly periods as proportionate to collection service
Fees and charges- Property hire	Use of Halls and other facilities	Single point in time	Payment in full in advance	Refund if event cancelled	Adopted by Council annually	Based on timing of entry to facility	Returned limited to repayment of transaction	On entry or at conclusion of hire
Fees and charges- Commercial lease	Lease of office facilities	Over time	Fixed term transfer of funds based on agreed lease terms	None	As per lease agreement	Based on timing of entry to facility	N/A	Output method over lease term matched to access right

**SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Trade and Other Receivables (continued)

Revenue Category	Nature of Goods and Services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Fees and charges- Memberships	Community Gym and Pool Memberships	Over time	Payment in full in advance	None	Adopted by Council annually	Apportioned equally over the access period	Returned limited to repayment of transaction	Output method over 12 months matched to access right
Fees and charges- Other goods and services	Cemetery services, Library fees, private works	Single point in time	Payment in full in advance	None	Adopted by Council annually	Applied fully based on timing of provision	N/A	Output method based on provision of service or completion of works
Fees and charges- Fines	Fines issued for breaches of local laws	Single point in time	Payment in full within defined time	None	Adopted by Council annually	When taxable event occurs	N/A	When fine notice is issued
Other Revenue- Commissions	Commissions on transport licencing and building levies	Single point in time	Payment in full on sale	None	Set by mutual agreement with customer	On receipt of funds	N/A	When assets are controlled
Other Revenue- Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with customer	When claim is agreed	N/A	When claim is agreed

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Inventories

General

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

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

Land Held for Resale

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, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in the statement of comprehensive income at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

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

(h) Fixed Assets

Each class of fixed assets within either plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Recognition and measurement

All assets are initially recognised at cost where the fair value of the asset at date of acquisition is equal to or above \$5,000. All assets are subsequently revalued in accordance with the mandatory measurement framework.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets that are land, buildings, infrastructure and investment properties acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Fixed Assets (Continued)

Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Shire. At the end of each period valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is conducted in accordance with *Local Government (Financial Management) Regulation 17A(2)* which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under control prior to 1 July 2019

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

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land.

Land under roads prior to 1 July 2019

In Western Australia, most land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB1061 *Land Under Roads* and the then *Local Government (Financial Management) Regulation 16(a)(i)* which arbitrarily prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, the then *Local Government (Financial Management) Regulation 16(a)(i)* prohibited local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1061, *Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the *Local Government (Financial Management) Regulations* prevail. Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Fixed Assets (Continued)

Land under roads from 1 July 2019

As a result of amendments to the *Local Government (Financial Management) Regulations 1996*, effective from 1 July 2019, vested land, including land under roads, are treated as RCU assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect of ono-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the balance sheet.

Vested improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with *Local Government (Financial Management) Regulation 17A(2)(iv)* is a departure from AASB 16 which would have required the Shire to measure the vested improvements as part of the related RCU assets at zero cost.

Depreciation of Non-Current Assets

All non-current assets having a limited useful life (excluding freehold and vested land) are separately and systematically depreciated over their useful lives in a manner which reflects the 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:

Land	not depreciated
Buildings	25 to 60 years
Furniture and Equipment	3 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
- Formation	not depreciated
- Pavement	40 years
- Bituminous seals	15 years
Gravel roads	
- Formation	not depreciated
- Pavement	40 years
- Gravel sheet	20 years
Formed roads (unsealed)	
- Formation	not depreciated
- Pavement	40 years
Bridges	100 years
Footpaths - slab	48 years
Water supply piping & drainage systems	64 years
Parks and Ovals	25 years

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Fixed Assets (Continued)

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(i) Fair Value of Assets and Liabilities

When performing a revaluation, Council uses a mix of both independent and management valuations using the following as a guide:

Fair value is the price that Council would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Fair Value of Assets and Liabilities (Continued)

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

Council selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Council are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, Council gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued at least every 5 years.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) **Impairment**

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

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

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.

(k) **Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

(l) **Employee Benefits**

Short-term employee benefits

Provision is made for Council's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave.

Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

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

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) **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.

(n) **Provisions**

Provisions are recognised when:

- a) the Council has a present legal or constructive obligation as a result of past events;
- b) for which it is probable that an outflow of economic benefits will result; and
- c) that outflow can be reliably measured.

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

(o) **Leases**

At the inception of the contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

Right of use assets are subsequently measured under the revaluation model as they relate to asset classes that are also revalued.

Right of use assets are depreciated over the lease term or useful life of the underlying assets, whichever is the shortest. Where a lease transfers ownership to the underlying asset, or the cost of the right of use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

All contracts that are classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Lease for right of use assets are secured over the asset being leased.

Right of use asset - valuation

ROU assets are measured at cost. This means that all ROU assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included on the balance sheet). The exception is vested improvements which are reported at fair value.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Investments in Associates

The Council has no investments held in any third party entities.

(q) Joint Venture

The Council has no interest in any Joint Venture.

(r) 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.

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 disclosed in Note 2(c). That note also discloses 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.

(s) Superannuation

The Council contributes to a number of superannuation funds on behalf of employees. All funds to which the Council contributes are defined contribution plans.

(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 the 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.

(u) Rounding Off Figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

(v) Comparative Figures

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

When the council applied an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement that has a material effect on the statement of financial position, a statement of financial position as at the beginning of the earliest period will be disclosed.

(w) Budget Comparative Figures

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

**SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

	Title and Topic	Issued	Applicable (*)	Impact
(i)	AASB 1059 Service Concession Arrangements - Grantors	July 2017	1 July 2020	AASB 1059 Service Concession Arrangements: Grantors is not expected to impact the financial report.
(ii)	AASB 2018-7 Amendments to Australian Accounting Standards - Materiality	December 2018	1 July 2020	Specific impacts of AASB 2018-7 Amendments to Australian Accounting Standards - Materiality, have not been identified.

Notes:

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

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

2. REVENUE AND EXPENSES	2019/20 Actual \$	2018/19 Actual \$	
(a) Net Result			
The Net Result includes:			
(i) Charging as an Expense:			
Auditors Remuneration			
Audit Expenses	11,132	15,500	
Other Services	7,392	-	
Depreciation			
Buildings	666,323	783,764	
Furniture and Equipment	15,527	27,029	
Plant and Equipment	278,559	272,328	
Roads	822,389	822,389	
Bridges	385,142	385,142	
Footpaths	37,944	37,944	
Drainage	49,658	49,658	
Parks and Gardens	74,585	74,585	
	<u>2,330,127</u>	<u>2,452,839</u>	
Interest Expenses (Finance Costs)			
Debentures (refer Note 22(a))	82,572	81,547	
	<u>82,572</u>	<u>81,547</u>	
Rental Charges			
- Operating Leases	6,364	6,364	
	<u>6,364</u>	<u>6,364</u>	
(ii) Crediting as Revenue:			
	2019/20 Actual \$	2019/20 Budget \$	2018/19 Actual \$
Interest Earnings			
Investments			
- Reserve Funds	42,458	47,455	58,519
- Other Funds	34,208	20,000	65,420
Other Interest Revenue (refer Note 27)	40,789	21,000	34,988
	<u>117,455</u>	<u>88,455</u>	<u>158,925</u>

**SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020**

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis and for each of its broad activities/programs.

Council operations as disclosed in this report encompass the following service orientated activities/programs:

GOVERNANCE

Member of Council Allowances and Reimbursements, Civic Functions, Election Expenses and Administration Expenses.

GENERAL PURPOSE FUNDING

Rates Levied, Interest on Late Payment of Rates, General Purpose Grants and Interest Received on Investments.

LAW, ORDER, PUBLIC SAFETY

Supervision of various Local Laws, Fire Prevention and Animal Control.

HEALTH

Subsidisation of the Beverley Medical Practice, Environmental Health, Food Control and Pest Control.

EDUCATION AND WELFARE

Pre-Schools and other Education. Care of Families and Children.

HOUSING

Aged Persons Residence and Staff Housing.

COMMUNITY AMENITIES

Refuse Collection Services, Landfill Site Operations, Protection of the Environment, Administration of the Town Planning Scheme and Urban Stormwater and Drainage Works.

RECREATION AND CULTURE

Maintenance of Halls, Swimming Pool, Recreation Ground, Reserves, Libraries and Other Culture.

TRANSPORT

Maintenance of Roads, Drainage Works, Footpaths, Street Lighting, Crossovers, Verge Maintenance and Street Sweeping.

ECONOMIC SERVICES

Weed Control, Area Promotion, Implementation of Building Controls, Swimming Pool Inspections.

OTHER PROPERTY & SERVICES

Private Works, Public Works Overheads, Plant Operations, Materials, Salaries and Wages Controls and Other Unclassified Activities.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

2. REVENUE AND EXPENSES (Continued)

(c) Conditions Over Grants/Contributions	Grant/Contribution	Function/ Activity	Opening		2018/19		2019/20		Closing	
			Balance (*) 1-Jul-18	Balance (*) 30-Jun-19	Received (+) 2018/19	Expended (#) 2018/19	Received (+) 2019/20	Expended (#) 2019/20	Balance (*) 30-Jun-19	Balance (*) 30-Jun-20
	MRWA Dired Road Grant	Transport	-	-	108,404	(108,404)	115,556	(115,556)	-	-
	Regional Road Group Grant	Transport	-	-	322,305	(322,305)	320,698	(320,698)	-	-
	Roads To Recovery Grant	Transport	-	-	4,081,472	(4,081,472)	303,662	(303,662)	-	-
	Special Bridge Grant	Transport	-	-	134,067	-	-	(134,067)	-	-
	Bush Fire Risk Mitigation Grant	Law, Order Public Safety	-	-	26,950	-	-	(26,950)	-	-
	Total		-	-	4,673,278	(4,512,261)	739,906	(800,923)	161,017	-

Notes:

(*) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.

(+) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.

(#) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.

Economic dependency

A significant portion of revenue is received by way of grants from State and Federal Government. Total grant revenue from government sources is disclosed within the Statement of Comprehensive Income.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

	2019/20 Actual \$	2018/19 Actual \$
3. CASH AND CASH EQUIVALENTS		
Unrestricted	1,815,517	1,919,235
Restricted	316,042	2,533,885
	1,931,559	4,453,120
The following restrictions have been imposed by regulations or other externally imposed requirements:		
Reserve Funds - Cash Backed (refer Note 12)	-	2,372,868
Unspent Grants (refer Note 2(c))	-	161,017
ILU Retention Fees - Bond	316,042	-
	316,042	2,533,885
4. TRADE AND OTHER RECEIVABLES		
Current		
Rates Outstanding	295,769	246,474
Sundry Debtors	103,322	143,583
GST Receivable	-	218,646
Loans - Clubs/Institutions	17,288	16,271
	416,379	624,974
Non-Current		
Rates Outstanding - Pensioners	125,188	111,942
Loans - Clubs/Institutions	25,253	42,541
	150,441	154,483
5. OTHER FINANCIAL ASSETS		
Current		
Contract Assets	17,795	-
Investment - Reserve Funds	2,582,024	-
	2,599,819	-
Non-Current		
Investment - Local Government House*	53,416	46,400
	53,416	46,400
*The Shire of Beverley holds three units in the Local Government House Trust.		
6. INVENTORIES		
Current		
Fuel and Materials	9,345	12,501
	9,345	12,501

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

	2019/20 Actual \$	2018/19 Actual \$
7. PROPERTY, PLANT AND EQUIPMENT		
(a) Land and Buildings		
Freehold Land at Fair Value	2,679,196	2,679,196
	<u>2,679,196</u>	<u>2,679,196</u>
Land Under Control at Fair Value	-	99,000
Total Land	<u>2,679,196</u>	<u>2,778,196</u>
Buildings at Fair Value	33,792,949	33,410,350
Less Accumulated Depreciation	<u>(15,612,705)</u>	<u>(14,982,507)</u>
Total Buildings	<u>18,180,244</u>	<u>18,427,843</u>
Total Land and Buildings	<u>20,859,440</u>	<u>21,206,039</u>
Plant and Equipment		
Plant and Equipment at Fair Value	3,972,266	3,631,501
Less Accumulated Depreciation	<u>(1,872,468)</u>	<u>(1,602,750)</u>
Total Plant and Equipment	<u>2,099,798</u>	<u>2,028,751</u>
Furniture and Equipment		
Furniture and Equipment at Fair Value	192,348	192,349
Less Accumulated Depreciation	<u>(82,103)</u>	<u>(66,576)</u>
Total Furniture and Equipment	<u>110,245</u>	<u>125,773</u>
Total Property, Plant and Equipment	<u>23,069,483</u>	<u>23,360,563</u>

Land and Buildings:

A valuation of land and building assets was undertaken by an external consultant in December 2016 and the valuation was adopted as the fair value in June 2017.

The revaluation of land and building assets resulted in an increase on revaluation of \$454,061 in the net value of land and buildings.

All of this increase was credited to the revaluation surplus (refer Note 12) and was recognised as Changes on Revaluation of non-current assets in the Statement of Comprehensive Income.

Plant and Equipment:

A valuation of plant and machinery assets was undertaken by an external consultant in June 2019 and the valuation was adopted as the fair value in June 2019.

The revaluation of plant and machinery assets resulted in a increase on revaluation of \$238,272 in the net value of plant and machinery.

All of this increase was credited to the revaluation surplus (refer Note 12) and was recognised as Changes on Revaluation of Non-Current Assets in the Statement of Comprehensive Income.

Furniture and Equipment:

Furniture and Equipment items were valued in 2017 as part of the mandatory requirements as per Local Government (Financial Management) Regulation 17A.

The Furniture and Equipment currently on the Council's asset register was identified during a stocktake in 2020 and is replaced on a regular basis. Based on this, the cost approach is deemed to be the most appropriate and a very conservative fair value measurement.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Movements in Carrying Amounts

Movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

Fair Value Hierarchy Valuation Approach Last Valued	Land		Non- Specialised Buildings		Specialised Buildings		Total Buildings		Total Land and Buildings		Plant and Equipment		Furniture and Equipment		Total
	Level 2 Market 2017	Level 2/3 Market/Cost 2017	Level 3 Market/Cost 2017	Level 3 Market/Cost 2017	Level 3 Market/Cost 2017	Level 3 Market/Cost 2017	Level 2/3 Market/Cost 2019	Level 3 Market/Cost 2017	Level 2/3 Market/Cost 2019	Level 3 Market/Cost 2017	Level 2/3 Market/Cost 2019	Level 3 Market/Cost 2017	Level 2/3 Market/Cost 2019	Level 3 Market/Cost 2017	
Balance as at the beginning of the year	2,778,196	7,820,601	10,607,242	18,427,843	21,206,039	2,028,751	125,773	23,360,563							
Additions	-	56,736	368,863	423,599	423,599	554,763	-	878,362							
(Disposals)	-	-	(4,874)	(4,874)	(4,874)	(205,156)	-	(210,033)							
Revaluation - Increments	-	-	-	-	-	-	-	-							
- (Decrements)	-	-	-	-	-	-	-	-							
Impairment - (Losses)	-	-	-	-	-	-	-	-							
- Reversals	-	-	-	-	-	-	-	-							
Changes in recognition of assets due to changes to Regulations	(99,000)	-	-	-	(99,000)	-	-	(99,000)						(99,000)	
Depreciation (Expense)	-	(206,924)	(459,399)	(666,323)	(666,323)	(278,559)	(15,527)	(960,409)							
Carrying amount at the end of year	<u>2,679,196</u>	<u>7,670,413</u>	<u>10,509,032</u>	<u>18,100,245</u>	<u>20,059,441</u>	<u>2,089,796</u>	<u>110,246</u>	<u>23,069,403</u>							

The fair value of property, plant and equipment is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown as cost, given they were acquired at arm's length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires property, plant and equipment to be shown at fair value.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

7 PROPERTY, PLANT AND EQUIPMENT (Continued)

(e) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
Land and buildings					
Freehold land	2	Market approach using recent observable market data for similar properties.	Independent Registered Valuer	June 2017	Inputs, other than quoted prices, that are observable for the asset, either directly or indirectly e.g. local land sales.
Land vested in and under the control of Council	3	Improvements to land valued using depreciated replacement cost.	Independent Registered Valuer	June 2017	Depreciated replacement cost to acquire a modern equivalent that would provide equal utility.
Non-specialised buildings	2/3	Market approach using recent observable market data for similar properties & Cost approach using depreciated replacement cost.	Independent Registered Valuer	June 2017	Inputs, other than quoted prices, that are observable for the asset, either directly or indirectly e.g. local property sales and Depreciated replacement cost to acquire a modern equivalent that would provide equal utility.
Specialised buildings	3	Cost approach using depreciated replacement cost.	Independent Registered Valuer	June 2017	Depreciated replacement cost to acquire a modern equivalent that would provide equal utility.
Plant and Equipment	2/3	Market approach using recent observable market data for similar properties & Cost approach using depreciated replacement cost.	Independent Registered Valuer	June 2019	Inputs, other than quoted prices, that are observable for the asset, either directly or indirectly e.g. Plant auction sales.
Furniture and Equipment	3	Cost approach using depreciated replacement cost.	Management Valuation	June 2017	Residual values and remaining useful life assessment inputs.

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

	2019/20 Actual \$	2018/19 Actual \$
8. INFRASTRUCTURE		
(a) Roads - Valuation	37,667,954	36,390,971
Less Accumulated Depreciation	<u>(11,074,538)</u>	<u>(10,252,149)</u>
	26,593,416	26,138,822
Bridges - Valuation	42,227,546	42,084,388
Less Accumulated Depreciation	<u>(12,712,730)</u>	<u>(12,327,588)</u>
	29,514,816	29,756,798
Footpaths - Valuation	1,827,380	1,730,481
Less Accumulated Depreciation	<u>(1,187,426)</u>	<u>(1,149,482)</u>
	639,954	580,999
Drainage - Valuation	2,703,200	2,703,200
Less Accumulated Depreciation	<u>(620,633)</u>	<u>(570,975)</u>
	2,082,567	2,132,225
Parks & Ovals - Valuation	2,034,941	2,034,941
Less Accumulated Depreciation	<u>(499,161)</u>	<u>(424,576)</u>
	1,535,780	1,610,365
	<u>60,366,533</u>	<u>60,219,209</u>

Infrastructure:

A full road asset network revaluation was undertaken by external consultants in December 2017. The fair value is determined as the current replacement cost (CRC) less accumulated depreciation to reflect the already consumed or expired economic benefits. This approach is consistent with AASB 116 and following review of current market rates were adopted as the fair value at 30 June 2018.

A full bridge asset valuation was undertaken by external consultants in December 2017. The fair value is determined as the current replacement cost (CRC) less accumulated depreciation to reflect the already consumed or expired economic benefits. This approach is consistent with AASB 116 and were adopted as the fair value at 30 June 2018.

A full footpath asset network revaluation was undertaken by external consultants in December 2017. The fair value is determined as the current replacement cost (CRC) less accumulated depreciation to reflect the already consumed or expired economic benefits. This approach is consistent with AASB 116 and were adopted as the fair value at 30 June 2018.

A full drainage asset network valuation was undertaken by external consultants in December 2017. The fair value is determined as the current replacement cost (CRC) less accumulated depreciation to reflect the already consumed or expired economic benefits. This approach is consistent with AASB 116 and were adopted as the fair value at 30 June 2018.

A full parks and ovals asset valuation was undertaken by external consultants in December 2017. The fair value is determined as the current replacement cost (CRC) less accumulated depreciation to reflect the already consumed or expired economic benefits. This approach is consistent with AASB 116 and were adopted as the fair value at 30 June 2018.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

8. INFRASTRUCTURE (Continued)

(b) Movements in Carrying Amounts

Movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

Fair Value Hierarchy Valuation Approach Last Valued	Roads		Bridges		Footpaths		Drainage		Parks & Ovals		Total
	Level 3 Cost 2018	\$	Level 3 Cost 2018	\$	Level 3 Cost 2018	\$	Level 3 Cost 2018	\$	Level 3 Cost 2018	\$	
Balance at the beginning of the year	26,138,822		29,756,798		680,969		2,132,226		1,610,365		60,219,209
Additions	1,276,983		143,160		98,869		-		-		1,517,042
(Disposals)	-		-		-		-		-		-
Revaluation - Increments - (Decrements)	-		-		-		-		-		-
Impairment - (Losses) - Reversals	-		-		-		-		-		-
Depreciation (Expense)	(822,349)		(305,142)		(37,844)		(49,650)		(74,565)		(1,369,718)
Carrying amount at the end of year	26,593,416		29,514,816		639,954		2,082,567		1,535,700		60,366,533

The fair value of infrastructure is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown at cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential. It is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires infrastructure to be shown at fair value.

**SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020**

8. INFRASTRUCTURE (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
Roads	3	Cost approach using depreciated replacement cost.	Independent Valuation	June 2018	Sample assessment of Road assets conducted.
Bridges	3	Cost approach using depreciated replacement cost.	Independent Valuation	June 2018	Full pick up and condition assessment of Bridge assets conducted.
Footpaths	3	Cost approach using depreciated replacement cost.	Independent Valuation	June 2018	Sample assessment of Footpath assets conducted.
Drainage	3	Cost approach using depreciated replacement cost.	Independent Valuation	June 2018	Full pick up and condition assessment of Drainage assets conducted.
Parks & Ovals	3	Cost approach using depreciated replacement cost.	Independent Valuation	June 2018	Full pick up and condition assessment of Parks & Ovals assets conducted.

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.

**SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020**

	2019/20 Actual \$	2018/19 Actual \$
9. TRADE AND OTHER PAYABLES		
Current		
Sundry Creditors	382,949	766,795
GST Payable	10,743	-
ILU Retention Fee - Bond	11,988	-
Accrued Interest on Debentures	5,628	24,890
Accrued Salaries and Wages	33,506	22,582
	<u>444,812</u>	<u>814,267</u>
Non-Current		
ILU Retention Fee - Bond	304,054	-
	<u>304,054</u>	<u>-</u>
10. LONG-TERM BORROWINGS		
Current		
Secured by Floating Charge Debentures	137,938	153,429
	<u>137,938</u>	<u>153,429</u>
Non-Current		
Secured by Floating Charge Debentures	1,379,225	1,517,183
	<u>1,379,225</u>	<u>1,517,183</u>
Additional detail on borrowings is provided in Note 22.		
11. PROVISIONS		
Analysis of Total Provisions		
Current Provisions	352,111	342,435
Non Current Provisions	67,240	25,790
	<u>419,351</u>	<u>368,225</u>
	Provision for Annual Leave \$	Provision for Long Service Leave \$
Opening balance as at 1 July 2019	184,119	184,106
Additional provisions	52,452	50,518
Amounts used	(37,664)	(14,180)
Balance at 30 June 2020	<u>198,907</u>	<u>220,444</u>

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

	2019/20 Actual \$	2019/20 Budget \$	2018/19 Actual \$
12. RESERVES - CASH BACKED			
(a) Annual Leave Reserve			
<i>Purpose - to be used to fund annual leave requirements.</i>			
Opening Balance	136,589	136,590	133,067
Amount Set Aside / Transfer to Reserve	2,463	2,732	3,522
Amount Used / Transfer from Reserve	-	-	-
	<u>139,052</u>	<u>139,322</u>	<u>136,589</u>
(b) Avon River Development Reserve			
<i>Purpose - to be used to develop the Avon River pool and surrounding environment.</i>			
Opening Balance	25,384	25,383	24,752
Amount Set Aside / Transfer to Reserve	458	508	632
Amount Used / Transfer from Reserve	-	-	-
	<u>25,842</u>	<u>25,891</u>	<u>25,384</u>
(c) Building Reserve			
<i>Purpose - to be used to fund the construction of new and renovation of existing Council buildings.</i>			
Opening Balance	352,638	352,638	411,853
Amount Set Aside / Transfer to Reserve	8,359	7,053	10,785
Amount Used / Transfer from Reserve	(70,000)	(100,000)	(70,000)
	<u>288,997</u>	<u>259,691</u>	<u>352,638</u>
(d) Community Bus Reserve			
<i>Purpose - to be used for the replacement of the Community Bus.</i>			
Opening Balance	36,075	36,075	32,652
Amount Set Aside / Transfer to Reserve	1,768	1,869	3,423
Amount Used / Transfer from Reserve	-	-	-
	<u>37,843</u>	<u>37,944</u>	<u>36,075</u>
(e) Cropping Committee Reserve			
<i>Purpose - to be used to fund Community Based projects and assist Community Groups.</i>			
Opening Balance	134,139	134,139	101,540
Amount Set Aside / Transfer to Reserve	40,397	40,411	40,549
Amount Used / Transfer from Reserve	(15,440)	(120,000)	(7,950)
	<u>159,096</u>	<u>54,550</u>	<u>134,139</u>
(f) Emergency Services Reserve			
<i>Purpose - to be used to acquire Emergency Service support equipment.</i>			
Opening Balance	126,293	126,293	123,145
Amount Set Aside / Transfer to Reserve	2,277	2,526	3,148
Amount Used / Transfer from Reserve	(100,000)	(120,000)	-
	<u>28,570</u>	<u>8,819</u>	<u>126,293</u>
(g) LSL and Gratuity Reserve			
<i>Purpose - to be used to fund Long Service Leave and Gratuity payment obligations.</i>			
Opening Balance	43,299	43,301	62,607
Amount Set Aside / Transfer to Reserve	781	866	1,692
Amount Used / Transfer from Reserve	(13,513)	(44,167)	(21,000)
	<u>30,567</u>	<u>-</u>	<u>43,299</u>

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

	2019/20 Actual \$	2019/20 Budget \$	2018/19 Actual \$
12. RESERVES - CASH BACKED (Continued)			
(h) Office Equipment Replacement Reserve			
<i>Purpose - to be used for the replacement of office equipment.</i>			
Opening Balance	94	95	21,352
Amount Set Aside / Transfer to Reserve	1	-	571
Amount Used / Transfer from Reserve	(95)	-	(21,829)
	<u>-</u>	<u>95</u>	<u>94</u>
(i) Plant Replacement Reserve			
<i>Purpose - to be used for the purchase of major plant.</i>			
Opening Balance	488,157	488,156	475,659
Amount Set Aside / Transfer to Reserve	8,803	59,763	12,498
Amount Used / Transfer from Reserve	(129,695)	(300,000)	-
	<u>367,264</u>	<u>247,919</u>	<u>488,157</u>
(j) Recreation Ground Reserve			
<i>Purpose - to be used for the upgrade or maintenance of recreation areas and buildings, including the Swimming Pool.</i>			
Opening Balance	419,842	419,842	404,191
Amount Set Aside / Transfer to Reserve	12,571	13,397	15,651
Amount Used / Transfer from Reserve	-	-	-
	<u>432,413</u>	<u>433,239</u>	<u>419,842</u>
(k) Road Construction Reserve			
<i>Purpose - to be used to fund the construction and maintenance of roads.</i>			
Opening Balance	495,740	495,740	374,801
Amount Set Aside / Transfer to Reserve	17,921	9,915	120,939
Amount Used / Transfer from Reserve	-	(150,700)	-
	<u>513,661</u>	<u>354,955</u>	<u>495,740</u>
(l) Airfield Emergency Lighting Reserve			
<i>Purpose - to be used for the upgrade and maintenance of the Airfield runway lighting.</i>			
Opening Balance	39,239	39,240	38,173
Amount Set Aside / Transfer to Reserve	708	785	1,066
Amount Used / Transfer from Reserve	-	-	-
	<u>39,947</u>	<u>40,025</u>	<u>39,239</u>
(m) Senior's Housing Reserve			
<i>Purpose - to be used for the future development and current maintenance of Senior's Housing.</i>			
Opening Balance	75,379	75,379	67,454
Amount Set Aside / Transfer to Reserve	77,394	41,851	47,925
Amount Used / Transfer from Reserve	-	(20,000)	(40,000)
	<u>152,773</u>	<u>97,230</u>	<u>75,379</u>
(n) Mainstreet Redevelopment Reserve			
<i>Purpose - to be used to fund the redevelopment of Vincent Street including undergrounding of power supply.</i>			
Opening Balance	-	-	-
Amount Set Aside / Transfer to Reserve	306,000	306,000	-
Amount Used / Transfer from Reserve	-	(100,000)	-
	<u>306,000</u>	<u>206,000</u>	<u>-</u>

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
12.

	2019/20 Actual \$	2019/20 Budget \$	2018/19 Actual \$
12. RESERVES - CASH BACKED (Continued)			
(o) Avondale Machinery Museum Reserve			
<i>Purpose - to be used to fund Avondale Machinery Museum upgrades and special projects.</i>			
Opening Balance	-	-	-
Amount Set Aside / Transfer to Reserve	60,000	60,000	-
Amount Used / Transfer from Reserve	-	(20,000)	-
	<u>60,000</u>	<u>40,000</u>	<u>-</u>
(n) Summary			
Opening Balance	2,372,868	2,372,871	2,271,246
Amount Set Aside / Transfer to Reserve	537,901	547,896	262,401
Amount Used / Transfer from Reserve	(328,744)	(974,867)	(160,779)
Total Reserves	<u>2,582,025</u>	<u>1,945,700</u>	<u>2,372,868</u>

All of the reserve accounts are supported by money held in financial institutions and match the amounts shown as restricted cash in this financial report.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

	2019/20 Actual \$	2018/19 Actual \$
13. ASSET REVALUATION SURPLUS		
Asset revaluation surplus have arisen on revaluation of the following classes of non-current assets:		
(a) Land and Buildings		
Opening balance	9,621,871	9,621,871
Changes in recognition of assets due to changes to Regulations	<u>(99,000)</u>	
	<u>9,522,871</u>	<u>9,621,871</u>
(b) Plant and Equipment		
Opening Balance	436,388	198,115
Revaluation Increment	<u>-</u>	<u>238,273</u>
	<u>436,388</u>	<u>436,388</u>
(c) Infrastructure - Footpaths		
Opening Balance	<u>538,684</u>	<u>538,684</u>
	<u>538,684</u>	<u>538,684</u>
(d) Infrastructure - Bridges		
Opening Balance	<u>25,921,379</u>	<u>25,921,379</u>
	<u>25,921,379</u>	<u>25,921,379</u>
(e) Infrastructure - Drainage		
Opening Balance	<u>1,798,258</u>	<u>1,798,258</u>
	<u>1,798,258</u>	<u>1,798,258</u>
(f) Infrastructure - Parks & Ovals		
Opening Balance	<u>1,684,950</u>	<u>1,684,950</u>
	<u>1,684,950</u>	<u>1,684,950</u>
TOTAL ASSET REVALUATION RESERVES	<u><u>39,902,530</u></u>	<u><u>40,001,530</u></u>

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

14. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the statement of financial position as follows:

	2019/20 Actual \$	2019/20 Budget \$	2018/19 Actual \$
Cash and Cash Equivalents	<u>1,931,559</u>	<u>2,301,305</u>	<u>4,453,120</u>
(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net Result	153,446	(294,601)	4,863,745
Amortisation	-	-	-
Depreciation	2,330,127	2,306,737	2,452,639
(Profit)/Loss on Sale of Asset	40,050	25,000	86,835
(Increase)/Decrease in Receivables	(66,355)	-	265,185
(Increase)/Decrease in Inventories	3,157	-	(2,563)
Increase/(Decrease) in Payables	(143,532)	-	(1,022,167)
Increase/(Decrease) in Employee Provisions	51,127	-	40,517
Grants/Contributions for the Development of Assets	(824,214)	(1,679,656)	(5,793,490)
Net Cash from Operating Activities	<u>1,534,806</u>	<u>357,480</u>	<u>890,901</u>
(c) Undrawn Borrowing Facilities			
Credit Standby Arrangements			
Credit Card limit	10,000		10,000
Credit Card Balance at Balance Date	(3,571)		(3,571)
Total Amount of Credit Unused	<u>6,429</u>		<u>6,429</u>
Loan Facilities			
Loan Facilities - Current	137,938		153,429
Loan Facilities - Non-Current	1,379,225		1,517,163
Total Facilities in Use at Balance Date	<u>1,517,163</u>		<u>1,670,592</u>
Unused Loan Facilities at Balance Date	<u>-</u>		<u>-</u>

15. CONTINGENT LIABILITIES

Council does not have any known contingent liabilities as at 30 June 2020.

**SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020**

	2019/20 Actual \$	2018/19 Actual \$
16. CAPITAL AND LEASING COMMITMENTS		
(a) Operating Lease Commitments		
Council does not have any lease commitments as at 30 June 2020.		
Payable:		
- not later than one year	-	6,364
	-	6,364
Note: With the implementation of AASB 16, from 1 July 2019 all Leased assets will be capitalised and applicable interest components and applicable depreciation of the leased item will be expensed.		
(b) Capital Expenditure Commitments		
Contracted for:		
- capital expenditure projects	734,027	-
- plant & equipment purchases	85,475	-
	829,502	-
Payable:		
- not later than one year	829,502	-
	829,502	-
17. JOINT VENTURE		
The Shire of Beverley did not participate in any joint venture in the 2019/20 financial year.		
18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY		
Governance	1,013,303	1,061,926
Law, Order, Public Safety	187,730	144,122
Health	466,468	476,046
Housing	3,312,129	3,393,260
Community Amenities	98,067	101,407
Recreation and Culture	10,962,294	11,144,409
Transport	65,063,432	64,962,099
Economic Services	570,509	582,256
Other Property and Services	1,861,084	1,714,247
Unallocated	5,061,959	5,291,478
	88,596,975	88,871,250

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

19. FINANCIAL RATIOS	2019/20	2018/19	2017/18
Current Ratio	6.06	2.26	1.36
Asset Sustainability Ratio	0.61	2.17	0.79
Debt Service Cover Ratio	7.38	8.04	21.58
Operating Surplus Ratio	(0.15)	(0.20)	0.16
Own Source Revenue Coverage Ratio	0.67	0.64	0.86
Asset Consumption Ratio	0.65	0.75	0.61
Asset Renewal Funding Ratio	1.94	1.56	0.65
Rates to Borrowings Ratio	1.85	1.61	1.47

The above ratios are calculated as follows:

Current Ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset Sustainability Ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation expense}}$
Debt Service Cover Ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating Surplus Ratio	$\frac{\text{operating revenue minus operating expense}}{\text{own source operating revenue}}$
Own Source Revenue Coverage Ratio	$\frac{\text{own source operating revenue}}{\text{operating expense}}$
Asset Consumption Ratio	$\frac{\text{depreciated replacement cost of assets}}{\text{current replacement cost of depreciable assets}}$
Asset Renewal Funding Ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$
Rates to Borrowings Ratio	$\frac{\text{Total Rates}}{\text{Total Borrowings}}$

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

20. TRUST FUNDS

Funds held at balance date over which the Shire has no control and which are not included in the financial statements are as follows:

All funds held in trust are required by law or are held by agreement with fund owners.

Description	Balance 1-Jul-19 \$	Amounts Received \$	Amounts Paid (\$)	Reclassification Municipal Fund (\$)	Balance 30-Jun-20 \$
Unclaimed Monies	134	-	-	-	134
Nomination Deposits	-	480	(480)	-	-
Second Hand Housing Deposits	5,000	-	-	-	5,000
Housing Rental Bonds	5,767	500	(715)	-	5,552
Subdivision Bonds	10,000	-	-	-	10,000
Key Bonds	2,625	1,000	(1,395)	-	2,230
Cleaning Bonds	1,500	1,500	(1,500)	-	1,500
Funds held on behalf of the Community	63,604	8,092	(80,314)	-	11,382
ILU Retention Fee Fund	328,030	-	(11,988)	(316,042)	-
Cornerstone Retention Fee Fund	58,068	-	(58,068)	-	-
Cornerstone Commercial Tenancy Bond	7,308	750	(750)	-	7,308
	<u>482,035</u>				<u>43,105</u>

**SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020**

21. DISPOSAL OF ASSETS

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Governance						
2019 Holden Acadia SUV	53,083	50,000	42,427	41,000	(10,656)	(9,000)
Community Bus Shed	4,874	-	-	-	(4,874)	-
Law, Order & Public Safety						
2016 Case 590ST Backhoe	-	115,000	-	80,000	-	(35,000)
Other Property & Services						
2017 Holden Trailblazer SUV	32,670	30,000	23,636	24,000	(9,034)	(6,000)
2015 Holden Colorado Crew Cab	23,336	30,000	17,555	30,000	(5,781)	-
2012 Isuzu FVZ1400 Tip Truck	96,071	50,000	86,364	60,000	(9,707)	10,000
2014 Mitsubishi Fuso Canter Truck	-	35,000	-	30,000	-	(5,000)
2009 John Deere 544K Loader	-	60,000	-	80,000	-	20,000
	210,034	370,000	169,982	345,000	(40,052)	(25,000)

Profit on Asset Disposal
(Loss) on Asset Disposal

-
(40,052)
(40,052)

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

22. INFORMATION ON BORROWINGS

(a) Repayments - Debentures

Particulars	Principal 1-Jul-19 \$	New Loans \$	Principal Repayments \$		Principal 30-Jun-20 \$		Interest Repayments \$	
			Actual	Budget	Actual	Budget	Actual	Budget
Recreation & Culture								
Loan 117 - Bowling Greens* <i>Loan Date: 22 November 2006</i> <i>Term: 15 Years</i> <i>Fixed Interest Rate: 6.16%</i>	42,804	-	16,270	16,270	26,334	26,334	2,892	2,715
Loan 118 - Recreation Centre <i>Loan Date: 10 May 2013</i> <i>Term: 20 Years</i> <i>Fixed Interest Rate: 4.60%</i>	807,364	-	63,678	63,678	743,888	743,888	44,261	60,466
Loan 120 - Comerstone Centre <i>Loan Date: 12 April 2018</i> <i>Term: 15 Years</i> <i>Fixed Interest Rate: 3.56%</i>	758,634	-	42,827	42,827	715,807	715,807	33,713	31,367
Community Amenities								
Loan 119 - Stern Water Dams <i>Loan Date: 23 June 2016</i> <i>Term: 5 Years</i> <i>Fixed Interest Rate: 2.21%</i>	61,900	-	30,654	30,654	31,338	31,338	1,709	1,487
	1,670,662	-	153,429	153,429	1,517,163	1,517,163	82,572	96,015

(* Self supporting loan financed by payments from third parties. All other loan repayments were financed by general purpose revenue.

(b) New Debentures

Council did not raise any new debentures during the 2019/20 financial year.

(c) Unspent Debentures

Council had no unspent debentures at the balance date.

(d) Overdraft

Council did not utilise an overdraft facility in the 2019/20 financial year.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

23. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Revenue Rate \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
General Rate											
General Rate - GRV	0.110570	500	5,835,518	645,233	(388)	-	644,847	645,233	1,000	-	646,233
General Rate - UV	0.008014	627	240,424,500	2,167,186	(800)	-	2,166,386	2,167,186	1,000	-	2,168,186
General Rate - UV Mining	0.008014	-	-	-	-	-	-	-	-	-	-
Sub-Totals		1,127	246,260,018	2,812,419	(1,188)	-	2,811,233	2,812,419	2,000	-	2,814,419
Minimum Rates											
Minimum Rates - GRV	853	162	591,387	138,186	-	-	138,186	138,186	-	-	138,186
Minimum Rates - UV	853	99	6,838,000	84,447	-	-	84,447	85,300	-	-	85,300
Minimum Rates - UV Mining	853	4	67,382	3,412	-	-	3,412	3,412	-	-	3,412
Sub-Totals		265	7,496,769	226,045	-	-	226,045	228,898	-	-	228,898
Discounts (refer note 26)				3,037,378			3,037,378				3,041,317
Total Amount Raised from General Rate				(226,269)			(226,269)				(243,145)
Ex-Gratia Rates				2,811,009			2,811,009				2,798,172
Rates Written Off				3,219			3,219				3,000
Specified Area Rate (refer note 24)				(978)			(978)				(500)
Total Rates				-			2,813,252				2,800,672

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

23. RATING INFORMATION (Continued)

(b) Information on Surplus/(Deficit) Brought Forward	2019/20 (30 June 2020 Carried Forward) \$	2019/20 (1 July 2019 Brought Forward) \$	2018/19 (30 June 2019 Carried Forward) \$
Surplus/(Deficit) - Rate Setting Statement	<u>1,426,432</u>	<u>1,563,627</u>	<u>1,724,644</u>
Comprises:			
Cash - Unrestricted	1,615,517	1,919,235	1,919,235
Cash - Restricted Grant Funds	-	-	161,017
Cash - Restricted Reserves	-	2,372,868	2,372,868
Rates - Current	295,769	246,474	246,474
Sundry Debtors	103,322	143,585	143,585
Contract Asset	17,795	-	-
GST Receivable	-	218,646	218,646
Inventories			
- Fuel and Materials	9,345	12,501	12,501
Less:			
Reserves - Cash Backed	-	(2,372,868)	(2,372,868)
Sundry Creditors	(382,949)	(766,795)	(766,795)
Accrued Interest on Debentures	(5,626)	(24,890)	(24,890)
Accrued Salaries and Wages	(33,505)	(22,582)	(22,582)
Current Employee Benefits Provision	(352,111)	(342,435)	(342,435)
GST Payable	(10,743)	-	-
Employee Benefits - Cash Backed	169,619	179,888	179,888
Surplus/(Deficit)	<u>1,426,432</u>	<u>1,563,627</u>	<u>1,724,644</u>

Difference:

There was no difference between the Surplus/(Deficit) 1 July 2019 Brought Forward position used in the 2019/20 audited financial report and the Surplus/(Deficit) Carried Forward position as disclosed in the 2018/19 audited financial report.

**SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020**

24. SPECIFIED AREA RATE

Council has not levied any Specified Area Rates during 2019/20 financial year.

25. SERVICE CHARGES

Council has not levied any Service Charges during the 2019/20 financial year.

26. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
General Rates	Discount	10.00%	226,269	243,145
Minimum Rate	Discount	10.00%		
			226,269	243,145

A discount on rates is granted to all who pay their rates in full within 35 days of the date of service appearing on the rate notice.

27. INTEREST CHARGES AND INSTALMENTS

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	11.00%	-	36,223	15,000
Interest on Instalments Plan	5.50%	-	4,566	4,000
Admin. Charge on Instalments Plan	0.00%	10	4,290	4,000
			45,079	25,000

Ratepayers had the option of paying rates in four equal instalments, due on 2nd September 2019, 4th November 2019, 6th January 2020 and 6th March 2020. Administration charges and interest applied to the final three instalments.

28. FEES & CHARGES	2019/20	2018/19
	Actual	Actual
	\$	\$
General Purpose Funding	14,992	14,730
Governance	11	6,271
Law, Order, Public Safety	10,828	12,731
Health	382	164
Housing	106,919	98,473
Community Amenities	231,464	220,248
Recreation and Culture	142,892	119,357
Transport	7,195	7,859
Economic Services	105,479	94,893
Other Property and Services	8,719	15,006
	<u>630,881</u>	<u>589,732</u>

There were three new charges introduced during 2019/20. These included:
Increase to the Standpipe Water charge from \$8.35 to \$9.35 per kilolitre.
Introduction of a standpipe access card fee of \$20 per card.
Introduction of a non-potable water charge of \$3.35 per kilolitre.

These fees were adopted by absolute majority Council Resolution and include Goods and Services Tax.

All fees are generally set on a cost recovery basis.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

29. GRANT REVENUE

Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:

	2019/20	2018/19
	Actual	Actual
By Nature and Type:	\$	\$
Operating Grants, Subsidies and Contributions*	1,899,398	1,663,236
Non-Operating Grants, Subsidies and Contributions	824,214	5,793,490
	<u>2,723,612</u>	<u>7,476,726</u>
By Program:		
General Purpose Funding	795,868	818,099
Governance	20,307	579
Law, Order, Public Safety	190,671	198,541
Housing	9,981	8,971
Community Amenities	4,329	1,962
Recreation and Culture	156,376	308,835
Transport	1,447,103	6,097,791
Economic Services	70,377	34,054
Other Property and Services	28,600	7,894
	<u>2,723,612</u>	<u>7,476,726</u>

* Operating Grants, Subsidies and Contributions total includes Reimbursements of \$359,295.

30. ELECTED MEMBERS REMUNERATION

The following fees, expenses and allowances were paid to council members and/or the president.

	2019/20	2019/20	2018/19
	Actual	Budget	Actual
	\$	\$	\$
Meeting Fees	40,900	40,900	40,900
President's Allowance	5,500	5,500	5,500
Deputy President's Allowance	1,375	1,375	1,375
Travelling Expenses	2,490	5,000	2,965
Telecommunications Allowance	15,283	11,510	11,532
	<u>65,548</u>	<u>64,285</u>	<u>62,292</u>

31. EMPLOYEE NUMBERS

The number of full-time equivalent employees at balance date

	2019/20	2018/19
	Actual	Actual
	\$	\$
	<u>28</u>	<u>28</u>
Number of Employees earning \$100,000+ Gross Salary per annum.	<u>2</u>	<u>1</u>

The Chief Executive Officer and Deputy Chief Executive Officer earned a gross salary of \$100,000+ in 2019/20.

32. MAJOR LAND TRANSACTIONS

Council did not participate in any major land transactions during the 2019/20 financial year.

33. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Council did not participate in any trading undertakings or major trading undertakings during the 2019/20 financial year.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

34. FINANCIAL RISK MANAGEMENT

This note explains the Shire's exposure to financial risks and how these risks could affect the Shire's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk - interest rate	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
Credit risk	Cash and cash equivalents, trade receivables, financial assets and debt investments	Aging analysis Credit analysis	Diversification of bank deposits, credit limits, investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Shire does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance area under policies approved by the Council. The finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest rate risk

Cash and cash equivalents

The Shire's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Shire to cash flow interest rate risk.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Shire to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2019/20					
Cash and cash equivalents	0.67%	4,197,539	3,293,124	904,115	300
2018/19					
Cash and cash equivalents	1.89%	4,453,118	3,372,868	1,079,950	300

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2019/20	2018/19
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	19,316	44,531

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 22.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

34. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade Receivables

The Shire's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through a 10% rate discount incentive.

Credit risk on rates and annual charges is minimised by the ability of the Shire to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. The Shire is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The loss allowance as at 30 June 2020 was determined as follows for rates and trade receivables:

No expected credit loss was forecast on 30 June 2020 for rates receivable as penalty interest applies to unpaid rates and properties associated with unpaid rates may be disposed of to recover unpaid rates.

No expected credit loss was forecast on 30 June 2020 for trade receivables.

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

34. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables
Borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required.

The contractual undiscounted cash flows of Council's Payables and Borrowings are set out in the Liquidity Sensitivity Table below:

	<u>2019/20</u>	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
Payables	444,812	-	-	-	444,812	444,812
Borrowings	31,357	28,334	1,459,492	1,517,163	1,517,163	1,517,163
	<u>476,169</u>	<u>28,334</u>	<u>1,459,492</u>	<u>1,961,975</u>	<u>1,961,975</u>	<u>1,961,975</u>
Payables	814,267	-	-	-	814,267	814,267
Borrowings	-	104,594	1,565,968	1,670,592	1,670,592	1,670,592
	<u>814,267</u>	<u>104,594</u>	<u>1,565,968</u>	<u>2,484,859</u>	<u>2,484,859</u>	<u>2,484,859</u>

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

34. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables
Borrowings (Continued)

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs. Council manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

The following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total	Weighted Average Effective Interest Rate %
	\$	\$	\$	\$	\$	\$	\$	
Year Ended 30 June 2020								
Fixed Rate Debentures	31,337	20,334	-	-	-	1,459,492	1,517,163	4.14%
Weighted Average Effective Interest Rate	2.21%	6.16%	0.00%	0.00%	0.00%	4.11%		
Year Ended 30 June 2019								
Fixed Rate Debentures	-	81,990	42,604	-	-	1,595,998	1,679,592	4.13%
Weighted Average Effective Interest Rate	0.00%	2.21%	6.16%	0.00%	0.00%	4.11%		

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

35. RELATED PARTY DISCLOSURES

(a) Key Management Personnel Compensation

Key Management Personnel (KMP)
Executive Staff with decision making responsibilities regarding the allocation of Council's resources.

	Short Term Benefits *	Post-Employment Benefits **	Other Long Term Benefits ***	Termination Benefits ****
Executive Staff Total	460,292	51,063	74,891	-

* **Short-term employee benefits**

These amounts include all gross salary, paid leave, fringe benefits and cash bonuses awarded to KMP.

Details in respect to fees and benefits paid to Elected Members may be found at Note 30.

** **Post-employment benefits**

These amounts are the current-year's estimated cost of providing for the Shire's superannuation contributions made during the year.

*** **Other long term benefits**

These amounts represent long service benefits accruing during the year.

**** **Termination benefits**

These amounts represent termination benefits paid to KMP (Note: this may or may not be applicable in any given year).

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

35. RELATED PARTY DISCLOSURES (Continued)

(b) Related Party Disclosures

i) Ordinary Citizen Transactions

Use of facilities or any other Council provided service where a discount or special terms were applied that would not otherwise be offered to any other person.

KMP/Elected Member	Related Party	Nature	Value
Chief Executive Officer	N/A	Subsidised Gym Membership	296
Deputy Chief Executive Officer	N/A	Subsidised Gym Membership	296
Manager of Works	N/A	Subsidised Gym Membership	296
Manager of Planning and Development Services	N/A	Subsidised Gym Membership	296
ii) Leasing Agreements - Domestic Residential			
Use of Council owned Domestic Residential Property whether by lease agreement or provisions under any other special terms that would not otherwise be offered to any other member of the public.			
KMP/Elected Member	Related Party	Nature	Value
Chief Executive Officer	N/A	Subsidised Housing Lease	13,000
Deputy Chief Executive Officer	N/A	Subsidised Housing Lease	13,000
Manager of Planning and Development Services	N/A	Subsidised Housing Lease	13,000
iii) Leasing Agreements - Commercial			
Use of Council owned Commercial Property whether by lease agreement or provisions under any other special terms that would not otherwise be offered to any other member of the public.			
KMP/Elected Member	Related Party	Nature	Value
Manager of Planning and Development Services	Fun 20 Kids Family Day Care	Commercial lease of Office Space.	14,694
iv) Trading Arrangements - Provision of Goods or Services			
Provision of Goods and/or Services to the Shire of Beverley			
KMP/Elected Member	Related Party	Nature	Value
Cr C Pepper	Beverley Supermarket & Liquor (IGA)	Supply of groceries/consumables.	8,866

**SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020**

35. RELATED PARTY DISCLOSURES (Continued)

(b) Related Party Disclosures (Continued)

<p>v) Sale of Property Sale of Property (Land, Buildings, Vehicles, Plant or Equipment) to the Shire of Beverley.</p>	<p>Related Party N/A</p>	<p>Nature Purchase Exercise Bike via Tender.</p>	<p>Value 100</p>
---	-------------------------------------	---	-----------------------------

KMP/Elected Member
Manager of Works

SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020

36. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

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

(a) AASB 15: Revenue from Contracts with Customers

The Shire adopted AASB 15 Revenue from Contracts with Customers (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provision AASB 15, the Shire adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments were made to the amounts recognised in the balance sheet at the date of initial application (1 July 2019):

	Note	AASB 118 carrying amount 30-Jun-19	Reclassification	AASB 15 carrying amount 1-Jul-19
Contract Liabilities - Current				
Contract liabilities from contracts with customers	2(c)	0	(161,017)	(161,017)
Adjustment to retained surplus from adoption of AASB 15	36(d)	0	(161,017)	(161,017)

The table below provides details of the amount by which each financial statement line item is affected in the current reporting period by the application of this Standard as compared to AASB 118 and 1004 and related Interpretations that were in effect before the change.

	Note	2020 \$ as reported under AASB 15	Reclassification	2020 \$ compared to AASB 118 and 1004
Statement of Comprehensive Income				
Revenue				
Non-operating grants, subsidies and contributions	29	663,197	(17,795)	645,402
Net Result		(7,571)	(17,795)	(25,366)
Statement of Financial Position				
Contract assets	5	17,795	(17,795)	0
Net Assets		85,911,595	(17,795)	85,893,800
Statement of Changes in Equity				
Net Result		(7,571)	(17,795)	(25,366)
Retained Surplus		43,427,040	(17,795)	43,409,245

As at 1 July 2019 there were no applicable adjustments required to carrying amounts in the balance sheet brought forward at 30 June 2019 under AASB 118: Revenues.

(b) AASB 1058: Income For Not-For-Profit Entities

The Shire adopted AASB 1058 Income For Not-For-Profit Entities on 1 July 2019 resulting in changes in accounting policies.

As at 1 July 2019 there were no applicable adjustments required to carrying amounts in the balance sheet brought forward at 30 June 2019 under AASB 118: Revenue and AASB 1004: Contributions.

(c) AASB 16: Leases

The Shire adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. At 30 June 2019 the Shire had no leases required to be recognised.

**SHIRE OF BEVERLEY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2020**

36. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

(d) Impact of New Accounting Standards on Retained Surplus

The impact on the Shire's retained surplus due to the adoption of AASB 15, AASB 16 and AASB 1058 as at 1 July 2019 was as follows:

	Note	Adjustments	2019 \$
Retained Surplus - 30 June 2019			43,643,768
Adjustment to retained surplus from adoption of AASB 15	36(a)	(161,017)	(161,017)
Adjustment to retained surplus from adoption of AASB 16	36(c)	0	0
Adjustment to retained surplus from adoption of AASB 1058	36(b)	0	0
Retained Surplus - 1 July 2019			43,482,751

37. CHANGE IN ACCOUNTING POLICIES

(a) Change in Accounting Policies due to regulation changes.

Effective 6 November 2020, Local Government (Financial Management) Regulation 16 was deleted and Local Government (Financial Management) Regulation 17A was amended with retrospective application. The changes were effective for financial years ending on or after 30 June 2020 so are required to be applied retrospectively with cumulative effect applied initially on 1 July 2019.

In accordance with the changes, the Shire was required to remove the values attributable to certain crown land assets previously required to be recognised, as well as the associated revaluation surplus at 1 July 2019. These assets have been measured as concessionary lease right-of-use assets at zero cost in accordance with AASB 16.

	Note	Carrying Amount 30 June 2019	Reclassification	Carrying Amount 1 July 2019
Property, Plant & Equipment	7	23,360,563	(99,000)	23,261,563
Asset Revaluation Surplus - Land & Buildings	13	9,621,872	(99,000)	9,522,872

Also, following changes to the Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously or during the year were not reversed as it was deemed fair value approximate cost at the date of the change.

The Independent Audit Report will be Provided by your Auditor

The Independent Audit Report will be Provided by your Auditor

The Independent Audit Report will be Provided by your Auditor

**SHIRE OF BEVERLEY
COUNCILLOR'S DECLARATION
FOR THE YEAR ENDED 30TH JUNE 2020**

In accordance with a resolution of the Councillors of the Shire of Beverley, we state that:

1. In the opinion of the Councillors:
 - 1.1 the financial statements and notes of the Shire of Beverley are in accordance with the Local Government Act 1995 and Regulations, including:
 - (a) giving a true and fair view of the Shire of Beverley's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
 - (b) complying with applicable Australian Accounting Standards; and
 - 1.2 there are reasonable grounds to believe that the Shire of Beverley will be able to pay its debts as and when they become due and payable.

On behalf of the Council:

Cr D Davis
President

Cr C Pepper
Deputy President

Dated this th day of October 2020

12. ADMINISTRATION

12.1 Use of the Common Seal

Submission To:	Ordinary Council Meeting 27 April 2021
Report Date:	19 April 2021
Applicant:	N/A
File Reference:	ADM 0265
Author and Position:	S.P. Gollan, Chief Executive Officer
Previously Before Council:	N/A
Disclosure(s) Of Interest:	Nil
Attachments:	Nil

SUMMARY

Council to endorse the use of the Common Seal.

BACKGROUND

Allocation of the Common Seal requires accompanying signatures of both the Shire President (or Deputy) and Chief Executive Officer (or person acting in that position).

COMMENT

The Common Seal has been recently attached to the following documents:

1. Cropping Lease Reserves (x4) between Roesland Farms and the Shire of Beverley;
2. Lease of Office Two, Cornerstone between Shire of Beverley and Bluejay Ag Solutions Focus Networks.
3. Cropping Lease Reserve between Bernard Hunt and the Shire of Beverley;

STATUTORY ENVIRONMENT

Local Government Act 1995, Part 9, Division 3, Execution of documents states:

- (1) A document is duly executed by a local government if -
 - (a) the common seal of the local government is affixed to it in accordance with subsections (2) and (3); or
 - (b) it is signed on behalf of the local government by a person or persons authorised under subsection (4) to do so.
- (2) The common seal of a local government is not to be affixed to any document except as authorised by the local government.
- (3) The common seal of the local government is to be affixed to a document in the presence of –
 - (a) the mayor or president; and
 - (b) the chief executive officer or a senior employee authorised by the chief executive officer,
each of whom is to sign the document to attest that the common seal was so affixed.

- (1) A local government may, by resolution, authorise the chief executive officer, another employee or an agent of the local government to sign documents on behalf of the local government, either generally or subject to conditions or restrictions specified in the authorisation.
- (5) A document executed by a person under an authority under subsection (4) is not to be regarded as a deed unless the person executes it as a deed and is permitted to do so by the authorisation.
- (6) A document purporting to be executed in accordance with this section is to be presumed to be duly executed unless the contrary is shown.
- (7) When a document is produced bearing a seal purporting to be the common seal of the local government, it is to be presumed that the seal is the common seal of the local government unless the contrary is shown.

Council to consider something

CONSULTATION

Not required

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Strategic Community Plan

Goal 12 – Council leads the organisation and engages with community in an accountable and professional manner.

POLICY IMPLICATIONS

Delegation EO-D010

RISK IMPLICATIONS

Low (1) – Delegated Authority, this report mitigates the risk of non-compliance.

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

Risk Rating	Action
Low	Monitor for ongoing improvement.
Medium	Comply with risk reduction measures to keep risk as low as reasonably practical.
High	Review the risk and take additional measures to ensure risk is low as reasonably achievable.
Severe	Unacceptable risk level, reduction measures must be introduced before proceeding.

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That Council note and endorse the use of the Common Seal having been attached to:

1. Cropping Lease Reserves (x4) between Roesland Farms and the Shire of Beverley;
2. Lease of Office Two, Cornerstone between Shire of Beverley and Bluejay Ag Solutions Focus Networks.
3. Cropping Lease Reserve between Bernard Hunt and the Shire of Beverley;

COUNCIL RESOLUTION

M11/0421

Moved Cr Martin

Seconded Cr Lawlor

That Council note and endorse the use of the Common Seal having been attached to:

1. **Cropping Lease Reserves (x4) between Roesland Farms and the Shire of Beverley;**
2. **Lease of Office Two, Cornerstone between Shire of Beverley and Bluejay Ag Solutions Focus Networks.**
3. **Cropping Lease Reserve between Bernard Hunt and the Shire of Beverley;**

CARRIED 8/0

12.2 Code of Conduct for Council Members, Committee Members and Candidates

Submission To:	Ordinary Council Meeting 27 April 2021
Report Date:	19 April 2021
Applicant:	Shire of Beverley
File Reference:	ADM 0300
Author and Position:	S.P. Gollan, Chief Executive Officer
Previously Before Council:	23 February 2021
Disclosure(s) Of Interest:	Nil
Attachments:	Code of Conduct and Guidance Notes

SUMMARY

Council to consider adopting the attached Code of Conduct for Council Members, Committee Members and Candidates.

BACKGROUND

The *Local Government (Model Code of Conduct) Regulations 2021*, *Local Government (Administration) Amendment Regulations 2021* and *Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2021* (collectively the New Regulations) were gazetted on Tuesday 2 February 2021 and took effect on 3 February 2021. New sections of the *Local Government Act 1995* (the Act) that provided for the New Regulations were proclaimed concurrently and are also now in effect.

Following the gazettal of new regulations, the DLGSC has issued instructions to all local governments to adopt a new Code of Conduct for council members, committee members and candidates, that is compliant with the mandatory Model Code in the regulations by 3 May 2021.

COMMENT

Attached are the guidance notes and the new Code of Conduct for Council Members, Committee Members and Candidates.

STATUTORY ENVIRONMENT

Local Government Act 1995

Local Government (Model Code of Conduct) Regulations 2021

Local Government (Administration) Amendment Regulations 2021

Division 9 — Conduct 5.104.

Adoption of model code of conduct

1. Within 3 months after the day on which regulations prescribing the model code come into operation, a local government must prepare and adopt* a code of conduct to be observed by council members, committee members and candidates that incorporates the model code.

* Absolute majority required.

2. Within 3 months after the day on which regulations amending the model code come into operation, the local government must amend* the adopted code of conduct to incorporate the amendments made to the model code.

* Absolute majority required.

3. A local government may include in the adopted code of conduct requirements in addition to the requirements referred to in section 5.103(2)(b), but any additional requirements — (a) can only be expressed to apply to council members or committee members; and (b) are of no effect to the extent that they are inconsistent with the model code.

4. A local government cannot include in the adopted code of conduct provisions in addition to the principles referred to in section 5.103(2)(a) or the rules of conduct.

5. The model code is taken to be a local government’s adopted code of conduct until the local government adopts a code of conduct.

6. An alleged breach of a local government’s adopted code of conduct by a candidate cannot be dealt with under this Division or the adopted code of conduct unless the candidate has been elected as a council member.

7. The CEO must publish an up-to-date version of a local government’s adopted code of conduct on the local government’s official website.

CONSULTATION

Council input and amendment.

FINANCIAL IMPLICATIONS

N/A

STRATEGIC IMPLICATIONS

Goal 12 - Council leads the organisation and engages with the community in an accountable and professional manner.

POLICY IMPLICATIONS

N/A

RISK IMPLICATIONS

It is a requirement of the *Local Government (Model Code of Conduct) Regulations 2021* that a new Code of Conduct is adopted by 3 May 2021. The adoption of the Code of Conduct will mitigate the risk of non-compliance.

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

Risk Rating	Action
Low	Monitor for ongoing improvement.
Medium	Comply with risk reduction measures to keep risk as low as reasonably practical.
High	Review the risk and take additional measures to ensure risk is low as reasonably achievable.
Severe	Unacceptable risk level, reduction measures must be introduced before proceeding.

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION

That Council;

1. adopts the Code of Conduct for Council Members, Committee Members and Candidates; and
2. publishes the new Code of Conduct for Council Members, Committee Members and Candidates on the Shire of Beverley website.

COUNCIL RESOLUTION

M12/0421

Moved Cr Seed

Seconded Cr Gogol

That Council;

1. **adopts the Code of Conduct for Council Members, Committee Members and Candidates; and**
2. **publishes the new Code of Conduct for Council Members, Committee Members and Candidates on the Shire of Beverley website.**

CARRIED BY ABSOLUTE MAJORITY 8/0

Attachment 12.2 – New Code of Conduct



Shire of Beverley

**Code of Conduct for
Council Members,
Committee Members and
Candidates**

Table of Contents

Division 1 — Preliminary provisions	2
1. <i>Citation</i>	2
2. <i>Terms used</i>	2
Division 2 — General principles	2
3. <i>Overview of Division</i>	2
4. <i>Personal integrity</i>	2
5. <i>Relationship with others</i>	3
6. <i>Accountability</i>	3
Division 3 — Behaviour	4
7. <i>Overview of Division</i>	4
8. <i>Personal integrity</i>	4
9. <i>Relationship with others</i>	4
10. <i>Council or committee meetings</i>	4
11. <i>Complaint about alleged breach</i>	5
12. <i>Dealing with complaint</i>	5
13. <i>Dismissal of complaint</i>	6
14. <i>Withdrawal of complaint</i>	6
15. <i>Other provisions about complaints</i>	7
Division 4 — Rules of conduct	7
16. <i>Overview of Division</i>	7
17. <i>Misuse of local government resources</i>	7
18. <i>Securing personal advantage or disadvantaging others</i>	7
19. <i>Prohibition against involvement in administration</i>	8
20. <i>Relationship with local government employees</i>	8
21. <i>Disclosure of information</i>	8
22. <i>Disclosure of interests</i>	9
23. <i>Compliance with plan requirement</i>	10

Shire of Beverley Code of Conduct for Council Members, Committee Members and Candidates

Policy Purpose:

This Policy is adopted in accordance with section 5.104 of the *Local Government Act 1995*.

Division 1 — Preliminary provisions

1. Citation

This is the **Shire of Beverley** Code of Conduct for Council Members, Committee Members and Candidates.

2. Terms used

(1) In this code —

Act means the Local Government Act 1995;

candidate means a candidate for election as a council member;

complaint means a complaint made under clause 11(1);

publish includes to publish on a social media platform.

(2) Other terms used in this code that are also used in the Act have the same meaning as they have in the Act, unless the contrary intention appears.

Division 2 — General principles

3. Overview of Division

This Division sets out general principles to guide the behaviour of council members, committee members and candidates.

4. Personal integrity

(1) A council member, committee member or candidate should —

(a) act with reasonable care and diligence; and

(b) act with honesty and integrity; and

(c) act lawfully; and

(d) identify and appropriately manage any conflict of interest; and

(e) avoid damage to the reputation of the local government.

- (2) A council member or committee member should —
- (a) act in accordance with the trust placed in council members and committee members; and
 - (b) participate in decision making in an honest, fair, impartial and timely manner; and
 - (c) actively seek out and engage in training and development opportunities to improve the performance of their role; and
 - (d) attend and participate in briefings, workshops and training sessions provided or arranged by the local government in relation to the performance of their role.

5. Relationship with others

- (1) A council member, committee member or candidate should —
- (a) treat others with respect, courtesy and fairness; and
 - (b) respect and value diversity in the community.
- (2) A council member or committee member should maintain and contribute to a harmonious, safe and productive work environment.

6. Accountability

A council member or committee member should —

- (a) base decisions on relevant and factually correct information; and
- (b) make decisions on merit, in the public interest and in accordance with statutory obligations and principles of good governance and procedural fairness; and
- (c) read all agenda papers given to them in relation to council or committee meetings; and
- (d) be open and accountable to, and represent, the community in the district.

Division 3 — Behaviour

7. Overview of Division

This Division sets out —

- (a) requirements relating to the behaviour of council members, committee members and candidates; and
- (b) the mechanism for dealing with alleged breaches of those requirements.

8. Personal integrity

(1) A council member, committee member or candidate —

- (a) must ensure that their use of social media and other forms of communication complies with this code; and
- (b) must only publish material that is factually correct.

(2) A council member or committee member —

- (a) must not be impaired by alcohol or drugs in the performance of their official duties; and
- (b) must comply with all policies, procedures and resolutions of the local government.

9. Relationship with others

A council member, committee member or candidate —

- (a) must not bully or harass another person in any way; and
- (b) must deal with the media in a positive and appropriate manner and in accordance with any relevant policy of the local government; and
- (c) must not use offensive or derogatory language when referring to another person; and
- (d) must not disparage the character of another council member, committee member or candidate or a local government employee in connection with the performance of their official duties; and
- (e) must not impute dishonest or unethical motives to another council member, committee member or candidate or a local government employee in connection with the performance of their official duties.

10. Council or committee meetings

When attending a council or committee meeting, a council member, committee member or candidate —

- (a) must not act in an abusive or threatening manner towards another person; and
- (b) must not make a statement that the member or candidate knows, or could reasonably be expected to know, is false or misleading; and
- (c) must not repeatedly disrupt the meeting; and
- (d) must comply with any requirements of a local law of the local government relating to the procedures and conduct of council or committee meetings; and
- (e) must comply with any direction given by the person presiding at the meeting; and
- (f) must immediately cease to engage in any conduct that has been ruled out of order by the person presiding at the meeting.

11. Complaint about alleged breach

- (1) A person may make a complaint, in accordance with subclause (2), alleging a breach of a requirement set out in this Division.
- (2) A complaint must be made —
 - (a) in writing in the form approved by the local government; and
 - (b) to a person authorised under subclause (3); and
 - (c) within 1 month after the occurrence of the alleged breach.
- (3) The local government must, in writing, authorise 1 or more persons to receive complaints and withdrawals of complaints. *The Chief Executive Officer was appointed as the Complaints Officer at the 23 February 2021 Ordinary Council meeting.*

12. Dealing with complaint

- (1) After considering a complaint, the local government must, unless it dismisses the complaint under clause 13 or the complaint is withdrawn under clause 14(1), make a finding as to whether the alleged breach the subject of the complaint has occurred.
- (2) Before making a finding in relation to the complaint, the local government must give the person to whom the complaint relates a reasonable opportunity to be heard.
- (3) A finding that the alleged breach has occurred must be based on evidence from which it may be concluded that it is more likely that the breach occurred than that it did not occur.
- (4) If the local government makes a finding that the alleged breach has occurred, the local government may —
 - (a) take no further action; or
 - (b) prepare and implement a plan to address the behaviour of the person to whom the complaint relates.

- (5) When preparing a plan under subclause (4)(b), the local government must consult with the person to whom the complaint relates.
- (6) A plan under subclause (4)(b) may include a requirement for the person to whom the complaint relates to do 1 or more of the following —
 - (a) engage in mediation;
 - (b) undertake counselling;
 - (c) undertake training;
 - (d) take other action the local government considers appropriate.
- (7) If the local government makes a finding in relation to the complaint, the local government must give the complainant, and the person to whom the complaint relates, written notice of —
 - (a) its finding and the reasons for its finding; and
 - (b) if its finding is that the alleged breach has occurred — its decision under subclause (4).

13. Dismissal of complaint

- (1) The local government must dismiss a complaint if it is satisfied that —
 - (a) the behaviour to which the complaint relates occurred at a council or committee meeting; and
 - (b) either —
 - (i) the behaviour was dealt with by the person presiding at the meeting; or
 - (ii) the person responsible for the behaviour has taken remedial action in accordance with a local law of the local government that deals with meeting procedures.
- (2) If the local government dismisses a complaint, the local government must give the complainant, and the person to whom the complaint relates, written notice of its decision and the reasons for its decision.

14. Withdrawal of complaint

- (1) A complainant may withdraw their complaint at any time before the local government makes a finding in relation to the complaint.
- (2) The withdrawal of a complaint must be —
 - (a) in writing; and
 - (b) given to a person authorised under clause 11(3).

15. Other provisions about complaints

- (1) A complaint about an alleged breach by a candidate cannot be dealt with by the local government unless the candidate has been elected as a council member.
- (2) The procedure for dealing with complaints may be determined by the local government to the extent that it is not provided for in this Division.

Division 4 — Rules of conduct

Notes for this Division:

1. *Under section 5.105(1) of the Act a council member commits a minor breach if the council member contravenes a rule of conduct. This extends to the contravention of a rule of conduct that occurred when the council member was a candidate.*
2. *A minor breach is dealt with by a standards panel under section 5.110 of the Act.*

16. Overview of Division

- (1) This Division sets out rules of conduct for council members and candidates.
- (2) A reference in this Division to a council member includes a council member when acting as a committee member.

17. Misuse of local government resources

- (1) In this clause —

electoral purpose means the purpose of persuading electors to vote in a particular way at an election, referendum or other poll held under the Act, the *Electoral Act 1907* or the *Commonwealth Electoral Act 1918*;

resources of a local government includes —

- (a) local government property; and
 - (b) services provided, or paid for, by a local government.
- (2) A council member must not, directly or indirectly, use the resources of a local government for an electoral purpose or other purpose unless authorised under the Act, or by the local government or the CEO, to use the resources for that purpose.

18. Securing personal advantage or disadvantaging others

- (1) A council member must not make improper use of their office —
 - (a) to gain, directly or indirectly, an advantage for the council member or any other person; or

(b) to cause detriment to the local government or any other person.

- (2) Subclause (1) does not apply to conduct that contravenes section 5.93 of the Act or *The Criminal Code* section 83.

19. Prohibition against involvement in administration

- (1) A council member must not undertake a task that contributes to the administration of the local government unless authorised by the local government or the CEO to undertake that task.
- (2) Subclause (1) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.

20. Relationship with local government employees

- (1) In this clause —

local government employee means a person —

- (a) employed by a local government under section 5.36(1) of the Act; or
(b) engaged by a local government under a contract for services.

- (2) A council member or candidate must not —

- (a) direct or attempt to direct a local government employee to do or not to do anything in their capacity as a local government employee; or
(b) attempt to influence, by means of a threat or the promise of a reward, the conduct of a local government employee in their capacity as a local government employee; or
(c) act in an abusive or threatening manner towards a local government employee.

- (3) Subclause (2)(a) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.

- (4) If a council member or candidate, in their capacity as a council member or candidate, is attending a council or committee meeting or other organised event (for example, a briefing or workshop), the council member or candidate must not orally, in writing or by any other means —

- (a) make a statement that a local government employee is incompetent or dishonest; or
(b) use an offensive or objectionable expression when referring to a local government employee.

- (5) Subclause (4)(a) does not apply to conduct that is unlawful under *The Criminal Code* Chapter XXXV.

21. Disclosure of information

- (1) In this clause —

closed meeting means a council or committee meeting, or a part of a council or committee meeting, that is closed to members of the public under section 5.23(2) of the Act;

confidential document means a document marked by the CEO, or by a person authorised by the CEO, to clearly show that the information in the document is not to be disclosed;

document includes a part of a document;

non confidential document means a document that is not a confidential document.

- (2) A council member must not disclose information that the council member —
- (a) derived from a confidential document; or
 - (b) acquired at a closed meeting other than information derived from a non confidential document.
- (3) Subclause (2) does not prevent a council member from disclosing information —
- (a) at a closed meeting; or
 - (b) to the extent specified by the council and subject to such other conditions as the council determines; or
 - (c) that is already in the public domain; or
 - (d) to an officer of the Department; or
 - (e) to the Minister; or
 - (f) to a legal practitioner for the purpose of obtaining legal advice; or
 - (g) if the disclosure is required or permitted by law.

22. Disclosure of interests

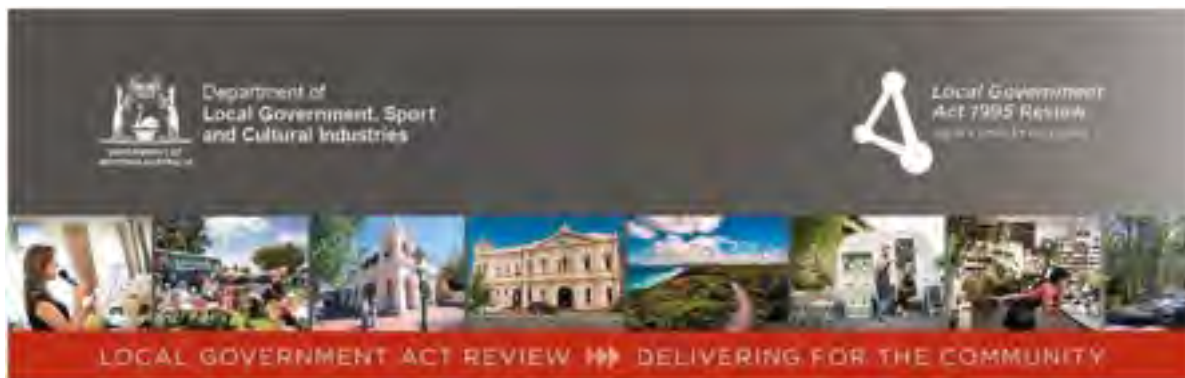
- (1) In this clause —
- interest** —
- (a) means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest; and
 - (b) includes an interest arising from kinship, friendship or membership of an association.
- (2) A council member who has an interest in any matter to be discussed at a council or committee meeting attended by the council member must disclose the nature of the interest —
- (a) in a written notice given to the CEO before the meeting; or
 - (b) at the meeting immediately before the matter is discussed.
- (3) Subclause (2) does not apply to an interest referred to in section 5.60 of the Act.

- (4) Subclause (2) does not apply if a council member fails to disclose an interest because the council member did not know —
 - (a) that they had an interest in the matter; or
 - (b) that the matter in which they had an interest would be discussed at the meeting and the council member disclosed the interest as soon as possible after the discussion began.
- (5) If, under subclause (2)(a), a council member discloses an interest in a written notice given to the CEO before a meeting, then —
 - (a) before the meeting the CEO must cause the notice to be given to the person who is to preside at the meeting; and
 - (b) at the meeting the person presiding must bring the notice and its contents to the attention of the persons present immediately before any matter to which the disclosure relates is discussed.
- (6) Subclause (7) applies in relation to an interest if —
 - (a) under subclause (2)(b) or (4)(b) the interest is disclosed at a meeting; or
 - (b) under subclause (5)(b) notice of the interest is brought to the attention of the persons present at a meeting.
- (7) The nature of the interest must be recorded in the minutes of the meeting.

23. Compliance with plan requirement

If a plan under clause 12(4)(b) in relation to a council member includes a requirement referred to in clause 12(6), the council member must comply with the requirement.

Attachment 12.2 – Guidance Notes



Guidelines on the Model Code of Conduct for Council Members, Committee Members and Candidates

March 2021

Contents

Model Code of Conduct	1
Introduction	3
Purpose	4
Adoption	5
Division 2 – General Principles	5
Division 3 – Behaviour	6
Complaints	7
Division 4 – Rules of Conduct.....	12

Model Code of Conduct

Introduction

Local government is vital for the delivery of key services and infrastructure in the community. Individuals who are, or seek to be, members of local councils and council committees are entrusted by their community to represent local views, make sound decisions, and utilise public funds effectively to deliver services and amenities for their community. As such, a high standard of professional and ethical conduct is expected of council members and committee members in local governments, as well as candidates in local government elections.

A review of the *Local Government Act 1995 (Act)*, including consultation with community and sector stakeholders, led to the implementation of priority reforms under the *Local Government Amendment Act 2019 (Amendment Act)*.

The Amendment Act was developed in response to stakeholder feedback that there was a need for governance reforms, including a Code of Conduct for council members, committee members and candidates that clearly reflects community expectations of behaviour and supports consistency between local governments in relation to the overall process for managing alleged breaches of that Code.

As a result, key reforms under the Amendment Act include the introduction of a Model Code of Conduct (Model Code) that must be adopted by local governments and applied to council members, committee members and candidates; as well as a separate Code of Conduct for Employees.

The Model Code replaces the previous statutory requirement for local governments to develop and implement an individual code of conduct for their council members, committee members and employees.

The *Model Code of Conduct Regulations 2021 (Regulations)* have been developed to give effect to the Amendment Act, and provide for:

- overarching principles to guide behaviour;
- behaviours and complaints which are managed by local governments; and
- rules of conduct, contraventions of which are considered by the independent Local Government Standards Panel (Standards Panel) where appropriate.

Definitions

The Model Code defines key terms to aid understanding and compliance. Where a term is not defined in either the Regulations or the Act, then the generally accepted meaning of the term applies. Some additional guidance is provided as follows:

Candidate: an individual is considered a candidate when their nomination for election is accepted by a Returning Officer under section 4.49 of the Act. The Model Code applies to the individual from that point. Any alleged breach of the Model Code may only be addressed if and when the individual is elected as a council member.

Council member: references to 'council member' in the Regulations mean an individual who has been elected as a council member under the Act. The requirements of the Regulations also apply to a council member who is a committee member on a council committee.

Committee member: under the Regulations, a 'committee member' includes any council member, local government employee or unelected member of the community who has been engaged by the council to participate in a council committee.

Evidence: references to 'evidence' in the Regulations means the available facts or information indicating whether an allegation is true or valid. Local governments must use evidence provided by the complainant and by the person to whom the complaint relates, as well as other relevant information, to decide whether an alleged breach of the Model Code has occurred.

Local government(s): per the approach in the Act, references to 'local government' in the Regulations mean the body corporate that is the local governing body made up of the council, Chief Executive Officer (CEO) and administrative staff appointed and managed by the CEO.

Where a statutory function entails decision-making on governance matters, the council is responsible for making those decisions unless the matter is delegated. This includes decisions on complaints regarding the conduct of council members, committee members and candidates, as set out in the Regulations.

Further guidance on certain terms in the Model Code is provided in these Guidelines.

Purpose

The purpose of the Model Code is to guide the decisions, actions and behaviours of members, both in council and on council committees, and of candidates running for election as a council member.

Members must comply with the provisions in the Model Code in fulfilling their role and responsibilities in council and on council committees, as set out in the Act.

An individual who has nominated as a candidate for election as a council member is also required to demonstrate professional and ethical behaviour during their election campaign. If elected, the individual must continue to comply with the Model Code in council and on council committees.

It is the individual responsibility of council members, committee members and candidates to become familiar with the Model Code, these Guidelines and any relevant policies of their local government, and to follow the Code at all times.

Where the behaviour of a council member, committee member or candidate does not comply with the Code, it is intended that the local council address the behaviour through education and other remedial actions that the council considers appropriate, rather than formal sanctions.

Where an individual does not comply with any action required by the council, then the council may determine that the matter is to be referred to the Standards Panel as an

alleged contravention of a rule of conduct. The Standards Panel has the authority to make binding decisions regarding allegations of minor misconduct.

Adoption

Section 5.104 of the Act requires that local governments adopt the Model Code as their Code of Conduct within three months of the Regulations coming into operation (by 3 May 2021).

In accordance with section 5.104(4), the Model Code applies until the local government adopts it as their Code. This means that the principles, behaviour requirements and rules of conduct of the Regulations apply to council members, committee members and candidates even if their local government has not yet adopted the Model Code.

While local governments may not amend Division 2 (Principles) or Division 4 (Rules of Conduct), additional behaviour requirements can be included in Division 3 (Behaviours) if deemed appropriate by the local government. Any additions must be consistent with the Model Code of Conduct (section 5.104(3) of the Act).

In preparing the Code for adoption, local governments are encouraged to review their existing Code and consider incorporating any additional behaviour requirements that are not represented in the Model Code. This may include specific dress standards or the appropriate use of technology.

To adopt the Code, a resolution passed by an absolute majority of the council is required. Once the Code is adopted, it must be published on the local government's official website (section 5.104(7)).

Division 2 – General Principles

This section of the Regulations set out the fundamental rules that council members, committee members and candidates are expected to adhere to, promote and support. Adhering to these rules will assist individuals to comply with the behaviours outlined in Division 3 and 4.

The principles outline the overarching approach that members and candidates should demonstrate in their role as public representatives, or potential public representatives. Individuals should consider all behaviours in light of these principles, including any behaviour and conduct that is not covered specifically in Division 3 and 4.

The principles are grouped into three key areas: Personal Integrity; Relationships with others and Accountability. Additional guidance on these areas is provided as follows:

Integrity and conflicts of interest

Members and candidates are generally active in their local area which may lead to a conflict between the public interests of the community and the personal interests of the individual, their family members and associates.

It is the individual responsibility of members and candidates to disclose any such conflicts and ensure that they are managed appropriately to comply with the Model Code and serve their community as expected by the local electors.

Individuals should also consider perceived and potential conflicts of interest. While an individual may be confident of the integrity of their actions, it is important to reflect on how their actions may appear to others, and/or how an action taken now could lead to a conflict of interest in future. If an interest is identified, the individual should disclose and manage this to avoid a conflict with the public interest.

Avoidance of reputational damage

Elected members and candidates may hold strong concerns in relation to actions, or a lack of action, by their local government on certain matters.

It is the individual responsibility of members to ensure that they comply with the Model Code by raising concerns in a respectful and constructive manner and working effectively with their colleagues for their community, as expected by the local electors.

During an election campaign, it is the individual responsibility of candidates to ensure that any concerns they raise regarding the current local government is based on accurate information and expressed in a respectful and constructive manner that demonstrates to local electors their suitability as a potential public representative.

Decision-making and accountability

Council and committee members regularly make decisions that impact on their local area. The community expects that members will make council and committee decisions based on information that is relevant and factually correct. This will vary according to the decision to be made and the information available to the council members and committee members at that time.

In general, individuals are responsible for ensuring their decisions are based on information that is accurate and pertinent to the matter at hand, and can be reasonably considered accurate and relevant by others.

As part of being accountable to their community, council members and committee members should accept responsibility for the decisions they make in the performance of their role.

Division 3 - Behaviour

This section of the Regulations sets the standards of behaviour which reflect the general principles outlined in Division 2.

It is the individual responsibility of members and candidates to demonstrate, promote and support professional and ethical behaviour as provided in the Model Code.

Complaints regarding alleged breaches of the Model Code in Division 3 are managed by the local council as the decision-making body of the local governments, unless this function has been delegated.

The division also provides a principles-based process for responding to alleged breaches. The emphasis is on education and development, rather than punitive sanctions, with the aim of establishing or restoring positive working relationships and avoiding further breaches.

Failure to comply with this Division may give rise to a complaint regarding the conduct of a council member, committee member or candidate, which may lead to the council making a formal finding of a breach and requiring remedial action by the individual.

It is recommended that local governments develop further guidance on dealing with complaints through the introduction of a complementary policy or procedure on complaints management to the extent it is not provided for in the Regulations. There are resources on effective complaints management available on the Ombudsman WA's website at www.ombudsman.wa.gov.au.

Complaints

Process for making a complaint

Clause 11 of the Regulations provides that a person can make a complaint alleging a breach of Division 3 within one month of the alleged breach occurring.

Local governments should ensure that making a complaint is a simple and accessible process so that any member of the local community can raise concerns about the conduct of council members, committee members and candidates.

Local governments should make it clear that it is important a complainant provides details in their complaint, with supporting information where feasible to do so, because the complaint will form part of the evidence considered by the council when deciding whether a breach of the Model Code has occurred.

Action required

Local governments must authorise at least one person to receive complaints regarding members and candidates. While the Regulations do not include specific requirements and a local government may decide that the complaints officer is appropriate, other options could include:

- President or Mayor,
- Deputy President or Mayor (especially for complaints about the President or Mayor),
- Chief Executive Officer, or
- External consultant

The Regulations also provide that complaints are to be made in writing in a form approved by the local government.

Action required

Local governments must determine whether there will be a specific template for complaints and process for how they are to be lodged.

Local governments may choose to:

- establish a specific email address for conduct complaints
- provide a name/position to whom complaints should be addressed
- prepare an online complaint form
- engage an independent person to support the resolution of a complaint. Local governments may consider sharing the services of an independent person.

The Department has prepared a template form for complaints to assist local governments. The template is available on the department's website at www.dlgsc.wa.gov.au.

The authorised person(s) should acknowledge the receipt of every written complaint in a timely manner. As part of the acknowledgment process, the complainant should be provided information on how the complaint will be progressed and an expected timeframe for the matter to be finalised. This may include providing the complainant with a copy of the complaint policy.

The local government may determine that the person who is authorised to receive complaints takes responsibility for the administrative process. This may include preparing the necessary report to the council or committee tasked with making a decision on the complaint.

The report should contain a summary of the alleged breach, including evidence provided by the complainant. It should also contain information from the person to whom the complaint relates.

Dealing with a complaint

The Regulations do not specify a timeframe by when complaints should be dealt with, however, a timeframe could be included in a local government's policy.

In the interests of procedural fairness, all complaints should be dealt with in a timely manner and allow all parties the opportunity to provide information regarding the alleged conduct.

Clause 12 of the Regulations outlines the process for dealing with complaints regarding the conduct of elected members and candidates. The Model Code leaves it open to local governments to determine the most appropriate and effective process for how this is undertaken. Possible options could include:

Council considered

Under this option, all complaints received are considered by the council. This would require a report to be provided to the council – either with or without a recommendation (this is a matter for the Council to determine).

The council may choose to appoint an independent/external consultant to review complaints and provide a report to the council. If an independent consultant is tasked with reviewing complaints, it may be preferable that they also make a recommendation as to whether a breach has occurred.

If the person authorised to receive complaints prepares the report, it may be more appropriate that no recommendation is made, and council make a finding on the basis of the information they are provided.

Committee considered

Under this option, a committee is established to consider complaints. The makeup of the committee will depend on whether the power to make a finding can be delegated to the committee, or whether they are tasked with making a recommendation for council consideration.

In establishing a committee, local governments may like to consider forming a behaviour review committee that contains a member from some surrounding local governments and an independent person, to review all complaints for those local governments. The committee would prepare a recommendation which is submitted to the relevant council for consideration.

If the committee is tasked with making a recommendation for council consideration, and the council do not accept the recommendation, the reasons why it is not accepted should be noted in the minutes.

CEO considered

As with a number of functions in the Act, this function can be delegated to the CEO. Councils may choose to make it the responsibility of the CEO so as to remove council members from the decision-making process. However, consideration also needs to be given as to whether it is appropriate for the CEO to be responsible for making findings on council members behaviour.

Triaging complaints

Local governments should consider how they are going to respond to complaints, and whether complaints are going to be addressed based on seriousness or impact of the allegation or on the order in which complaints are received. This should be outlined in the complaint policy.

Action required

Local governments must determine who will be considering complaints received and how complaints will be prioritised and managed.

Clause 12(2) of the Regulations require that the person to whom the complaint relates is given a reasonable opportunity to be heard. This should include providing a copy of the complaint to that person in a timely manner and allowing them an opportunity to respond to the allegations in writing. The information provided by that person will assist the local government in forming a view as to whether a breach has occurred.

Mediation

Local governments may choose to introduce mediation following the receipt of a complaint. This could be in the form of informal or formal mediation, conducted either internally or with an external mediator. Mediation may prove to be a valuable tool to resolve matters quickly, before they escalate. If mediation is successful, there is the ability for a complaint to be withdrawn.

Making a finding

Clause 12(1) requires the local government (which could be the council or a committee) to consider whether the alleged matter which is the subject of a complaint, did occur and make a finding on whether the matter constituted a breach of the Code of Conduct.

The same approach should be used as the Standards Panel in their deliberations and decision-making; that is, based on the complaint and other evidence received by the council, the council must be satisfied that, on the balance of probabilities, it is more likely than not that a breach occurred.

At a minimum, the information used to make a finding will include the information provided by the complainant and the person to whom the complaint relates. While not mandatory, there is nothing that prohibits local governments seeking further evidence to assist in making a decision, such as statements from witnesses.

Conflicts of interest

Members will be required to disclose an impartiality interest. This will include the complainant (if applicable) and person to who the alleged breach applies.

An impartiality interest does not require a member to leave the room for the debate or decision. By having both the complainant and accused in the room, it may also allow further input and clarification around the circumstances of the complaint.

The Presiding Member must keep control of the meeting and ensure everyone is provided with an opportunity to speak. Members should remain respectful and open-minded and make a decision on whether a breach has occurred or not using the information available.

Action Plans

Clause 12(4) provides that if a finding that a breach of the Code of Conduct did occur, the local government may determine that no further action is required; or that an action plan must be prepared and implemented.

An action plan should be designed to provide the member with the opportunity and support to demonstrate the professional and ethical behaviour expected of elected representatives.

The action plan does not need to be complex. The plan should outline:

- the behaviour(s) of concern;
- the actions to be taken to address the behaviour(s);
- who is responsible for the actions; and
- an agreed timeframe for the actions to be completed.

An action plan should not include measures that are intended to be a punishment, and instead should focus on mechanisms to encourage positive behaviour and prevent negative behaviour from occurring again in future.

The Code requires that in preparing the action plan, consultation must be undertaken with the elected member to whom the plan relates. This is designed to provide the member with the opportunity to be involved in matters such as the timing of meetings or training. Note: some members may not be willing to engage with the opportunity to participate in the process.

The council or a delegated person should monitor the actions and timeframes set out in the action plan. This is important because if the member does not comply with the action/s within the agreed timeframe, then under the Regulations it is considered a contravention of a rule of conduct.

Dismissal of complaints

While local governments are required to consider all complaints, they can be dismissed if:

- the behaviour occurred at a council or committee meeting and the behaviour was dealt with at that meeting (clause 13), or
- the complaint is withdrawn (clause 14).

Clause 13 allows a complaint to be dismissed if the behaviour occurred at a council or committee meeting, and that behaviour was addressed at the time. This could have been by the presiding member, or remedial action was taken in accordance with the local government's standing orders or local law.

Where agreement cannot be reached

Circumstances may arise when a local council cannot agree on a finding, whether the complaint can be dismissed under clause 13, or an appropriate course of action following a finding of breach.

While the presiding member has the casting vote, in a divided situation, the local government may decide to engage an independent person/consultant to review the evidence and make a recommendation. If this occurs, the council (or committee) should give due consideration to the advice and recommendation, and if they don't accept the recommendation they should state the reasons why in the minutes.

Withdrawal of a complaint

Clause 14 provides the option for a complaint to be withdrawn before it is considered by the council.

Local governments may elect to include in their complaints policy the option for mediation between the complainant and the member. Mediation may resolve any specific issues before the council is required to make a finding and may lead to the complainant withdrawing the complaint. Clause 14 requires a withdrawal to be made in writing and provided to the person(s) authorised to receive complaints.

Division 4 – Rules of Conduct

Contraventions of rules of conduct are matters that:

- negatively affect the honest or impartial performance of an elected member;
- involve a breach of trust placed in the elected member; or
- involve the misuse of information or material.

Division 4 sets out rules of conduct for elected members and candidates that relate to the principles in Division 2 and the behaviours in Division 3. This Division also introduces a new rule of conduct to address situations where an elected member does not undertake the actions required by the local council following a breach of the Model Code. A contravention of this rule of conduct is considered a minor breach, as defined in the Act.

The process for complaints under Division 4 is outlined in the Act. Complaints in the first instance are directed to the complaints officer at the local government. The Act provides that the complaints officer is the CEO or another officer with delegated responsibility.

A council may decide to refer an alleged contravention of Division 4 to the independent Standards Panel in accordance with the Act. As the Panel does not have investigative powers, decisions are made based on the information received by the Panel from the local government. The Standards Panel must be satisfied that, on the balance of probabilities, it is more likely than not that a breach has occurred for the Standards Panel to make a finding of breach.

Where the Standards Panel makes a finding against an elected member or candidate, sanctions will be imposed in accordance with the Part 5 Division 9 of the Act.

Nothing in this Division removes the obligations placed upon council members and employees (including the CEO) of the local government under the *Corruption, Crime and Misconduct Act 2003*.

Further information on the Standards Panel process is available on the Department's website.

Further information

The aim of the Model Code of Conduct is to foster a high standard of professional and ethical conduct by council members and candidates, and to support consistency across local governments in relation to their response to complaints regarding conduct.

Local governments are encouraged to seek guidance and advice on specific matters whenever necessary. For queries, please contact: actreview@dlgsc.wa.gov.au

12.3 Policy Manual: CEO Recruitment, Performance and Termination

Submission To:	Ordinary Council Meeting 27 April 2021
Report Date:	19 April 2021
Applicant:	Shire of Beverley
File Reference:	ADM 0300
Author and Position:	S.P. Gollan, Chief Executive Officer
Previously Before Council:	23 February 2021
Disclosure(s) Of Interest:	Policy may affect future employment
Attachments:	Proposed Policy CEO Recruitment, Performance and Termination.

SUMMARY

Council to consider replacing Policy S012 Chief Executive Officer Performance Review Policy through the adoption of the attached Policy for CEO Recruitment, Performance and Termination as determined by the new standards.

BACKGROUND

The *Local Government (Model Code of Conduct) Regulations 2021*, *Local Government (Administration) Amendment Regulations 2021* and *Local Government Regulations Amendment (Employee Code of Conduct) Regulations 2021* (collectively the New Regulations) were gazetted on Tuesday 2 February 2021 and took effect on 3 February 2021. New sections of the *Local Government Act 1995* (the Act) that provided for the New Regulations were proclaimed concurrently and are also now in effect.

Following the gazettal of new regulations, all local governments are to adopt a new CEO Recruitment, Performance and Termination policy in accordance with the model standards by 3 May 2021.

COMMENT

Attached are the guidance notes, previous policy S012 and the new proposed CEO Recruitment, Performance and Termination Policy.

STATUTORY ENVIRONMENT

Local Government Act 1995; Local Government (Model Code of Conduct) Regulations 2021; and Local Government (Administration) Amendment Regulations 2021

CONSULTATION

Council input and amendment.

FINANCIAL IMPLICATIONS

N/A

STRATEGIC IMPLICATIONS

Goal 12 - Council leads the organisation and engages with the community in an accountable and professional manner.

POLICY IMPLICATIONS

N/A

RISK IMPLICATIONS

It is a requirement that a CEO Recruitment, Performance and Termination policy is adopted by 3 May 2021. The adoption of this policy will mitigate the risk of non-compliance.

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

Risk Rating	Action
Low	Monitor for ongoing improvement.
Medium	Comply with risk reduction measures to keep risk as low as reasonably practical.
High	Review the risk and take additional measures to ensure risk is low as reasonably achievable.
Severe	Unacceptable risk level, reduction measures must be introduced before proceeding.

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION

That Council;

- adopts the CEO Recruitment, Performance and Termination Policy and incorporates it as Policy S012 in the Shire of Beverley Policy Manual; and
- publishes the updated Policy Manual on the Shire of Beverley website.

M13/0421

Moved Cr Lawlor

Seconded Cr Gogol

That Council;

- adopts the CEO Recruitment, Performance and Termination Policy and incorporates it as Policy S012 in the Shire of Beverley Policy Manual; and
- publishes the updated Policy Manual on the Shire of Beverley website.

AMENDMENT and COUNCIL RESOLUTION

M14/0421

Moved Cr McLaughlin

Seconded Cr Lawlor

That Council;

- Retain Policy S012 Chief Executive Officer Performance Review;
- Adopt CEO Recruitment, Performance and Termination Policy and incorporates it as Policy S029 in the Shire of Beverley Policy Manual; and
- publishes the updated Policy Manual on the Shire of Beverley website.

CARRIED 8/0

The Amendment was put and carried BY ABSOLUTE MAJORITY 8/0

3.19pm – Ms Robyn Cashmore left the meeting and did not return.

3.20pm – Mr Stefan de Beer left the meeting and did not return.

Attachment 12.3 – Original Policy

9.12 Chief Executive Officer Annual Performance Review

Policy Type:	Staff	Policy No:	5012
Date Adopted:	September 2014	Date Last Reviewed:	23 February 2021

Legal (Parent): 1. Local Government Act 1995	Legal (Subsidiary): 1. Local Government Administration Regulations
--	--

ADOPTED POLICY	
Title:	CHIEF EXECUTIVE OFFICER ANNUAL PERFORMANCE REVIEW
Objective:	To ensure ongoing evaluation and performance of the Chief Executive Officer.

Policy

At least once annually the performance of the Chief Executive Officer is to be reviewed by the President and Councillors.

Prior to the review, all Councillors and the Chief Executive Officer are to complete the performance indicators sheet.

The review is to be conducted in a manner described in the relevant Contract of Employment. The review should be conducted annually at a time of mutual benefit. Council have the power to amend his/her salary package.

When considering the CEO salary, Council must consider the Determination of the Salaries and Allowances Tribunal with written explanatory justification as part of the decision being given in the Meeting Minutes to the Community for Council decisions that exceed the Determination of the Tribunal.

Council is then required to formally accept the review at the next Ordinary Council Meeting (Regulation 18D – Local Government Administration Regulations).

Policy Amended: 23 October 2018
Policy Amended: 23 February 2021

Attachment 12.3 – New Policy

9.12 CEO Recruitment, Performance and Termination

Policy Type:	Staff	Policy No:	S012
Date Adopted:	September 2014	Date Last Reviewed:	27 April 2021

Legal (Parent): 1. Local Government Act 1995 – Section 5.39B	Legal (Subsidiary): 1.
--	----------------------------------

ADOPTED POLICY	
Title:	CEO RECRUITMENT, PERFORMANCE AND TERMINATION
Objective:	To ensure recruitment, performance and termination of the Chief Executive Officer meet the standards of the <i>Local Government Act 1995</i> .

Policy

Division 1 – Preliminary provisions

1. Citation

These are the Shire of Beverley Standards for CEO Recruitment, Performance and Termination.

2. Terms used

(1) In these standards –

Act means the Local Government Act 1995;

additional performance criteria means performance criteria agreed by the local government and the CEO under clause 16(1)(b);

applicant means a person who submits an application to the local government for the position of CEO;

contract of employment means the written contract, as referred to in section 5.39 of the Act, that governs the employment of the CEO;

contractual performance criteria means the performance criteria specified in the CEO's contract of employment as referred to in section 5.39(3)(b) of the Act;

job description form means the job description form for the position of CEO approved by the local government under clause 5(2);

local government means the Shire of Beverley;

selection criteria means the selection criteria for the position of CEO determined by the local government under clause 5(1) and set out in the job description form;

selection panel means the selection panel established by the local government under clause 8 for the employment of a person in the position of CEO.

- (2) Other terms used in these standards that are also used in the Act have the same meaning as they have in the Act, unless the contrary intention appears.

Division 2 — Standards for recruitment of CEOs

3. Overview of Division

This Division sets out standards to be observed by the local government in relation to the recruitment of CEOs.

4. Application of Division

- (1) Except as provided in subclause (2), this Division applies to any recruitment and selection process carried out by the local government for the employment of a person in the position of CEO.
- (2) This Division does not apply —
- (a) if it is proposed that the position of CEO be filled by a person in a class prescribed for the purposes of section 5.36(5A) of the Act; or
 - (b) in relation to a renewal of the CEO's contract of employment, except in the circumstances referred to in clause 13(2).

5. Determination of selection criteria and approval of job description form

- (1) The local government must determine the selection criteria for the position of CEO, based on the local government's consideration of the knowledge, experience, qualifications and skills necessary to effectively perform the duties and responsibilities of the position of CEO of the local government.
- (2) The local government must, by resolution of an absolute majority of the council, approve a job description form for the position of CEO which sets out —
- (a) the duties and responsibilities of the position; and
 - (b) the selection criteria for the position determined in accordance with subclause (1).

6. Advertising requirements

- (1) If the position of CEO is vacant, the local government must ensure it complies with section 5.36(4) of the Act and the *Local Government (Administration) Regulations 1996* regulation 18A.
- (2) If clause 13 applies, the local government must advertise the position of CEO in the manner referred to in the *Local Government (Administration) Regulations 1996* regulation 18A as if the position was vacant.

7. Job description form to be made available by local government

If a person requests the local government to provide to the person a copy of the job description form, the local government must —

- (a) inform the person of the website address referred to in the *Local Government (Administration) Regulations 1996* regulation 18A(2)(da); or
- (b) if the person advises the local government that the person is unable to access that website address —
 - (i) email a copy of the job description form to an email address provided by the person; or
 - (ii) mail a copy of the job description form to a postal address provided by the person.

8. Establishment of selection panel for employment of CEO

(1) In this clause —

independent person means a person other than any of the following —

- (a) a council member;
- (b) an employee of the local government;
- (c) a human resources consultant engaged by the local government.

(2) The local government must establish a selection panel to conduct the recruitment and selection process for the employment of a person in the position of CEO.

(3) The selection panel must comprise —

- (a) council members (the number of which must be determined by the local government); and
- (b) at least 1 independent person.

9. Recommendation by selection panel

(1) Each applicant's knowledge, experience, qualifications and skills must be assessed against the selection criteria by or on behalf of the selection panel.

(2) Following the assessment referred to in subclause (1), the selection panel must provide to the local government —

- (a) a summary of the selection panel's assessment of each applicant, and
- (b) unless subclause (3) applies, the selection panel's recommendation as to which applicant or applicants are suitable to be employed in the position of CEO.

(3) If the selection panel considers that none of the applicants are suitable to be employed in the position of CEO, the selection panel must recommend to the local government —

- (a) that a new recruitment and selection process for the position be carried out in accordance with these standards; and
- (b) the changes (if any) that the selection panel considers should be made to the duties and responsibilities of the position or the selection criteria.

(4) The selection panel must act under subclauses (1), (2) and (3) —

- (a) in an impartial and transparent manner; and
- (b) in accordance with the principles set out in section 5.40 of the Act.

(5) The selection panel must not recommend an applicant to the local government under subclause (2)(b) unless the selection panel has —

- (a) assessed the applicant as having demonstrated that the applicant's knowledge, experience, qualifications and skills meet the selection criteria; and
- (b) verified any academic, or other tertiary level, qualifications the applicant claims to hold; and
- (c) whether by contacting referees provided by the applicant or making any other inquiries the selection panel considers appropriate, verified the applicant's character, work history, skills, performance and any other claims made by the applicant.

(6) The local government must have regard to, but is not bound to accept, a recommendation made by the selection panel under this clause.

10. Application of cl. 5 where new process carried out

- (1) This clause applies if the local government accepts a recommendation by the selection panel under clause 9(3)(a) that a new recruitment and selection process for the position of CEO be carried out in accordance with these standards.
- (2) Unless the local government considers that changes should be made to the duties and responsibilities of the position or the selection criteria —
 - (a) clause 5 does not apply to the new recruitment and selection process; and
 - (b) the job description form previously approved by the local government under clause 5(2) is the job description form for the purposes of the new recruitment and selection process.

11. Offer of employment in position of CEO

Before making an applicant an offer of employment in the position of CEO, the local government must, by resolution of an absolute majority of the council, approve —

- (a) the making of the offer of employment to the applicant; and
- (b) the proposed terms of the contract of employment to be entered into by the local government and the applicant.

12. Variations to proposed terms of contract of employment

- (1) This clause applies if an applicant who is made an offer of employment in the position of CEO under clause 11 negotiates with the local government a contract of employment (the negotiated contract) containing terms different to the proposed terms approved by the local government under clause 11(b).
- (2) Before entering into the negotiated contract with the applicant, the local government must, by resolution of an absolute majority of the council, approve the terms of the negotiated contract.

13. Recruitment to be undertaken on expiry of certain CEO contracts

- (1) In this clause —

commencement day means the day on which the *Local Government (Administration) Amendment Regulations 2021* regulation 6 comes into operation.

- (2) This clause applies if —
 - (a) upon the expiry of the contract of employment of the person (the incumbent CEO) who holds the position of CEO —
 - (i) the incumbent CEO will have held the position for a period of 10 or more consecutive years, whether that period commenced before, on or after commencement day; and
 - (ii) a period of 10 or more consecutive years has elapsed since a recruitment and selection process for the position was carried out, whether that process was carried out before, on or after commencement day;

and

- (b) the incumbent CEO has notified the local government that they wish to have their contract of employment renewed upon its expiry.
- (3) Before the expiry of the incumbent CEO's contract of employment, the local government must carry out a recruitment and selection process in accordance with these standards to select a person to be employed in the position of CEO after the expiry of the incumbent CEO's contract of employment.
- (4) This clause does not prevent the incumbent CEO's contract of employment from being renewed upon its expiry if the incumbent CEO is selected in the recruitment and selection process referred to in subclause (3) to be employed in the position of CEO.

14. Confidentiality of information

The local government must ensure that information provided to, or obtained by, the local government in the course of a recruitment and selection process for the position of CEO is not disclosed, or made use of, except for the purpose of, or in connection with, that recruitment and selection process.

Division 3 — Standards for review of performance of CEOs

15. Overview of Division

This Division sets out standards to be observed by the local government in relation to the review of the performance of CEOs.

16. Performance review process to be agreed between local government and CEO

- (1) The local government and the CEO must agree on —
 - (a) the process by which the CEO's performance will be reviewed; and
 - (b) any performance criteria to be met by the CEO that are in addition to the contractual performance criteria.
- (2) Without limiting subclause (1), the process agreed under subclause (1)(a) must be consistent with clauses 17, 18 and 19.
- (3) The matters referred to in subclause (1) must be set out in a written document.

17. Carrying out a performance review

- (1) A review of the performance of the CEO by the local government must be carried out in an impartial and transparent manner.
- (2) The local government must —
 - (a) collect evidence regarding the CEO's performance in respect of the contractual performance criteria and any additional performance criteria in a thorough and comprehensive manner; and
 - (b) review the CEO's performance against the contractual performance criteria and any additional performance criteria, based on that evidence.

18. Endorsement of performance review by local government

Following a review of the performance of the CEO, the local government must, by resolution of an absolute majority of the council, endorse the review.

19. CEO to be notified of results of performance review

After the local government has endorsed a review of the performance of the CEO under clause 18, the local government must inform the CEO in writing of —

- (a) the results of the review; and
- (b) if the review identifies any issues about the performance of the CEO — how the local government proposes to address and manage those issues.

Division 4 — Standards for termination of employment of CEOs

20. Overview of Division

This Division sets out standards to be observed by the local government in relation to the termination of the employment of CEOs.

21. General principles applying to any termination

- (1) The local government must make decisions relating to the termination of the employment of a CEO in an impartial and transparent manner.
- (2) The local government must accord a CEO procedural fairness in relation to the process for the termination of the CEO's employment, including —
 - (a) informing the CEO of the CEO's rights, entitlements and responsibilities in relation to the termination process; and
 - (b) notifying the CEO of any allegations against the CEO; and
 - (c) giving the CEO a reasonable opportunity to respond to the allegations; and
 - (d) genuinely considering any response given by the CEO in response to the allegations.

22. Additional principles applying to termination for performance related reasons

- (1) This clause applies if the local government proposes to terminate the employment of a CEO for reasons related to the CEO's performance.
- (2) The local government must not terminate the CEO's employment unless the local government has —
 - (a) in the course of carrying out the review of the CEO's performance referred to in subclause (3) or any other review of the CEO's performance, identified any issues (the performance issues) related to the performance of the CEO; and
 - (b) informed the CEO of the performance issues; and
 - (c) given the CEO a reasonable opportunity to address, and implement a plan to remedy, the performance issues; and
 - (d) determined that the CEO has not remedied the performance issues to the satisfaction of the local government.
- (3) The local government must not terminate the CEO's employment unless the local government has, within the preceding 12 month period, reviewed the performance of the CEO under section 5.38(1) of the Act.

23. Decision to terminate

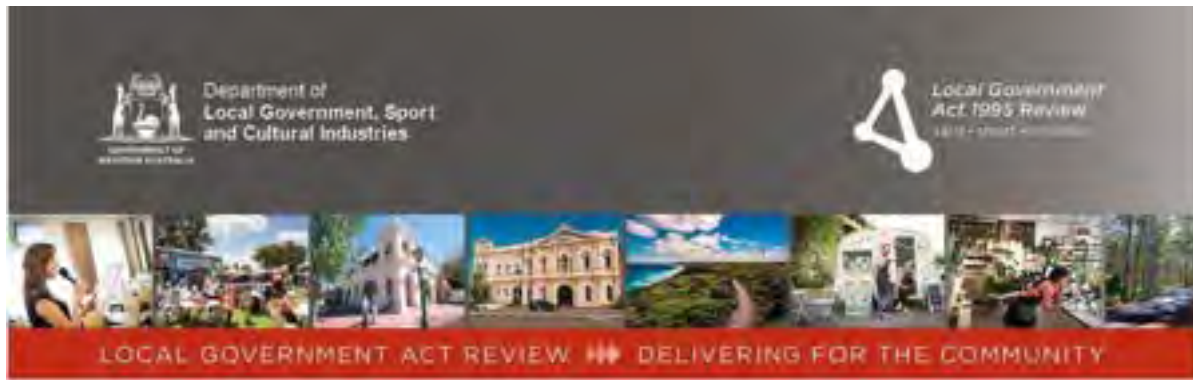
Any decision by the local government to terminate the employment of a CEO must be made by resolution of an absolute majority of the council.

24. Notice of termination of employment

- (1) If the local government terminates the employment of a CEO, the local government must give the CEO notice in writing of the termination.
- (2) The notice must set out the local government's reasons for terminating the employment of the CEO.

Policy Amended: 23 October 2018
Policy Amended: 23 February 2021
Policy Amended: 27 April 2021

Attachment 12.3 – Guidance Notes



Guidelines for Local Government CEO Recruitment and Selection, Performance Review and Termination

***Local Government (Administration) Amendment
Regulations 2021***

February 2021

Contents

Preface.....	1
Part 1 – Recruitment and Selection	2
Principles.....	2
Recruitment and Selection Standard	2
Recruitment and Selection Standard continued	3
Guidelines	3
Recruitment and selection process	3
Advertising	4
Selection panel and independent person	4
Independent human resources consultant.....	5
Council’s responsibilities	6
Creating Diversity.....	6
Due Diligence.....	7
Selection	8
Employment contract	9
Appointment.....	9
Confidentiality	10
CEO induction.....	10
Principles.....	11
Performance Review Standard	11
Guidelines	11
Employment contract and performance agreement.....	11
Performance Criteria	12
Performance review panel.....	13
Independent consultant.....	13
Assessing performance.....	13
Addressing performance issues	14
Confidentiality	15
Part 3 – Termination.....	16
Principles.....	16
Termination Standard	16
Guidelines	16
Reason for termination	16
Opportunity to improve and mediation.....	18
Termination report.....	18

Confidentiality	18
Disclaimer	18

Preface

The *Local Government Legislation Amendment Act 2019* includes a requirement for model standards covering the recruitment and selection, performance review and termination of employment of local government Chief Executive Officers (CEOs). These reforms are intended to ensure best practice and greater consistency in these processes between local governments.

The accompanying guidelines outline the recommended practice for local governments in undertaking these processes. These guidelines will assist local governments in meeting the model standards prescribed in the *Local Government (Administration) Amendment Regulations 2021*.

The standards and guidelines have been developed by the Department of Local Government, Sport and Cultural Industries (Department), in consultation with representatives from the Public Sector Commission, the Ombudsman, the Western Australian Local Government Association (WALGA) and Local Government Professionals WA (LGPro). The Department gratefully acknowledges the participation and contribution of these representatives.

The Department notes that the content of these guidelines does not necessarily reflect the views or policies of the organisations or individuals that have been consulted.

Part 1 – Recruitment and Selection

One of the fundamental roles of the council is the employment of the local government's CEO. The CEO is responsible for implementing the council's strategic vision and leading the local government administration.

Principles

A local government must select a CEO in accordance with the principles of merit, equity and transparency. A local government must not exercise nepotism, bias or patronage in exercising its powers. Additionally, a local government must not unlawfully discriminate against applicants. Section 5.40 of the *Local Government Act 1995 (Act)* lists a number of general principles of employment that apply to local governments.

Recruitment and Selection Standard

The minimum standard for recruitment and selection will be met if:

- S1.1** The council has identified and agreed to the qualifications and selection criteria necessary to effectively undertake the role and duties of the CEO within that particular local government context.
- S1.2** The council has approved, by absolute majority, the Job Description Form (JDF) which clearly outlines the qualifications, selection criteria and responsibilities of the position. The JDF is made available to all applicants.
- S1.3** The local government has established a selection panel to conduct the recruitment and selection process. The panel must include at least one independent person who is not a current elected member, human resources consultant, or staff member of the local government.
- S1.4** The local government attracts applicants through a transparent, open and competitive process (this is not necessary for vacancies of less than one year). The local government must advertise a vacancy for the position of CEO in the manner prescribed.
- S1.5** The local government has assessed the knowledge, experience, qualifications and skills of all applicants against the selection criteria.
- S1.6** The local government has verified the recommended applicant's work history, qualifications, referees and claims made in their job application.
- S1.7** The appointment is merit-based, with the successful applicant assessed as clearly demonstrating how their knowledge, skills and experience meet the selection criteria.

Recruitment and Selection Standard cont.

- S1.8** The appointment is made impartially and free from nepotism, bias or unlawful discrimination.
- S1.9** The council has endorsed by absolute majority the final appointment.
- S1.10** The council has approved the employment contract by absolute majority.
- S1.11** The local government re-advertises the CEO position and undertakes a recruitment and selection process after each instance where a person has occupied the position for ten (10) consecutive years.

Guidelines

Recruitment and selection process

The council of the local government should act collectively throughout the recruitment and selection process. To uphold the integrity of the process, the council must resist any attempt to influence the outcome through canvassing or lobbying.

The local government should carefully consider the role of the CEO. This includes the CEO's legislated powers and functions and their role as the head of the administrative arm of the local government. In determining the selection criteria for the position of CEO, it will be important for a local government to consider the needs of the community and the specific skills and experience that will be required of the CEO in that particular local government. The competencies the council looks for in its CEO should reflect the council's strategic community plan.

Once the essential skills and experience which form the selection criteria for the position have been established, the local government must set out the selection criteria (essential and desirable) and the responsibilities of the position in a Job Description Form (JDF). If emphasis is placed on certain selection criteria, this should be highlighted in the JDF so that applicants are aware of this. For example, some level of project management experience will usually be an important criterion, but if the local government is undertaking a major development such as a new recreation centre, added emphasis may need to be given to this criterion.

The JDF must be approved by an absolute majority of the council.

Advertising

The local government should ensure that applicants are clearly informed about the application process, such as the application requirements, the closing date for applications and how applications are to be submitted. It is essential that this process is transparent and that each step in the process is documented. Associated records must be kept in a manner consistent with the *State Records Act 2000 (WA)*.

It is a requirement that a local government is to give Statewide public notice if the position of CEO becomes vacant. Statewide public notice must contain:

- details of the remuneration and benefits offered;
- details of the place where applications are to be submitted;
- the date and time applications close;
- the duration of the proposed contract;
- a web address where the JDF can be accessed;
- contact details for a person who can provide further information; and
- any other relevant information.

In order to attract the best possible pool of applicants for the position of CEO, it is recommended that local governments use a diverse range of advertising methods, mediums and platforms (in addition to the advertising requirement under section 5.36(4) of the Act). For example:

- advertising on the local government's website;
- posting on online jobs boards (e.g. SEEK);
- sharing the advertisement via professional networks; and
- undertaking an executive search.

A local government must publicly advertise the CEO position if the same person has remained in the job for 10 consecutive years. This requirement does not prevent the incumbent CEO from being employed for another term, provided they are selected in accordance with the standards for recruitment and selection.

Selection panel and independent person

Local governments are required to establish a selection panel to conduct and facilitate the recruitment and selection process. The selection panel should be made up of elected members (the number of which is determined by the council) and must include at least one independent person. The independent person cannot be a current elected member, human resources consultant, or staff member of the local government. Examples of who the independent person could be include:

- former elected members or staff members of the local government;
- former elected members (such as a Mayor or Shire President) or staff members of *another* local government;
- a prominent or highly regarded member of the community; or
- a person with experience in the recruitment of CEOs and senior executives.

The panel are responsible for assessing applicants and making a recommendation to council regarding the most suitable applicant or applicants. The essence of the role of an independent panel member is to bring an impartial perspective to the process and reduce any perception of bias or nepotism.

It is essential that prior to a person's appointment to a selection panel they are informed of the duties and responsibilities of their role and that of the panel. It is recommended that local governments develop a policy or terms of reference to facilitate this process that incorporate the standards for recruitment at Division 2 of the *Local Government (Administration) Amendment Regulations (No.2) 2020*. A policy should include important information that outlines:

- The primary functions of the panel;
- Roles and responsibilities of panel members;
- Composition of the panel;
- Duration of term;
- Desirable criteria for appointment to the panel;
- A requirement that panel members sign a confidentiality agreement and agree to the duties and responsibilities of their role; and
- Any other information the local government deems necessary for the panel to effectively carry out their role.

Independent human resources consultant

A local government should seek independent advice from a human resources consultant where the council lacks the capacity or expertise to facilitate the recruitment and selection process (or any aspect of it). A member of the human resources team within a local government should not be involved in the recruitment of a new CEO.

The consultant should not be associated with the local government or any of its council members. The consultant can be an independent human resources professional, recruitment consultant, or recruitment agency.

An independent human resources consultant can provide advice to the selection panel on how to conduct the recruitment process, or a local government may engage a consultant to support it in undertaking certain aspects of the recruitment process, such as one or more of the following:

- development or review of the JDF;
- development of selection criteria;
- development of assessment methods in relation to the selection criteria;
- drafting of the advertisement;
- executive search;
- preliminary assessment of the applications;
- shortlisting;
- drafting questions for interview;
- coordinating interviews;
- preparing the selection summary assessment and recommendation;

- arranging for an integrity check and/or police clearance; and
- assisting the council in preparing the employment contract.

The consultant is not to be directly involved in determining which applicant should be recommended for the position, their role is not one of decision-maker.

It is recommended that rigorous checks be conducted on any independent consultants before they are engaged to ensure they have the necessary skills and experience to effectively assist the council. Local government recruitment experience may be beneficial but is not a requirement.

The independent human resources consultant must be able to validate their experience in senior executive recruitment and appointments. It is important to note that if the local government uses a consultant or agency to assist in finding applicants, they will require an employment agent licence under the *Employment Agents Act 1976* (WA).

A good independent human resources consultant will bring expertise, an objective perspective and additional human resources to what is a complex and time-consuming process. Given the time and effort involved in finding a competent CEO, and the cost of recruiting an unsuitable CEO, there can be a good business case for spending money on a human resources consultant.

If a decision is made to engage an independent human resources consultant, it is imperative that the council maintains a high level of involvement in the process and enters into a formal agreement (contract) with them. In order to manage the contract efficiently, and ensure an effective outcome, regular contact with the consultant is required during the recruitment process. As with any contractor engagement, the local government must ensure their procurement and tender processes comply with the Act and the procurement policy of the local government.

Council's responsibilities

A human resources consultant cannot undertake the tasks for which the council is solely responsible. An independent consultant cannot and should not be asked to:

- Conduct interviews: This should be done by the selection panel. However, council may decide to interview applicants recommended by the selection panel. A consultant can provide support with interviews, providing advice on the recruitment and selection process and writing up recommendations. The consultant may also arrange referee reports and checks of applicants.
- Make the decision about who to appoint to the position of CEO: Only the council can make this decision, drawing upon advice from the selection panel.
- Negotiate the terms and conditions of employment: Noting that the consultant should be able to provide advice on remuneration constraints and other terms and conditions.

Creating Diversity

In order to ensure all applicants are given an equal opportunity for success, selection methods need to be consistent and objective. In a structured interview, each applicant should have the opportunity to answer the same primary questions with follow-up questions used to illicit further detail or clarification. Behavioural-based interview

questions are objective and gauge the applicants' suitability, reducing biases in assessment (see examples below).

Basing a selection decision on the results of a number of selection methods can help to reduce procedural shortcomings and ensure the best applicant is chosen. Psychometric, ability and aptitude testing are considered to be valid, reliable and objective. While applicants with extensive experience and reputable education may appear to be more qualified, an objective assessment of each person's ability and personal traits can help to provide a clearer picture of the applicant.

Where possible, it is recommended that local governments ensure diversity on the selection panel. This may be achieved by ensuring gender, ethnicity, age and experiential diversity is represented on the panel. Diversity is also a consideration when selecting an independent person for the selection panel, particularly where there is a lack of diversity on the council. A diverse selection panel will assist in making quality decisions regarding suitable applicants.

Individuals are often unaware of biases they may have. For this reason, it is helpful for the selection panel to undertake training about unconscious biases. Awareness of unconscious biases assists individuals in preventing those biases from interfering in their decision making. For example, if there are considerable discrepancies in the assessment scores between two panel members, discussion will be required to ensure bias has not influenced these scores. Allowing team members to acknowledge and recognise prejudices is essential to managing those biases. The following biases should be addressed:

- "Similar-to-me" effect - if interviewers share the same characteristics with the applicants or view those characteristics positively, they are more likely to score them highly;
- "Halo" effect – interviewers may let one quality (such as race, gender, looks, accent, experience, etc.) positively or negatively affect the assessment of the applicant's other characteristics.

Due Diligence

It is essential that the local government ensures that the necessary due diligence is undertaken to verify an applicant's qualifications, experience and demonstrated performance. This includes:

- verifying an applicant's qualifications such as university degrees and training certificates;
- verifying the applicant's claims (in relation to the applicant's character, details of work experience, skills and performance) by contacting the applicant's referees. Referee reports should be in writing in the form of a written report, or recorded and verified by the referee;
- requesting that an applicant obtains a national police clearance as part of the application process; and
- ensuring no conflicts of interests arise by looking to outside interests such as board membership and secondary employment.

A council may wish to contact a person who is not listed as an applicant's referee,

such as a previous employer. This may be useful in obtaining further information regarding an applicant's character and work experience, and verifying related claims. The applicant should be advised of this and be able to provide written comments to the council.

A search of social media and whether an applicant has an online presence may also assist in identifying potential issues. For example, an applicant may have expressed views which are in conflict with the local government's values. This should be made clear in the application information. To ensure the integrity of the recruitment process, a council must act collectively when performing due diligence.

Selection

Once the application period closes, the selection panel, or consultant on behalf of the selection panel, must assess applications and identify a shortlist of applicants to be interviewed.

In shortlisting applicants for the interview phase, the selection panel should consider the transferable skills of applicants and how these would be of value in the role of CEO. The selection panel should not overlook applicants who do not have experience working in the local government sector.

It is important that the assessment process is consistent for all applicants. For example, each applicant is asked the same interview questions which are related to the selection criteria and each are provided with the same information and undertake the same assessments.

Elected members should declare any previous association with an applicant or any potential conflict of interest at the time of shortlisting if they are part of the selection panel. Similarly, if the interviews involve the full council, the elected member should make an appropriate declaration before the interviews commence. If the potential conflict of interest is significant or a member's relationship with an applicant may result in claims of nepotism, patronage or bias, the council may need to consider whether to exclude the elected member from the process. The decision should be documented and recorded for future reference.

Selecting an applicant should be based on merit; that is, choosing an applicant that is best suited to the requirements of the position and the needs of the local government. This involves the consideration and assessment of applicants' skills, knowledge, qualifications and experience against the selection criteria required for the role. As part of the selection process, a council may consider it appropriate for each of the preferred candidates to do a presentation to council.

The appointment decision by the council should be based on the assessment of all measures used, including:

- assessment technique(s) used (e.g. interview performance);
- quality of application;
- referee reports;
- verification and sighting of formal qualifications and other claims provided by the applicant; and
- other vetting assessments used (e.g. police checks, integrity checks, etc.).

Employment contract

In preparing the CEO's employment contract, the council must ensure the contract includes the necessary provisions required under section 5.39 of the Act and associated regulations.

Section 5.39 of the Act provides that a CEO's employment contract must not be for a term exceeding five years. The term of a contract for an acting or temporary position cannot exceed one year.

Further, the employment contract is of no effect unless it contains:

- the expiry date of the contract;
- the performance review criteria; and
- as prescribed under regulation 18B of the Administration Regulations, the maximum amount of money (or a method of calculating such an amount) to which the CEO is to be entitled if the contract is terminated before the expiry date. The amount is not to exceed whichever is the lesser of:
 - the value of one year's remuneration under the contract; or
 - the value of the remuneration that the CEO would have been entitled to, had the contract not been terminated.

It is recommended that the council seeks independent legal advice to ensure that the contract is lawful and able to be enforced. In particular, advice should be sought if there is any doubt as to the meaning of the provisions of the contract.

Councils should be aware that CEO remuneration is determined by the Salaries and Allowances Tribunal and the remuneration package may not fall outside the band applicable to the particular local government.

The CEO's employment contract should clearly outline grounds for termination and the termination process in accordance with the standards in regulations.

The council of the local government must approve, by absolute majority, the employment contract and the person they appoint as CEO.

Appointment

A decision to make an offer of employment to a preferred applicant must be made by an absolute majority of council. If the preferred applicant accepts the offer and the proposed terms of the contract without negotiation, there is no further requirement for council to endorse the applicant and the contract. However, if there is a process of negotiation to finalise the terms and conditions of the contract, council is required to endorse the appointment and approve the CEO's employment contract by absolute majority. In both instances, the employment contract must be signed by all parties.

The council should notify both the successful individual and the remaining unsuccessful applicants as soon as possible before publicly announcing the CEO appointment.

The successful applicant should not commence duties with the local government as CEO until the employment contract has been signed.

The unsuccessful applicants (including those not interviewed) should be notified of the outcome of their application. It is recommended that the local government creates a template letter for unsuccessful applicants that can be easily personalised with the applicants' details and sent out quickly.

The council should keep a record of their assessment of the unsuccessful applicant(s) and provide the unsuccessful applicant(s) with the opportunity to receive feedback on their application, or interview performance if they were granted an interview. Should an unsuccessful applicant request feedback, it is recommended that a member of the selection panel provides this. If a recruitment consultant is used, they may undertake this task.

Confidentiality

The local government should ensure that all information produced or obtained during the recruitment and selection process is kept confidential. This includes applicants' personal details, assessment details, the selection report and outcome of the process. This ensures privacy requirements are met and maintains the integrity of the process. It is recommended that selection panel members and councillors sign a confidentiality agreement to ensure that they are aware of their obligations.

CEO induction

Local governments should ensure that they provide the CEO with all of the necessary information on the local government's processes, policies, procedures and systems at the commencement of the CEO's employment.

New CEOs are eligible to participate in the Local Government CEO Support Program which is a joint initiative of the Department and LG Pro to provide mentoring and general support to those appointed to the position of CEO in a local government for the first time. The program runs for six to nine months from the time a CEO is appointed and involves the CEO being matched with a mentor that best meets their needs.

The program provides the CEO with an opportunity (through meetings and on-going correspondence) to discuss a wide range of issues with their appointed mentor in the strictest confidence. The program is aimed at addressing the individual needs of the CEO. Examples of issues that may be covered include the following:

- Role of the CEO
- Governance
- Strategic and long-term planning
- Legislative framework
- Relationships and dealing with council members
- Risk management
- Resource management
- Managing the business of Council
- Family considerations

Part 2 – Performance Review

Principles

The standards regarding CEO performance review are based on the principles of fairness, integrity and impartiality.

Performance Review Standards

The minimum standard for performance review will be met if:

- S2.1** Performance criteria is specific, relevant, measurable, achievable and time-based.
- S2.2** The performance criteria and the performance process are recorded in a written document, negotiated with and agreed upon by the CEO and council.
- S2.3** The CEO is informed about how their performance will be assessed and managed and the results of their performance assessment.
- S2.4** The collection of evidence regarding performance outcomes is thorough and comprehensive.
- S2.5** Assessment is made free from bias and based on the CEO's achievements against documented performance criteria, and decisions and actions are impartial and transparent.
- S2.6** The council has endorsed the performance review assessment by absolute majority.

Guidelines

Section 5.38 of the Act provides that, for a CEO who is employed for a term of more than one year, the performance of a CEO is to be reviewed formally at least once in every year of their employment.

In addition to this minimum requirement, it is recommended that the council engages in regular discussions with the CEO regarding their performance against the performance criteria, including progress and ways that the CEO can be supported. Any changes to the CEO's performance agreement such as changes to the performance criteria should also be discussed, and agreed to, between the council and the CEO, as the matter arises.

Employment contract and performance agreement

Section 5.39, of the Act requires the employment contract to specify the performance criteria for the purpose of reviewing the CEO's performance. This will include ongoing permanent performance criteria. A local government may wish to have a separate additional document called a "performance agreement" which includes the

performance review criteria in the employment contract, additional criteria (e.g. the performance indicators in relation to specific projects) and how the criteria will be assessed. The performance agreement should be negotiated and agreed upon by the CEO and the council. The performance agreement may also set out the CEO's professional development goals and outline a plan to achieve these goals.

Performance Criteria

Setting the performance criteria is an important step. One of the CEO's key responsibilities is to oversee the implementation of council's strategic direction, and so it is important to align the CEO's performance criteria to the goals contained in the council's Strategic Community Plan and Corporate Business Plan. Accordingly, as these plans are updated, the CEO's performance criteria should be updated to reflect the changes.

In leading the administrative arm of a local government, the CEO is responsible for undertaking core tasks, the achievement of which will contribute to the effectiveness of the council. It is important that the outcomes associated with these tasks are measurable and clearly defined. These could be in relation to:

- service delivery targets from the council's Strategic Community Plan;
- budget compliance;
- organisational capability;
- operational and project management;
- financial performance and asset management;
- timeliness and accuracy of information and advice to councillors;
- implementation of council resolutions;
- management of organisational risks;
- leadership (including conduct and behaviour) and human resource management; and
- stakeholder management and satisfaction.

Performance criteria should focus on the priorities of the council and, if appropriate, can be assigned priority weighting in percentages. The council and CEO should set goals related to target outcomes for future achievement in the performance criteria. Goals should be specific, measurable, achievable, relevant and time-based.

Following the determination of the performance criteria and goals, the council will need to determine how to measure the outcomes of each criteria. It is important to relate performance indicators to the selection criteria used in selecting the CEO. For example, if the CEO has been selected due to their financial experience and ability to improve the local government's finances, indicators regarding improved revenue and reduced expenses are obvious starting points.

Considering the context within which the local government is operating is important. For example, if a significant financial event occurs, such as a downturn in the economy, financial performance indicators will likely need to be adjusted. It is important that such contextual factors are given appropriate weighting and that goals are flexible to allow regular adjustment. Adjustments may be initiated by either the CEO or the council. Councils need to be realistic in terms of their expectations of a CEO's performance and provide appropriate resources and support to facilitate the

achievement of performance criteria.

Performance review panel

It is recommended that the council delegates the CEO performance review to a panel (e.g. comprising certain council members and an independent observer). The panel has a duty to gather as much evidence as possible upon which to base their assessments. The role of the review panel includes developing the performance agreement in the first instance, conducting the performance review and reporting on the findings and recommendations of the review to council. It is also recommended that council develop a policy to guide the performance review process. A policy might include the composition of the panel, primary functions, the role and appointment of an independent consultant, and the responsibilities of review panel members.

Independent consultant

If a council lacks the resources and expertise to meet the expected standard of performance review, the council should engage an external facilitator to assist with the process of performance appraisal and the development of the performance agreement. The local government should ensure that the consultant has experience in performance review and, if possible, experience in local government or dealing with the performance review of senior executives. The consultant should not have any interest in, or relationship with, the council or the CEO.

With guidance from the performance review panel, a consultant can facilitate the following tasks:

- setting performance criteria;
- preparing the performance agreement;
- collecting performance evidence;
- writing the performance appraisal report;
- facilitating meetings between the performance review panel;
- assisting with the provision of feedback to the CEO;
- formulating plans to support improvement (if necessary); and
- providing an objective view regarding any performance management-related matters between the concerned parties.

Assessing performance

It is a requirement of the regulations that the process by which the CEO's performance will be reviewed is documented and agreed to by both parties. Council and the CEO must also agree on any performance criteria that is in addition to what is specified in the CEO's contract of employment. The option to include additional criteria for performance review purposes by agreement provides a degree of flexibility for both parties in response to changing circumstances and priorities.

It is essential that CEO performance is measured in an objective manner against the performance criteria alone. It is important that reviews are impartial and not skewed by personal relationships between the review panel and the CEO. Close personal relationships between the panel members and the CEO can be just as problematic as extremely poor relationships. Evidence of CEO performance may come from an array of sources, many of which the CEO themselves can and should provide to the

council as part of regular reporting. These sources include:

- achievement of key business outcomes;
- interactions with the council and progress that has been made towards implementing the council's strategic vision;
- audit and risk committee reports;
- workforce metrics (e.g. the average time to fill vacancies, retention rate, information about why people leave the organisation and staff absence rate);
- incident reports (e.g. results of occupational health and safety assessments, the number and nature of occupational health and safety incident reports, and the number and nature of staff grievances);
- organisational survey results;
- relationships (e.g. with relevant organisations, stakeholder groups, and professional networks); and
- insights from key stakeholders (this could be done by way of a survey to obtain stakeholder input).

It is important that, in addition to looking at the achievement of key performance indicators (KPIs), the council considers the following:

- How the CEO has achieved the outcomes. In particular, whether or not their methods are acceptable and sustainable.
- The extent to which current performance is contingent upon current circumstances. Has the CEO demonstrated skills and behaviours to address and manage changes in circumstances which have affected his or her performance? (for example, the impact of COVID-19.)
- What the CEO has done to ensure the wellbeing of staff and to maintain trust in the local government.

The council should consider the attention the CEO has given to ensuring equal employment opportunity, occupational health and safety, privacy, managing potential conflicts of interest, and complying with procurement process requirements.

Addressing performance issues

Once the CEO's performance has been assessed, it is essential that any areas requiring attention or improvement are identified, discussed with the CEO and a plan is agreed and put in place to address these. The plan should outline the actions to be taken, who is responsible for the actions and an agreed timeframe.

The performance review panel must decide on an appropriate course of action that will address the performance issue. This may include professional development courses, training, counselling, mediation, mentoring or developing new work routines to ensure specific areas are not neglected. The performance review panel should then arrange for regular discussion and ongoing feedback on the identified performance issues, ensuring improvements are being made.

It is important to keep in mind that a local government falling short of its goals is not always attributable to the CEO. External factors may have resulted in initial performance expectations becoming unrealistic. Failure to meet performance criteria does not necessarily mean the CEO has performed poorly and, for this reason,

performance and outcome should be considered separately. Where ongoing issues have been identified, the council will need to take a constructive approach and seek to develop the CEO's competency in that area.

While there are obligations on the council to manage the CEO in regard to their performance, when it extends into potential wrongdoing (misconduct), the council should be referring the matter to the Public Sector Commission or Corruption and Crime Commission. This provides an independent process to follow and ensures probity, natural justice and oversight of allegations.

Confidentiality

The council must ensure that accurate and comprehensive records of the performance management process are created. Any information produced must be kept confidential.

Part 3 – Termination

Principles

The standards for the termination of a local government CEO's employment (other than for reasons such as voluntary resignation or retirement) are based on the principles of fairness and transparency. Procedural fairness is a principle of common law regarding the proper and fair procedure that should apply when a decision is made that may adversely impact upon a person's rights or interests.

Termination Standards

The minimum standards for the termination of a CEO's contract will be met if:

- S3.1** Decisions are based on assessment of the CEO's performance as measured against the documented performance criteria in the CEO's contract.
- S3.2** Performance issues have been identified as part a performance review (conducted within the preceding 12 months) and the CEO has been informed of the issues. The council has given the CEO a reasonable opportunity to improve and implement a plan to remedy the performance issues, but the CEO has not subsequently remedied these issues to the satisfaction of the local government.
- S3.3** The principle of procedural fairness is applied. The CEO is informed of their rights, entitlements and responsibilities in the termination process. This includes the CEO being provided with notice of any allegations against them, given a reasonable opportunity to respond to those allegations or decisions affecting them, and their response is genuinely considered.
- S3.4** Decisions are impartial and transparent.
- S3.5** The council of the local government has endorsed the termination by absolute majority.
- S3.6** The required notice of termination (which outlines the reasons for termination) is provided in writing.

Guidelines

Reasons for termination

The early termination of a CEO's employment may end due to:

- poor performance;
- misconduct; or
- non-performance or repudiation of contract terms.

There is a difference between poor performance and serious misconduct. Poor performance is defined as an employee not meeting the required performance criteria or demonstrating unacceptable conduct and behaviour at work, it includes:

- not carrying out their work to the required standard or not doing their job at all;
- not following workplace policies, rules or procedures;
- unacceptable conduct and behaviour at work;
- disruptive or negative behaviour at work;
- not meeting the performance criteria set out in the employment contract and/or performance agreement unless these are outside the CEO's control;
- not complying with an agreed plan to address performance issues;
- failing to comply with the provisions of the *Local Government Act 1995* and other relevant legislation;
- failing to follow council endorsed policies.

Serious misconduct can include when an employee:

- causes serious and imminent risk to the health and safety of another person or to the reputation or revenue of the local government; or
- behaves unlawfully or corruptly; or
- deliberately behaves in a way that's inconsistent with continuing their employment.

Examples of serious misconduct can include:

- matters arising under section 4(a), (b) and (c) of the *Corruption, Crime and Misconduct Act 2003*;
- theft;
- fraud;
- assault;
- falsification of records;
- being under the influence of drugs or alcohol at work; or
- refusing to carry out appropriate and lawful resolutions of council.

Misconduct is also defined in section 4 of the *Corruption, Crime and Misconduct Act 2003* (WA). Under this Act, misconduct can be either serious or minor and the obligation to notify the Public Sector Commission (PSC) or the Corruption and Crime Commission (CCC) is paramount.

Termination on the basis of misconduct is covered by employment law. A local government should seek independent legal, employment or industrial relations advice prior to a termination. A council should also seek independent advice during the termination process including advice on the relevant employment legislation affecting CEO employment and the application of that legislation to their specific circumstances. This will ensure that a council complies with employment law during the entire termination process.

A local government is required to endorse the decision to terminate a CEO's employment by way of an absolute majority decision. A local government must certify that the termination was in accordance with the adopted standards in regulations.

Opportunity to improve and mediation

If a CEO is deemed to have been performing poorly, the council must be transparent and inform the CEO of this. It is important that the CEO is given an opportunity to remedy the issues within a reasonable timeframe as agreed between the CEO and the council. The council should clearly outline the areas in need of improvement, and with the CEO's input, determine a plan to address any issues. If a plan for improvement is put in place and the CEO's performance remains poor, then termination may be necessary. If a local government decides to terminate the employment of the CEO it must have conducted a performance review in the previous 12 months in accordance with section 5.38 of the Act.

Where the concerns or issues relate to problematic working relationships or dysfunctional behaviour, it is recommended that a council engages an independent accredited mediator to conduct a mediation between the parties. A mediation session may be useful in assisting parties to understand and address issues before the situation escalates to a breakdown in the working relationship (which affects the ability of the CEO to effectively perform their duties) and the subsequent termination of the CEO's employment.

Termination report

The council should prepare a termination report which outlines the reasons for termination, the opportunities and assistance provided to the CEO to remedy any issues, and an explanation of the CEO's failure to do so. Council must provide prior opportunities and support to the CEO to assist them in remedying the issues which form the basis of the termination. It is a requirement of the regulations that council must provide written notice to the CEO outlining the reasons for their decision to terminate. In addition, council must certify that the termination of the CEO's employment was carried out in accordance with the standards set out in regulations.

Confidentiality

Local governments should ensure that the termination process is kept confidential. The CEO is to be informed of their rights and entitlements. Notice of termination of employment is required to be given in writing. Where possible, the news of termination of employment should also be delivered in person. The CEO should be provided with a letter outlining the reasons for, and date of, the termination of their employment.

Before making any public announcements on the termination of the CEO, a council should ensure that the entire termination process is complete, including that the CEO has been informed in writing of the termination.

Disclaimer

It is outside the scope of these guidelines to provide legal advice, and local governments should seek their own legal advice where necessary. Guidance as to legal requirements and compliance in relation to the termination of employment is provided by the Fair Work Commission at www.fwc.gov.au, the Fair Work Ombudsman at www.fairwork.gov.au and the Western Australian Industrial Relations Commission at www.wairc.wa.gov.au.

12.4 Recording of Council Meetings

Submission To:	Ordinary Council Meeting 27 April 2021
Report Date:	9 April 2021
Applicant:	Shire of Beverley
File Reference:	ADM 0101
Author and Position:	S.P. Gollan, Chief Executive Officer
Previously Before Council:	23 March 2021
Disclosure(s) Of Interest:	Nil
Attachments:	Nil

SUMMARY

Council to consider the purchase and installation of audio equipment to record Council Meetings held in the Council Chambers at 136 Vincent Street, Beverley.

BACKGROUND

At the 23 March 2021 Ordinary Council meeting, it was resolved:

That Council instruct staff to investigate and report on the installation of appropriate equipment to record Council meetings in the Council Chambers. The report, to be received by the Ordinary May 2021 Council Meeting, is to include budget and proposed policy.

The costs are provided below. A policy will be presented if Council decide to go ahead with purchase and installation.

COMMENT

Several equipment quotes were sought which ranged from \$17,500.00 to \$24,100.00. The quotes allow for audio discussion, plus live streaming. \$2,900.00 is also required to enable our website to host the audio or streaming function.

A number of West Australian local governments currently live stream their ordinary meetings including Capel, Yilgarn, Wongan Hills, Mundaring, Broome, Swan, Bunbury, Port Hedland, Vincent, Geraldton and Toodyay.

A number of Council have audio only recordings (no vision) including Donnybrook, Esperance and Harvey.

There is no legislative requirement to record Council meetings in either in audio or visual format.

Audio recordings would provide accuracy for meeting minutes.

In regards to our Shire, Council may wish to take into consideration the following factors:

- Internet/NBN Connection – may not always be strong enough for live streaming.
- Councillor Participation – will live streaming encourage or deter community members to run for Council?

- Community Participation and engagement - live streaming has been introduced by other Councils to try and further engage the community or allow community members to see the meetings after they occur if they cannot attend at the meeting time.

Council may consider making a budget allocation of \$27,000.00 in the 2021/22 draft budget preparation and deliberations as it appeared that Council was divided on the initial matter when it was raised in March 2021. A budget allowance will enable Councillors further time to research and view other Shires progress with live streaming.

Management also suggest that if Council do decide to go ahead, either now or during 2021/22, it first trial the audio recordings for two meetings, then trial the live streaming in-house for two meetings before going completely live on the internet. This will allow staff to assess the internet coverage and iron out any technical issues. It will also give all Councillors time to adjust to the changes.

STATUTORY ENVIRONMENT

Local Government Act 1995 and Local Government (Administration) Regulations 1995.

State Records Act 2000.

There is currently no legislative requirement to record Council meetings.

CONSULTATION

Not applicable

FINANCIAL IMPLICATIONS

Draft 2021/22 Budget \$27,000.00

STRATEGIC IMPLICATIONS

Goal 12 - Council leads the organisation and engages with the community in an accountable and professional manner.

POLICY IMPLICATIONS

New Policy would be required.

RISK IMPLICATIONS

Low (4) – There is low risk by installing or not installing recording equipment.

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

Risk Rating	Action
Low	Monitor for ongoing improvement.
Medium	Comply with risk reduction measures to keep risk as low as reasonably practical.
High	Review the risk and take additional measures to ensure risk is low as reasonably achievable.
Severe	Unacceptable risk level, reduction measures must be introduced before proceeding.

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That Council consider the implementation of audio recording and live streaming and determine an appropriate course of action.

M15/0421

Moved Cr Martin

Seconded Cr Lawlor

That Council consider the implementation of audio recording and live streaming and determine an appropriate course of action.

AMENDMENT and COUNCIL RESOLUTION

M16/0421

Moved Cr McLaughlin

Seconded Cr Seed

That Item 12.4 be referred back to administration for further investigation and costing of audio only recording.

CARRIED 5/3

The amendment was put and CARRIED 5/3.

12.5 Avondale Farm Machinery Museum

Submission To:	Ordinary Council Meeting April 2021
Report Date:	19 April 2021
Applicant:	N/A
File Reference:	ADM 0554
Author and Position:	A. Waight, Project Officer
Previously Before Council:	N/A
Disclosure(s) Of Interest:	N/A
Attachments:	Avondale Farm Machinery Collection – Interim Report (150Square)

SUMMARY

Council to consider the future of the Avondale Farm Machinery Museum as per the report presented by 150Square and the options presented within in the report.

BACKGROUND

The Avondale Farm Machinery Museum has been closed to the public since 2019 due to declining volunteer numbers, safety of visitors, volunteers, and insurance compliances. During this time Administration staff have been working on different ways to move forward with the Museum and request that Council make a formal decision on the future of the Avondale Farm Machinery Museum as per the options presented by Caroline Robinson's report in December 2020.

COMMENT

Since the closure of the Museum, Council staff have explored several options and engaged in a consultant to assist with the future direction of the machinery museum.

As presented at the December 2020 Council Meeting, Caroline Robinson from 150Square developed a report and recommendations to Council for the future of the Avondale Machinery Museum.

To move forward with this project Council are asked to consider the three options presented in Caroline's report (attached) with a fourth option being to disband the Museum and the collection. It is also asked for Council to consider the long-term viability of the museum with minimal and declining volunteers (2-3 people current), management costs as per proposal from National Trust WA \$35,000.00 per year, financial implications of resolving the insurance issues on a building that is not a Council asset.

Since the closure of the museum in 2019, Shire staff have received little to no enquiries about Avondale or the museum. The two or three volunteers who attend the museum monthly are the only volunteer base the museum has.

STATUTORY ENVIRONMENT

N/A

CONSULTATION

S Gollan – Chief Executive Officer
A Waight – Project Officer

National Trust of Western Australia
Caroline Robinson – 150 Square

FINANCIAL IMPLICATIONS

Annual contribution to the management of Avondale Machinery Museum approximately \$35,000.00 - \$50,000.00 with further financial implications on ensuring building compliance and or new infrastructure.

STRATEGIC IMPLICATIONS

Goal 2 – Community infrastructure of significance, economic value and history adds value to our identity.

POLICY IMPLICATIONS

C017- Avondale Agricultural Museum Collection Policy

RISK IMPLICATIONS

Medium Risk – Comply with risk reduction measurements to keep risk as low as reasonably practical.

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

Risk Rating	Action
Low	Monitor for ongoing improvement.
Medium	Comply with risk reduction measures to keep risk as low as reasonably practical.
High	Review the risk and take additional measures to ensure risk is low as reasonably achievable.
Severe	Unacceptable risk level, reduction measures must be introduced before proceeding.

VOTING REQUIREMENTS

Simple Majority

OFFICER’S RECOMMENDATION

That Council consider the report presented by 150Square and determine an appropriate course of action for the Avondale Machinery Museum.

M17/0421

Moved Cr Gogol

Seconded Cr Pepper

That Council consider the report presented by 150Square and determine an appropriate course of action for the Avondale Machinery Museum.

AMENDMENT and COUNCIL RESOLUTION

M18/0421

Moved Cr McLaughlin

Seconded Cr Gogol

That Council;

- 1. receive the report presented by 150Square;**
- 2. advertise the report for public comment;**
- 3. perform a walk around with the museum volunteers, LGIS and Councillors to address the LGIS Report; and**
- 4. present public comments for Council's consideration.**

CARRIED 8/0

The amendment was put and CARRIED 8/0

Attachment 12.5



AVONDALE FARM MACHINERY COLLECTION
Shire of Beverley
INTERIM REPORT TO COUNCIL



Submitted by
Caroline Robinson
150 Square
M 0403 225 900
E caroline@150square.com.au

10 December 2020



Avondale Farm Machinery Collection

Interim Report to Council

December 2020

1. Background

The Avondale Farm Machinery Collection (AFMC) is located at Avondale Farm, in the Shire of Beverley. Avondale Farm is a 710ha property located 6kms west of the Beverley town site on Waterhatch Road.

The original Avondale Farm Machinery Collection was comprised of items donated by farmers from around the state for the sesquicentenary celebration in 1979. The exhibition concentrated on items of technological significance much of which was restored by the Department of Agriculture workshops. The collection was specifically put together to represent the historical equipment of all the processes in agricultural production and therefore tells the story of the development of farming in the Western Australian Wheatbelt.

The original museum building was constructed to house the donated farm machinery. The building was extended in the early 2000's to house the growing collection that represents some of Western Australia's agricultural machinery dating back to the 1850's.

The Shire of Beverley took over the collection from the Department of Agriculture and Food in 2008 at the same time the management of Avondale Farm was transferred to the National Trust of WA.

Current Situation

AFMC is located at Avondale Farm. The farm comprises 520ha arable farming land and 180ha non arable land comprising a bush reserve (53.5ha), rocky grazing, treed water courses and a built heritage precinct.

Currently the AFMC is housed in a volunteer run museum. The collection is owned by the Shire and is located in a large shed at Avondale Farm leased by the Shire of Beverley from the National Trust. This current situation presents a number of challenges, including:

- Access issues to the AFMC
 - AFMC is located on National Trust land which presents access issues and degrees of compliance
 - Gates to Avondale Farm are regularly closed to visitors and hence the collection
 - There are still outstanding work orders over parts of the museum building which have not been addressed (see *Avondale Farm Agricultural Machinery Museum – Hazard and Risk Assessment*)
 - Visiting the collection needs to be supervised (occupational health and safety around machinery)
 - Significantly reduced opening hours to the museum (by appointment or when a museum volunteer is on site which is irregular)
- Income generating opportunities to maintain and enhance the collection are limited for the museum volunteers with land around the farm leased to a private entity to crop (the museum volunteers used to have access to this land for cropping income and demonstrations). The loss of this income generation has hindered progress of the



collection and museum building (collection conservation, further developments on site etc). Future activities of this nature may require Shire DHS consideration.

2. Methodology

150Square was engaged by the Shire of Beverley to assist in the development of an attraction that is easily accessible all year round and that showcases agricultural machinery through time from the area. The Shire of Beverley seeks a collection and museum that can be easily managed and maintained as volunteer numbers are ageing and declining.

Initially the Shire of Beverley's objective was to develop a feasibility study on the future of the museum and how it will look going forward. With the following key questions answered:

1. Is the museum going to work long term in its current location?
2. Is it possible to move collection to town CBD and condense to area specific?

The intended objective will be achieved in the medium term future however 150Square suggested to the Shire that the project be broken up as follows:

Stage 1: Initial Community Consultation

Facilitate an open community consultation session (completed) and contact with key stakeholders and museum volunteers (completed). Collate ideas and information for presentation to Council (this report). This would then lead into more community consultation about preferred locations for the AFMC.

Stage 2: Management and Activation of Avondale Farm Machinery Collection

Plan for activation and a plan for the long-term management of the collection.

The purpose of this report is to *address questions and challenges* around the Avondale Farm Machinery Collection and present *key considerations for the future successful activation* of the collection to the Shire of Beverley.

It includes background information and assessment, case studies and workshop notes.

3. Purpose of the Avondale Farm Machinery Collection

Extract from 3.17 Avondale Agricultural Museum Collection Policy (Shire of Beverley)

The purpose of the Avondale Agricultural Museum Collection is to tell the story of the mechanisation and innovation in farming in the Western Australian Wheatbelt region from the early 1850's to 1979. The Museum aims to provide an educational and tourism experience that is complementary to the interpretation of 'Avondale Farm' which tells the story of the development of Agriculture in WA, intertwining early European settlement, the culture and traditions of the Ballarding Aboriginal people and the natural environment.

The Museum will incorporate objects, history and stories associated with the development of Agriculture in Western Australia, the history of Avondale Farm and the significant contribution made to Agriculture from the research carried out at Avondale.

Upon review of this collections policy the following is noted:

- *The purpose of the Avondale Agricultural Museum Collection is to tell the story of the mechanisation and innovation in farming in the Western Australian Wheatbelt region from the early 1850's to 1979. The collection displays mechanisation and innovation in farming in the WA Wheatbelt but is limited in its ability to 'tell the story' with minimal*



interpretation attached to the machinery and innovations; significantly reduced opening hours and access issues.

- *The Museum aims to provide an educational and tourism experience that is complementary to the interpretation of 'Avondale Farm' which tells the story of the development of Agriculture in WA, intertwining early European settlement, the culture and traditions of the Ballardong Aboriginal people and the natural environment. The Museum whilst on Avondale Farm, has now very limited educational and tourism experiences that is complementary to the interpretation of Avondale Farm (mainly due to access issues – in the past Avondale Farm has been an activated space with regular events and celebrations). Again the museum and collection is limited in its story telling and visitor experiences of agriculture development in WA, European settlement and the culture and traditions of the Ballardong Aboriginal people. In 2021 there is the proposed development of a Noongar Bush Tucker centre however it is unclear what implications this will have on the collection and museum.*

4. The 'Museums Experience' in Beverley

Currently there are four museums in Beverley, each at various levels of collections management and interpretation. The museums have varying access and are also open at different times. Below is a diagram demonstrating the current collection connection between the four museums.





Opening Hours of Beverley Museums:

	MON	TUE	WED	THUR	FRI	SAT	SUN	P/H
Fergusons	Private / appointment only							
Beverley	8.30am – 4pm	8.30am – 4pm	8.30am – 4pm	8.30am – 4pm	8.30am – 4pm			
Aeronautical	4pm	– 4pm	– 4pm	– 4pm	– 4pm			
Dead Finish	Appointment only						March – Nov	
AFMC	Appointment only							

The Shire of Beverley should consider how the AFMC ‘fits’ into the museum experience in Beverley and enhances the visitor experience with the ultimate goal being extending the stay of visitors and tourists.

As can be seen above, local, visitor and tourist access to each of the collections is limited and is often dependent on the availability and capacity of volunteers / owners. **For a collection or museum to deliver impact to a community it must be accessible.**

Providing inclusive and appropriate access to collections is one of the primary goals of a museum.

It is quite common to focus on the physical aspects of access – getting into and moving around the building – and not realise how much broader barriers to access can be. Improving access across a broad range of issues will create a more welcoming environment and lead to greater and more diverse visitation of the collection.¹

Accessibility to a collection includes but is not limited to:

- Regular opening hours
- Easy to locate / find in town
- Accessible and available parking
- Disabled access
- Access to toilet facilities
- Guided or interpretative tours, sensory experiences

5. Audience of the Avondale Farm Machinery Collection

Below is a summary of the audience the AFMC is currently attracting and the possible audience it could attract in an improved space.

Current Audience (Museum Evaluation 2017)	Desired Audience
Locals (Beverley)	Locals (Beverley)
Visitors to Beverley: CALD	Wheatbelt residents, families, farmers
	Visitors to Beverley, families, retired experience seekers, CALD, metro based
	School aged children
	International visitors

¹Introduction to Access, Museums and Galleries NSW, 2020



6. Collection Location Assessment

The following is a high level review of the current location of the collection and other location options for the Shire of Beverley to consider

1. Avondale Farm – Museum Shed (current location)

Benefits	Costs and Challenges
Connection with historic Avondale Farm	National Trust restrictions on site
Large shed and display area (inc office)	Access to the AFMM (locked entrance gate)
Parking	Requires on site supervision to open AFMM (not a passive museum)
Potential access to demonstration space	Loss of income generation (land)
	Currently a static display
	Isolation of the Museum
	Visitors have to drive out of town to access the AFMM
	Telecommunications black spot

Assessment against accessibility:

Access	Description	Suggestions
Physical and Sensory	Considerations include the needs of those using wheelchairs, parents with prams, as well as elderly and frail people. The major sensory issues are those related to visual and hearing impairment and should consider not simply the size of print or the level of sounds but also visual or acoustic "overload."	<ul style="list-style-type: none"> Poor access for disabled persons (no disabled parking, toilets, dirt floor, entry door etc) Dirt floor can be slippery (falls) Machinery can be touched and machinery can be included in a live demonstration but this is limited No interpretation, guided tours, sounds etc
Cultural	An awareness of the needs and sensitivities of the diverse cultural groups which make up our communities can not only improve the experience of visitors but will lead to more inclusive approaches to collecting and exhibiting	<ul style="list-style-type: none"> Needs improved awareness and sensitivities to the Balladong people as referenced in the Collections Policy
Social	Museums can become unwelcoming and irrelevant to many groups in the community if they ignore the needs of those outside the financial, educational or age brackets identified as the "typical visitor". The choice of exhibition topic, the types of items collected and the manner of working is crucial to including all groups as potential visitors.	<ul style="list-style-type: none"> Currently not achieved as the space to the collection has irregular opening hours Target audience to be defined Visitor experience to be mapped and improved Improved awareness of the collection needs to occur
Intellectual	Complicated language and design used on labels and signage can prevent people with intellectual disabilities from engaging with a	<ul style="list-style-type: none"> Limited engagement due to irregular opening hours



	museum or gallery. Providing a range of ways that visitors can engage with your exhibitions will satisfy their varied needs.	<ul style="list-style-type: none"> Limited engagement styles with the collection Interpretation plan to be developed for the collection
Attitudinal	Providing a welcoming and safe environment is a key component to developing a continued engagement with the community and should include not only the people and facilities at the reception area and in exhibitions but approaches to donors, researchers and others who engage with your organisation	<ul style="list-style-type: none"> Limited engagement due to irregular opening hours Collection is out of town Collection requires supervision No events held National Trust access issues
Financial	While organisations need an income in order to function, developing mechanisms for equitable charges for entry and program attendance can broaden the type of visitor coming to your organisation	<ul style="list-style-type: none"> Limited engagement due to irregular opening hours Free entry Experience is not 'valued' yet Organised tours could be developed Reliance on volunteers Lack of access to income generating opportunities

2. Former CBH Wheat Bin

Currently used by CBH as a workshop and maintenance area for their train sets. Under CBH's Network Strategy the site is due to be relinquished and there is an opportunity for Shire / community ownership and a new location for the collection

Benefits	Costs and Challenges
Large shed and display area in line with agricultural theme	Proximity to working train line (occupational health and safety)
Parking	Works on the site to upgrade it
Potential access to demonstration space	Land opposite may be leased for income generation
Within the CBD	Requires 'gifting' by CBH
	Relocation costs
	Repurposing of the museum building

3. Vacant Land

Vacant land opposite the Dead Finish museum

Benefits	Costs and Challenges
Access within the Beverley town site	Land costs / gifting
New and modern facility	Development applications
Along the main road of Beverley	Infrastructure establishment costs (likely grant application required)



Ample space	Relocation costs
	Purpose of the museum building

7. Alignment to Shire of Beverley Plans

Strategic Community Plan 2017 - 2027

Relevant goals and strategies from the strategic plan:

GOAL 2: Community infrastructure of significance, economic value and history adds value to our identity

2.2 External funding is attracted to Avondale Farm

2.3 Assist in facilitating working relationships between the stakeholders of Avondale Farm and progress towards a model that generates value to the local economy

The Shire of Beverley Tourism Plan 2018-2020 outlines a number of key goals and strategies going forward. Within the plan is the establishment of a Beverley brand which has been achieved and the development of a destination plan. Going forward it would be ideal to use the Beverley brand in the development of the AFMC brand and include the AFMC in the Tourism Plan. The Shire may also review the target audience it is working towards attracting and how the AFMC can help achieve this, and subsequently how it can attract the target markets to Beverley.

8. Principles of Successful Museums

Museums are powerful assets for local development. They can inspire creativity, boost cultural diversity, help local economies, attract visitors and bring revenues. There is also increasing evidence that they can contribute to social cohesion, civic engagement, health and well-being.²

For museums to be these powerful assets they require a dynamic engagement with the public. This dynamic engagement is guided by the following principles, which the Shire of Beverley should consider in any future plans of the AFMM:

- Museums should **classify and arrange their exhibits** with boldness and caution, conscious that a way of arranging knowledge can be illuminating in one era and stultifying in another era,
- Museums should **satisfy curiosity and arouse curiosity**,
- Museums should **educate formally and informally**, and
- Museums should **extend the frontlines of knowledge**.³

Critical Success Factors:

- Access to the Museum is inclusive and appropriate to the collection
- Leadership, role and contribution of local government to the AFMC. Many studies have shown how the attitudes of local government can catalyse or inhibit the potential contribution of museums to local development regardless of the museum's status.

² Culture And Local Development: Maximising The Impact OECD/Icom2019

³ The Piggott Report (1975)



- Ability for the museum volunteers to generate an income for the collection and the space it is located in (beyond patronage to the museum, which is currently free)
- Museums and their collections not being cost prohibitive to maintain and open to the public or on local ratepayers
- Multi organisation collaboration with clearly defined roles and responsibilities



9. Recommendations

In line with Council Policy 3.17 *Avondale Agricultural Museum Collection Policy* the Museum and Collection management is as follows:

- *The Shire of Beverley owns and is responsible for the Avondale Agriculture Museum Collection*
- *Museum governance, future planning and funding will be the responsibility of the Shire of Beverley.*
- *The Shire of Beverley will be responsible for the operations of the Museum in accordance with the policies and procedures of the Museum*

The Shire of Beverley is in line with their authority and capacity as owners and managers of the Avondale Farm Machinery Collection and Museum to receive these recommendations and determine the most appropriate path forward.

In the brief to 150Square the Shire of Beverley sought responses to the following questions:

1. Is the museum going to work long term in its current location?
2. Is it possible to move the collection to town CBD and condense to area specific?

Response

1. 150Square believes the current location of the collection will work long term for a number of reasons:
 - the land is owned by the National Trust which has responsibility for the overall site and preservation of heritage, hence longevity is attached to this,
 - the connection to the historic Avondale Farm is of great value to the visitor and provides an important connection to the collection,
 - the shed is in a relatively good state and is large enough for the collection,
 - the shearing shed in the museum is authentic and adds value to the visitor experience,
 - the basic facilities are there (office space, shed for display, toilets) and there was no outlay by the Shire for the infrastructure development (no loss of capital investment) and
 - there is space for demonstrations of the machinery.
 - Noongar Bush Tucker is proposed at the Farm which will bring additional investment and activation

HOWEVER there are a number of issues that need to be addressed for this location to be successful.

- Discussion and agreement with the National Trust to **'separate' the museum area** (including demonstration space, parking, open space that adds value to the collection experience) **from Avondale Farm** e.g. a gate at the bridge which restricts access to the Farm and limits risk and liability to the National Trust. Agreement that this gate is locked and the entrance gates are open during museum opening hours
- **Development of a Management Plan** (beyond the current Collections Policy) for the Collection which will address the collection management, roles and responsibilities of the Shire, volunteers etc in managing the collection (this also applies if a new location is selected)
- **Financial allocation towards a dedicated 'Resource'** to drive the project forward, improve the collection and assist in the achievement of the collection purpose as well as improved operations, governance and the visitor experience of the collection (this



also applies if a new location is selected. This may be linked to the current Shire of Beverley Tourism Officer role

- **Development of a Visitor Experience Plan** for improved experiences and interpretation of the collection, opening hours, accessibility etc (this also applies if a new location is selected)
- **Improved signage and branding** of the collection to direct traffic to the collection which is out of town (physically, online, at the site etc)
- **Development of a financial plan** forward including income generation, minimal operating costs for the collection and an analysis of operating entities including such structures as a registered charity, NFP etc

2. It is certainly possible to move the collection to the central business district. HOWEVER there are some common issues and challenges present that will still require resolution. Moving the location is not going to resolve challenges around the collections management, opening hours and overall access, income generation for sustainability, decreasing volunteer base etc. Because of this, 150Square makes the following recommendations:

RECOMMENDATION – Commence Stage 1

Using the *National Standards for Australian Museums and Galleries*, the following recommendations are made to the Shire of Beverley as owners of the collection and museum.

Principle A4: The museum is a secure, well-managed facility that presents a positive public image.⁴

The key considerations for the location options are that there is security of tenure, the museum dedicates appropriate spaces to all activities and the location of the museum conserves, maintains, protects and documents its assets. **These are the guiding principles for Council in selecting the most appropriate location for the AFMC**

	Avondale Farm	CBH Wheat bin	Vacant Land
<i>Security of tenure</i>	National Trust	Needs to be granted	Needs to be obtained
<i>Appropriate space for display</i>	Yes	Yes	Needs to be developed
<i>Appropriate space for demonstrations</i>	Yes	Needs to be obtained	Needs to be obtained
<i>Appropriate space for engagement activities</i>	Yes	Yes	Needs to be obtained
<i>Appropriate space for volunteers</i>	Yes but needs upgrade on works orders	Yes but needs upgrade	Needs to be built
<i>Appropriate space for visitors / tourists</i>	Yes but needs upgrade on works orders	Yes but needs upgrade	Needs to be built
<i>Museum conserves, maintains, protects and documents its assets</i>	Protects and maintain – Yes Further work on conserve and document required	To be developed	To be developed

⁴ National Standards for Australian Museums and Galleries 2016



Whichever location is presented to the Beverley community, The Shire of Beverley should have the opportunity to **leverage the power of the AFMC for local economic development**. The Shire of Beverley should have the opportunity to build on the role of the AFMC for **town regeneration and community development** and the AFMC should **support the already culturally aware and creative community of Beverley** to build resources and capacities to take a broader approach to the visitor experience.

150Square recommends to Council the following key activities to select the preferred location of the collection:

1. Council reviews this interim report.
2. Council communicates key information from this report to the community and in particular the AFMC volunteers.
3. Council presents two location options to the community for feedback – Avondale Farm and one other (early 2021). During this activity **it is essential to gain commitment from the community as to how the collection will be open to the public (minimum F,S,S and Public Holidays) and how it will be activated in a realistic manner**.
4. Summary of feedback presented to Council.
5. Council makes a decision on the preferred location of the AFMC and its ongoing management (early 2021).
6. Council leads the project and establishes a terms of reference and a working group led by the Shire that includes Council representation, AFMC volunteers and interested individuals / organisations (that may step up from the community consultation).
7. Council makes a provision in the 2021/22 Budget for Stage 2 of the project.

RECOMMENDATION – Progression to Stage 2

After stage 1 using the *National Standards for Australian Museums and Galleries* the following recommendations are provided to the Shire of Beverley (which is not dependent on a location but needs to be addressed regardless):

Principle A1: The museum has a sound legal and management framework that follows recognised museum ethics and protocols. Specifically:

- Define the roles and responsibilities of the Shire of Beverley and volunteers.
- Work with the volunteers to reinstate the inactive Avondale Project Association Inc. or establish a "task" group with clearly defined Terms of Reference.
- Work towards (not necessary to achieve) compliance with Australian federal, state/territory and local laws, by-laws and regulations (if AFMC remains at Avondale Farm then the work orders need to be budgeted for and addressed).

Principle A2: The museum is effectively managed, sustainable and publicly accountable. Specifically:

- Work with the volunteers to establish a statement of purpose.
- Review the current Collections Policy.
- Develop a Exhibition Policy for the collection.
- Work with the volunteers to establish an operations plan (requires commitment from the Shire and/or volunteers as to how the collection will be actively managed and open in a realistic manner).
- With the volunteers develop a forward plan for the collection and space.
- Develop an annual budget and income generation statement.

Principle A3: The museum manages its workers to make the best use of their skills and knowledge, and to achieve the museum's purpose. Specifically:



- Shire of Beverley considers the employment (dedicated resource that is a conduit between the Shire and AFMC volunteers. The purpose of the position would be to address the recommendations in this report and progress the AFMC forward
- Consideration towards the training needs of volunteers if they are part of the collection management and opening of the collection space to the public

Principle B2: The museum presents its most significant collection items, stories and themes through engaging exhibitions and programs. Specifically

- With the volunteers develop a Visitor Experience Plan
- With the volunteers select significant collection areas, stories or themes to highlight, based on what is most relevant to the AFMC purpose and audiences
- The museum's exhibitions, activities and events are based on sound research and current museological practices

Principle C1: The museum's collection represents the significant stories and interests of its diverse and changing communities. Specifically

- Shire and AFMC volunteers develops its collection to reflect its unique purpose and the significant stories and interests of its diverse and changing communities
- Research into whether the collection is of national significance and as such can attract government funding
- Integrate the AFMC into the Beverley Tourism Plan



Appendices

CASE STUDY 1

Motor Museum of WA – Whiteman Park

History

The Motor Museum of Western Australia was established in 1994 when the Combined Car Club Association of Western Australia in association with the Classic Car Enthusiasts group decided that Western Australia needed a motor museum. Directors of the newly formed Motor Museum of WA undertake significant fundraising to enable the construction of the museum. Director Maurice Brockwell in particular utilised his established business community contacts to raise significant funds. The museum now houses a collection of around 100 privately owned motor vehicles and motoring memorabilia.

Governance

- The Motor Museum of WA is governed by a non-profit trust known as the Motor Museum of WA Trust (Inc). The museum employs one paid Manager, all committee and other staff are volunteers.
- Board of Directors meet regularly as per the requirements of the Australian Charities and Not-for Profits Commission.
- The Museum is a registered charity, so all donations over \$2 are tax deductible.
- Entry fees and sponsors make a significant contribution to the annual income of the museum, though donations and assistance from organisations such as the Council of Motoring Clubs and affiliated car clubs also help.
- Sponsors include the RAC who have a large historical and promotional exhibit within the museum and whose members receive discounts on admission. Shannons (insurance provider for motoring enthusiasts) sponsor the museum with vehicle insurance and Curtin FM runs regular radio advertising for the museum as part of their sponsorship.
- The museum also applies for Lotterywest grants for large one off projects.

Visitor Experience

The key features of the Motor Museum of WA experience are:

- The Motor Museum of Western Australia is open every day except Christmas Day from 10am to 4pm.
- Displays across two pavilions, the first pavilion has a focus on the history of cars through the years. The second pavilion, which was added within the last 5 years, has a focus on sports/muscle/racing cars.
- Large variety of professional displays and motor vehicles of various kinds as well as memorabilia for visitors to enjoy, including the RAC Learning Hub & Exhibit, Daniel Ricciardo's Red Bull F1 Racing Car, Vintage and Goldfields exhibits.
- The museum frequently adds new displays, featuring new cars loaned to the museum.
- The museum is located in Whiteman Park, near to other natural and built tourist attractions. It is surrounded by picnic areas and barbecue facilities, and is on the park's tramline.
- Interactive experiences are offered. These include:



- ❖ A small stationary Peugeot passenger vehicle with the doors removed that kids can play in, they are able to pump its pedals, climb around in it and put their head up through its sun roof
- ❖ An old farm vehicle that looks extremely rusty and decrepit but that visitors can sit in and run

Volunteer Management

- The Manager has obtained a Centrelink identifier for the museum that enables the museum to easily provide approved volunteering hours to people who are required to volunteer as part of receiving income support. Both older and younger volunteers have benefited.
- 50 – 80 volunteers on the books. Some volunteer every week, others every fortnight.
- Volunteers are directly recruited into the organisation (often expressing an interest after visiting) or are drawn from over ninety member car clubs.
- Volunteers don't repair or rebuild vehicles, most volunteer time is spent setting up displays, cleaning vehicles, and cleaning the site for visitors.
- Volunteer coverage during both the week and on weekends has been relatively easy to achieve. Volunteers are able to nominate certain days and times that suit them, and if they can't make a shift on the roster swap with another volunteer.
- Have several volunteers who have volunteered for over 20 years. Extensive tenure is acknowledged on plaques displayed at the museum.
- Volunteers are rewarded by providing a positive happy environment.
- The museum is often asked to display its vehicles at car shows. Volunteers are asked to transport and attend the car show, and some volunteers find this opportunity rewarding.

Challenges

- Earning enough income to cover costs every year. The museum doesn't concern itself too much with making a profit.
- Attracting enough volunteers.
- Lack of public transport to access the museum, but this will change when the train line to Ellenbrook opens.

Benefits

- Location in Whiteman Park which is a visitor attraction in its own right, with other museums in the vicinity, and a tram. Whiteman Park are also very supportive of museums within the park (don't provide financial support but are very keen to retain and promote the museums).

Additional Notes:

- There is also a Tractor Museum in Whiteman Park with a workshop where tractors are restored – this museum is open Monday, Wednesday and weekends.
- The Burbury Geographe Motor Museum might also be worth talking to - just opened on the 11th of October 2020. This museum is run as a non-profit community organisation.



CASE STUDY 2

Hood-Penn Museum Westonia

History

The Hood-Penn Museum in Westonia is predominantly the result of a very large historical collection that was donated to the Shire of Westonia by the Hood-Penn family, who ran the Burscoplin Store. The Shire of Westonia obtained grant funding to assist in building the purpose built museum right next door to the Shire of Westonia offices on the main street of the town, with the museum opening its doors in 2014.

Governance

- The Shire of Westonia has overall responsibility for the Hood-Penn Museum and its management.
- Entry to the museum is via the Shire of Westonia offices, so reception staff at the shire are utilised to open and administer the museum during business hours of Monday to Friday 8am to 4.30pm. The location of the museum is also historically appropriate with the museum building modelled on the town's Club Hotel which stood exactly where the museum now stands on the town's main street.

Visitor Experience

The key features of the Hood-Penn Museum experience are:

- A variety of scenes that encompass early domestic, commercial and industrial life in the shire. Scenes include a kitchen scene, a petrol station/garage, shearing shed, blacksmith, general store/grocery/post office, and pub. This means the museum appeals to a variety of audiences, and both women and men are drawn to the museum.
- The museum is conveniently located right in the centre of the town's main street and is well-lit and air conditioned.
- Shire staff take people through to the museum and inform visitors that they are available for any questions. Visitors are often happy to wander through themselves but appreciate knowing someone is available to talk to should they wish to ask a question.
- As a security measure self-locking lockers are offered so that visitors can stow their own handbag/bag and hat and then retrieve it again themselves when they leave the museum.
- Interactive experiences are offered. These include:
 - ❖ A Spatech vibrating mine tunnel replicates life in an early Westonian gold mine. Visitors press a button upon entering the tunnel & then experience a three minute sequence of sound effects and physical vibrations that simulate blasts going off in the vicinity of the mine. The sound effects also include a conversation between miners working in the mine.
 - ❖ A pen and ink stand where visitors can write with dip pen and ink!

Volunteer Management

- Volunteers are utilised to staff the museum on weekends (excluding the summer period), which is open 10am to 12pm Saturdays, Sundays and public holidays. Escorts and tea and coffee facilities are provided for museum volunteers, who enjoy interacting with visitors.
- The museum is not open on weekends from December to February. This gives volunteers a break and sees them return refreshed for a new year.



- The museum has 20 volunteers on its list, so volunteers appreciate the fact they only work at the museum once every six weeks or so.
- The museum has many long term volunteers, who also encourage people new to the town to volunteer and remove the "daunting" element from the idea of volunteering there.
- The Senior Administration/Community Development Officer phones volunteers to remind them about upcoming weekend shifts, also using the opportunity of the call to keep volunteers informed of any changes and to ask them if they have any issues. This staff member finds that speaking on a regular basis helps retain volunteers.
- Volunteers don't like to do more than a 2 hour shift on the weekends

Challenges

- Staff time in administering the museum – reception staff sometimes can be stretched during the peak tourist season when rates payments are also due. Staff however manage their workload well and visitors are often happy to self-guide.
- The Senior Administration/Community Development Officer is finding it harder and harder to attract volunteers for museum busy bees, where duties like cataloguing and setting up new displays are undertaken. She also finds keeping volunteers motivated, finding ways to incorporate their ideas and yet also ensure museum standards are kept at a very high level challenging.
- A Westonia Historical Society was set up to represent volunteers and to allow them to have a separate contribution to the museum. However this organisation has fizzled out as volunteers have not been willing to take on leadership roles in the society, preferring to let the shire run the museum and simply come in to help out on weekends or at busy bees.

Grants

The Museum has benefitted from a number of grants over time, including grants from:

- Lotterywest – assisted with the construction of the building
- Catalpa Resources (owner of local gold mine) – assisted with set up of the museum. Now owned by Ramelius Resources.
- Westonia Progress Association (owns land and earns regular cropping income), as well as receives funds from the local gold mining company under an MOU.

Benefits

- Staffing of the museum during the week by shire reception staff makes the facility available to the public and "low maintenance."
- Entrance fees are very low (\$3 for adults & \$1 for children), and could easily be raised to generate additional income.
- There is little in the way of ongoing labour and maintenance requirements now that the museum is set up. Additional scenes are added and developed continually, but the museum is not excessively demanding on staff or volunteer time. A Shire Cleaner is used for weekly cleaning.
- The museum is a drawcard in its own right, and also complements other visitor attractions in the centre of the town to make Westonia a continuously popular tourist attraction – the Westonia Gallery Café (offering art, locally made gifts and café) is close by on the main street, the 1916 heritage Westonia Tavern is directly opposite, and the quality Shire of Westonia Caravan Park featuring campers kitchen is a short walk down the main street. The town's streetscapes and gardens are also a tourist drawcard, with



quality landscaping and historical trucks and mining equipment distributed throughout the centre of the town.



CASE STUDY 3

York Motor Museum

History

The York Motor Museum was opened in 1979 when motor enthusiasts Peter Briggs and James Harwood acquired a building on the main street of York to exhibit their private collection. York was selected due to the historic nature of the town and its location (less than 100 km from Perth).

Peter Briggs ran the museum for 39 years, and in December 2017 sold it to the not for profit Avon Valley Motor Museum Association Inc. (AVMMA) which was developed specifically to purchase and operate the York Motor Museum as a community venture.

Governance

AVMMA was successful in obtaining a Royalties for Regions grant for \$200,000 as a deposit to purchase the building, with further funding provided by the Shire of York and Bendigo Bank. The Shire of York agreed to contribute \$18,000 a year for the first 3 years of museum operations, with the museum recently negotiating another 12 months of support. The Shire of York however has no involvement in the running of the organisation.

Donations were also secured from private individuals, including local farmers, and their names are listed on an Honour Board in the museum as Gold, Silver and Bronze supporters. Redeemable subscription units were issued in the Avon Valley Motor Museum Unit Trust, with all funds raised held in trust and to only be used for the purpose of purchasing the building, for capital improvements or to assist with direct museum costs. Unit holders do not have any capital rights to the building, with all contributions simply donations that may be repaid at some point if possible.

The loan to purchase the building is still being paid off by the AVMMA, but once the loan is paid off any additional income will be donated to local schools, the local fire service, etc.

- Committee of AVMMA Inc. meets every month.
- Chairperson is Julian Kneg (ex Wheatbelt Men's Health), who is a strong person with the ability to listen to all committee members and who treats everyone fairly. Everything is voted on.
- The organisation was set up with the intention that there would always be a member of the York branch of the Veterans Car Club on the committee, currently of the 8 committee members, only 3 aren't members of the Veterans Car Club. This means that while 40% of the museum's vehicles still belong to Peter Briggs, if his vehicles were removed the AVMMA could easily fill the same space with vehicles from the Veterans Car Club. One of the two volunteer managers of the museum is also the Chairperson of the York branch of the Veterans Car Club.
- The two volunteer managers make minor decisions themselves, go to the stable and supportive committee for major decisions, and cover each other if the other is on holiday.
- No sponsors as yet, however Shannons verbally indicated an interest in sponsoring the museum prior to Covid-19. Was due to physically visit the museum to progress this but nothing has happened as yet.



- The AVMMA is looking at possibly applying for grant funding from Lotterywest in the future to build a shed behind the building. This shed would enable the museum to accept additional donated vehicles, and rotate such vehicles through the museum.

Visitor Experience

The key features of the York Motor Museum experience are

- The York Motor Museum is open every day from 9am to 4pm. The Avon Valley Motor Museum achieved an increase in visitor numbers of 25% when they took over ownership of the museum. This in part was due to increasing opening hours from 10 am – 2 pm to 9 am to 4 pm. This enables the museum to attract caravans who arrive in town early in the afternoon, or who wish to visit the museum before they leave the next day.
- Professional and interesting displays, including the "Never Never Tours" Valiant ute used in the movie "Crocodile Dundee," featuring Paul Hogan's signature on the dashboard.
- Displays are changed frequently to keep visitors coming back.
- Free entry to locals. This encourages them to bring visitors to the museum who pay their entry fee, and this also keeps locals well informed about the museum's offerings.
- The museum is conveniently located right in the centre of the town's main street. It is also located in a 1908 heritage listed building which was originally the home of the York Road Board. In the 1920's the museum was a car dealership, and the floor of the building still features the original hoist. In the 1930's the building became a Ford dealership, which was the longest operating Ford dealership in the state when it closed in 1979.
- All the lighting in the building was replaced with brighter energy efficient LED lighting a number of years ago, and visitors comment on how light, bright and pleasant the museum environment is.
- Air conditioning was also installed in the museum to ensure the comfort of volunteers and visitors. Visitors comment that the cool air from the building they can feel out on the street invites them into the museum. The museum's power bill has also been almost eliminated through installing solar panels on the roof of the building.

Volunteer Management

- Retain volunteers through effective communication – keep volunteers informed of what is happening and why, and ensure any issues are dealt with straight away.
- Have an excellent long term volunteer cleaner. Comes in early in the day once a week to change all the vehicles and clean the floors. Volunteer lives out of town so is given an honorarium to cover her expenses.
- Have a great core volunteer group made up of 6 women who cover Mondays to Saturdays, working set days every week. Then each of them covers a Sunday once every six weeks. Ideally would like to have a person covering Sundays on a permanent basis but don't have this at the moment.

Challenges

- When the AVMMA took over the museum there were a number of maintenance problems in the building that had to be attended to, including roof leaks. However the association has dealt with these issues and constantly feeding any income back into the museum has paid off.



Benefits

- Proximity to Ferri, had over 300 people through the doors-some days during the September/October 2020 school holidays
- Festival events help – bring 1,000 vehicles to the town. The museum also collaborates continuously with the York Tourist Bureau to the mutual benefit of both organisations.



Summary Notes – Open Workshop
9.30am – 10.45am Friday 6 November 2020
Avondale Farm Machinery Museum

What is special about the Farm Machinery Museum?

- Comprehensive historical collection of agricultural machinery (localised and beyond)
- Includes a shearing shed within the museum
- Machinery can be shown as a live demonstration
- Stories of life on the land, nostalgic, captures farming history
- Demonstrates ingenuity of farmers
- Timeline of agricultural mechanisation
- Connection to the Rabbit Proof Fence
- Large undercover collection
- Connection to the Avondale Farm
- Volunteers who promote and engage in the museum are friends, strengthens sense of community, contributes to positive mental health

What do we NOT want it to be?

- Closed
- Static
- Isolated (location)
- Boring
- Owned from 'afar' / bureaucratic
- Dangerous
- Dilapidated
- Restrictive

What do we WANT it to be?

- Same sized collection
- Open minimum Fri, Sat, Sun (inc Public Holidays on Monday) and by appointment
- Foster memories
- An accurate timeline of agriculture and mechanisation
- Educational and informative
- Welcoming to visitors and tourists
- Contributing to the local economy (visitation)
- An attraction that brings people together

What is it?

A comprehensive display of working agricultural machinery that celebrates our local heritage and farming

Potential – State significant



Where is it? *(high level thinking)*

Location	Challenges	Benefits
Avondale Farm	National Trust bureaucracy Risk adverse Out of town Bush Tucker – access Loss of land for income (cropping)	Avondale Farm connection Existing structure Shearing shed included
Former CBH wheat bin and adjacent land	Access to shed CBH Railway line (public safety) Movement of machinery	24/7 access Paddock for cropping (income) Historic CBH shed Close to town
Hunt Rd	Zoned residential – needs subdivide Headworks Shed to be built	Main road
Behind Dead Finish	Small block Shed to be built Limited display space	Main road Connection to Dead Finish Museum Close to stop over point

Who is it?

- To be successful it needs local leadership
- Possibly an incorporated body – or connection to existing organisation
- Volunteer board and volunteers working on machinery, tours etc
- Financed with a 'start up grant', there after cropping program, donations and sponsorships (plus use of the existing funds allocated to the museum)
- Required a paid team member (casual / part time) working closely with the Shire Tourism Officer

13. ELECTED MEMBERS' MOTIONS WHERE NOTICE HAS BEEN GIVEN

Nil

14. NEW BUSINESS ARISING BY ORDER OF THE MEETING

14.1 ANZ Bank – Beverley Branch Closure

The Shire President received notice on Wednesday 14 April 2021 that the Beverley Branch of the ANZ Bank is to permanently close on Wednesday 29 September 2021. Council are very disappointed and will advocate for a reversal or variance to this decision by ANZ.

M19/0421

Moved Cr White

Seconded Cr Martin

That Council consider appointing a consultant to prepare a detailed submission to the ANZ Bank Melbourne regarding the proposed closure of the Beverley Branch of the ANZ.

CARRIED 8/0

15. CLOSURE

The Chairman declared the meeting closed at 4:04pm.