



## ORDER OF BUSINESS

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**Minutes of an Ordinary Meeting of Council held in the Freebairn Recreation Centre on Wednesday 17 June 2015 commencing at 2.35pm**

**1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**

The President of the Shire welcomed all present and declared the meeting opened at 2:35pm

**2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE**

Attendance

JM Sullivan	President	East Ward
BD West	Vice President	West Ward
RD Duckworth	Councillor	West Ward
M Ledwith	Councillor	West Ward
G Robins	Councillor	Town Ward
HT McInnes	Councillor	Town Ward
R Bowey	Councillor	Town Ward
BP Taylor	Councillor (left 3:05pm)	Central Ward
C Vandenberg	Deputy CEO	
N Thompson	Executive Support Officer / Minutes	
L Hobson	Manager of Works	

Apologies

R O'Brien	Councillor	Central Ward
G Hadlow	Chief Executive Officer	

**3. PUBLIC QUESTION TIME**

As there were no members of the public present, there were no questions asked.

**4. APPLICATIONS FOR LEAVE OF ABSENCE**

**01/0615**

**Moved Cr Duckworth Seconded Cr Taylor that a Leave of Absence be granted to Cr O'Brien for the July ordinary Council Meeting.**

**Carried 8/0**

**5. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

Shire of Kulin Ordinary Meeting – 20 May 2015

**02/0615**

**Moved Cr West Seconded Cr Bowey that the minutes of the Ordinary Council Meeting held on 20 May 2015 be confirmed as a true and correct record.**

**Carried 8/0**

Kulin Bush Races Meeting – 12 May 2015

**03/0615**

**Moved Cr Bowey Seconded Cr West that the minutes of the Kulin Bush Races Meeting held on 12 May 2015 be received.**

**Carried 8/0**

Kulin Childcare Committee Meeting – 8 June 2015

**04/0615**

**Moved Cr Duckworth Seconded Cr McInnes that the minutes of the Kulin Childcare Committee Meeting held on 8 June 2015 be received.**

**Carried 8/0**

RoeROC Council Meeting – 28 May 2015

**05/0615**

**Moved Cr West Seconded Cr Ledwith that the minutes of the RoeROC Council Meeting held on 28 May 2015 be received.**

**Carried 8/0**

## 6. MATTERS REQUIRING DECISION

### 6.1 List of Accounts – May 2015

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**RESPONSIBLE OFFICER:** DCEO  
**FILE REFERENCE:** 12.06  
**AUTHOR:** DCEO  
**DISCLOSURE OF INTEREST:**

**SUMMARY:**

Attached is a list of accounts paid during the month of May 2015 for Council's consideration.

**BACKGROUND & COMMENT:**

Nil

**FINANCIAL IMPLICATIONS:**

Nil

**STATUTORY AND PLANNING IMPLICATIONS:**

Nil

**POLICY IMPLICATIONS:**

Nil

**COMMUNITY CONSULTATION:**

Nil

**WORKFORCE IMPLICATIONS:**

Nil

**OFFICER'S RECOMMENDATION:**

That May payments being cheque No 1691 (Bush Races), 303 – 305 (Trust Fund) 36377 - 36356 (Municipal), EFT No's 9802 - 9914 (Municipal), credit card payments, creditor payments, and other vouchers from the Municipal Fund totalling \$826,275.13 be passed for payment.

**VOTING REQUIREMENTS:**

Simple majority required.

**06/0615**

Moved Cr Duckworth Seconded Cr Taylor that May payments being cheque No 1691 (Bush Races), 303 – 305 (Trust Fund) 36377 - 36356 (Municipal), EFT No's 9802 - 9914 (Municipal), credit card payments, creditor payments, and other vouchers from the Municipal Fund totalling \$826,275.13 be passed for payment.

Carried 8/0

### 6.2 Financial Reports May 2015

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**RESPONSIBLE OFFICER:** DCEO  
**FILE REFERENCE:** 12.01  
**AUTHOR:** DCEO  
**DISCLOSURE OF INTEREST:**

**SUMMARY:**

Attached are the financial reports for the periods ending 31 May 2015.

**BACKGROUND & COMMENT:**

Nil

**FINANCIAL IMPLICATIONS:**

Nil

**STATUTORY AND PLANNING IMPLICATIONS:**

Regulation 34 of the Local Government (Financial Management) Regulations 1996 requires local governments to prepare each month a statement of financial activity reporting on the revenue and expenditure of funds for the month in question.

**POLICY IMPLICATIONS:**

Nil

**COMMUNITY CONSULTATION:**

Nil

**WORKFORCE IMPLICATIONS:**

Nil

**OFFICER'S RECOMMENDATION:**

That Council endorse the monthly financial statements for the period ending 31 May 2015.

**VOTING REQUIREMENTS:**

Simple majority required.

**07/0615**

**Moved Cr Taylor Seconded Cr Robins that Council endorse the monthly financial statements for the period ending 31 May 2015.**

**Carried 8/0**

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### **6.3 Adoption of Fees and Charges 2015/16**

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**RESPONSIBLE OFFICER:** DCEO

**FILE REFERENCE:** 12.04

**AUTHOR:** DCEO

**DISCLOSURE OF INTEREST:** Nil

**SUMMARY:**

A schedule of proposed fees & charges for the 2015-16 financial year will be presented to Council at the meeting.

**BACKGROUND & COMMENT:**

In accordance with Section 6.16 of the *Local Government Act 1995*, a Local Government may impose and recover a fee or charge for any goods or service it provides or proposes to provide. Fees and charges can be imposed or amended during the year, but only by an absolute majority decision of Council.

**FINANCIAL IMPLICATIONS:**

The schedule of fees and charges has been reviewed with the view of maintaining revenues at the required level to meet service needs and community expectations.

**STATUTORY AND PLANNING IMPLICATIONS:**

Nil

**POLICY IMPLICATIONS:**

Nil

**COMMUNITY CONSULTATION:**

Nil

**WORKFORCE IMPLICATIONS:**

Nil

**OFFICER'S RECOMMENDATION:**

1. That Council adopt and incorporate the proposed schedule of fees and charges.
2. That the proposed fees and charges take effect 1 July 2015.

**VOTING REQUIREMENTS:**

Absolute majority required.

**08/0615**

**Moved Cr Duckworth Seconded Cr West that Council adopt and incorporate the proposed schedule of fees and charges; and that the proposed fees and charges take effect 1 July 2015.**

**Carried 8/0**

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## **6.4 Adoption of Percentage and Value for the Reporting of Material Variances**

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**RESPONSIBLE OFFICER:** DCEO  
**FILE REFERENCE:** 12.01  
**AUTHOR:** DCEO  
**DISCLOSURE OF INTEREST:** Nil

### **SUMMARY:**

Financial Management Regulations that came into effect on 1 July 2005 require the adoption of a percentage or value, calculated in accordance with *Australian Accounting Standard AASB 1031 Materiality* to be used in the statements of financial activity for reporting material variances.

### **BACKGROUND & COMMENT:**

Currently the variance reported is +/- 10% and +/- \$5,000.

### **STATUTORY AND PLANNING IMPLICATIONS:**

Regulation 34 of the Local Government (Financial Management) Regulations 1996 requires local governments to prepare each month a statement of financial activity reporting on the revenue and expenditure of funds for the month in question.

1. The statement is to contain the following detail:
  - a) annual budget estimates, taking into account any expenditures incurred for an additional purpose under Section 6.8(1)(b) or (c) (i.e. the revised budget);
  - b) budget estimates to the end of the month to which the statement relates;
  - c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
  - d) material variances between the comparable amounts referred to in (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.
2. The statement of financial activity is to be accompanied by:
  - a) explanation of the composition of the net current asset of the month to which the statement relates, less committed assets and restricted assets;
  - b) an explanation of each the material variance referred to in subregulation 1(d) above; and
  - c) such other supporting information as is considered relevant by the local government.
3. The information in a statement of financial activity may be shown:
  - a) according to nature and type classification; or
  - b) by program; or
  - c) by business unit.
4. A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be:
  - a) presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and
  - b) recorded in the minutes of the meeting at which it is presented.
5. Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the Australian Accounting Standards (AAS), to be used in statements of financial activity for reporting material variances.

**POLICY IMPLICATIONS:** Adoption of the proposed percentage and value will become Council policy to guide the preparation of monthly statements.

### **COMMUNITY CONSULTATION:**

Nil

### **WORKFORCE IMPLICATIONS:**

Nil

### **OFFICER'S RECOMMENDATION:**

Report material variances of +/- 10% and +/- \$5,000, whichever is the greater, from the budget figure and report these variances by way of a supporting note to the Monthly Statement of Financial Activity for the financial year 2015-16.

### **VOTING REQUIREMENTS:**

Simple majority required.

09/0615

Moved Cr Robins Seconded Cr Taylor that staff report material variances of +/- 10% and +/- \$5,000, whichever is the greater, from the budget figure and report these variances by way of a supporting note to the Monthly Statement of Financial Activity for the financial year 2015-16.

Carried 8/0

## **6.5 Acquisition of Bushland – Lot 20, Kulin Corrigin Rd**

**NAME OF APPLICANT:** H Proud  
**RESPONSIBLE OFFICER:** CEO  
**FILE REFERENCE:** 05.19  
**AUTHOR:** CEO  
**DISCLOSURE OF INTEREST:** Nil

### **SUMMARY:**

Harold Proud has written to enquire whether Council is interested in acquiring Lot 20, Kulin Corrigin Rd which has an area of approximately 80 ha and is predominately bushland.

### **BACKGROUND & COMMENT**

Mr Proud has had the land on the market for some time now and has not had any interest in the sale of the lot.

After discussions with family and others he is prepared to offer the land to the Kulin Shire Council for a peppercorn sale price. Mr Proud advises that he does not wish to put any conditions on the transfer of the land however would like to see it tied up in some way to ensure that the land can be used at later date for the benefit of the community, either economically or socially.

The land is predominately bush land and incorporates the Macrocarpa Trail as highlighted at 2 on the attached photo. There is an area of land a little further to the west that has been partly cleared (shown at 1) and comprises an area of approximately 2 ½ to 3 ha. This area was previously used mainly for heaping green waste and has since been levelled by the Shire. There is evidence of some household rubbish having been dumped in the area however it is fairly minimal. The land is not connected to any services although there is a power line approx. 100 – 200 m to the south and a water main runs along the southern side of the Kulin Corrigin Rd in the immediate vicinity.

Should Council proceed with the acquisition of the land the only costs applicable will be land transfer costs which I estimate will be in the vicinity of \$2,000 to \$2,500.

The following additional information is provided on the proposal:

- We will ensure the existing cleared area is maintained on an annual basis, incorporating weed control, so that if there is to be any potential development on the land in the future then we will be in a position for this to proceed without any concerns over native vegetation removal.
- We will need to make it quite clear that we will have no future obligation to maintain the Macrocarpa Trail over and above the work we do now i.e. on an as needs basis and in a “voluntary” capacity rather than on the basis of expectation because we own the land.
- There may be an expectation in the future for additional fire protection to be provided. While Council is leaving ourselves exposed somewhat in this regard the clearing of the water catchment area has certainly reduced any potential risk to the townsite in this regard.

### **FINANCIAL IMPLICATIONS**

Council will need to cover the costs of the land transfer costs which have not been allowed for at this point. Regardless the estimated costs are fairly minimal and do not create any huge financial impost.

### **STATUTORY AND TOWN PLANNING IMPLICATIONS**

Nil

### **POLICY IMPLICATIONS:**

Nil

### **COMMUNITY CONSULTATION:**

Nil

### **WORKFORCE IMPLICATIONS:**

Nil

**RECOMMENDATION:**

That Council accept the offer from Harold Proud for Council to acquire Lot 20, Kulin Corrigin Rd at peppercorn cost and that Mr Proud be formally recognised locally for this generous offer and donation to the Kulin community.

**VOTING REQUIREMENTS**

Simple majority required

**10/0615**

**Moved Cr Duckworth Seconded Cr Bowey, that Council accept the offer from Harold Proud for Council to acquire Lot 20, Kulin Corrigin Rd at peppercorn cost and that Mr Proud be formally recognised locally for this generous offer and donation to the Kulin community, and that a letter of appreciation be sent to Mr Proud and his family, and this letter be published in the Update.**

**Carried 8/0**

Cr Taylor left the Meeting at 3:05pm.

**6.6 Application for Planning Consent – Sea Container, Lot 238 Day St, Kulin**

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**NAME OF APPLICANT:** Greg Wicks  
**RESPONSIBLE OFFICER:** CEO  
**FILE REFERENCE:** 18.05  
**AUTHOR:** CEO  
**DISCLOSURE OF INTEREST:** Nil

**SUMMARY:**

Greg Wicks has submitted an Application for Planning Consent to place a 6(L) x 2.4(W) x 2.9 (H) m sea container on Lot 238, Day St, Kulin. The container is to be used for the storage of furniture and general household items.

**BACKGROUND & COMMENT:**

Attached is a photo of the container and a copy of the site plan for the proposal. The land is zoned residential and under our Town Planning Scheme Policy No 7 is a permitted use subject to an application being submitted pursuant to the provisions of Part VII of the scheme.

The proposed structure is a sea container 6m x 2.4m x 2.9m high. The applicant has advised that he will put up screening to ensure it is obscured from street view.

Under the provisions of Scheme policy No 7 prior to Council providing approval or otherwise the proposal needs to be advertised in accordance with Town Planning Scheme requirements.

**FINANCIAL IMPLICATIONS:**

Nil

**STATUTORY AND TOWN PLANNING IMPLICATIONS:**

There are requirement under our Town Planning Scheme Policy No 7 which covers the use of sea containers as attached.

**POLICY IMPLICATIONS:**

Nil

**COMMUNITY CONSULTATION:**

Required as per part VII – Planning Consent under Council Town Planning Scheme No 2.

**WORKFORCE IMPLICATIONS:**

Nil

**RECOMMENDATION:**

That Council:

- give notice of the proposed development to all owners and occupiers of land within close proximity to Lot 238, Day St, Kulin, stating that submissions may be made to the Council within 21 days of the service of such notice,
- the notice of the proposed development be published in a newspaper circulating in the scheme area stating that submissions may be made within 21 days of the publication thereof, and

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- a sign be erected on the property advising of the proposed development for a period of 21 days from the publication of the notice referred to above.

At the expiration of the 21 days' notice period Council is to consider and determine the application taking into consideration any submissions received.

### VOTING REQUIREMENTS

Simple majority required

11/0615

**Moved Cr Duckworth Seconded Cr Robins that Council:-**

- request that the container be sheeted with colour bond to make it resemble a shed, to ensure it is aesthetically pleasing, as determined by the appropriate Shire authority,
- give notice of the proposed development to all owners and occupiers of land within close proximity to Lot 238, Day St, Kulin, stating that submissions may be made to the Council within 21 days of the service of such notice,
- the notice of the proposed development be published in a newspaper circulating in the scheme area stating that submissions may be made within 21 days of the publication thereof, and
- a sign be erected on the property advising of the proposed development for a period of 21 days from the publication of the notice referred to above.

At the expiration of the 21 days' notice period Council is to consider and determine the application taking into consideration any submissions received.

Carried 7/0

## 6.7 Australia Day Active Citizenship Awards

**NAME OF APPLICANT:** Marie Martin  
**RESPONSIBLE OFFICER:** CEO  
**FILE REFERENCE:** 02.02  
**AUTHOR:** CEO  
**DISCLOSURE OF INTEREST:** Nil

### SUMMARY:

One of the recommendations from the Community Health Check report was:

“Develop a **Kulin Volunteer Strategy** that focuses less on ‘*committee participation*’ and more on ‘*task ownership*’, and strengths ‘*reward and recognition*’ behaviours. Strong sentiment expressed about more personalized approaches to engagement.”

### BACKGROUND & COMMENT

Marie Martin, CRC Manager, has forwarded the following email to me with her thoughts on commencing a process to recognise volunteers in the community>

*“I have had some discussion with Simone Lockyer about holding a joint event on Australia Day involving a “Big Breakfast”, Premier's Australia Day Active Citizenship Awards, family activities at the pool and a lunch BBQ.*

*The CRC is happy to coordinate the promotion of the event, the breakfast and awards ceremony. The ceremony and breakfast would be held at the VDZ from 9:30 to 11am and the pool would then open at 11am when Simone would run her activities. I am hoping to start promoting the nominations in July so we can get some community support behind the project and hopefully make it an annual event.*

*A part of the nominations process is vetting the nominations which would need either the local council or a separate committee formed to do this. Do you think this is a role the shire councilors would be happy to take on in the November council meeting? All it would mean is looking at the nominations and choosing the successful application I would then mail off the chosen applications, we receive the certificates and they are presented at the ceremony by an available Councilor or you if you are here.*

*We will open up the breakfast to a community group to run as it is a fantastic fundraiser usually a \$3 donation for a bacon, egg, tomato burger or a sausage sizzle. I am hoping this is something the Lions would want to do as they seem to be on a fundraising mission at the moment.*

The recognition of our volunteers is very important and the above will go some way towards commencing this process.

**FINANCIAL IMPLICATIONS**

Fairly minimal costs involved.

**STATUTORY AND TOWN PLANNING IMPLICATIONS**

Nil

**POLICY IMPLICATIONS:**

Nil

**COMMUNITY CONSULTATION:**

If approved we will need to let the community know of the proposal to recognise volunteers.

**WORKFORCE IMPLICATIONS:**

Nil

**RECOMMENDATION**

That Council support the introduction of Citizenship Awards being presented on Australia Day each year and that a small group be appointed, incorporating Councillors, staff and a couple of community members, to coordinate the event.

**VOTING REQUIREMENTS**

Simple majority required

**12/0615**

**Moved Cr Duckworth Seconded Cr West that Council hold a 'Kulin Australia Day' during March and citizenship awards be made if the committee determines there are suitable nominees.**

**Carried 7/0**

**Council adjourned for afternoon tea at 3.40pm**

**Council resumed from afternoon tea at 4:15pm**

## **7. COMPLIANCE**

### **7.1 Review of Policy Manual**

**NAME OF APPLICANT:** CEO  
**RESPONSIBLE OFFICER:** CEO  
**FILE REFERENCE:** 04.04  
**AUTHOR:** CEO  
**DISCLOSURE OF INTEREST:** Nil

**SUMMARY:**

Council is required to review the Policy Manual on an annual basis. The policy manual was last reviewed at the June 2014 Council Meeting. Attached to the agenda is a copy of the Policy Manual for adoption. A hard copy will be available at the meeting for the review.

**BACKGROUND & COMMENT:**

**FINANCIAL IMPLICATIONS:**

Nil

**STATUTORY AND PLANNING IMPLICATIONS:**

Review of the Policy Manual is required on an annual basis.

**POLICY IMPLICATIONS:**

Nil, unless some changes are proposed by Council.

**COMMUNITY CONSULTATION:**

Nil

**WORKFORCE IMPLICATIONS:**

Nil

**OFFICER'S RECOMMENDATION:**

That the Policy Manual be adopted with any changes agreed on at the meeting.

**VOTING REQUIREMENTS:**

Simple majority required.

**13/0615**

**Moved Cr Robins Seconded Cr Duckworth that the Policy Manual be adopted with the alterations discussed at the meeting.**

**Carried 7/0**

## **7.2 Risk Framework Review**

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**RESPONSIBLE OFFICER:** CEO  
**FILE REFERENCE:** 27.03  
**AUTHOR:** James Trail Consultant  
**DISCLOSURE OF INTEREST:** Nil

**SUMMARY:**

The Shire has been undertaking a review of its risk profile as part of the implementation of the Risk Management Framework.

At the November Ordinary Meeting Council:-

- Adopted the Draft Audit and Risk Committee Terms of Reference
- Noted the Draft Strategic Risks and Controls
- Noted the Draft Operational Risks and Controls

**BACKGROUND & COMMENT:**

The Shire has undertaken a review of its risk profile and established a draft set of Strategic and Operational Risks which has been accepted by the Audit & Risk Committee. A number of operational and strategic risks have been identified.

The Audit & Risk Committee has discussed the level of reporting to receive on a quarterly basis. The information attached is for review and comment by the Audit & Risk Committee and details all strategic risks and those operational risks that are rated high.

Information from external auditors has indicated that with respect to external audit requirements, the main view is one of compliance with the Audit Regulations. To this end local governments will be asked if they have undertaken the reviews and if they have met the statutory deadline. With respect to the undertaking of reviews, there will be an expectation that the LG has formed an opinion as to the appropriateness and effectiveness of the framework in place.

The appropriateness and effectiveness of the framework in place will be treated as a compliance exercise and that an expectation exists that over time the framework, processes and controls in place will improve.

The Shire of Kulin has a framework in place has considered draft operational and strategic risks, reviewed its terms of reference for the audit committee and its reporting requirements with regard to the regulation. The role of the audit committee is to govern the integrity of the entity's financial information, systems of internal control, and the legal and ethical conduct of management and employees. The key role of internal audit is to provide assistance to the Council's audit committee in discharging its governance responsibilities. It does this by:

- providing an objective assessment of existing risks and the internal control framework
- performing reviews of the compliance framework and specific compliance issues
- conducting regular analysis of business processes and associated controls.
- performing ad hoc reviews for specific areas of concern, including unacceptable levels of risk

Internal audit is an independent appraisal service, and audit activity is an important element of risk management and a contributor to the mitigation of risk.

Monitoring and reviewing activities will provide evidence of the appropriateness and effectiveness of systems and procedures in regard to risk management, internal control and legislative compliance, as required by the Local Government (Audit) Regulations 1996.

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A review of the appropriateness and effectiveness of existing controls in place has been undertaken as part of the Draft Financial Management Review. The Draft Financial Management Review has been completed and the findings and recommendations will be reviewed by the CEO in consultation with the Deputy CEO. This will enable staff to provide a management comment against each finding and recommendation. Once completed, the CEO will meet with the President and Deputy President to discuss the findings, recommendations and management comments stemming from the Financial Management Review. The FMR will then be presented to the Audit & Risk Committee for consideration prior to submitting to Council for adoption in July 2015.

Once completed the Audit Committee will review the findings and management responses, and recommended to Council the appropriateness and effectiveness of the Shire's financial management systems and procedures. Any compliance or high risk matters identified will have new or reviewed controls put in place. These will also be included in the Shire's operational or strategic risk registers and reported on quarterly to the Audit & Risk Committee.

In doing so, the table below details the evaluation undertaken for the level of risk in accordance with the risk matrix adopted by Council.

Risk analysis is an assessment of risks based on a combination of the likelihood of the risk occurring and the severity of the consequences. Risk = Likelihood x Consequence (R = L x C).

**Risk Level Matrix**

Likelihood (L)	Almost Certain 5	5	10	15	20	25
	Likely 4	4	8	12	16	20
Possible 3	3	6	9	12	15	
Unlikely 2	2	4	6	8	10	
Rare 1	1	2	3	4	5	
		Insignificant 1	Minor 2	Major 3	Critical 4	Catastrophic 5
		<b>Consequences (C)</b>				

  

Overall Risk Score = (L x C)	
Score	Description
1 - 5	Low
6 - 12	Moderate
13 - 19	High
20 - 25	Extreme

**Current Risk Evaluation vs Proposed**

Risk Level	Current Risk Evaluation	Proposed Risk Evaluation
Extreme Risk	<ul style="list-style-type: none"> <li>Action <b>must not</b> proceed until corrective action has taken place.</li> <li>Develop specific management plan for immediate implementation to address extreme risks</li> <li>Allocate actions and budget for implementation within quarterly budget reviews</li> <li>Report immediately to CEO or Senior Management; regular internal reporting required</li> </ul>	The risks that fall in <b>Extreme</b> are the risks that are most critical and that must be addressed on a <b>high priority</b> basis. The council should gear up for <b>immediate action</b> , so as to eliminate the risk completely.
High Risk	<ul style="list-style-type: none"> <li>Action <b>must not</b> proceed until corrective action has taken place.</li> <li>Develop and implement a specific management plan for high risks</li> <li>Allocate actions and budget to minimise risk; monitor implementation</li> <li>Report to Senior Management; report to be made during the half yearly budget review; regular internal reporting required</li> </ul>	The risks that fall in <b>High</b> are the risks that require risk management strategies. Here in addition to thinking about eliminating the risk, <b>substitution strategies</b> may also work well. If these issues cannot be resolved immediately, strict timelines must be established to ensure that these issues get resolved before the create hurdles in the progress.
Medium Risk	<ul style="list-style-type: none"> <li>Action can only proceed if the risk level has been reduced as low as reasonably practicable.</li> </ul>	For the risks that fall in <b>Medium</b> it is best to take some reasonable steps and <b>develop risk management</b>

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	<ul style="list-style-type: none"> <li>• Develop and implement a specific Management Plan for medium risks</li> <li>• Allocate actions and budget to minimise risk where existing controls deemed inadequate; monitor implementation</li> <li>• Report to Senior Management;</li> <li>• Management to consider additional controls; report within the quarter</li> </ul>	<p><b>strategies in time</b>, even though there is no hurry to have such risks sorted out early. Such risks do not require extensive resources; rather they can be handled with smart thinking and logical planning.</p>
Low Risk	<ul style="list-style-type: none"> <li>• This risk is acceptable, but any risk control measures need monitoring to ensure the risk level does not increase during the activity.</li> <li>• Accept and Monitor low-priority risks</li> <li>• Manage via routine procedures where possible; Monitor via normal internal reporting mechanisms</li> </ul>	<p>For the risks that fall in <b>Low</b>, they can be given low priority as they usually do not pose any significant problem. However still, if some <b>reasonable steps</b> can help in fighting these risks, such steps should be taken to improve overall performance of the project.</p>

Level	Definition	Proposed % of occurrence
Rare	Only ever occurs under exceptional circumstances	<10%
Unlikely	Conceivable but not likely to occur under normal operations; no evidence of previous incidents	10 – 35%
Possible	Not generally expected to occur but may under specific circumstances	35 – 65%
Likely	Will probably occur at some stage based on evidence of previous incidents	65 – 90%
Almost Certain	Event expected to occur at most times	>90%

**FINANCIAL IMPLICATIONS (ANNUAL BUDGET)**

Allocation was made in the 2014/2015 annual budget for the internal audit and risk function.

**POLICY IMPLICATIONS**

The Risk Management Policy outlines the Shire’s commitment and approach to managing risks that may impact on its day-to-day operations and threaten the achievement of its objectives.

**STATUTORY IMPLICATIONS**

The Risk Management Policy outlines the Shire’s commitment and approach to managing risks that may impact on its day-to-day operations and threaten the achievement of its objectives.

The Local Government (Audit) Regulations 1996 prescribe the requirements for local government authorities in relation to the engagement of auditors, the annual compliance audit return and the functions of the audit committee. The Department of Local Government released circulars in February 2013 detailing amendments to the Audit Regulations.

These amendments relate to extending regulation 16, functions of an audit committee, and inserting a new regulation 17, review of certain systems and procedures by a CEO. The amendments are detailed as follows:

*Regulation 16 – Functions of Audit Committee*

Regulations 16(a) and 16(b) in relation to the Audit Committee providing assistance to the local government remain unchanged. A new section 16(c) has been inserted and states as follows:

- 16 *Audit committee, functions of An audit committee –*
- (c) *is to review a report given to it by the CEO under regulation 17(3) (the CEO’s report) and is to –*
- (i) *report to the council the results of that review; and*
  - (ii) *give a copy of the CEO’s report to the council.*

*Regulation 17 – CEO to review certain systems and procedures*

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A new regulation 17 has been inserted and states as follows:

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

### COMMUNITY CONSULTATION

Chief Executive Officer  
JT Professional Services

### OFFICER'S RECOMMENDATION:

That Council:

- Notes the update on the Risk Framework; and
- Notes the updated Operation and Strategic Risk Reports will be presented to Council at the August Ordinary Meeting of Council

### VOTING REQUIREMENTS:

Simple majority required.

14/0615

**Moved Cr Robins Seconded Cr Duckworth that Council;**

- **Notes the update on the Risk Framework; and**
- **Notes the updated Operation and Strategic Risk Reports will be presented to Council at the August Ordinary Meeting of Council.**

**Carried 7/0**

## 7.3 Integrated Planning Framework

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**NAME OF APPLICANT:** CEO  
**RESPONSIBLE OFFICER:** CEO  
**FILE REFERENCE:**  
**AUTHOR:** James Trail Consultant  
**DISCLOSURE OF INTEREST:** Nil

### SUMMARY:

There is a need and requirement to undertake a review of the Shire of Kulin's Integrated Plans in accordance with the Local Government (Administration) Regulations 1996.

### BACKGROUND & COMMENT:

Integrated planning and reporting gives local governments a framework for establishing local priorities and a way to link this information to operational functions.

The Integrated Planning Framework (IPF) and Guidelines have been developed as part of the State Government's Local Government Reform Program. They reflect a nationally consistent approach to integrated planning as expressed by the Council of Australian Governments' Local Government Planning Ministers' Council. The Local Government (Administration) Regulations 1996 have been amended to require each local government to adopt a Strategic Community Plan and a Corporate Business Plan:

- 1) Strategic Community Plan
  - 10 year plan
  - Provides the long term view informed by community aspirations
- 2) Corporate Business Plan
  - 4 year plan
  - Activates SCP

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- Integrates other plans
- Reviewed annually

Supporting and informing the above components are strategies such as:

- 1) Long Term Financial Plan
  - 10 year plan
  - Sustainable financial management
- 2) Asset Management Plan
  - 10 year plan
  - Management of local government's assets
- 3) Workforce Plan
  - 4 year plan
  - Workforce requirements to deliver CBP
- 4) Services
- 5) Issues specific strategies

Staff are of the opinion that a detailed review of the Shire's Integrated Plans be undertaken during 2015/2016. It is recommended this review take place following the Council elections in October 2015 when a review of the Shire of Kulin Strategic Community Plan 2013-2023 is required. In doing so, the Shire will better align the interconnectedness of all Strategic Planning Documents within the Shire's Strategic Planning framework.

### FINANCIAL IMPLICATIONS

There are financial implications resulting from the recommendations of this report. These financial implications have been considered as part of the 2015/2016 Budget Deliberations and will be included in the adoption of the 2015/2016 Budget.

### STATUTORY AND PLANNING IMPLICATIONS:

*Local Government (Administration) Regulations 1996*

Part 5 – Annual reports and planning

#### 19C. Strategic community plans, requirements for (Act s. 5.56)

- (1) A local government is to ensure that a strategic community plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.
- (2) A strategic community plan for a district is to cover the period specified in the plan, which is to be at least 10 financial years.
- (3) A strategic community plan for a district is to set out the vision, aspirations and objectives of the community in the district.
- (4) A local government is to review the current strategic community plan for its district at least once every 4 years.
- (5) In making or reviewing a strategic community plan, a local government is to have regard to —
  - (a) the capacity of its current resources and the anticipated capacity of its future resources; and
  - (b) strategic performance indicators and the ways of measuring its strategic performance by the application of those indicators; and
  - (c) demographic trends.
- (6) Subject to subregulation (9), a local government may modify its strategic community plan, including extending the period the plan is made in respect of.
- (7) A council is to consider a strategic community plan, or modifications of such a plan, submitted to it and is to determine\* whether or not to adopt the plan or the modifications.  
\*Absolute majority required.
- (8) If a strategic community plan is, or modifications of a strategic community plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.
- (9) A local government is to ensure that the electors and ratepayers of its district are consulted during the development of a strategic community plan and when preparing modifications of a strategic community plan.
- (10) A strategic community plan for a district is to contain a description of the involvement of the electors and ratepayers of the district in the development of the plan or the preparation of modifications of the plan.

#### 19CA. Information about modifications to certain plans to be included (Act s. 5.53(2)(i))

- (1) This regulation has effect for the purposes of section 5.53(2)(i).
- (2) If a modification is made during a financial year to a local government's strategic community plan, the annual report of the local government for the financial year is to contain information about that modification.
- (3) If a significant modification is made during a financial year to a local government's corporate business plan, the annual report of the local government for the financial year is to contain information about that

significant modification.

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

- (1) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.
- (2) A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.
- (3) A corporate business plan for a district is to —
  - (a) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and
  - (b) govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and
  - (c) develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.
- (4) A local government is to review the current corporate business plan for its district every year.
- (5) A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.
- (6) A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine\* whether or not to adopt the plan or the modifications.  
\*Absolute majority required.
- (7) If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.

The adoption of the Shire of Kulin Corporate Business Plan 2015/2016 – 2018/2019 complies with this requirement.

**POLICY IMPLICATIONS:**

There are no policy implications resulting from the recommendations of this report.

**COMMUNITY CONSULTATION:**

Nil

**WORKFORCE IMPLICATIONS:**

Nil

**OFFICER'S RECOMMENDATION:**

That Council:

1. Adopt the Shire of Kulin Corporate Business Plan 2015/16-2018/19 for the purposes of informing the preparation of the 2015/2016 Annual Budget only and subject to a review of the Strategic Community Plan 2013-2023 commencing November 2015 with regards the integration of all Strategic Planning Documents within the Shire's Strategic Planning framework.
2. Note Integrated Planning Review Documents (as attached).
3. Request the CEO to undertake a review of the Shire's Integrated Plans commencing November 2015.

**VOTING REQUIREMENT:**

Absolute Majority

**15/0615**

**Moved Cr West Seconded Cr McInnes that Council**

- 1. Adopt the Shire of Kulin Corporate Business Plan 2015/16-2018/19 for the purposes of informing the preparation of the 2015/2016 Annual Budget only and subject to a review of the Strategic Community Plan 2013-2023 commencing November 2015 with regards the integration of all Strategic Planning Documents within the Shire's Strategic Planning framework.**
- 2. Note Integrated Planning Review Documents (as attached).**
- 3. Request the CEO to undertake a review of the Shire's Integrated Plans commencing November 2015.**

**Carried 7/0**

**8. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**9. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION AT THE MEETING**

Nil

**10. DATE AND TIME OF NEXT MEETING**

The next Ordinary Council meeting of the Kulin Shire Council is to be held on Wednesday 15 July 2015 commencing at 1.00pm.

**11. CLOSURE OF MEETING**

There being no further business the meeting closed at 4:45pm