



# **AGENDA**

## **ORDINARY MEETING OF COUNCIL**

**to be held on**

**Thursday, 20 December 2018  
at 5.30pm**



*'This meeting is being recorded on audio tape and to assist with minute taking purposes. The public is reminded that in accordance with Section 6.16 of the Shire of Morawa Meeting Procedures Local Law 2012 that nobody shall use any visual or vocal recording device or instrument to record the proceedings of Council without the written permission of the presiding member.'*

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**DISCLAIMER**

*No responsibility whatsoever is implied or accepted by the Shire of Morawa for any act, omission, statement or intimation occurring during Council Meetings. The Shire of Morawa disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission, and statement of intimation occurring during Council Meetings.*

*Any person or legal entity that acts or fails to act in reliance upon any statement, act or omission occurring in a Council Meeting does so at their own risk. The Shire of Morawa advises that any person or legal entity should only rely on formal confirmation or notification of Council resolutions.*

## DISCLOSURE OF FINANCIAL/ IMPARTIALITY/ PROXIMITY INTERESTS

*Local Government Act 1995 – Section 5.65, 5.70 and 5.71 Local Government (Administration) Regulation 34C*

<i>This form is provided to enable members and officers to disclose an Interest in a matter in accordance with the regulations of Section 5.65, 5.70 and 5.71 of the Local Government Act and Local Government (Administration) Regulation 34C</i>			
Name of person declaring the interest			
Position			
Date of Meeting			
Type of Meeting (Please circle one)	Council Meeting/ Committee Meeting/ Special Council Meeting Workshop/ Public Agenda Briefing/ Confidential Briefing		
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Important Note:** Should you declare a **Financial** or **Proximity** Interest, in accordance with the Act and Regulations noted above, you are required to leave the room while the item is being considered.

For an **Impartiality** Interest, you must state the following prior to the consideration of the item:

*“With regard to agenda item (read item number and title), I disclose that I have an impartiality interest because (read your reason for interest). As a consequence, there may be a perception that my impartiality on the matter may be affected. I declare that I will consider this matter on its merits and vote accordingly.”*

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**Item 1 Opening of Meeting**

The President to declare the meeting open at 5.30pm.

**Item 2 Acknowledgement of Traditional Owners and Dignitaries**

The President acknowledges the traditional custodians, the Yamatji people, and recognises the contribution of Yamatji elders past, present and future, in working together for the future of Morawa.

*This meeting is being recorded on audio tape and to assist with minute taking purposes. The public is reminded that in accordance with Section 6.16 of the Shire of Morawa Meeting Procedures Local Law 2012 that nobody shall use any visual or vocal recording device or instrument to record the proceedings of Council without the written permission of the presiding member.*

**Item 3 Recording of Attendance****3.1 Attendance****Council**

President Karen Chappel  
Deputy President Dean Carslake  
Councillor Darren Agar  
Councillor Jane Coaker  
Councillor Debbie Collins  
Councillor Shirley Katona  
Councillor Ken Stokes

**Staff**

Chief Executive Officer	Chris Linnell
Executive Manager Corporate & Community Services	Jenny Goodbourn
Acting Development & Administration Manager	Grace French
Principal Works Supervisor	Paul Buist
Economic Development Manager	Ellie Cuthbert
Executive Assistant to CEO	Sandy Adams

**Members of the Public****3.2 Attendance by Telephone / Instantaneous Communications****3.3 Apologies****3.4 Approved Leave of Absence****3.5 Disclosure of Interests****Item 4 Applications for Leave of Absence**

<b>Item 5</b>	<b>Response to Previous Questions</b>
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<b>Item 6</b>	<b>Public Question Time</b>
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*Important note:*

*'This meeting is being recorded on audio tape and to assist with minute taking purposes. The public is reminded that in accordance with Section 6.16 of the Shire of Morawa Meeting Procedures Local Law 2012 that nobody shall use any visual or vocal recording device or instrument to record the proceedings of Council without the written permission of the presiding member.*

*Members of the public are also reminded that in accordance with section 6.17(4) of the Shire of Morawa Meeting Procedures Local Law 2012 mobile telephones must be switched off and not used during the meeting.'*

**6.1 Public Question Time**

**6.2 Public Statement Time**

**6.3 Petitions/Deputations/Presentations/Submissions**

<b>Item 7</b>	<b>Questions from Members without Notice</b>
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<b>Item 8</b>	<b>Announcements by Presiding Member without Discussion</b>
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Presidents Meetings for the month of November.

<b>Date</b>	<b>Meeting</b>	<b>Details of Meeting</b>
1	LG Advisory Board	
9	Town of Vic Park	Celebrating community connections
13	Doray Minerals	Morawa Aerodrome Meeting
13	Morawa Sinosteel Future Fund	Committee Meeting
15	Shire of Morawa	Council Meeting
19	WALGA	Local Government Act Review Meeting
20	Commonwealth Drought Strategy	Policy Team Meeting
20	Joel Fitzgibbons - Shadow Minister for Agriculture, Fisheries & Forestry	Meeting
21	Desert Blue Connect	Meeting
22	Mid West Development Commission	Strategy Workshop
23	Mid West Development Commission	Board Meeting
26	WALGA	WALGA Executive meeting
26	WALGA	Local Government House Trust meeting
26	WALGA	President's End Of Year Cocktails
28	Morawa DHS	School Board Meeting
28	Shire of Morawa	Audit Committee Meeting
30	Geraldton Fisheries Co-operative, Welshpool	RFCS WA Board Meeting



**Item 9      Declarations of All Members to have Given Due Consideration to All Matters Contained in the Business Paper before the Meeting**

**Item 10      Confirmation of Minutes of Previous Meeting**

**10.1      Confirmation of Minutes of the Ordinary Council Meeting held on 15 November 2018**

**OFFICER RECOMMENDATION**

**That Council confirm that the Minutes of the Ordinary Council Meeting held on 15 November 2018 are a true and correct record.**

***SIMPLE MAJORITY VOTE REQUIRED***

*Disclaimer*

*Members of the public are cautioned against taking any action on Council decisions, on items in this agenda in which they may have an interest, until formal notification in writing from the Shire has been received. Decisions made at this meeting can be revoked pursuant to the Local Government Act 1995.*

**Item 11 Reports of Officers****11.1 Reports from the Chief Executive Officer****11.1.1 Country Ambulance Strategy Submission**

**Author:** Chief Executive Officer

**Authorising Officer:** Chief Executive Officer

**Disclosure of Interest:** The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

**OFFICER'S RECOMMENDATION**

That Council endorses the submission titled Country Ambulance Strategy Morawa Recommendations submitted to the WA Country Health Board by the CEO.

***SIMPLE MAJORITY VOTE REQUIRED***

**PURPOSE**

This item considers the submission prepared and submitted by the CEO in response to the WA Country Health Service Board draft Country Ambulance Strategy – *Attachment 1*.

**DETAIL**

In 2016 the WA Country Health Service Board endorsed the need for the development of a future driven strategy to ensure the Country Ambulance Service meets the needs of regional communities. The draft Country Ambulance Strategy is the result of consultation with key stakeholders who use and run ambulance services in country communities and recognises the tremendous and valuable commitment of WA's ambulance volunteers in providing an ambulance response in more regional and remote locations in WA than in any other State.

The draft Strategy makes a range of recommendations including increasing investment in community paramedics, improvements to communications and technology, volunteer support and improving consistency of dispatch times. A major recommendation is the implementation of a policy framework to set a foundation for the future and ensure consistent standards across all communities.

Implementation of the finalised Strategy is expected to commence in a collaborative phased approach from early next year.

A summary of the draft Strategy is attached – *Attachment 2*.

**LEVEL OF SIGNIFICANCE**

High – due to the potential impact of the Strategic direction.

**CONSULTATION**

- Shire Councillors
- Northern Country Zone of WALGA

**LEGISLATION AND POLICY CONSIDERATIONS**

Shire of Morawa Strategic Community Plan

3.1.3 Advocate and support the maintenance of adequate police and emergency services.

**FINANCIAL AND RESOURCES IMPLICATIONS**

Nil

**RISK MANAGEMENT CONSIDERATIONS**

Nil

**CONCLUSION**

That Council endorses the submission from the Shire of Morawa

**ATTACHMENTS**

*Attachment 1 - 11.1.1a Submission*  
*Attachment 2 – 11.1.1b Draft Strategy*

## 11.2 Reports from the Executive Manager Corporate & Community Services

### 11.2.1 Reconciliations – November 2018

**Author:** Senior Finance Officer

**Authorising Officer:** Executive Manager Corporate & Community Services

**Disclosure of Interest:** The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

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#### OFFICER'S RECOMMENDATION

That Council receive the bank reconciliation report for 30 November 2018.

***SIMPLE MAJORITY VOTE REQUIRED***

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#### PURPOSE

Local Government (Financial Management) Regulation 34 (1) (a) states that a Local Government must prepare financial statements monthly.

#### DETAIL

The information provided is obtained from the bank reconciliations carried out for Municipal Bank/Reserve Bank and Trust Bank to ensure all transactions have been accounted for.

#### LEVEL OF SIGNIFICANCE

This matter is considered to be of low significance, because the report is presented to Council for information purposes only.

#### CONSULTATION

Nil

#### LEGISLATION AND POLICY CONSIDERATIONS

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

Section 3 – Finance 3.11 Risk Management Controls

Section 3 – Finance 3.4.3 Investment Policy – Delegated Authority

**FINANCIAL AND RESOURCES IMPLICATIONS**

As presented

**RISK MANAGEMENT CONSIDERATIONS**

As per Policy Section 3 – Finance 3.11 Risk Management Controls

**CONCLUSION**

The Shire of Morawa's financial position is as follows:-

**BANK BALANCES AS AT 30 November 2018**

<b>Account</b>	<b>2018</b>
Municipal Account #	\$1,571,135.12
Trust Account	\$15,981.76
Money Market at call (Reserve) Account	\$3,572,674.41
WA Treasury O/night Facility (Super Towns) Account	\$00.00
Reserve Term Deposit (Community Development)	\$500,000.00
Reserve Term Deposit (Future Funds 1)	\$800,000.00
Reserve Term Deposit (Future Funds 2)	\$800,000.00

**BANK RECONCILIATION BALANCES**

The Bank Reconciliation Balances for 30 November 2018 with a comparison for 30 November 2017 is as follows:

<b>Account</b>	<b>2017</b>	<b>2018</b>
Municipal Account #	\$1,941,450.11	\$1,531,585.76
Trust Account	\$18,453.40	\$22,136.35
Reserve Account	\$6,120,244.14	\$5,672,674.41

**RESERVE ACCOUNT**

The Reserve Funds of \$5,672,674.41 as at 30 November 2018 were invested in:-

- Bank of Western Australia \$3,572,674.41 in the Money Market at Call Account
- \$0 in the WA Treasury O/Night Facility
- Term Deposit (Future Funds 1) \$800,000.00
- Term Deposit (Future Funds 2) \$800,000.00
- Term Deposit (Community Development Fund) \$500,000.00

Breakdown for November 2018 with a comparison for November 2017 is as follows:

	<b>2017</b>	<b>2018</b>
Leave Reserve	\$282,415.22	\$210,588.63
Plant Reserve	\$909,633.14	\$1,022,001.50
Building Reserve	\$100,430.93	\$121,851.81
Economic Development Reserve	\$109,804.39	\$111,221.52
Community Development Reserve	\$1,205,551.02	\$1,226,481.70
Sewerage Reserve	\$217,288.35	\$220,092.68
Unspent Grants and Contributions Reserve	\$58,183.57	\$26,578.90
Business Units Reserve	\$82,334.24	\$103,522.45
Morawa Future Funds Reserve	\$2,134,360.29	\$2,179,105.63
Morawa Community Future Funds Reserve	125,804.00	\$127,427.69
Refuse Transfer Station Reserve	\$27.18	\$27.21
ST N/Midlands Solar Thermal Power	\$562,375.98	\$00.00
Aged Care Units Reserve - Units 6-9	\$9,172.73	\$9,291.22
S/Towns Revitalisation Reserve	\$37,223.51	\$00.00
Legal Fees Reserve	\$20,268.41	\$25,561.45
Road Reserve	\$142,293.01	\$144,129.44
Aged Care Units Reserve - Units 1-4	\$68,272.45	\$69,153.58
Aged Care Units Reserve – Unit 5	\$54,805.72	\$55,513.28
Swimming Pool Reserve	\$0.00	\$20,125.72
<b>TOTAL</b>	<b>\$6,120,244.14</b>	<b>\$5,672,674.41</b>

**TRANSFER OF FUNDS**

- *\$37,750.30 from ST Morawa Revitalisation Reserve to Municipal Fund being for Project Complete and final draw down. July 2018*
  
- **Investment Transfers**
- *\$800,000.00 from Future Funds to Term Deposit Future Funds1 for 150 days @ 2.65% interest – Matures 14 February 2019*
- *\$800,000.00 from Future Funds to Term Deposit Future Funds2 for 150 days @ 2.65% interest – Matures 14 February 2019*
- *\$500,000.00 from Community Development Fund for 150 days @ 2.65% interest – Matures 14 February 2019*

**ATTACHMENTS**

Nil

**11.2.2 Accounts Due for Payment – November 2018**

<b>Author:</b>	Senior Finance Officer
<b>Authorising Officer:</b>	Executive Manager Corporate & Community Services
<b>Disclosure of Interest:</b>	The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

**OFFICER'S RECOMMENDATION**

That Council endorses the list of accounts paid by the Chief Executive Officer under delegated authority, represented by:

- **Municipal EFT Payment Numbers EFT11312 to EFT11371 inclusive, amounting to \$303,979.83**
- **Municipal Cheque Payments Numbered 11897 to 11902 amounting to \$4,458.14**
- **Municipal Direct Debit Payments Numbers DD6314.1 to DD6334.3 amounting to \$15,844.29**
- **Payroll for November 2018**
  - 01/11/2018 - \$ 41,557.00
  - 15/11/2018 - \$ 41,353.42
  - 29/11/2019 - \$ 40,949.24
- **Credit Card Payment November 2018**  
\$2,024.85

***SIMPLE MAJORITY VOTE REQUIRED***

**PURPOSE**

A list of accounts is attached for all payments made for the month of November 2018

**DETAIL**

Local Government (Financial Management) Regulations 1996 – Reg 13. The local government has delegated to the CEO the exercise of power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to prepare each month showing for each account paid since the last such list was prepared.

**LEVEL OF SIGNIFICANCE**

This matter is considered to be of low significance, because the report is presented to Council for information purposes only.



**CONSULTATION**

Nil

**LEGISLATION AND POLICY CONSIDERATIONS**

Local Government (Financial Management) Regulations 1996 – Reg 13  
Section 3 – Finance 3.6 Use of Corporate Credit Cards Policy

**FINANCIAL AND RESOURCES IMPLICATIONS**

As per *Attachment 1*

**RISK MANAGEMENT CONSIDERATIONS**

As per Policy Section 3 – Finance 3.11 Risk Management Controls

**CONCLUSION**

Nil

**ATTACHMENTS**

*Attachment 1* - 11.2.2a List of accounts due and submitted

**11.2.3 Monthly Financial Statements – November 2018**

**Author:** Senior Finance Officer

**Authorising Officer:** Executive Manager Corporate & Community Services

**Disclosure of Interest:** The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

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**OFFICER'S RECOMMENDATION**

**That Council receive the Statement of Financial Activity for the period ending the 30 November 2018.**

***SIMPLE MAJORITY VOTE REQUIRED***

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**PURPOSE**

Local Government (Financial Management) Regulation 34(1) (a) states that a Local Government must prepare financial statements monthly.

**DETAIL**

As per the Financial Management Regulation 34 each local government is to prepare each month a statement of financial activity reporting on the sources and application of funds, as set out in the annual budget under regulation 22 (1) (d), for that month with the following detail:

- The annual budget estimates;
- The operating revenue, operating income and all other income and expenses;
- Any significant variations between year to date income and expenditure and the relevant budget provisions to the end of the reporting period;
- Identify and significant areas where activities are not in accordance with budget estimates for the relevant reporting period;
- Provide likely financial projections to 30 June for those highlighted significant variations and their effect on the end of year result;
- Include an operating statement; and
- Any other required supporting notes.

**LEVEL OF SIGNIFICANCE**

This matter is considered to be of low significance, because the report is presented to Council for information purposes only.

**CONSULTATION**

Nil

**LEGISLATION AND POLICY CONSIDERATIONS**

Local Government (Financial Management) Regulations 1996

**FINANCIAL AND RESOURCES IMPLICATIONS**

As presented

**RISK MANAGEMENT CONSIDERATIONS**

Nil

**CONCLUSION**

To provide timely advice to Council this report is based on the 2018/19 Budget adopted by Council on 23 August 2018.

The report contains the budget amounts, actual amounts of expenditure, revenue and income to the end of the month. It shows the material differences between the adopted budget and actual amounts for the purpose of keeping council abreast of the current financial position and the variances are explained on the last two pages of the report.

**ATTACHMENTS**

*Attachment 1 – 7.2.2.3a November Monthly Financial Activity Report*

A copy of the schedules are available if required.

## 11.3 Reports from the Executive Manager Development & Administration

### 11.3.1 Acceptance of Annual Report and Audited Financial Statements

**Author:** Executive Manager Development & Administration

**Authorising Officer:** Chief Executive Officer

**Disclosure of Interest:** The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

#### OFFICER'S RECOMMENDATION

That with regard to the acceptance of the 2017/18 Annual Report, Audit Report and Audited Financial Statements, and the notification of the Annual Electors Meeting, Council:

1. Resolve to adopt the 2017/18 Annual Report, Audit Report and the Audited Financial Statements as presented for the Shire of Morawa.
2. Resolve that the Annual Electors Meeting to be held on 21 February 2019 at 5.00pm.
3. Note that the date of the Annual Electors Meeting and the availability of the Annual Report will be formally advertised in the Midwest Times, as well as on the Shire of Morawa Website.

**ABSOLUTE MAJORITY VOTE REQUIRED**

#### PURPOSE

The 2017/18 Annual Report, Audit Report and Audited Financial Statements is presented to Council for adoption. A copy of the 2017/18 Audited Annual Report and Financial Statements has been provided separately to all Councillors.

#### DETAIL

Council has an obligation under the Local Government Act 1995 to prepare an Annual Report which includes audited financial statements. The 2017/18 audit has been prepared for the first time by the Office of the Auditor General via RSM Australia. The audit findings and financial statements are presented in the 2017/18 Annual Report in *Attachment 1*.

As required by the Local Government Act 1995 the Local Government is required to present the report to an Annual Electors Meeting within 56 days of accepting the Annual Report by Council, giving at least 14 days' public notice. The Shire will advertise the meeting and the availability of the 2017/18 Annual Report in the Midwest Times, on the Shire Website and other local communication channels.

The Annual Report and Audited Financial Statements includes:

- Shire President’s Report
- Chief Executive Officers Report
- Statutory Reports
- Freedom of Information Statement
- Audited Financial Statements
- Audit Report

The reports outline activities undertaken during 2017/18 together with the financial position of the Shire of Morawa as at 30 June, 2018.

The Financial Statements and the Audit report has been presented to and have been accepted by the Shire of Morawa Audit Committee.

**LEVEL OF SIGNIFICANCE**

High – The sequence and timing of acceptance and meetings are prescribed by legislation.

**CONSULTATION**

The community are invited to attend the Annual Electors meeting.

**LEGISLATION AND POLICY CONSIDERATIONS**

- Local Government Act 1995
- Local Government (Financial Management) Regulations 1996
- Shire of Morawa Strategic Community Plan

**Outcome 4.3**      A local government that is respected, professional and accountable.

**FINANCIAL AND RESOURCES IMPLICATIONS**

Nil

**RISK MANAGEMENT CONSIDERATIONS**

The reporting and auditing process provide transparency with regard to Shire of Morawa’s operations.

**CONCLUSION**

That Council accept the 2017/18 Annual Report, Audit Report and Audited Financial Statements.

**ATTACHMENTS**

*Attachment 1* – 11.1.1A Shire of Morawa 2017/18 Annual Report, Audit Report and Audited Financial Statements

**11.3.2 Transfer of Reserve 26670 – Shire Depot**

**Author:** Executive Manager Development and Administration

**Authorising Officer:** Chief Executive Officer

**Disclosure of Interest:** The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

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**OFFICER'S RECOMMENDATION**

That with regard to the transfer of Reserve 26670 and subject to there being no significant contamination of the site, Council;

1. Resolve to accept the offer of Main Roads WA to transfer the management order of Reserve 26670.
2. Resolve that pursuant to section 9.49a of the Local Government Act 1995 the common seal be affixed to the executed transfer of land document and agreements with Main Roads.

***SIMPLE MAJORITY VOTE REQUIRED***

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**PURPOSE**

To transfer the vesting order on land presently leased from Main Roads to the Shire of Morawa – *Attachment 1*.

**DETAIL**

Shire staff have been contacted by Main Roads with regard to the possibility of acquiring Reserve 266701 which is currently vested to the Commissioner of Main Roads – *Attachment 2*.

The land is currently leased to the Shire of Morawa by Main Roads with annual rental of \$4,623.00 being paid.

The land concerns contains numerous improvements by Main Roads and is 6623m<sup>2</sup> in size.

The correspondence from Main Roads indicates that there would be no cost to the Shire to transfer the reserve. Of concern is the possibility that there may be issues such as liability relating to previous usage or asbestos. As the Shire of Morawa has physically occupied the site for a number of years there is likely to be some knowledge of issues relating to this. Main Roads have indicated that they normally produce a statutory declaration detailing any known issues in relation to the land.

The transfer of the vesting represents an opportunity to secure future usage of the land with a saving of \$4,623 per annum as rent will no longer be paid. Once the management order is obtained, there may also be an opportunity to explore the likelihood of acquiring the freehold title

of the land. The other portion of the land occupied by the depot (Lot 367 Valentine Street) has a freehold title.

**LEVEL OF SIGNIFICANCE**

- Medium - Potential acquisition of a contaminated site.
- Opportunity to secure the future usage of land already being used by the Shire of Morawa.

**CONSULTATION**

Mr Mark Minissale – Main Roads  
CEO  
Executive Management Team

**LEGISLATION AND POLICY CONSIDERATIONS**

Transfer of Land Act 1893  
Land Administration Act 1997

**FINANCIAL AND RESOURCES IMPLICATIONS**

Potential savings of \$4,623.00 per annum

**RISK MANAGEMENT CONSIDERATIONS**

The reserve may need to be checked for any pre-existing contamination prior to taking on the reserve.

**CONCLUSION**

If there are no major issues relating to contamination it is recommended that the Shire take on the management order of the land.

**ATTACHMENTS**

- Attachment 1* - 11.3.1a Copy of Land Title – Reserve 26670  
*Attachment 2* - 11.3.1b Email from Main Roads

**11.3.3 Policy Manual Adoption**

**Author:** Acting Development & Administration Manager

**Authorising Officer:** Chief Executive Officer

**Disclosure of Interest:** The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

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**OFFICER'S RECOMMENDATION**

That with regard to the adoption of the 2018 Shire of Morawa Policy Manual, and pursuant to s2.7 Local Government Act 1995, Council:

1. Resolves to adopt the 2018 Shire of Morawa Policy Manual as tabled and review individual policies in 2019.
2. Resolves to revoke all previous policy manuals of the Shire of Morawa.
3. Authorises the CEO to continue to work on the formatting of the 2018 Shire of Morawa Policy Manual.

***SIMPLE MAJORITY VOTE REQUIRED***

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**PURPOSE**

Under Section 2.7 of the Local Government Act 1995, Council has adopted a number of policies to govern the Local Government affairs. It is good practice to continually review the existing policies in view of changing legislation and requirements.

**DETAIL**

This Policy Manual is intended as a guide to Councillors and staff on the normal practices and activities of the Shire of Morawa. The policies and procedures do not require strict adherence, but may be changed as circumstances dictate and amended at any time by Council.

**LEVEL OF SIGNIFICANCE**

High - To adhere to Shire of Morawa Strategic Community Plan item 4.3 – A Local Government that is respected, professional and accountable

**CONSULTATION**

- Chief Executive Officer
- Executive Managers
- Staff



**LEGISLATION AND POLICY CONSIDERATIONS**

Local Government Act 1995  
3.7 Role of Council

Shire of Morawa Strategic Community Plan

**Outcome 4.3**      A local government that is respected, professional and accountable.

**FINANCIAL AND RESOURCES IMPLICATIONS**

Nil

**RISK MANAGEMENT CONSIDERATIONS**

Policies are aimed to provide clear direction for staff and Councillors

**CONCLUSION**

Staff are expected to use care and discretion in implementing the policies, to ensure the best possible outcome, whether or not a particular incident complies with the stated policy. At the same time, the implementation must be fair, consistent and effective with the emphasis on guidance and assistance rather than legal compulsion/action or inspectorial bias.

Council, in its absolute discretion, reserves the right to amend, add, delete or apply wholly, in part or not at all, any or all policies without notice.

**ATTACHMENTS**

*Attachment 1 - 11.3.3a – Reviewed Shire of Morawa Policy Manual (2018)*

## 11.4 Reports from the Economic Development Manager

<b>11.4.1</b>	<b>Letter of Support for NMEITA Business Case to Extend Residential Capacity for Western Australia College of Agriculture-Morawa</b>
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**Author:** Economic Development Manager

**Authorising Officer:** Chief Executive Officer

**Disclosure of Interest:** The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

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### OFFICER'S RECOMMENDATION

**That Council resolves to endorse the letter of support for the North Midlands Education, Industry and Training Alliance's business case to expand residential facilities at Western Australia College of Agriculture – Morawa.**

***SIMPLE MAJORITY***

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### PURPOSE

To provide Council with information regarding North Midlands Education, Industry and Training Alliances (NMEITA) proposed business case to expand Western Australia College of Agriculture – Morawa's (WACoA Morawa) residential facilities.

### DETAIL

The Shire of Morawa have recently received a request for a letter of support from NMEITA for the WACoA Morawa's proposed residential facility capacity expansion project. Below is the executive summary as provided to the Shire for consideration and endorsement.

#### *Executive Summary*

On behalf of its members NMEITA, the peak body for education and training in the North Midlands, submits this business case. The project aims to increase the capacity of residential student accommodation at WACoA Morawa from 72 rooms to 120 rooms. The accommodation is accessed by the students who attend the WACoA Morawa and Morawa District High School (MDHS). Both schools are in the Shire of Morawa. Morawa is one of nine Super Towns in Western Australia in which significant government planning and investment has been undertaken in the past decade.

There is a severe shortage of residential student accommodation at the agricultural colleges across the State and the Mid West is no exception. The WACoA Morawa has seen a 47 percent increase in enrolments since 2014 and currently it has at least 8 students on its waiting list. The MDHS also has students on its waiting list for residential accommodation. Unfortunately, the WACoA Morawa is limited by its boarding capacity of 72 places.

Students residing at the WACoA Morawa come from across Western Australia, but predominantly from the Mid West and Gascoyne regions.

Boarding fees at the WACoA Morawa are \$8,685 per annum compared to typically over \$40,000 for each student at boarding schools in Perth. As well as being considerably cheaper than metropolitan options, WACoA Morawa is the only school in the Mid West that offers students an agricultural education. The College delivers trade training to students from both Morawa high schools. Also, both schools offer an ATAR pathway to university for regional students. This provides an attractive option for families as their children are provided a solid foundation in agricultural education, trade training and ATAR pathway, in closer proximity and in an affordable facility.

### ***The Issue***

The demand for this project is driven by several factors, including:

- The state-wide shortage of student residential accommodation at the agricultural colleges, including the WACoA Morawa.
- The WACoA Morawa is a co-ed facility that provides residential accommodation for two schools in the Shire of Morawa; its students and the MDHS.
- The Morawa and Perenjori communities underpin the success of Karara Mining. Karara recently announced plans to increase production to eight million tonnes per annum, an increase of 300,000 tonnes per annum. Karara will require a qualified workforce to achieve this production target.
- Considerable investments by government and Karara have been made to Midwest Employment and Economic Development Aboriginal Corporation (MEEDAC) horticulture operations in the Shire of Morawa. MEEDAC has been providing fresh produce to Karara Mining for several years and intends increasing horticulture production to supply other mining camps in the region. The Morawa students can transition to MEEDAC horticulture.
- The need to increase local employment and encourage improved economic activity in the Mid West region.
- The two Morawa high schools are feeder schools to the Geraldton Universities Centre (GUC). They assist in the sustainability of the GUC.
- The GUC is offering students the Curtin Associate Degree in Agribusiness. This will enable students from the Morawa schools to transition into tertiary studies in the Mid West and halt the brain drain to Perth. It enables students to remain in the Mid West whilst maintaining and increasing the vibrancy and human capital of the region.

### ***The Solution***

The preferred solution must accommodate several important considerations:

- That it provides residential accommodation for students to attend two schools; the WACoA Morawa and MDHS.
- Increase economic benefits to the area.
- Provide an appropriate level of access to social amenities such as schools, hospitals, sporting facilities and parks.
- The delivery mechanism that maintain the values and commitments made to the Morawa SuperTown.

A comprehensive options assessment has been considered with recommendations for resolving the shortage of residential student accommodation at the WACoA Morawa. NMEITA has been integral to this process, with much of the assessment work being conducted to facilitate objectivity and thoroughness.

This project seeks \$4,891,000 from Royalties for Regions to deliver an additional 48 rooms at the WACoA Morawa.

***Economic Impact***

**Extension Project (Construction Phase Only)**

Total cost of the extension project	\$4,891,000
Number of dwellings	3 x 16 room dormitories (48 rooms)
Construction Period	2019 – 2021 (Calendar Year)

**WACoA Morawa Economic Impact**

Social value of residential boarding facilities	\$ 597,360
Economic impact of construction	\$2,800,000

**Total economic and social value gains            \$3,397,360**

NB: The Western Australian Government gains an additional 68% (\$3.3 million) from its investment of \$4.9 million. This is in addition to employment creation.

Employment impact during construction	24.8 FTE in Morawa
Employment – Other	33.0 FTE

TOTAL Employment inside and outside of the Shire of Morawa is 58.0 (FTE)

***Post Construction***

The gross regional impact in the Shire of Morawa (includes direct and flow-on) is \$2.29 million per year rising to \$2.46 million by 2025. This is for the Shire of Morawa only and does not include the impact in the Mid West.

The employment impact in the Shire of Morawa (includes direct and flow-on) is 28 in 2022, rising to 31 FTEs in 2025. This is does not include the impact in the Mid West.

This project will provide a regional education facility and a lasting legacy for the Morawa community and Royalties for Regions.

**LEVEL OF SIGNIFICANCE**

Low

**CONSULTATION**

Shire of Morawa staff regularly attend NMEITA meetings and provide feedback to Elected Members as required.

**LEGISLATION AND POLICY CONSIDERATIONS**

Strategic Community Plan 2018-2028

1.2.6 Continue to support NMEITA and its strategic direction (Education Industry Training Alliance).

1.2.12 Develop an Industry Training Centre.

**FINANCIAL AND RESOURCES IMPLICATIONS**

No anticipated impact for budget at this time.

**RISK MANAGEMENT CONSIDERATIONS**

Limited risk to the Shire of Morawa in supporting this business case.

**CONCLUSION**

NMEITA’s proposed WACoA-Morawa residential facility capacity expansion project will have both a significant economic and social impact not only on our community but also the wider North Midlands region. As such a formal letter of support for the case to extend the residential capacity for the WACoA-Morawa is appropriate.

**ATTACHMENTS**

*Attachment 1 – 11.4.1a Shire of Morawa Letter of Support for NMEITA*

**Item 12 Reports of Committees**

**12.1 Morawa Sinosteel Future Funds Committee Minutes held on 13 November 2018**

**OFFICER RECOMMENDATION**

That Council receive the Minutes of the Morawa Sinosteel Future Fund Committee Meeting held on 13 November 2018 at 5.30pm.

***SIMPLE MAJORITY VOTE REQUIRED***

**Item 13 Motions of Which Previous Notice Has Been Given**

**Item 14 New Business of an Urgent Nature**

**Item 15 Matters for Which the Meeting May Be Closed (Confidential Items)****15.1 Closure of Meeting to the Public**

**Author:** Chief Executive Officer

**Authorising Officer:** Chief Executive Officer

**Disclosure of Interest:** The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

**OFFICER'S RECOMMENDATION**

That Council closes the meeting to the public under section 5.23 (2) c) of the *Local Government Act 1995* and the *Shire of Morawa Standing Orders Local Law 2011 s 6.2 (2)* so that it can consider a matter of a confidential nature.

**SIMPLE MAJORITY VOTE REQUIRED**

**PURPOSE**

This item seeks Council's approval under s5.23 (2) (c) of the *Local Government Act 1995* to move into camera or closed session to consider the annual review of the CEO.

**DETAIL**

Nil

**LEVEL OF SIGNIFICANCE**

High – confidential matter to be discussed

**CONSULTATION**

Nil

**LEGISLATION AND POLICY CONSIDERATIONS*****Local Government Act 1995***

Under section 5.23 (2) of the *Local Government Act 1995*, part of a council meeting may be closed, if the meeting deals with any of the following:

- (a) a matter affecting an employee or employees;
- (b) the personal affairs of any person;
- (c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;

- (d) legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting;
- (e) a matter that if disclosed, would reveal —
  - (i) a trade secret;
  - (ii) information that has a commercial value to a person;
  - (iii) information about the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the local government;
- (f) a matter that if disclosed, could be reasonably expected to —
  - (i) impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law;
  - (ii) endanger the security of the local government's property;
  - (iii) prejudice the maintenance or enforcement of a lawful measure for protecting public safety;
- (g) information which is the subject of a direction given under section 23(1a) of the *Parliamentary Commissioner Act 1971*; and
- (h) such other matters as may be prescribed.

**Shire of Morawa Standing Orders Local Law 2011**

The key parts include:

- 6.2 (1) The CEO may recommend that part of the meeting is closed.
- 6.2 (2) The Council may decide to close a meeting or part of a meeting.
- 6.2 (3) The presiding member is to direct everyone to leave the meeting except, members, the CEO and any officer specified.
- 6.2 (5) Clause 8.9 (re speaking twice)
- 6.2 (7) The presiding member is to ensure any resolution of the Council made while the meeting was closed is to read out including a vote of a member.

**FINANCIAL AND RESOURCES IMPLICATIONS**

Nil

**RISK MANAGEMENT CONSIDERATIONS**

Nil

**CONCLUSION**

Council close the meeting to consider a matter of a confidential nature.

**ATTACHMENTS**

Nil

**15.2 CEO 2018 Annual Appraisal - Confidential**



**15.3 Reopening of Meeting to Public**

**OFFICER RECOMMENDATION**

That Council reopens the meeting to the public.

***SIMPLE MAJORITY VOTE REQUIRED***

<b>Item 16 Closure</b>
------------------------

**16.1 Date of Next Meeting**

The next ordinary meeting of Council will be held on Thursday, 21 February 2019 commencing at 5.30pm.

**16.2 Closure**

There being no further business, the President declared the meeting closed at \_\_. \_\_pm.



# **ATTACHMENTS**

## **ORDINARY MEETING OF COUNCIL**

**to be held on**

**Thursday, 20 December 2018**

**at 5.30pm**



*'This meeting is being recorded on audio tape and to assist with minute taking purposes. The public is reminded that in accordance with Section 6.16 of the Shire of Morawa Meeting Procedures Local Law 2012 that nobody shall use any visual or vocal recording device or instrument to record the proceedings of Council without the written permission of the presiding member.'*

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# COUNTRY AMBULANCE STRATEGY

## Morawa

### Recommendations

To develop and progress the detailed strategy, goal statements were created for each of the six key strategic themes. The current situation was compared and contrasted with these goals in the form of a gap analysis which in turn resulted in the development of 19 recommendations. The 19 recommendations are set out against each strategic theme. The organisation listed in brackets is responsible for the action and completion of the recommendation.

#### Policy & System:

1. Establish clear State-wide policy on ambulance services as a minimum and consider enacting legislation in line with other states and territories. (Department of Health)

**Response:** Acceptable

2. Define the level of ambulance service (both IHPT and Primary Response) provided to country communities in line with the State-wide policy (WA Country Health Service) and include this within the Clinical Services Framework. (Department of Health)

**Response:** Acceptable: there are two specific service deliveries required - First Response to the Community, an achievable objective by Country Sub Centres staffed with Volunteer Ambulance Officers. IHPT: inter hospital patient transfers from a locality hospital to a larger tertiary centre (eg Three Springs to Geraldton). To obtain the best outcome for patients whose illness or injury cannot be treated at the locality hospital, we need to be able to transport either by road or RFDS. Morawa always has a crew for first response but at times struggles with IHPT (5/24 turn around).

3. Plan State-wide service delivery using demand modelling then work with providers to design appropriate service delivery models in all locations (existing and new) and include measurable performance indicators in contracts. (WA Country Health Service led)

**Response:** St John Ambulance (SJA) contract for state-wide service delivery (1st Response & IHPT) is with the State Government & Department of Health. Not sure how this will be implemented with less people wanting to work in rural and remote areas, especially as volunteers.

4. Form an engagement forum comprising WACHS, country volunteers, community representatives and paramedics to discuss ongoing service design and service improvement. (WA Country Health Service)

**Response:** Has potential, but must be fairly driven. We need to push to have a helicopter based in Geraldton to cover both IHPT and trauma. Roads are not up to standard for ANY HEAD/SPINAL injuries, but there appears to be more IHPT with spinal etc. injuries transferred to Geraldton then, on most occasions RFDS'd to Perth. Total waste of financial resources, volunteer time plus fatigue etc.

5. Transfer responsibility for the contract management of country ambulance services to WACHS. (Department of Health)

**Response:** SJA manage the delivery of patients extremely well. SJA require more support in the form of acquiring volunteers and paid on-call and IHPT staff. Would NOT like to see WACHS manage country ambulance.

6. Implement the remaining recommendations from the Auditor General's Report *Delivering Western Australia's Ambulance Services* (2013) as a matter of priority. (Department of Health)

**Response:** Only if #5 is reversed (remaining recommendations).

7. Complete implementation of the WA Health Patient Transport Strategy 2015-2018 to fulfil the goal of ensuring that the WA community has access to an effective patient transport system. (Department of Health)

**Response:** RFDS charter – provide long distance transfers (plus priority 1 transfers). SJA – First Response Ambulance service to our communities (which we do well in Morawa). Why has there not been a formal review as to why the RFDS is very much underfunded, resourced, staffed?

**Timely Access:**

8. Introduce contemporary contracts for ambulance services that define IHPT and Primary Response as two distinct services which have their own scope of services and key performance targets as a minimum. (WA Country Health Service led)

**Response:** Not sure how they would implement this in all hospitals, small rural and remote hospitals/nursing posts without a GP who do not have much option but to transfer their patients to a larger hospital. SJA are the First Response, GP/ETS then determine how patient care is continued.

**Patient Safety:**

9. Mandate consistent clinical governance principles in all patient transport contracts and report jointly on progress and collaborative initiatives to improve patient outcomes and clinical performance. (WA Country Health Service led)

**Response:** Yes – shared clinical research benefits the patient.

10. Ensure every ambulance - regardless of location - can communicate reliably with all necessary parties at all times. (St John Ambulance)

**Response:** This is a government and Telstra responsibility not SJA - target State government.

**System Coordination:**

11. Implement a clinical prioritisation system to inform safe, effective and transparent coordination of inter hospital patient transfers across WACHS. (WA Country Health Service)

**Response:** SJA already have this in place, WACHS could do the same or link in with SJA (more logical).

12. Implement formal escalation mechanisms to ensure safe transfer of inter hospital patients in line with clinically indicated timeframes. (WA Country Health Service)

**Response:** Agree, but take note again...response to question 4:

*Roads are not up to standard for ANY HEAD/SPINAL injuries, but there appears to be more IHPT with spinal etc. injuries transferred to Geraldton then, on most occasions RFDS'd to Perth. Total waste of financial resources, volunteer time plus fatigue etc.*

Both WACHS and SJA must be very mindful of fatigue in their staff in rural and remote settings. Either helicopter or more RFDS transfers.

13. Commission WACHS to lead the development and coordination of State-wide inter-hospital patient flow. (Department of Health)

**Response:** Until we have a secondary triage of IHPT performed by clinicians based in WA, we will continue to encounter issues with inappropriate transfers that do not improve patient outcomes. This is not done by SJA. SJA must deliver their patients to the nearest health setting.

### **Sustainable & Skilled Workforce:**

14. Provide sufficient administrative and corporate support direct to country ambulance Sub Centres in order to free up volunteers to focus on service delivery. (St John Ambulance)

**Response:** This process is currently in place. There are specialist teams in our regional and state offices that support and mentor Sub Centre administrative and operational staff.

15. Provide the volunteer ambulance workforce with the opportunity to obtain qualifications through an articulated structured training pathway which aligns with the Australian Qualification Framework and supports career progression. (WA Country Health Service led)

**Response:** YES this is a great concept. Our SJA volunteers undertake up to 10 days of training to deliver care as a Level 2 officer and then maintain their scope of practice by attending Continuous Education Program throughout the year, but this needs to be delivered by SJA as the RTO, there are two very different skill sets here, one pre-hospital and one in hospital – they are very different skill sets in very different environments SJA and WACHS must work together to provide consistent training, learning and development across all primary health care.

16. Research, trial and implement alternate workforce and training models (including the use of shared staffing and virtual support) and prioritise this at locations which have difficulty maintaining a sustainable workforce. (St John Ambulance)

**Response:** As per #15

1 Noting that St John Ambulance WA Inc. are the contracted service provider. Any future providers would also be required to provide reliable communications.

17. Expand the Community Paramedic model in FY18/19 as a priority in order to relieve pressures in those locations currently having the most difficulty in recruiting, supporting and retaining volunteers. (St John Ambulance)

**Response:** The Community Paramedic Model is jointly funded by WACHS & SJA. The role of the CP is to train, mentor and support Volunteer Ambulance Officers – a community needs to own its Ambulance Service. Funding/ scholarships made available for paramedic training with compulsory time in rural and remote areas for a period of time (minimum of two years in different locations). There was funding two years ago for a paramedic to be based in Morawa, there was a shortage of paramedics!

### **Value for Money:**

18. Mandate transparent reporting on allocation of funds and costs of ambulance service delivery in ambulance contracts, detailing allocations between service locations and between IHPT and Primary Response services. (WA Country Health Service led)

**Response:** This would involve DOH, WACHS and SJA.

19. Ensure contract periods align with contemporary best practice and are long enough to enable providers to invest for effective service delivery. (WA Country Health Service led)

**Response:** This would involve DOH, WACHS and SJA.

## In Summary

- Agree with most recommendations, but in reality, some are going to be difficult to achieve if Government, WACHS and SJA do not collaborate.
- Volunteers are becoming scarce, RFDS appear to be under-funded. Roads are extremely rough and in places unacceptable for some transfers.
- Volunteer/ WACHS staff fatigue is an OHS issue. Patients are at risk, as are staff.
- All SJA volunteers in Morawa have their own work commitments. If there was a paid, on-call and IHPT system in Morawa which could cover Perenjori and North Midlands areas, it would benefit many. More people to town; more incentive to become a member of SJA; less pressure on volunteers; less fatigue for volunteers.

# The Country Ambulance Strategy

## Driving Equity for Country WA – Public Consultation

September 2018





*The country ambulance strategy was conducted over an 11 month period, commencing February 2017. This document was endorsed by the WA Country Health Service Board on 23 February 2018.*

*“Every person in Western Australia has an expectation that when they call an ambulance in an emergency it will come quickly and get the person to a hospital as soon as possible.”*

*Independent St John Ambulance Inquiry – Report to the  
Minister for Health (the ‘Joyce Report’) 2009*

*Cover image © St John Ambulance WA used with permission*

## Message from the Chair

A country ambulance service is an essential component of the health system in Western Australia. In 2016, the WA Country Health Service (WACHS) Board endorsed the development of a strategy to enable WA's country ambulance service to meet the needs of regional communities into the future. WACHS is accountable for the provision of quality, accessible health services to more than half a million people across large regional centres to those in small remote communities. The WACHS catchment spans 2.5 million square kilometres, the largest geographical area of any Australian health service provider.

St John Ambulance Western Australia (SJA) provides the Primary Response capability from 160 locations operating in country WA. In addition, SJA provides the majority of transportation of patients between WACHS healthcare facilities, to and from retrievals conducted by the Royal Flying Doctor Service (RFDS) and to metropolitan hospitals when required.

Our volunteers and country paramedics do an amazing job with the resources and support available to them across the vast geography of the state. Volunteers provide more than 2.8 million hours annually operating country ambulance services, representing a significant contribution to healthcare in WA. It is due to this dedication and commitment that Western Australians living in or visiting the country have access to an ambulance service close to home.

Delivering road ambulance services in country WA is a complex undertaking that involves interaction between various health care and transport providers, particularly for Inter Hospital Patient Transport (IHPT) service delivery. In delivering this strategy, the tremendous dedication and efforts of the SJA's paid and volunteer ambulance officers in providing care in extremely challenging locations and clinically difficult situations was made clear by all stakeholders. This strategy is intended to set the foundation to further support and build the service in the future.

It is time to make the appropriate investment into country ambulance services to support our volunteers so they can continue to provide this vital service. The volunteer model is a strong one, it brings communities together. The WACHS Country Ambulance Strategy (the Strategy) aims to strengthen and support the volunteer model through strategic initiatives that realign the ambulance service country people receive. The Strategy outlines the necessary foundations for volunteers and paramedic staff in country WA to continue to provide one of the best ambulance services in the world.



Professor Neale Fong  
Board Chair  
WA Country Health Service

## Overview

Western Australia (WA) has the greatest reliance on volunteer ambulance officers of any Australian State and is the only State where the service is not State-operated. The situation in WA is complicated by the vast geography and widely dispersed population outside of the Perth metropolitan area.

In the Perth metropolitan area, the ambulance service is delivered by paid, qualified paramedics who adhere to strict key performance indicators (KPIs), ensuring provision of a guaranteed, funded and resourced service.

In contrast people living or visiting the country rely on the dedication and commitment of a large number of volunteer ambulance officers and a number of blended Sub Centres with paid community paramedics who run the emergency ambulance service and transport patients between health facilities.

Volunteers provide more than 2.8 million hours annually operating country ambulance services, representing a significant contribution to the quality of healthcare in WA. Without the contribution of these dedicated individuals, people living or visiting the country would not have access to an ambulance service.

In the last decade, there have been seven major reviews into ambulance services in WA. The reviews have had different focuses (service quality to workforce wellbeing) and have delivered a range of recommendations. While many of these reviews acknowledge the *historical* complexities of delivering the country ambulance service in WA, to date there has not been an explicit focus on the *future* strategic direction of country ambulance service delivery in WA.

EY and WACHS conducted significant Statewide consultation with key stakeholders; research on best practice; and examined past reviews into WA's ambulance service. This revealed that there is substantial inequity between the provision of metropolitan and country ambulance services in regards to financial, contractual and performance measures:

- ▶ WA has no policy or legislation outlining what the community can expect from an ambulance service.
- ▶ Unlike metropolitan Perth, and a small number of country Sub Centres there are no contractual requirements for an ambulance service to respond to calls, meet minimum standards of response availability or maintain constant coverage of emergency transportation for what amounts to 99 percent of the State's geography.
- ▶ In the metropolitan area and major towns, the ambulance vehicle and the resources required to deliver the essential ambulance service are provided to the centre. In the country, volunteers are expected to fundraise within their communities, in addition to generating revenue by volunteering their time in patient transfers to purchase all resources.
- ▶ The actual cost and funding to provide the service in the country is not transparent or articulated.

The system functions, however there is a lack of a policy framework or legislative foundation. It depends on trust and the good will of hundreds of volunteers across the State, operating a 'best endeavours' service. This stands in contrast to the metropolitan ambulance service and the aeromedical patient transport contractual arrangement for WA provided by the Royal Flying Doctor Service (RFDS).

While country people do not expect a service which is staffed and operated equal to their metropolitan counterparts, they have an expectation their country ambulance service is sufficiently resourced and supported to deliver a sustainable service.

The volunteer model is a strong one; it brings communities together and is a tremendous contribution to the ambulance service. However the lack of investment supporting the volunteers places the future sustainability of the service at risk. The pressure to continue to provide the service based purely on good will without the support of a policy framework, equitable strategy or contractual certainty needs to be addressed.

## Country Ambulance Services today

It is important to recognise that the delivery of a country ambulance service is complex. There are multiple types of ambulance transport and many different organisations and people who interact to safely prepare, transport and receive patients in WA. The country ambulance service provides the primary response as well as transportation of patients between healthcare facilities; and to and from retrievals conducted by the RFDS.

Recognising that the patient transport network includes both road based and aero ambulance services, this strategy development process has focussed primarily on road based ambulances. Recognition of and reference to aeromedical services occurs within the Strategy when it relates to the interactions with the road based services.

Ambulance services are not defined in legislation or policy in WA, however for the purposes of this strategy the ambulance service is defined as the combination of:

- ▶ Primary Response: which refers to when a person requires an emergency response, assessment, first aid or treatment at the response location and transportation to a hospital, and
- ▶ Inter Hospital Patient Transfers (IHPT): which includes both emergency and non-emergency transportations between healthcare facilities including metropolitan hospitals or to the aeromedical transport provider. Although in most instances IHPT patients will have been stabilised, this type of transport can also involve high priority and potentially life threatening situations. The IHPT is crucial to an effective hospital system and optimal patient care delivery where delays can result in major impacts on patient outcomes, and place undue stress on the facilities and staff.

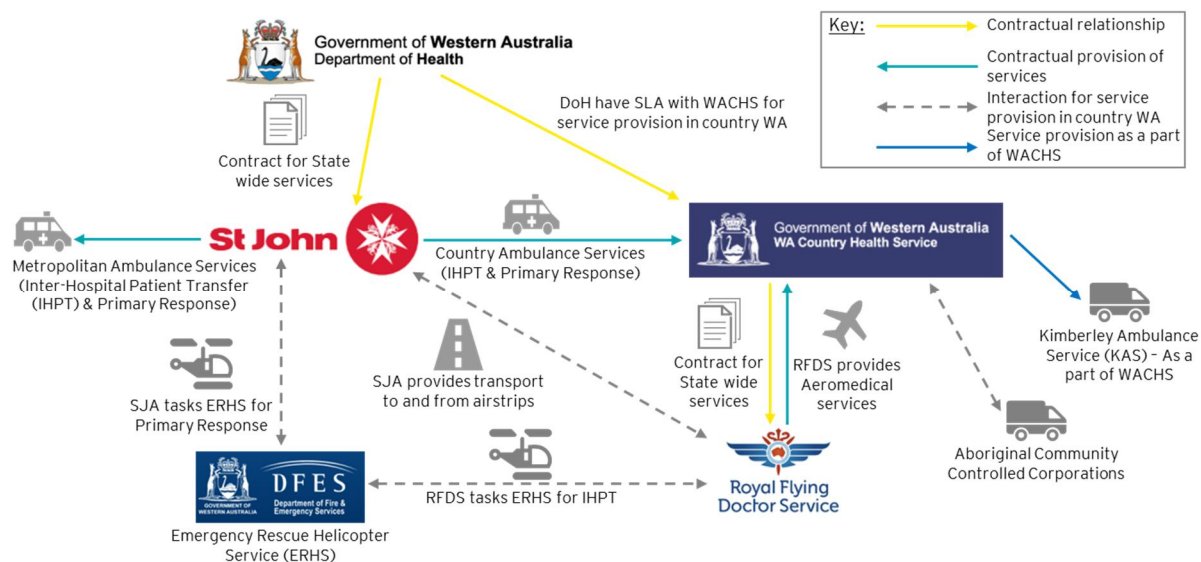
It is important to note that the IHPT service is the major funding stream for the Volunteer Sub Centres which then enables them to provide the necessary tools and equipment to operate the Primary Response service.

In country WA, these two services have historically been approached in the same way however their provision and associated challenges are unique. This strategy recognises the difference between these services and considers how best to address both models to meet the needs of the community and its volunteers.

## The key organisations involved in the country ambulance system in WA

The provision of Primary Response and IHPT to patients in country WA is multifaceted and involves a number of service providers as represented in the diagram below.

Figure 1: Primary Response and IHPT system in country WA



### Department of Health

In 2016, the Department of Health (DoH) was established as System Manager, responsible for the overall management and strategic direction of the WA health system to ensure the delivery of high quality, safe and timely health services. The DoH holds Health Service Providers (HSPs) to account for service delivery. Under the new governance structure of the WA health system, WACHS is the HSP accountable for the provision of quality, accessible health services to people across country WA, from those living in large regional centres to those in small remote communities. The DoH holds and manages the contract with SJA and other metropolitan ambulance providers.

### WA Country Health Service

WACHS is the largest HSP in WA geographically, delivering a range of comprehensive health services to 21 percent of WA's population across 2.5 million square kilometres. It is also the largest country health service in Australia. Due to the dispersed population, the ambulance service is crucial in patients accessing care.

Operating 71 hospitals and 27 nursing posts, WACHS has with capability levels ranging from Nurse Led Emergency Response through to Emergency Departments staffed with specialists in emergency medicine. During the 2016 financial year WACHS managed approximately 40 percent of the State's emergency presentations despite serving only 21 percent of WA's population.

While SJA is the main provider of ambulance services, in some parts of the Kimberley (Derby, Halls Creek and Fitzroy Crossing), ambulance services are provided by WACHS directly, operating as the Kimberley Ambulance Service (KAS) from WACHS facilities. It should be noted that WACHS operates the KAS outside of any formal contractual relationship with the DoH.

In recent years WACHS has undergone a significant change to their service model, with the introduction of the hub and spoke model driving an increased demand for IHPT services. This has placed greater pressure on the country ambulance service, requiring volunteer ambulance officers to provide more hours to transport patients. This is occurring against a backdrop of decreasing volunteerism nationally; ageing populations in country communities; and fewer local employment opportunities for volunteers.

### St John Ambulance Western Australia (SJA)

SJA is the primary provider for WA's road ambulance services for metropolitan and country. The service includes road based ambulance services; tasking of the Emergency Rescue Helicopter Service (ERHS) owned by the Department of Fire and Emergency Services (DFES) for Primary Response incidents; patient transport services; and management of the State Operations Centre (SOC).

Seeking to maximise its response capacity, SJA predominantly utilises volunteer community based officers to provide ambulance services across country WA. These officers provide 3.6 million volunteer hours a year which includes more than 2.8 million volunteer hours providing patient transport and 800,000 hours volunteering for other activities such as training, attending events and fundraising. It should be recognised that if not for the dedication and commitment of the 3,000 or more current volunteers and those who have previously volunteered, this service would not be available to the local population.

This community focussed approach is historical, with ambulance provision established by local communities when they identify a local need. These services were subsequently developed under the direction and governance of SJA. This approach has seen strong community ownership of the local ambulance service where no services were previously available.

SJA operates 160 ambulance response locations across country WA. These include Sub Centres and Sub Branches (smaller facilities under the governance of a Sub Centre), which are predominantly operated solely by SJA volunteer ambulance officers, with a number of blended Sub Centres with paid Community Paramedics. Sub Centres represent 144 of the 160 ambulance response locations in current operation by SJA. The growth and placement of Sub Centres has been organic, based on local action taken by communities to develop an ambulance service. While some areas in WA have relative proximity to one or more SJA locations - particularly the South West, Wheatbelt and Great Southern - there are still areas predominantly in the more remote locations where gaps in service occur.



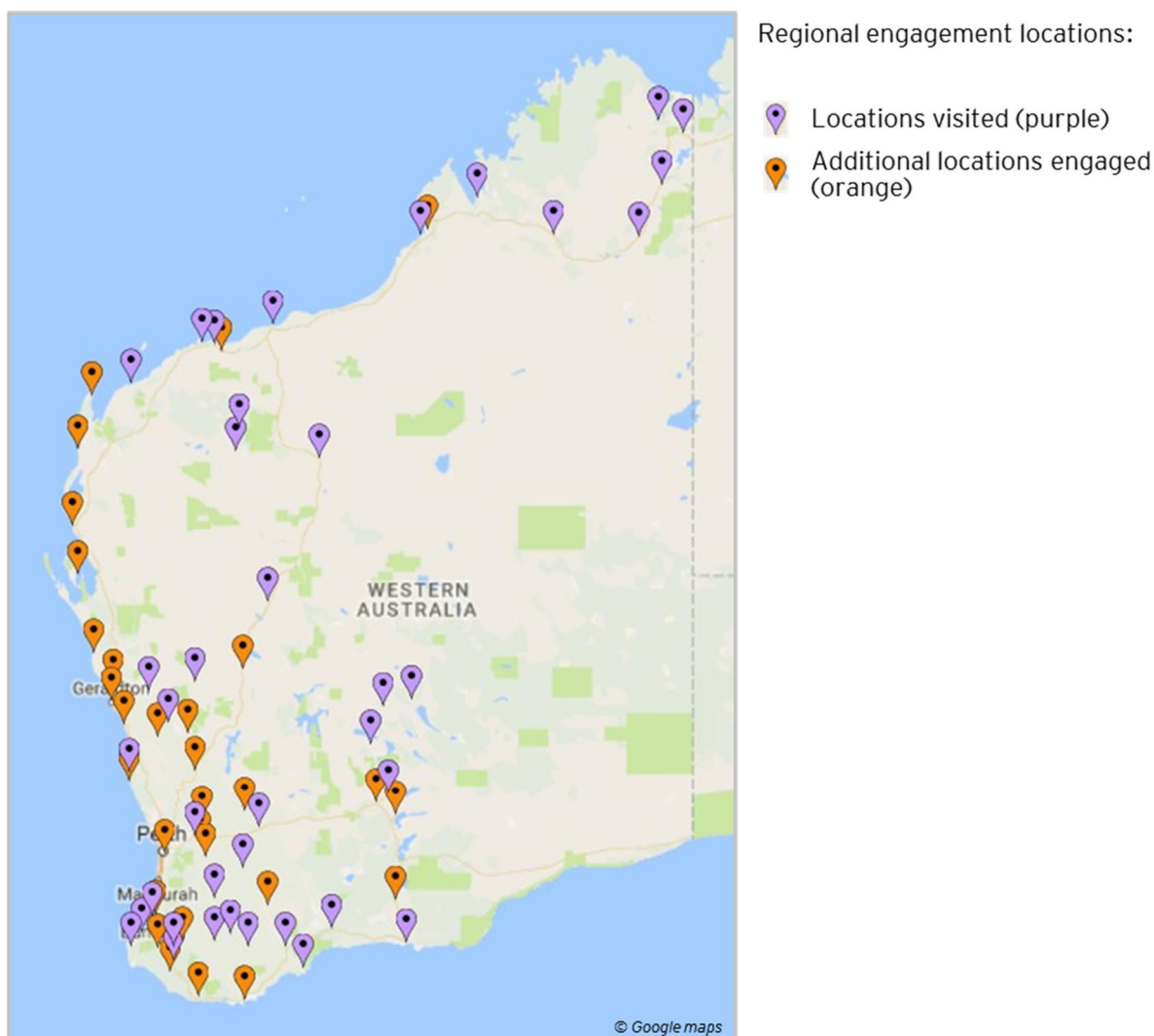
Image © St John Ambulance WA used with permission

## The strategy development process

To develop the Country Ambulance Strategy, consideration was given to previous reviews into ambulance service provision in WA to understand the historical recommendations and identify key issues. A scan of other Australian States and international jurisdictions was undertaken to understand how different jurisdictions manage the service and to provide examples of service excellence, particularly for country areas. Targeted analysis and review of key documents, funding arrangements and activity data was used to confirm and clarify stakeholder statements, and to provide further information and context for the strategy.

A significant component of the strategy development process was widespread regional engagement over six weeks with representatives from WACHS, the KAS, SJA, RFDS, Local Government, the DoH and other relevant parties across all seven country regions and the Perth metropolitan area. This was an essential component in gathering key insights around the complexities, challenges and successes associated with country ambulance services in WA.

Figure 2: Regional stakeholder engagement – stakeholder locations



## Initial findings

Initial analysis revealed that inequity exists between metropolitan services and those in the country, as well as between country regions. The WA ambulance service operates with the lowest funding per capita out of all the states and also spends the least per capita. SJA country ambulance services spend less per capita on service delivery than metropolitan ambulance services (driven primarily by the extensive volunteer workforce) and carry almost twice the bad debt.

The service model was found to be under immense pressure from rising demand - particularly from increasing needs to transport patients between hospitals and is suffering from fragmentation between the multiple system players. This increasing demand is not served well by the current model and the complexity of the system has made improvement a challenge.

It was made clear throughout the stakeholder consultation phase that for a sustainable ambulance service there needs to be greater support for the volunteers. The type of support identified as required includes:

- ▶ Administrative support to assist with the management of the Sub Centre's
- ▶ Greater access to training and provision of nationally recognised formal training
- ▶ Investment into improved technology including communications systems which will enable ambulance officers and paramedics to reach higher level advice when on scene and when transporting patients between sites
- ▶ Greater Sub Centre financial support particularly in relation to debt management and major equipment provision
- ▶ Increased clinical support through increased numbers of community paramedics employed.

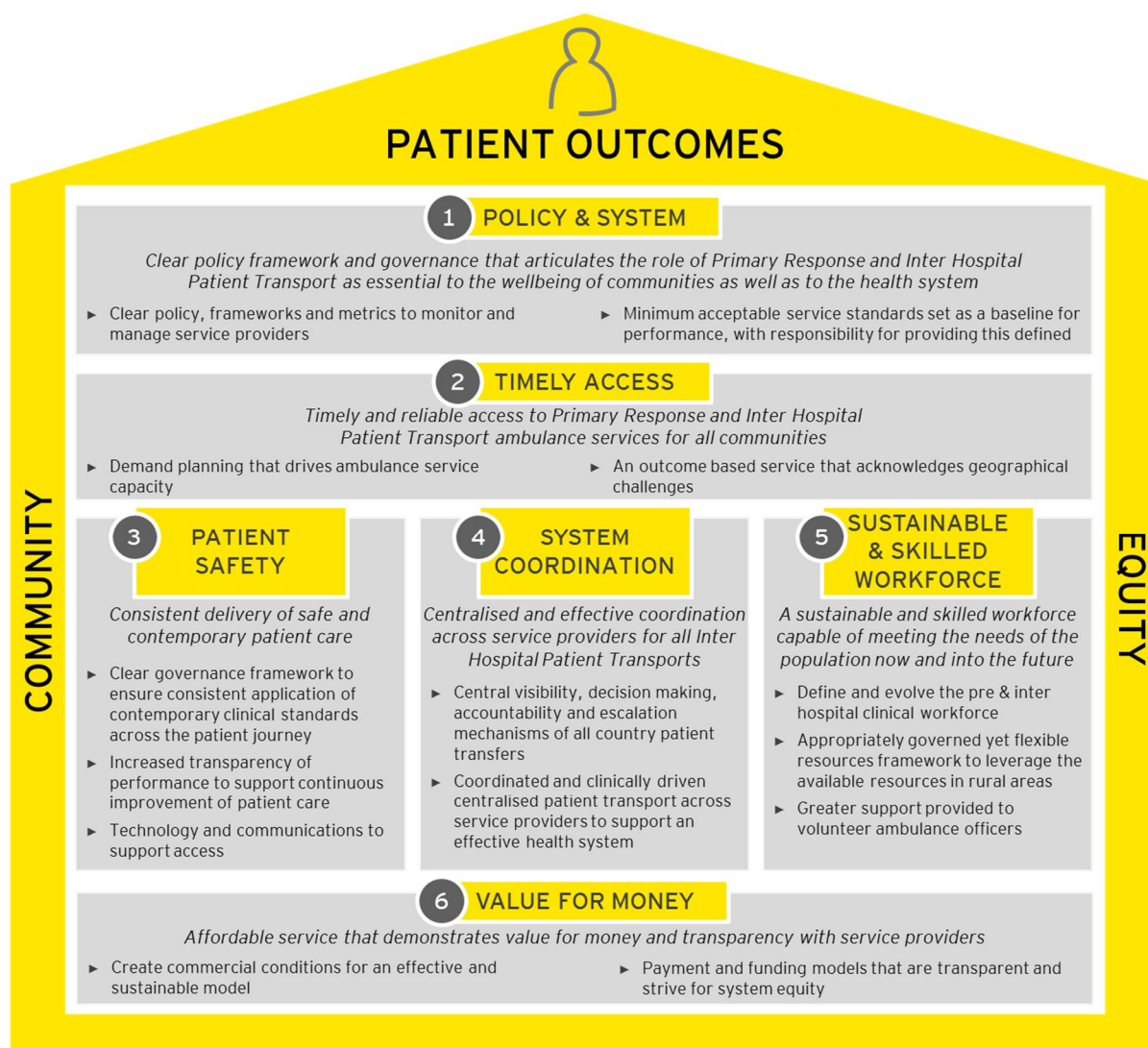
There are critical internal issues to address including greater contract transparency around funding allocation and agreed service standards and measures; however equity of service for country patients is unlikely to be achieved without targeted additional investment in the country ambulance service and an overarching policy framework.

## Strategic themes

The initial findings were subsequently categorised under common areas and the question was then asked: if these are the issues, 'what does service excellence look like for each area?' In June 2017 a blue sky visioning workshop with stakeholders from WACHS, SJA, metropolitan health services and Regional Development Councils was held to develop a vision for ambulance services in WA. Six key strategic themes emerged as the pillars of the strategy as displayed in Figure 3 below.



Figure 3: The six strategic themes of the WA Country Ambulance Strategy



The core issues pertaining to the six key strategic themes are summarised below:

- ▶ **Policy and system:** Currently there is no policy or legislation for country ambulance service delivery which causes a lack of clarity over roles, accountabilities and standards.
- ▶ **Timely Access:** The growth in demand (particularly for IHPT) and lack of defined service standards/ KPIs in the SJA contract means reasonable expectations around timely access that take in to account the greater distance in country are not guaranteed.
- ▶ **Patient Safety:** The lack of contract clarity, integrated systems and governance frameworks means there are barriers to consistently delivering safe and contemporary clinical care.
- ▶ **System Coordination:** The number of different organisations and systems involved in the transportation of country patients are not working optimally together around the patient.
- ▶ **Sustainable and skilled workforce:** There is increasing pressure on the country ambulance workforce from increasing demand. Current systems and training do not enable the workforce to deliver seamless care around the patient.
- ▶ **Value for money:** Whilst there is no one agreed cost of country ambulance services in WA it is clear that there is an inequity in the funding between country and metropolitan and between

WA and other states. The resultant inequity of service in country WA is unlikely to be addressed without targeted additional investment.

In recognition of these points, the overarching strategic requirement is for the development of effective policy and governance, coupled with equitable and focused resource investment to ensure communities' access to a timely and reliable country ambulance service. Three areas support the services' ability to meet community needs: patient safety, coordination of the service across the health system, and the support of a sustainable and skilled workforce. The Country Ambulance Strategy is to be underpinned by a value for money requirement and delivery in a transparent and efficient manner. The values of *community* and *equity* overarch the strategy, essential to the future provision of the country ambulance service in WA.

Through implementation of the Strategy, there is an identification and recognition of targets to be achieved in response to the strategic themes, including:

- ▶ An overarching policy will define the responsibility for ensuring access to an equitable and continuous ambulance service to the Western Australian community.
- ▶ The ambulance service will be maintained as a cornerstone of the community, where volunteers and paid staff are recognised for the contribution they make to the health of people in the country.
- ▶ Country communities will be aware of the ambulance services available in their area and the performance standards they will meet. The most appropriate service models are in place for all locations in country WA.
- ▶ When people call an ambulance, they feel assured that the care they will be provided is in line with clear and published standards throughout the duration of their care.
- ▶ Local WACHS facilities will be aware of the capability and capacity of ambulance services in their location while IHPT will be coordinated from a central point.
- ▶ WACHS will have visibility of the ambulance provider's performance and funding allocations, while working with them to plan future service locations.
- ▶ WACHS and the ambulance provider's teams will regularly train together, be clear of each other's roles and be universally respected for their respective skill sets, as they work together to improve health outcomes for patients.

The Strategy sets the foundations for a sustainable country ambulance service in to the future and aims to improve health outcomes for country patients.



Image © St John Ambulance WA used with permission

## Recommendations

To develop and progress the detailed strategy, goal statements were created for each of the six key strategic themes. The current situation was compared and contrasted with these goals in the form of a gap analysis which in turn resulted in the development of 19 recommendations.

The 19 recommendations are set out against each strategic theme. The organisation listed in brackets is responsible for the action and completion of the recommendation.

Policy & System:

1. Establish clear Statewide policy on ambulance services as a minimum and consider enacting legislation in line with other states and territories. (Department of Health)
2. Define the level of ambulance service (both IHPT and Primary Response) provided to country communities in line with the Statewide policy (WA Country Health Service) and include this within the Clinical Services Framework. (Department of Health)
3. Plan Statewide service delivery using demand modelling then work with providers to design appropriate service delivery models in all locations (existing and new) and include measurable performance indicators in contracts. (WA Country Health Service led)
4. Form an engagement forum comprising WACHS, country volunteers, community representatives and paramedics to discuss ongoing service design and service improvement. (WA Country Health Service)
5. Transfer responsibility for the contract management of country ambulance services to WACHS. (Department of Health)

6. Implement the remaining recommendations from the Auditor General's Report *Delivering Western Australia's Ambulance Services* (2013) as a matter of priority. (Department of Health)
7. Complete implementation of the WA Health Patient Transport Strategy 2015-2018 to fulfil the goal of ensuring that the WA community has access to an effective patient transport system. (Department of Health)

Timely Access:

8. Introduce contemporary contracts for ambulance services that define IHPT and Primary Response as two distinct services which have their own scope of services and key performance targets as a minimum. (WA Country Health Service led)

Patient Safety:

9. Mandate consistent clinical governance principles in all patient transport contracts and report jointly on progress and collaborative initiatives to improve patient outcomes and clinical performance. (WA Country Health Service led)
10. Ensure every ambulance - regardless of location - can communicate reliably with all necessary parties at all times. (St John Ambulance<sup>1</sup>)

System Coordination:

11. Implement a clinical prioritisation system to inform safe, effective and transparent co-ordination of inter hospital patient transfers across WACHS. (WA Country Health Service)
12. Implement formal escalation mechanisms to ensure safe transfer of inter hospital patients in line with clinically indicated timeframes. (WA Country Health Service)
13. Commission WACHS to lead the development and coordination of Statewide inter-hospital patient flow. (Department of Health)

Sustainable & Skilled Workforce:

14. Provide sufficient administrative and corporate support direct to country ambulance Sub Centres in order to free up volunteers to focus on service delivery. (St John Ambulance)
15. Provide the volunteer ambulance workforce with the opportunity to obtain qualifications through an articulated structured training pathway which aligns with the Australian Qualification Framework and supports career progression. (WA Country Health Service led)
16. Research, trial and implement alternate workforce and training models (including the use of shared staffing and virtual support) and prioritise this at locations which have difficulty maintaining a sustainable workforce. (St John Ambulance)

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<sup>1</sup> Noting that St John Ambulance WA Inc. are the contracted service provider. Any future providers would also be required to provide reliable communications.

17. Expand the Community Paramedic model in FY18/19 as a priority in order to relieve pressures in those locations currently having the most difficulty in recruiting, supporting and retaining volunteers. (St John Ambulance)

Value for Money:

18. Mandate transparent reporting on allocation of funds and costs of ambulance service delivery in ambulance contracts, detailing allocations between service locations and between IHPT and Primary Response services. (WA Country Health Service led)
19. Ensure contract periods align with contemporary best practice and are long enough to enable providers to invest for effective service delivery. (WA Country Health Service led)

## Next Steps

Ambulance services are essential to all communities and are a critical service in the delivery of healthcare. As such, the establishment of a clear policy to define and assign responsibilities for providing ambulance services is the starting point (Recommendation 1). In order to reflect and establish what the community can reasonably expect in country WA, the defined level of ambulance service should be articulated within agreed clinical service planning and delivery (Recommendation 2).

To ensure that a measureable, equitable and continuous ambulance service is provided using the most appropriate provider model for ambulance services, a common set of standards and performance measures should be introduced (Recommendation 3). To appropriately manage the introduced standards and performance measures, these elements will need to be included in all future contracts for ambulance services (Recommendation 8).

Following public consultation and in principle endorsement by the WACHS Board, it is expected that the DoH, WACHS and SJA will act immediately to implement the Strategy, based on the six themes and recommendations outlined. Action will need to be taken on the recommendations required to improve country ambulance services in WA. Actioning these key recommendations requires the immediate attention of WACHS, the DoH and SJA to strengthen country ambulance services for the future.



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“I believe an ambulance service is essential for country and regional areas. There are limited tertiary medical facilities as it is and so it is imperative an efficient, well trained and equipped team is available to transfer sick and injured patients as soon as possible.”

Consumer feedback gathered for the purposes of the Country Ambulance Strategy

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EFT11312	01/11/2018	Australian Services Union	Payroll deductions	1	77.70
EFT11313	01/11/2018	Department of Human Services	Payroll deductions	1	348.58
EFT11314	14/11/2018	Morawa News & Gifts	Stationery and Daily Papers	1	137.44
EFT11315	14/11/2018	BOC Limited	Oxygen Medical Centre	1	6.06
EFT11316	14/11/2018	Kats Rural	Various Parts - Oval	1	1,119.66
EFT11317	14/11/2018	Landmark Operations Limited	Barbed Wire for Road Fencing	1	112.20
EFT11318	14/11/2018	Midwest Chemical & Paper Distributors	Cleaning Products Caravan Park, Public Toilets, Rec Centre	1	400.14
EFT11319	14/11/2018	S & K Electrical Contracting Pty Ltd	Western Power Connection Fee - 20/05/2015 – New Town Centre	1	450.00
EFT11320	14/11/2018	Conway Highbury	Local Laws Stage 3	1	1,036.75
EFT11321	14/11/2018	Greenfield Technical Services	2017 Flood Damage (AGRN743) Administration	1	4,666.75
EFT11322	14/11/2018	Jason Sign makers	Blades for Business Signage	1	1,553.48
EFT11323	14/11/2018	Shire of Perenjori	CESM July to September 2018	1	3,048.31
EFT11324	14/11/2018	Alinta Sales Pty Ltd	Energy Charges - 31 days	1	100.40
EFT11325	14/11/2018	Wallis Computer Solutions	Managed service agreement 18-19 and firewall subscription	1	8,204.72
EFT11326	14/11/2018	ARC Infrastructure	Water Use - Railway Salon	1	39.96
EFT11327	14/11/2018	Herrings Coastal Plumbing & Gas	Works to Water Service as per Quote #4520	1	907.36
EFT11328	14/11/2018	IGA Morawa	Refreshments & Supplies - October 2018	1	319.09
EFT11329	14/11/2018	Infinitum Technologies Pty Ltd	Printer Cartridges	1	874.00



EFT11330	14/11/2018	Mitchell and Brown Communications Vidguard	Quarterly Security Monitoring - Youth Centre	1	115.50
EFT11331	14/11/2018	GG Pumps and Electrical	2nd power outlet for caravan site and RCD change existing circuit	1	1,125.60
EFT11332	14/11/2018	WINC Australia	Stationery	1	44.15
EFT11333	14/11/2018	Balls 'N' All	Hire of Game Machines Youth Centre – 2 year contract	1	6,000.00
EFT11334	14/11/2018	DALLYWATER CONSULTING	EHO Services 05/11/18 to 07/11/18	1	3,635.50
EFT11335	14/11/2018	Colliers	Rent for Depot - 1/11/2018 to 30/11/2018	1	423.85
EFT11336	14/11/2018	Kats Rural	Supply 3 50 m rolls of hessian 1.8 wide - Swimming Pool	1	885.00
EFT11337	14/11/2018	Landmark Operations Limited	1 pallet rapid set concrete and Grapples	1	698.92
EFT11338	14/11/2018	Wes Trac Equipment Pty Ltd	Check air con and repair on Caterpillar Truck	1	4,171.58
EFT11339	14/11/2018	Hitachi Construction Machinery (Australia) Pty Ltd	Various Parts	1	226.03
EFT11340	14/11/2018	GH Country Courier	Freight	1	61.60
EFT11341	14/11/2018	Jason Sign makers	various signs	1	2,146.60
EFT11342	14/11/2018	Geraldton Mower & Repairs Specialists	Repair of blower	1	207.50
EFT11343	14/11/2018	Novus Autoglass Repairs & Replacement	Repair of Stone Chips in Toyota Kluger Eclipse Black MO 0	1	69.25
EFT11344	14/11/2018	Coates Hire	Hire of drum roller 25/09 - 08/10 - Neates Road	1	2,959.94
EFT11345	14/11/2018	GG Pumps and Electrical	Check hot water systems on two units at Caravan Park	1	336.48
EFT11346	14/11/2018	HI-Power Diesel	Repair oil leak and fan drive belt replacement	1	770.00
EFT11347	14/11/2018	Pat's Mobile Mechanical	Check air con, rubber tyre roller and repair	1	758.34
EFT11348	14/11/2018	Herbert Edward Kenyon	Carpet cleaning Tennis Meeting Room	1	225.00

EFT11349	14/11/2018	Department of Fire & Emergency Services	2018/19 ESL	1	3,893.55
EFT11350	14/11/2018	Morawa Traders	Planet Party Astro Tourism	1	292.86
EFT11351	14/11/2018	Landgate	Rural UV Schedule R2018/6	1	66.50
EFT11352	14/11/2018	Stewart & Heaton Clothing Co Pty Ltd	Boots - Fire Brigade	1	283.26
EFT11353	14/11/2018	Courier Australia	Various Freight	1	192.86
EFT11354	14/11/2018	Dean's Contracting WA Pty Ltd	Flood Damage Supervision 24/10/2018-06/11/2018	1	22,852.28
EFT11355	14/11/2018	BPH	Flood Damage Works 24/10/2018 - 06/11/2018	1	207,795.50
EFT11356	14/11/2018	Avon Waste	Waste Collection October 2018	1	6,955.25
EFT11357	14/11/2018	Department of Local Government, Sport and Cultural Industries	Kidsport return of unspent grant funds	1	3,851.10
EFT11358	14/11/2018	Refuel Australia	Fuel Card October 2018	1	1,675.97
EFT11359	14/11/2018	Marketforce	Advert for General Hand x 2 and Tech Officer - Midwest Times 10/10/2018	1	258.31
EFT11360	14/11/2018	Bob Waddell & Associates Pty Ltd	Assistance with Annual Report 2017/18	1	3,465.00
EFT11361	14/11/2018	Neverfail Springwater Limited	Monthly Cooler Rental Nov 2018	1	14.30
EFT11362	14/11/2018	Great Southern Fuel Supplies	Fuel Card Usage October 2018	1	1,078.25
EFT11363	14/11/2018	Snap Joondalup	Final payment for additional A6 cards to printed for Art Show	1	240.00
EFT11364	14/11/2018	Five Star	Freight	1	29.15
EFT11365	14/11/2018	Juurlu Baba Yamitji Pty Ltd	Traffic management plans for Morawa Yalgoo Rd	1	495.00
EFT11366	14/11/2018	Incite Security	Service and fix issues with CCTV	1	620.82

EFT11367	20/11/2018	Australian Services Union	Payroll deductions	1	77.70
EFT11368	20/11/2018	Department of Human Services	Payroll deductions	1	348.58
EFT11369	27/11/2018	Agrarian Management	Rates refund for assessment A10647	1	803.87
EFT11370	30/11/2018	Australian Services Union	Payroll deductions	1	77.70
EFT11371	30/11/2018	Department of Human Services	Payroll deductions	1	348.58
11897	14/11/2018	Synergy	Supply 28/08/2018 to 18/10/2018 - Sewerage Farm	1	1,022.25
11898	14/11/2018	Telstra Corporation Limited	Telephone Expense - 28/10/2018 to 27/11/2018	1	582.58
11899	14/11/2018	Building Commission	House demolition Neagle Street permit	1	56.65
11900	14/11/2018	Synergy	Power Usage 2/10 - 01/11	1	3,586.75
11901	14/11/2018	Telstra Corporation Limited	Tourist Information Centre Phone Usage 16/09 - 15/10	1	62.93
11902	14/11/2018	Morawa Licensed Post Office Emmlee's	Postage expenses October 2018	1	169.23
DD6314.1	14/11/2018	WA Local Government Superannuation Plan	Payroll deductions	1	6,526.64
DD6314.2	14/11/2018	BT FINANCIAL GROUP	Superannuation contributions	1	348.38
DD6314.3	14/11/2018	MLC Super Fund	Superannuation contributions	1	237.56
DD6314.4	14/11/2018	Australian Super	Superannuation contributions	1	228.22
DD6314.5	14/11/2018	LGIA Super	Superannuation contributions	1	327.65
DD6321.1	28/11/2018	WA Local Government Superannuation Plan	Payroll deductions	1	6,560.52
DD6321.2	28/11/2018	BT FINANCIAL GROUP	Superannuation contributions	1	318.97
DD6321.3	28/11/2018	MLC Super Fund	Superannuation contributions	1	237.56

DD6321.4	28/11/2018	Australian Super	Superannuation contributions	1	230.48
DD6321.5	28/11/2018	LGIA Super	Superannuation contributions	1	327.65
DD6334.1	05/11/2018	BankWest	Credit Card purchases Oct 2018	1	2,024.85
DD6334.2	01/11/2018	Westnet Pty Ltd	Internet November 2018	1	234.75
DD6334.3	05/11/2018	BOQ Finance	Photocopier lease November 2018	1	265.91

**REPORT TOTALS**

<b>EFT</b>	<b>\$303,979.83</b>
<b>Cheque</b>	<b>\$ 4,458.14</b>
<b>Direct Debits</b>	<b>\$ 15,844.29</b>
<b>Payroll</b>	<b>\$123,859.66</b>
<b>Credit Card</b>	<b>\$ 2,024.85</b>
<b>TOTAL</b>	<b>\$450,166.77</b>

**Oct-18**

**Business Credit Card - Chris Linnell Bankwest Mastercard**

Date	Description	Accounts	Account Description	Amount	GST	
29/09/2018	Flowers for Steve Goodbourn	1042010.520	Public Relations	73.90	6.72	
29/10/2018	Hamper for Jenny Goodbourn	1042010.520	Public Relations	94.00	8.55	
				<b>Total Purchases for C Linnell</b>	<b>167.90</b>	<b>15.26</b>

**Business Credit Card - Jenny Goodbourn Bankwest Mastercard**

Date	Description	Accounts	Account Description	Amount	GST	
20/10/2018	4 x tyres RAV4 EMCCS	P242	Toyota RAV4	916.00	83.27	
				<b>Total Purchases for J Goodbourn</b>	<b>916.00</b>	<b>83.27</b>

**Business Credit Card - Sam Appleton**

Date	Description	Accounts	Account Description	Amount	GST	
3/10/2018	Accommodation Sam Appleton - Course Perth	1146120.521	Travel & Accommodation	216.00	19.64	
3/10/2018	Accommodation Sam Appleton - Course Perth	1146120.521	Travel & Accommodation	117.00	10.64	
3/10/2018	Meal - Sam Appleton	1146120.521	Travel & Accommodation	7.00	0.64	
4/10/2018	Parking Sam Appleton	1146120.521	Travel & Accommodation	13.50	1.23	
5/10/2018	Accommodation Sam Appleton - Course Perth	1146120.521	Travel & Accommodation	105.00	9.55	
6/10/2018	Meals - Sam Appleton	1146120.521	Travel & Accommodation	39.00	3.55	
6/10/2018	Meals - Sam Appleton	1146120.521	Travel & Accommodation	25.50	2.32	
18/10/2018	Replacement TV Canna Chalet	B13207	Canna Chalet Operating Exp	267.95	24.36	
22/10/2018	Tablet Recharge	1146230.521	Telecommunications - Admin	150.00	13.64	
				<b>Total Purchases for S. Appleton</b>	<b>940.95</b>	<b>85.54</b>

<b>Total Fees and Charges</b>	<b>2024.85</b>	<b>60.35</b>
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CREDITOR NAME: Refuel Australia - 30169

INVOICE NUMBER: MORAS

INVOICE DATE: 31/10/2018

Bill Number:

DESCRIPTION: Small fuel, oil and card purchases

GL/JOB CODE	ACCOUNT DESCRIPTION	GST IND.	I/E CODE / C/C	DESCRIPTION	ELEM. CODE	AMOUNT
1144010	Purchase of Stock Materials	C				-
1142200	Expendable Stores	C				115.00
P245	Honda CRV - EDMA	C	105		3003	-
P240	RAV 4 - Doctor	C	105		3003	671.45
P244	Kluger - CEO	C	105		3003	478.00
P242	RAV 4 - EMCCS	C	105		3003	411.52
						-
						1,675.97

CREDITOR NAME: Great Southern Fuels

INVOICE NUMBER: October 2018

INVOICE DATE: 31/10/2018

DESCRIPTION: Small fuel, oil and card purchases

GL/JOB CODE	ACCOUNT DESCRIPTION	GST IND.	I/E CODE / C/C	DESCRIPTION	ELEM. CODE	AMOUNT
P241	Rav 4 - EDM	C	105		3003	99.61
P245	Honda CRV - EMDA	C	105		3003	366.22
P242	Rav 4 - EMCCS	C	105		3003	216.24
P999	Various Small Plant Items	C	105		3003	14.88
P243	Nissan Patrol - Works Supervisor	C	105		3003	
P229	Toyota Kluger - CEO	C	105		3003	381.30
						-
						1,078.25



**SHIRE OF MORAWA**

**MONTHLY STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018**

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## SHIRE OF MORAWA

## STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018

	NOTE	NOVEMBER 2018 Actual \$	NOVEMBER 2018 Y-T-D Budget \$	2018/19 Budget \$	Variences Actuals to Budget \$	Variences Actual Budget to Y-T-D %	
<b>Operating</b>							
<b>Revenues/Sources</b>	1,2						
Governance		0	0	0	0	0.00%	
General Purpose Funding		402,438	478,865	993,109	(76,427)	(15.96%)	▼
Law, Order, Public Safety		6,006	11,895	26,560	(5,889)	(49.51%)	
Health		1,669	1,250	5,350	419	33.52%	
Education and Welfare		2,024	1,000	2,400	1,024	102.40%	
Housing		39,310	18,950	115,320	20,360	107.44%	▲
Community Amenities		425,933	203,515	488,516	222,418	109.29%	▲
Recreation and Culture		29,464	27,726	61,796	1,738	6.27%	
Transport		1,303,604	1,773,948	4,376,706	(470,344)	(26.51%)	▼
Economic Services		91,726	56,170	171,045	35,556	63.30%	▲
Other Property and Services		49,695	54,120	149,900	(4,425)	(8.18%)	
		<u>2,351,869</u>	<u>2,627,439</u>	<u>6,390,702</u>	<u>(275,570)</u>	<u>(10.49%)</u>	
<b>(Expenses)/(Applications)</b>	1,2						
Governance		(143,828)	(178,210)	(520,502)	34,382	19.29%	▼
General Purpose Funding		(76,453)	(65,985)	(167,128)	(10,468)	(15.86%)	▲
Law, Order, Public Safety		(26,719)	(53,856)	(119,407)	27,137	50.39%	▼
Health		(86,822)	(102,394)	(233,708)	15,572	15.21%	▼
Education and Welfare		(26,299)	(82,175)	(173,444)	55,876	68.00%	▼
Housing		(98,169)	(118,143)	(251,919)	19,974	16.91%	▼
Community Amenities		(184,121)	(301,117)	(680,815)	116,996	38.85%	▼
Recreation & Culture		(442,405)	(648,945)	(1,442,412)	206,540	31.83%	▼
Transport		(1,902,824)	(2,048,720)	(4,846,020)	145,896	7.12%	
Economic Services		(211,474)	(423,869)	(924,033)	212,395	50.11%	▼
Other Property and Services		(16,212)	(62,813)	(39,940)	46,601	74.19%	▼
		<u>(3,215,326)</u>	<u>(4,086,227)</u>	<u>(9,399,329)</u>	<u>870,901</u>	<u>(21.31%)</u>	
<b>Net Result Excluding Rates</b>		<b>(863,457)</b>	<b>(1,458,788)</b>	<b>(3,008,626)</b>	<b>595,331</b>		
<b>Adjustments for Non-Cash (Revenue) and Expenditure</b>							
(Profit)/Loss on Asset Disposals	4	33,850	(22,734)	(13,328)	56,584	248.90%	▼
Movement in Leave Reserve (Added Back)		1,318	0	0	1,318	0.00%	
Movement in Deferred Pensioner Rates/ESL (non-c)		0	0	0	0	0.00%	
Movement in Employee Benefit Provisions (non-curr)		0	0	0	0	0.00%	
Rounding Adjustment		0	0	0	0	0.00%	
Depreciation on Assets		0	743,900	1,785,654	(743,900)	100.00%	▼
<b>Capital Revenue and (Expenditure)</b>							
Purchase of Investments		0	0	0	0	0.00%	
Purchase Land Held for Resale	3	0	0	0	0	0.00%	
Purchase Land and Buildings	3	(11,259)	(24,500)	(85,000)	13,241	54.04%	▼
Purchase Plant and Equipment	3	0	(432,495)	(520,000)	432,495	100.00%	▼
Purchase Furniture and Equipment	3	0	0	(70,000)	0	0.00%	
Purchase Infrastructure Assets - Roads	3	(170,436)	(829,672)	(1,018,996)	659,236	79.46%	▼
Purchase Infrastructure Assets - Footpaths	3	0	0	0	0	0.00%	
Purchase Infrastructure Assets - Drainage	3	0	0	0	0	0.00%	
Purchase Infrastructure Assets - Parks & Ovals	3	0	0	(30,000)	0	0.00%	
Purchase Infrastructure Assets - Airfields	3	0	0	0	0	0.00%	
Purchase Infrastructure Assets - Play Equip	3	0	0	0	0	0.00%	
Purchase Infrastructure Assets - Sewerage	3	0	(12,000)	(40,000)	12,000	100.00%	▼
Purchase Infrastructure Assets - Dams	3	0	0	0	0	0.00%	
Purchase Infrastructure Assets - Other	3	(7,338)	(6,000)	(20,000)	(1,338)	(22.30%)	
Proceeds from Disposal of Assets	4	8,750	86,250	100,000	(77,500)	(89.86%)	▼
Repayment of Debentures	5	(43,614)	(50,409)	(75,142)	6,795	13.48%	
Proceeds from New Debentures	5	0	0	0	0	0.00%	
Advances to Community Groups		0	0	0	0	0.00%	
Self-Supporting Loan Principal Income	5	0	0	0	0	0.00%	
Transfers to Restricted Assets (Reserves)	6	(36,427)	(114,380)	(240,107)	77,953	68.15%	▼
Transfers from Restricted Asset (Reserves)	6	37,750	373,655	540,804	(335,905)	(89.90%)	▼
Transfers to Restricted Assets (Other)		0	0	0	0	0.00%	
Transfers from Restricted Asset (Other)		0	0	0	0	0.00%	
ADD Net Current Assets July 1 B/Fwd	7	1,413,170	1,413,170	923,123	0	0.00%	
LESS Net Current Assets Year to Date	7	<u>2,206,468</u>	<u>1,505,084</u>	<u>18,408</u>	<u>701,384</u>	<u>(46.60%)</u>	
<b>Amount Raised from Rates</b>	8	<u>(1,844,160)</u>	<u>(1,839,087)</u>	<u>(1,790,026)</u>	<u>(5,073)</u>	<u>0.28%</u>	

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

**Material Variances Symbol**

Above Budget Expectations ▲ Greater than 10,000 and greater than 10%  
Below Budget Expectations ▼ Less than 10,000 and less than 10%

## SHIRE OF MORAWA

### NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018

#### 1. SIGNIFICANT ACCOUNTING POLICIES

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

##### (a) Basis of Accounting

The budget has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government 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 budget has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

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

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

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 statement, but a separate statement of those monies appears at Note 9.

##### (c) Rounding Off Figures

All figures shown in this statement, other than a rate in the dollar, are rounded to the nearest dollar.

##### (d) 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.

##### (e) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

##### (f) Superannuation

The Council contributes to a number of superannuation funds on behalf of employees.

##### (g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call 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 on the statement of financial position.

## SHIRE OF MORAWA

### NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018

#### 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (h) Trade and Other Receivables

Collectibility 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.

##### (i) 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 complete are expensed.

Revenue arising from the sale of property is recognised in the statement of comprehensive income as at the time of signing an unconditional contract of sale.

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

##### (j) Fixed Assets

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

###### *Initial Recognition*

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

###### *Revaluation*

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

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases in the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

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

## SHIRE OF MORAWA

### NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018

#### 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (j) Fixed Assets (Continued)

###### **Land Under Roads**

In Western Australia, all 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 AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

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

Whilst this treatment is inconsistent with the requirements of AASB 1051, 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.

###### **Depreciation of Non-Current Assets**

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

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

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

Buildings	50 to 100 years
Furniture and Equipment	10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
clearing and earthworks	not depreciated
construction/road base	50 years
original surfacing and	
major re-surfacing	
- bituminous seals	20 years
Gravel roads	
clearing and earthworks	not depreciated
construction/road base	50 years
gravel sheet	12 years
Formed roads (unsealed)	
clearing and earthworks	not depreciated
construction/road base	50 years
Footpaths - slab	40 years

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

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 earnings.

## SHIRE OF MORAWA

### NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018

#### 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (j) Fixed Assets (Continued)

###### **Capitalisation Threshold**

Expenditure under the thresholds listed below is not capitalised. Rather, it is recorded on an

- Land	Nil (All Land Capitalised)
- Buildings	2,000
- Plant & Equipment	2,000
- Furniture & Equipment	1,000
- Infrastructure	5,000

###### **Capitalisation Threshold**

Expenditure on items of equipment under \$5,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

##### (k) Financial Instruments

###### **Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

###### **Classification and Subsequent Measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or at cost.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- (b) less any reduction for impairment.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Financial Instruments (Continued)

**Classification and Subsequent Measurement (Continued)**

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

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

*(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period (classified as non-current assets).

*(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council's management has the positive intention and ability to hold to maturity.

Held-to-maturity financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which are classified as current assets.

If the Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

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

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months of the end of the reporting period (classified as current assets).

*(v) Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

**Impairment**

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

## SHIRE OF MORAWA

### NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018

#### 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (l) Estimation of Fair Value

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

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

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

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

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

##### (m) Impairment

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

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

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

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

At the time of adopting the budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2013.

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

##### (n) 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 and are usually paid within 30 days of recognition.

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(o) Employee Benefits**

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

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

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

**(ii) Annual Leave and Long Service Leave (Long-term Benefits)**

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

**(p) 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.

**(q) 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 to settle the obligation; 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.

Provisions are not recognised for future operating losses.

**(r) Current and Non-Current Classification**

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

**(s) Comparative Figures**

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



## SHIRE OF MORAWA

### NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018

#### 2. STATEMENT OF OBJECTIVE

The Shire of Morawa is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

##### **GOVERNANCE**

Includes members of Council, Civic Functions & Public Relations, Council Elections, Training/Education. Objective is to provide a management & administrative structure to service Council & the community.

##### **GENERAL PURPOSE FUNDING**

Includes Rates, Loans, Investments & Grants. Objective is to manage Council's finances.

##### **LAW, ORDER, PUBLIC SAFETY**

Includes Emergency Services & Animal Control. Objective is to provide, develop & manage services in response to community needs.

##### **HEALTH**

Includes Environmental Health, Medical & Health facilities. Objective is to provide, develop & manage services in response to community needs.

##### **EDUCATION AND WELFARE**

Includes Education, Welfare & Children's Services. Objective is to provide, develop & manage services in response to community needs.

##### **HOUSING**

Includes Staff & Other Housing. Objective is to ensure quality housing and appropriate infrastructure is maintained.

##### **COMMUNITY AMENITIES**

Includes Refuse Collection, Sewerage, Cemetery, Building Control, Town Planning & Townscape. Objective is to provide, develop & manage services in response to community needs.

##### **RECREATION AND CULTURE**

Includes Pools, Halls, Library, Oval, Parks & Gardens & Recreational Facilities. Objective is to ensure the recreational & cultural needs of the community are met.

##### **TRANSPORT**

Includes Roads, Footpaths, Private Works, Machine Operating Costs, Outside Wages & Airstrip. Objective is to effectively manage transport infrastructure.

##### **ECONOMIC SERVICES**

Includes Tourism, Rural Services, Economic Development & Caravan Park. Objective is to foster economic development, tourism & rural services in the district.

##### **OTHER PROPERTY & SERVICES**

Includes Private Works, Public Works Overheads, Plant Operating Costs, Administration Overheads and Unclassified Items. Objective is to provide control accounts and reporting facilities for all other operations.

## SHIRE OF MORAWA

## NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018

3. ACQUISITION OF ASSETS	2018/19 Budget \$	NOVEMBER 2018 YTD Budget \$	NOVEMBER 2018 Actual \$
The following assets have been acquired during the period under review:			
<b><u>By Program</u></b>			
<b>Governance</b>			
<b>General Purpose Funding</b>			
<b>Law, Order, Public Safety</b>			
<b>Health</b>			
Ford Sedan (Doctor Vehicle)	40,000	16,665	0.00
<b>Education &amp; Welfare</b>			
<b>Housing</b>			
Aged Person Units x 4 - water metres	40,000	12,000	5,930.00
Land Yewers Street	30,000	12,500	5,329.09
<b>Community Amenities</b>			
Sewerage Works	40,000	12,000	0.00
Community Bus	110,000	45,830	0.00
Refuse Transfer Station - Canna	15,000	0	0.00
<b>Recreation and Culture</b>			
Morawa Town Hall	70,000	0	0.00
Playground Equipment	30,000	0	0.00
<b>Transport</b>			
Road Construction			
- Rural Roads Construction	1,018,996	829,672	170,436.09
- Townsite Roads Construction	0	0	0.00
<b>Economic Services</b>			
Interpretive Signage - Stage 2	15,000	4,500	1,177.74
Morawa Bush Trail Project	5,000	1,500	6,144.45
<b>Other Property &amp; Services</b>			
	<u>1,783,996</u>	<u>1,304,667</u>	<u>189,033.37</u>

## SHIRE OF MORAWA

## NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018

3. ACQUISITION OF ASSETS (Continued)	2018/19 Budget \$	NOVEMBER 2018 YTD Budget \$	NOVEMBER 2018 Actual \$
The following assets have been acquired during the period under review:			
<b><u>By Class</u></b>			
Land Held for Resale	0	0	0.00
Investments	0	0	0.00
Land	30,000	12,500	5,329.09
Buildings	55,000	12,000	5,930.00
Plant and Equipment	520,000	432,495	0.00
Furniture and Equipment	70,000	0	0.00
Infrastructure Assets - Roads	1,018,996	829,672	170,436.09
Infrastructure Assets - Footpaths	0	0	0.00
Infrastructure Assets - Drainage/Dams	0	0	0.00
Infrastructure Assets - Parks & Ovals	30,000	0	0.00
Infrastructure Assets - Airfields	0	0	0.00
Infrastructure Assets - Playground Equipment	0	0	0.00
Infrastructure Assets - Sewerage	40,000	12,000	0.00
Infrastructure Assets - Dams	0	0	0.00
Infrastructure Assets - Other	20,000	6,000	7,338.19
	<u>1,783,996</u>	<u>1,304,667</u>	<u>189,033.37</u>

**SHIRE OF MORAWA**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018**

**4. DISPOSALS OF ASSETS**

The following assets have been disposed of during the period under review:

<b>By Program</b>	<b>Written Down Value</b>		<b>Sale Proceeds</b>		<b>Profit(Loss)</b>	
	<b>2018/19 Budget</b>	<b>NOVEMBER 2018 Actual</b>	<b>2018/19 Budget</b>	<b>NOVEMBER 2018 Actual</b>	<b>2018/19 Budget</b>	<b>NOVEMBER 2018 Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Health</b>						
P240 - Docotr's Vehicle	27,058		15,000		(12,058)	0.00
<b>Community Amenities</b>						
P196 Community Bus	2,929		5,000		2,071	0.00
<b>Recreation &amp; Culture</b>						0.00
<b>Transport</b>						
P228 - Nissan Patrol Ute	16,119		10,000		-6,119	0.00
P156 - Cat Loader	40,566		70,000		29,434	0.00
P137 Amman Vibe Roller	0	42,599.90	0	8,750.00	0	(33,849.90)
<b>Other Property &amp; Services</b>						0.00
						0.00
	86,672	42,599.90	100,000	8,750.00	13,328	(33,849.90)

<b>By class of asset</b>	<b>Written Down Value</b>		<b>Sale Proceeds</b>		<b>Profit(Loss)</b>	
	<b>2018/19 Budget</b>	<b>NOVEMBER 2018 Actual</b>	<b>2018/19 Budget</b>	<b>NOVEMBER 2018 Actual</b>	<b>2018/19 Budget</b>	<b>NOVEMBER 2018 Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Plant &amp; Equipment</b>						
P196 Community Bus	2,929	0.00	5,000	0.00	2,071	0.00
P228 - Nissan Patrol Ute	16,119	0.00	10,000	0.00	(6,119)	0.00
P156 - Cat Loader	40,566	0.00	70,000	0.00	29,434	0.00
P137 Amman Vibe Roller	0	42,599.90	0	8,750.00	0	(33,849.90)
	0	0.00	0	0.00	0	0.00
	0	0.00	0	0.00	0	0.00
	0	0.00	0	0.00	0	0.00
P240 - Docotr's Vehicle	27,058	0.00	15,000	0.00	(12,058)	0.00
	86,672	42,599.90	100,000	8,750.00	13,328	(33,849.90)

**Summary**

Profit on Asset Disposals  
Loss on Asset Disposals

<b>2018/19 Budget</b>	<b>NOVEMBER 2018 Actual</b>
<b>\$</b>	<b>\$</b>
31,505	0.00
(18,177)	(33,849.90)
<u>13,328</u>	<u>(33,849.90)</u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018

5. INFORMATION ON BORROWINGS

(a) Debenture Repayments

Particulars	Principal 1-Jul-18	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
		2018/19 Budget \$	2018/19 Actual \$	2018/19 Budget \$	2018/19 Actual \$	2018/19 Budget \$	2018/19 Actual \$	2018/19 Budget \$	2018/19 Actual \$
<b>Housing</b>									
Loan 133 - GEHA House	36,465	0	0	36,465	17,934	0	18,531	1,801	748
Loan 134 - 2 Broad Street	25,680	0	0	25,680	25,680	0	0	1,592	242
Loan 136 - 24 Harley Street - Staff Housing	319,636	0	0	12,997	0	306,639	319,636	12,436	(1,645)
	381,781	0	0	75,142.00	43,614	306,639.00	338,167	15,829	(654)

All debenture repayments are to be financed by general purpose revenue.

**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018**

	<b>2018/19 Budget \$</b>	<b>NOVEMBER 2018 Actual \$</b>
<b>6. RESERVES - CASH BACKED</b>		
<b>(i) Leave Reserve</b>		
Opening Balance	209,270	209,270
Amount Set Aside / Transfer to Reserve	9,241	1,318
Amount Used / Transfer from Reserve	0	
	218,511	210,589
<b>(ii) Plant Reserve</b>		
Opening Balance	1,015,608	1,015,608
Amount Set Aside / Transfer to Reserve	20,584	6,393
Amount Used / Transfer from Reserve	(315,000)	0
	721,192	1,022,002
<b>(iii) Building Reserve</b>		
Opening Balance	121,090	121,090
Amount Set Aside / Transfer to Reserve	22,454	761
Amount Used / Transfer from Reserve	(50,000)	0
	93,544	121,851
<b>(iv) Economic Development Reserve</b>		
Opening Balance	110,526	110,526
Amount Set Aside / Transfer to Reserve	2,240	696
Amount Used / Transfer from Reserve	0	0
	112,766	111,222
<b>(v) Community Development Reserve</b>		
Opening Balance	1,217,918	1,217,918
Amount Set Aside / Transfer to Reserve	24,685	8,564
Amount Used / Transfer from Reserve	(100,000)	0
	1,142,603	1,226,482
<b>(vi) Sewerage Reserve</b>		
Opening Balance	218,716	218,716
Amount Set Aside / Transfer to Reserve	27,233	1,377
Amount Used / Transfer from Reserve	0	0
	245,949	220,093
<b>(vii) Unspent Grants and Contributions Reserve</b>		
Opening Balance	26,413	26,413
Amount Set Aside / Transfer to Reserve	535	166
Amount Used / Transfer from Reserve	0	
	26,948	26,579

**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018**

	<b>2018/19 Budget \$</b>	<b>NOVEMBER 2018 Actual \$</b>
<b>6. RESERVES (Continued)</b>		
<b>(viii) Business Units Reserve</b>		
Opening Balance	102,875	102,875
Amount Set Aside / Transfer to Reserve	22,085	647
Amount Used / Transfer from Reserve	0	0
	<u>124,960</u>	<u>103,522</u>
<b>(ix) Morawa Future Funds Interest</b>		
Opening Balance	126,630	126,630
Amount Set Aside / Transfer to Reserve	39,874	797
Amount Used / Transfer from Reserve	0	0
	<u>166,504</u>	<u>127,428</u>
<b>(x) Morawa Community Future Funds Reserve</b>		
Opening Balance	2,165,470	2,165,470
Amount Set Aside / Transfer to Reserve	43,890	13,635
Amount Used / Transfer from Reserve	(37,307)	0
	<u>2,172,053</u>	<u>2,179,107</u>
<b>(xi) Refuse Transfer Station Reserve</b>		
Opening Balance	27	27
Amount Set Aside / Transfer to Reserve	1	0
Amount Used / Transfer from Reserve	(28)	0
	<u>0</u>	<u>27</u>
<b>(xii) Aged Care Units Reserve - Units 6-9</b>		
Opening Balance	9,233	9,233
Amount Set Aside / Transfer to Reserve	187	58
Amount Used / Transfer from Reserve	0	0
	<u>9,420</u>	<u>9,291</u>
<b>(xiii) ST-Morawa Revitalisation Reserve</b>		
Opening Balance	37,705	37,705
Amount Set Aside / Transfer to Reserve	764	45
Amount Used / Transfer from Reserve	(38,469)	(37,750)
	<u>0</u>	<u>0</u>
<b>(ixx) Legal Fees Reserve</b>		
Opening Balance	25,401	25,402
Amount Set Aside / Transfer to Reserve	515	160
Amount Used / Transfer from Reserve	0	0
	<u>25,916</u>	<u>25,561</u>

**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018**

	<b>2018/19 Budget \$</b>	<b>NOVEMBER 2018 Actual \$</b>
<b>6. RESERVES (Continued)</b>		
<b>(xx) Road Reserve</b>		
Opening Balance	143,228	143,228
Amount Set Aside / Transfer to Reserve	2,903	902
Amount Used / Transfer from Reserve		0
	<u>146,131</u>	<u>144,129</u>
<b>(xxi) Aged Care Units 1-4</b>		
Opening Balance	68,721	68,721
Amount Set Aside / Transfer to Reserve	1,393	433
Amount Used / Transfer from Reserve	0	0
	<u>70,114</u>	<u>69,154</u>
<b>(xxii) Aged Care Unit 5</b>		
Opening Balance	55,166	55,166
Amount Set Aside / Transfer to Reserve	1,118	348
Amount Used / Transfer from Reserve	0	0
	<u>56,284</u>	<u>55,513</u>
<b>(xxiii) Swimming Pool Reserve</b>		
Opening Balance	20,000	20,000
Amount Set Aside / Transfer to Reserve	20,405	126
Amount Used / Transfer from Reserve	0	0
	<u>40,405</u>	<u>20,126</u>
 Total Cash Backed Reserves	 <b>5,373,300</b>	 <b>5,672,674</b>
 <b>Summary of Transfers To Cash Backed Reserves</b>		
<b>Transfers to Reserves</b>		
Leave Reserve	9,241	1,318
Sports and Recreation Facilities Reserve	0	0
Plant Reserve	20,584	6,393
Building Reserve	22,454	761
Economic Development Reserve	2,240	696
Community Development Reserve	24,685	8,564
Sewerage Reserve	27,233	1,377
Unspent Grants and Contributions Reserve	535	166
Business Units Reserve	22,085	647
Morawa Community Future Funds Interest	39,874	797
Morawa Community Future Fund Reserve	43,890	13,635
Refuse Transfer Station Reserve	1	0
Aged Care Units Reserve - Units 6-9	187	58
ST-N/Midlands Solar Thermal Power	0	0
ST-Morawa Revitalisation Reserve	764	45
Legal Fees Reserve	515	160
Road Reserve	2,903	902
Aged Care Units 1-4	1,393	433
Aged Care Unit 5	1,118	348
Swimming Pool Reserve	20,405	126
	<u><u>240,107</u></u>	<u><u>36,427</u></u>

**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018**

	<b>2018/19 Budget \$</b>	<b>NOVEMBER 2018 Actual \$</b>
<b>6. RESERVES (Continued)</b>		
<b>Transfers from Reserves</b>		
Leave Reserve	0	0
Sports and Recreation Facilities Reserve	0	0
Plant Reserve	(315,000)	0
Building Reserve	(50,000)	0
Economic Development Reserve	0	0
Community Development Reserve	(100,000)	0
Sewerage Reserve	0	0
Unspent Grants and Contributions Reserve	0	0
Business Units Reserve	0	0
Morawa Community Future Funds Interest	0	0
Morawa Community Future Fund Reserve	(37,307)	0
Refuse Transfer Station Reserve	(28)	0
Aged Care Units Reserve - Units 6-9	0	0
ST-N/Midlands Solar Thermal Power	0	0
ST-Morawa Revitalisation Reserve	(38,469)	(37,750)
Legal Fees Reserve	0	0
Road Reserve	0	0
Aged Care Units 1-4	0	0
Aged Care Unit 5	0	0
Swimming Pool Reserve	0	0
	<u>(540,804)</u>	<u>(37,750)</u>
<b>Total Transfer to/(from) Reserves</b>	<u><b>(300,697)</b></u>	<u><b>(1,324)</b></u>

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

**Leave Reserve**

To be used to fund leave requirements.

**Plant Reserve**

To be used to upgrade, replace or purchase new plant and equipment.

**Building Reserve**

To be used to refurbish, replace, extend or establish Council owned buildings.

**Economic Development Reserve**

To be used to create economic development initiatives in the local community.

**Community Development Reserve**

To be used for Community Projects within the Shire of Morawa

**Sewerage Reserve**

To be used to repair, replace or extend the sewerage facility.

**Unspent Grants and Contributions Reserve**

To be used as a quarantine for unspent committed funds.

**Business Units Reserve**

To be used to upgrade, refurbish or purchase new Business Units

**Morawa Community Future Funds Interest**

To be used for Morawa Community Projects



**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018**

**6. RESERVES (Continued)**

**Morawa Community Future Fund Reserve**

To be used to provide an ongoing conduit for benefits to the people and environment of the Morawa Shire through the Sinosteel Midwest Corporation Morawa Future Fund Foundation Memorandum

**Aged Care Units 6-9 Reserve**

To be used for the maintenance/ construction of Aged Care Units at the Morawa Perenjori

**Legal Fees Reserve**

to be utilised for unforeseen Legal Fees

**Road Reserve**

to be utilised for future Road Construction and Maintenance

Except for the Unspent Grants and Contributions Reserve, the Reserves are not expected to be used within a set period as further transfers to the reserve accounts are expected as funds are utilised.

**Aged Care Units 1-4 Reserve**

To be used for the maintenance/upgrade of Aged Care Units 1-4 at the Morawa Perenjori Health

**Aged Care Unit 5 Reserve**

To be used for the maintenance/upgrade Aged Care Unit 5 at the Morawa Perenjori Health

**Swimming Pool Reserve**

To be used for the maintenance/upgrade to Morawa Swimming Pool

**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018**

	<b>2017/18 B/Fwd Per 2018/19 Budget \$</b>	<b>2017/18 B/Fwd Per Financial Report \$</b>	<b>2018/19 Actual \$</b>
<b>7. NET CURRENT ASSETS</b>			
<b>Composition of Estimated Net Current Asset Position</b>			
<b>CURRENT ASSETS</b>			
Cash - Unrestricted	658,041	339,293	1,532,236
Cash - Restricted Unspent Grants	43,061	317,600	0
Cash - Restricted Unspent Loans	0	0	0
Cash - Restricted Reserves	5,673,997	5,673,997	5,672,674
Rates - Current	504,980	558,537	901,484
Sundry Debtors	77,352	71,410	56,275
GST Receivable	93,062	166,677	105,817
Accrued Income/Prepayments	0	491,349	0
Provision for Doubtful Debts	(723)	(7,746)	(7,746)
Other Current Debtors	46,756	0	0
Inventories	1,118	14,846	14,846
	<u>7,097,644</u>	<u>7,625,963</u>	<u>8,275,586</u>
<b>LESS: CURRENT LIABILITIES</b>			
Sundry Creditors	(294,254)	(295,629)	(132,485)
Income Received in Advance	0	0	(15,503)
GST Payable	0	(10,724)	(41,608)
Payroll Creditors	0	0	0
Accrued Expenditure	0	0	0
Other Payables	0	(2,077)	(18,245)
Withholding Tax Payable	0	0	0
Payg Payable	0	(97,170)	(71,263)
Accrued Interest on Debentures	(11,325)	(3,440)	0
Accrued Salaries and Wages	(19,553)	(11,325)	0
Current Employee Benefits Provision	(384,662)	(328,849)	(328,849)
Current Loan Liability	0	(75,142)	(31,528)
	<u>(709,794)</u>	<u>(824,356)</u>	<u>(639,481)</u>
<b>NET CURRENT ASSET POSITION</b>	<b>6,387,850</b>	<b>6,801,607</b>	<b>7,636,105</b>
Less: Cash - Reserves - Restricted	(5,673,997)	(5,673,997)	(5,672,674)
Less: Cash - Unspent Grants - Restricted	0	0	0
Less: Land Held for Resale	0	1,148	920
Add Back : Component of Leave Liability not Required to be Funded	209,270	209,270	210,589
Add Back : Current Loan Liability	0	75,142	31,528
<b>SURPLUS/(DEFICIENCY) C/FWD</b>	<b><u>923,123</u></b>	<b><u>1,413,170</u></b>	<b><u>2,206,468</u></b>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018

8. RATING INFORMATION

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	2018/19 Rate Revenue \$	2018/19 Interim Rates \$	2018/19 Back Rates \$	2018/19 Total Revenue \$	2018/19 Budget \$
<b>General Rate</b>								
GRV Residential/Commercial	0.07715	268	2,794,698	216,520	1,422	0	217,942	215,597
UV Rural	0.02348	204	63,330,000	1,493,376		0	1,493,376	1,487,052
UV Mining	0.29519	17	492,470	143,590		0	143,590	145,370
					0			0
<b>Sub-Totals</b>		489	66,617,168	1,853,486	1,422	0	1,854,908	1,848,019
<b>Minimum Rates</b>								
	<b>Minimum \$</b>							
GRV Residential/Commercial	296	45	27,075	12,432		0	12,432	13,320
UV Rural	296	7	60,100	2,072	0	0	2,072	2,072
UV Mining	668	7	5,428	4,676	0	0	4,676	4,676
<b>Sub-Totals</b>		59	92,603	19,180	0	0	19,180	20,068
Discounts							1,874,088	
<b>Total amount raised from general rates</b>							(29,929)	(35,000)
Ex-Gratia Rates							1,844,159	1,833,087
Rates Written Off							6,027	6,000
Specified Area Rates							(8)	(3,000)
Movement in Excess Rates							0	252,417
							(59,958)	0
<b>Total Rates</b>							1,790,220	2,088,504

All land except exempt land in the Shire of Morawa is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire.

The general rates detailed above for the 2018/19 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of the Local Government services/facilities.

**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018**

**9. TRUST FUNDS**

Funds held at balance date over which the Municipality has no control and which are not included in this statement are as follows:

<b>Detail</b>	<b>Balance 01-Jul-18 \$</b>	<b>Amounts Received \$</b>	<b>Amounts Paid (\$)</b>	<b>Balance \$</b>
Housing Bonds	2,000	1,100	0	3,100
Dreghorn Unit Bonds	1,164	0	0	1,164
Bonds Hall/Rec Centre Hire	100	800	0	900
Aged Care - Bond	1,266	1,546	0	2,812
Youth Centre	865	0	0	865
Council Nominations	0	320	0	320
Bill Johnson Unit 1 Bond	0	0	0	0
Haulmore Trailers Land Dep	4,641	0	0	4,641
Social Club Payments	0	0	0	0
Local Drug Action Group	660	0	0	660
BCITF/BRB Training Levy	1,818	1,083	(113)	2,788
Daphne Little - Excess Rent	1,704	0	0	1,704
Morawa Oval Function Centre	1,763	499	0	2,262
	<u>15,981</u>	<u>5,349</u>	<u>(113)</u>	<u>21,217</u>

**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018**

**10. OPERATING STATEMENT**

	<b>NOVEMBER 2018 Actual \$</b>	<b>2018/19 Budget \$</b>	<b>2017/18 Actual \$</b>
<b>OPERATING REVENUES</b>			
Governance	0	0	20,570
General Purpose Funding	2,246,597	2,826,196	3,527,616
Law, Order, Public Safety	6,006	26,560	37,839
Health	1,669	5,350	3,906
Education and Welfare	2,024	2,400	14,402
Housing	39,310	115,320	96,698
Community Amenities	425,933	488,516	437,386
Recreation and Culture	29,464	61,796	55,074
Transport	1,303,604	4,376,706	2,746,899
Economic Services	91,726	171,045	(413,697)
Other Property and Services	49,695	149,900	214,125
<b>TOTAL OPERATING REVENUE</b>	<b>4,196,028</b>	<b>8,223,789</b>	<b>6,740,819</b>
<b>OPERATING EXPENSES</b>			
Governance	143,828	520,502	439,643
General Purpose Funding	76,453	167,128	196,393
Law, Order, Public Safety	26,719	119,407	103,822
Health	86,822	233,708	219,698
Education and Welfare	26,299	173,444	96,458
Housing	98,169	251,919	318,823
Community Amenities	184,121	680,815	583,404
Recreation & Culture	442,405	1,442,412	1,419,177
Transport	1,902,824	4,846,020	3,422,166
Economic Services	211,474	924,033	564,402
Other Property and Services	16,212	39,940	1,120
<b>TOTAL OPERATING EXPENSE</b>	<b>3,215,326</b>	<b>9,399,329</b>	<b>7,365,105</b>
<b>CHANGE IN NET ASSETS RESULTING FROM OPERATIONS</b>	<b><u>980,702</u></b>	<b><u>(1,175,539)</u></b>	<b><u>(624,286)</u></b>

**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018**

**11. BALANCE SHEET**

	<b>NOVEMBER 2018 Actual \$</b>	<b>2017/18 Actual \$</b>
<b>CURRENT ASSETS</b>		
Cash Assets	7,204,910	6,330,890
Receivables	1,055,831	1,280,226
Inventories	14,846	14,846
<b>TOTAL CURRENT ASSETS</b>	<b>8,275,587</b>	<b>7,625,962</b>
<b>NON-CURRENT ASSETS</b>		
Receivables	22,961	22,961
Inventories	0	0
Property, Plant and Equipment	22,481,177	22,512,518
Infrastructure	47,722,080	47,544,306
<b>TOTAL NON-CURRENT ASSETS</b>	<b>70,226,218</b>	<b>70,079,785</b>
<b>TOTAL ASSETS</b>	<b>78,501,805</b>	<b>77,705,747</b>
<b>CURRENT LIABILITIES</b>		
Payables	279,105	420,365
Interest-bearing Liabilities	31,528	75,142
Provisions	328,849	328,849
Trust Imbalance	(920)	153,449
<b>TOTAL CURRENT LIABILITIES</b>	<b>638,562</b>	<b>824,356</b>
<b>NON-CURRENT LIABILITIES</b>		
Interest-bearing Liabilities	306,640	306,641
Provisions	40,178	40,178
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>346,818</b>	<b>346,819</b>
<b>TOTAL LIABILITIES</b>	<b>985,380</b>	<b>1,171,175</b>
<b>NET ASSETS</b>	<b>77,516,425</b>	<b>76,534,572</b>
<b>EQUITY</b>		
Retained Surplus	36,018,103	35,036,076
Reserves - Cash Backed	5,672,674	5,673,997
Reserves - Asset Revaluation	35,825,648	35,825,648
<b>TOTAL EQUITY</b>	<b>77,516,425</b>	<b>76,535,721</b>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018

12. FINANCIAL RATIO

	2018/19 YTD	2017/18	2016/17	2014/15
Current Ratio	6.080	1.750	2.210	3.550

The above rates are calculated as follows:

Current Ratio equals 
$$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$$

**Purpose**

The purpose of the Monthly Variance Report is to highlight circumstances where there is a major variance from the YTD Monthly Budget and YTD Actual figures. These variances can occur because of a change in timing of the activity, circumstances change (eg a grants were budgeted for but was not received) or changes to the original budget projections. The Report is designed to highlight these issues and explain the reason for the variance.

**The Materiality variances adopted by Council are:**

Actual Variance to YTD Budget up to 5%:	Don't Report
Actual Variance exceeding 10% of YTD Budget	Use Management Discretion
Actual Variance exceeding 10% of YTD Budget and a value greater than \$10,000:	Must Report

**REPORTABLE OPERATING REVENUE VARIATIONS**

**General Purpose Funding - Variance below budget expectations**

All rates have been raised - reduction in FAG grant advised after budget adopted

**Housing - Variance above budget expectations**

Budget timing of rental income

**Community Amenities - Variance above budget expectations**

Budget timing all sewerage rates have been raised.  
 Budget timing all refuse charges have been raised.

**Transport - Variance below budget expectations**

Budget timing - funding not received as yet

**Recreation and Culture - Variance below budget expectations**

Timing - raising of annual user fees

**Transport - Variance below budget expectation**

Timing variance to income - flood damage reimbursement

**Economic Services - Variance above budget expectations.**

Caravan Park Takings Higher than budgeted.

**REPORTABLE OPERATING EXPENSE VARIATIONS**

**Note:** Depreciation YTD has not yet been raised. Journals will be completed by 31/12  
 This affects variations across all programs

**Governance - Variance below budget expectations**

Admin allocations lower as new staff not yet employed

**Law, Order and Public Safety - Variance below budget expectations**

Budget timing of general maintenance costs on Fire Brigade

**Health - Variance below budget expectations.**

Timing variance - administration allocations

**Education and Welfare - Variance below budget expectations**

CDO/Youth officer not yet on board - starting in December

**Housing - Variance below budget expectations**

Timing variances

**Community Amenities - Variance below budget expectations.**

Timing of sewerage upgrade works  
 Timing - Heritage Inventory not started

**Recreation and Culture - Variance below budget expectations.**

Costs reduced. Depreciation journals not yet run.



**SHIRE OF MORAWA**  
**FOR THE PERIOD 1 JULY 2018 TO 30 NOVEMBER 2018**  
**Report on Significant variances Greater than 10% and \$10,000**

***Economic Services - Variance below budget expectations***

Timing of transfer from future fund reserves  
Caravan park operating expenses less than expected

***Other Property & Services - Variance below budget expectations.***

Timing of projects. Depreciation journal not yet run.

**REPORTABLE NON-CASH VARIATIONS**

***(Profit)/Loss on Asset Disposals - Variance above budget expectations***

Loss on sale of AMMAN vibe roller

**REPORTABLE CAPITAL EXPENSE VARIATIONS**

***Purchase of Land & Buildings -Variance below budget expectations***

Timing of purchases

***Purchase of Plant & Equipment - Variance below budget expectations.***

Timing of purchases

***Purchase of Infrastructure Assets Roads - Variance below budget expectations***

Timing of Road Works

***Purchase Infrastructure Assets -Sewerage***

***Purchase Infrastructure Assets - Other***

***Transfer to Reserves - Variance below budget expectations***

**REPORTABLE CAPITAL INCOME VARIATIONS**

***Proceeds from Disposal of Assets***

Timing variance

***Transfer to/from Reserves - Variation below budget expectations***

Timing of reserve transfers



## Shire of Morawa

# 2017/18 Annual Report and Financial Statements



*New Windmill at the northern entrance to Morawa townsite.  
Constructed by the Morawa Museum Volunteers*



*Elephant Rock Karara Rangelands  
The Shire of Morawa is exploring recreational opportunities at this location*

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## President's Report 2017-2018



To the Ratepayers and Electors of the Morawa Shire, it is my pleasure to present the Shire of Morawa Annual Report for the financial year 2017-2018.

The local economy is mixed with broadacre cropping, mining, education and associated services providing most of the employment in the Shire. During 2017 a lack of rainfall resulted in a significant economic downturn in the agricultural sector. This has had a major impact on local farmers, businesses and families. We are looking forward to a better season in 2018.

Currently the 2018 wildflower season looks promising, with visitors coming into town early in the season. We will again be having Mr Allan Rice caretaking the caravan park in 2018 and value his work in promoting the Shire and assisting visitors to the park. I would like to thank the volunteers at the Morawa Visitors Centre and the Museum for enhancing the experience of visitors.

The Shire continues to support the provision of medical, dental and childcare services as part of its strategy to retain population and to make our community liveable.

Our investment in transport and sporting / recreation infrastructure continues to be a high priority. Council has a strong focus on the maintenance and renewal of roads and infrastructure to ensure that our major assets are kept at a standard appropriate for our community. A large proportion of our budget is spent in these areas, and this will only increase as the need for better transport infrastructure grows.

Council has invested in a study around population regeneration and plans to further investigate these opportunities in 2018. The Shire's Community Strategic Plan community consultation and planning has also been a large part of this year, thank you to everyone who participated in this process.

During the year the Heritage Trail and Bush trail were completed with the assistance of MEEDAC and their workers. We appreciate the assistance of MEEDAC and Shire staff in delivering these projects, which are the final projects funded by Royalties for Regions Program Morawa Revitalisation Grant, along with a contribution from Sinosteel.

Council has continued to support the local community, including the following:

- Scholarships for the MDHS and WA Agricultural College – Morawa.
- The Australia Day Community Citizen of the Year Awards was held the Morawa Pool on 26 January 2018.
- Banners in the Terrace as part of WALGA Local Government Week.
- Joint thank a Volunteer and new resident welcome function.
- The Tom O'Toole motivational speaking event.

Our Audit, conducted for the first time this year by the Office of the Auditor General (OAG), highlighted one focus area for the Shire. This focus area relates to the procurement of goods and services as per the Shire Policy, for example, getting the correct number of quotes and ensuring that all paper work is in order when payments are made. In previous Audits if this had been identified it had been commented on by the Auditor as a breach of Policy, as the LG Act 1995 requires a Council to have a Policy for purchases under \$150,000. The OAG have set their own interpretation on this part of the LG Act 1995, and the Local Government (Functions and General) Regulations 1996, now reporting any failure for a Shire to comply with its Purchasing Policy as being a non-compliant action. In our case we had instances where two quotes had not been received (or could not be found) or a Purchase Order had not been prepared. The Shire continues to work with all staff to ensure those with the responsibility for undertaking procurement are well trained and understand the requirements under our Policy as well as the LG Act and Regulations.

Thank you to all Councillors and Shire staff particularly former Acting CEO Mr Sean Fletcher and current CEO Mr Chris Linnell for their support and tireless hard work. On behalf of Council, we look forward to continuing the development and liveability of Morawa over the next 12 months.

Cr Karen Chappel JP  
**Shire President**



## Chief Executive Officer's Report 2017-2018



This year has been a productive one for the Shire with a focus on consolidation and the completion of a number of long term projects, as well as commencing planning for future projects.

Our emphasis continues to be on maximising the benefits of every dollar we spend to achieve operational efficiencies and consolidate initiatives from previous years.

For the first time the Office of the Auditor General (OAG) has been responsible for the Audit process (via the OAG's Independent auditors RSM Australia).

The Shire has worked hard to deliver on a number of commitments during the 2017-2018 financial year, including:

- ❖ Completion of the Heritage and Bush trails in time for the visitor season.
- ❖ The implementation of a Cultural Benchmarking Program.
- ❖ Completion of upgrade of water main in Yewers Avenue to connect aged persons units. Connection works will be completed in 2018-19.
- ❖ Ongoing support of medical, dental and childcare services in the Shire of Morawa.
- ❖ Worked with MEEDAC in the management of the refuse site and building the bush trail.
- ❖ Worked with MEEDAC and Karara Mining in conducting the business area cleanup.
- ❖ Commencement of flood damage works (WANDRRA funded) following the acceptance of tenders in December 2017. The damage was caused to roads by unseasonal rains in January and February 2017.
- ❖ Drainage improvements to Winfield Street.

We also commenced planning for a number of projects that have the potential to drive economic and social benefits into the future:

- ✓ Feasibility Study into a Trails Project in the Koolanooka Hills.
- ✓ Upgrade to the Morawa Tourism Park.
- ✓ Precinct Plan for the Old Shire Building and Town Hall.

We also held an extraordinary election during the year with Shirley Katona being elected to Council. I would like to thank Cr Thornton for his service to the Shire over his six years on Council.

During the year a road program was undertaken to maintain and improve the roads in the Shire. Funding for the roads program comes from Shire rates, the Department of Infrastructure, the Grants Commission and Main Roads. The roads program is where the

largest amount of Shire funds are expended, with a small team of workers dedicated to this.

### Major Road Works Completed in 2017/2018

The Shire committed to a substantial road construction and maintenance program for the year. The major road construction and upgrade activities occurred on the following roads:

#### **Rural:**

❖ Stephens Road	\$ 90,280
❖ Neates Road	\$ 39,447
❖ Morawa Three Springs Road	\$ 10,536
❖ Morawa Yalgoo Road	\$274,567
❖ Jones Lake Road	\$ 85,540
❖ Nanekine Road 15/16 carryover	\$366,848
❖ Gutha East Road	\$ 55,010
❖ Offszanka Road	\$ 86,805

#### **Townsite:**

❖ Prater Street	\$ 63,900
❖ Solomon Terrace	\$ 48,302
❖ Powell Street	\$ 2,888
❖ Neagle Manning Streets Intersection	\$ 42,314

Maintenance of Shire rural roads costing \$513,427 and maintenance of town streets costing \$42,816 was also completed during the year. Flood damage works under the WANDRRA program resulted in expenditure of \$1,578,416 during 2017/2018. A further \$2,379,334 will be expended in 2018/2019 to complete the works.

### Acknowledgements

New staff commencing during 2017/2018 were Jenny Goodbourn – Executive Manager Corporate & Community Services, Ellie Cuthbert – Economic Development Manager, Paulette Lucken - Assets Officer, Jennifer Mutter - Finance Officer, Stevie Walley and Phillip Ward – Cleaners and we welcomed back Allan Rice – Caravan Park Caretaker (three month appointment).

I would also like to acknowledge the following staff who departed in 2017/2018 for their years of service to the Shire; Greg Speedy - General Hand, Darryl Armstrong - Plant Operator and Fred Gledhill – Executive Manager Corporate and Community Services.

I would like to express gratitude to the work done by Sean Fletcher as Acting CEO from July to November 2017 and thank him for ensuring I had a smooth transition into the role. Finally, I would like to take this opportunity to sincerely thank the Shire President and Councillors for their support over the year and the entire Shire staff for their effort and tireless dedication during the 2017-2018 year.

Chris Linnell  
**Chief Executive Officer**



## Disability Access and Inclusion Plan (DAIP)

Section 29 (2) of the *Disability Services Act* requires local governments to report about the implementation of the plan.

The plan was last revised in 2014 and progress toward outcomes was reviewed in May 2018.

### DAIP Strategies

A review of progress with regard to the outcomes of the plan was submitted to the May 2018 ordinary meeting of Council for endorsement. This was then submitted to the Disability Services Commission within the required submission period.

The number of strategies listed in the outcomes in the DAIP have been reported as completed, but remain in the plan to provide a reminder of service delivery within the whole of the community.

Timeliness of these outcomes is addressed in the implementation table in section five (5) of the Plan.

The Shire of Morawa is committed to achieving the following outcomes.

#### Outcome 1

People with disability have the same opportunities as other people to access the services of, and any events organised by a public authority.

Strategies
Ensure people with disability are provided with an opportunity to comment on access to services.
Make library technology as accessible as possible.
Council will ensure that any events are organised so that they are accessible to people with disability.
Council will ensure that all policies and practices that govern the operation of Council facilities, functions, and services are consistent with Council Policy regarding access.

#### Outcome 2

People with disability have the same opportunities as other people to access the buildings and other facilities of a public authority.

Strategies
Ensure all buildings and facilities are physically accessible to people with disability.
Ensure that all new or redevelopment works provide access to people with disability, where practicable.
Ensure adequate ACROD parking to meet the demand of people with disability in terms of quantity, quality, and location.

Ensure that parks and reserves are accessible.
Ensure that public toilets meet the associated accessibility standards.

### Outcome 3

People with disability receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it.

<b>Strategies</b>
Improve community awareness that Council information can be made available in alternative formats upon request, such as large print..
Improve staff awareness of accessible information needs and how to obtain information in other formats.
Ensure that the Shires website meets contemporary and universal design practices.

### Outcome 4

People with disability receive the same level and quality of service from the staff of a public authority as other people receive from the staff of that public authority.

<b>Strategies</b>
Improve staff awareness of disability and access issues and improve skills to provide good service to people with disability.
Improve the awareness of new staff and new Councilors about disability and access issues.
When required, Council will seek expert advice from the disability field on how to meet the access needs of people with disability.

### Outcome 5

People with disability have the same opportunities as other people to make complaints to a public authority.

<b>Strategies</b>
Council will ensure that current grievance mechanisms are accessible for people with disability and are acted upon.

### Outcome 6

People with disability have the same opportunities as other people to participate in any public consultation by a public authority.

<b>Strategies</b>
Improve community awareness about the consultation process in place.
Improve access for people with disability to the established consultative process of Council.
Seek broad range of views on disability and access issues from the local community.
Commit to ongoing monitoring of the DAIP to ensure implementation and

satisfactory outcomes.

## Outcome 7

People with disability have the same opportunities as other people to obtain and maintain employment with a public authority.

Strategies
Use inclusive recruitment practices.
Improve methods of attracting, recruiting and retaining people with disability
Work with key disability employment support provider(s) to employ a person with a disability

## Record Keeping Plan

The Shire of Morawa is committed to accessible and efficient record keeping practices and complies with relevant legislation including the *State Records Act 2000*.

The Shire established a Record Keeping Plan which was adopted by Council and submitted to the State Records Commission in 2006. Shire staff concluded a review of the plan from which the 2014 Recordkeeping Plan has been prepared.

The Records Management Procedures Manual is designed to adequately address all records management issues and identifies staff roles and responsibilities in the system.

A revision of the structure of the filing system was completed in 2016, and an electronic central records system is now in use.

## Public Interest Disclosure

The Public Interest Disclosure Code was established by the Commissioner for Public Sector Standards under Section 20 of the Public Interest Disclosure Act.

One of the principles of the Code is not just to provide protection to those who make disclosures (and those who are the subject of the disclosures) but also to encourage a system of transparency and accountability in the way government official's act and utilise public monies.

Matters that fall under the category of public interest include:

- ❖ Improper conduct (irregular or unauthorised use of public resources);
- ❖ An offence under State Law including corruption (substantial unauthorised or irregular use of, or substantial mismanagement of, public monies);
- ❖ Administration matters generally (conduct involving a substantial risk of injury to public health, prejudice to public safety or harm to the environment.

Matters that relate to the Shire of Morawa should be referred to the Shire of Morawa's

Public Interest Disclosure Officer. Disclosures to the Public Interest Disclosure Officer can be made not just about officers of the Shire of Morawa but also about its elected officials.

There is an obligation of the Public Interest Disclosure Officer in the Public Interest Disclosure Act to ensure that the disclosure is confidential and that the person making a disclosure is provided adequate protection from reprisals, civil and criminal liability or breach of confidentiality.

The Shire of Morawa had no Public Interest Disclosures in the reporting period.

## Freedom of Information Act 1992

Section 96 of the Freedom of Information Act requires local governments to publish an Information Statement.

In summary, the Shire of Morawa's Statement indicates that the Shire of Morawa is responsible for the good governance of the Shire and carries out functions as required including statutory compliance and provision of services and facilities. There was one FOI request were received and responded to during the reporting period.

This information statement is published in accordance with section 96 of the *Freedom of Information Act 1992*.

During the reporting period there was one Freedom of Information request submitted.

## Structure and Functions of Council

### Establishment

The Shire of Morawa is established under the *Local Government Act 1995*, and has the responsibility for the administration of this Act within the district. Other major legislation which creates a duty or an authority for Council to act includes but is not limited to:

- ❖ *Health Act 1911*
- ❖ *Town Planning and Development Act 1928*
- ❖ *Bush Fires Act 1954*
- ❖ *Dog Act 1976*
- ❖ *Cemeteries Act 1986*
- ❖ *Building Act 2011*

### Council

The Shire's affairs are governed by seven people elected from and by the community, who act in a voluntary capacity, and represent all sections of the community. The Council acts as a community board, establishing policies and making decisions within the requirements of the Local Government Act on a wide range of issues affecting the community, and in keeping with the legislative requirements to:

- Determine policies to be applied by Council in exercising its discretionary powers.
- Determine the type, range and scope of projects to be undertaken by the Shire.
- Develop comprehensive management plans, budgets, financial controls and performance objectives and indicators for the operations of the Shire.

The Council governs the Shires affairs including decisions regarding its activities and functions. Such decisions include the approval of services and facilities to be undertaken, and the allocation of resources to these services and facilities.

Decisions are also made to determine whether or not approvals are to be granted for applications for residential, commercial and industrial development.

Ordinary meetings of Council are held on the third Thursday of each month commencing at 5:30pm. All members of the public are welcome to attend. Minutes and agendas are available to the public via the Shire of Morawa website – [www.morawa.wa.gov.au](http://www.morawa.wa.gov.au).

## National Competition Policy

In 1995 the Council of Australian Government entered into a number of agreements known as the National Competition Policy. The Policy is a whole of government approach to bring about reform in the public sector to encourage government to become more competitive.

Local government will mainly be affected where it operates significant business activities (defined as one that generates an annual income from fees and charges exceeding \$200,000) that compete or could compete with private sector business. Local government will also be impacted where its local laws unnecessarily affect competition. A full review of the Shire of Morawa Local Laws commenced during the reporting period, with gazettal of the laws expected to occur in the first half of 2018-2019.

The Shire of Morawa does not have any Significant Business Activities that have been declared a Public Trading Exercise (PTE) or a Financial Trading Enterprise (FTE) by the Australian Bureau of Statistics.

As the Shire of Morawa has no PTE or FTE's the structural reform principles have not been applied to any activities.

The Shire of Morawa continues to carry out reviews of legislation within which the Shire operates.

## Register of Minor Complaints

Section 5.121 of the *Local Government Act 1995* requires the complaints officer for each local government to maintain a register of complaints which records all complaints that result in action under section 5.110(6) (b) or (c) of the Act.

Section 5.53 (2) (b) of the *Local Government Act 1995* requires that details of entries made under section 5.121 during the financial year in the register of complaints including:

- ❖ The number of complaints recorded on the register of complaints;
- ❖ How the recorded complaints were dealt with; and
- ❖ Any other details that the regulations may require;

be disclosed in the Annual Report.

No complaints of minor breaches under the *Local Government Act 1995* were received in the reporting period.

## Payment to Employees

Regulation 19B of the *Local Government (Administration) Regulations 1996* requires the Shire to include the following information in its Annual Report: The reported amounts refer to cash remuneration only.

- ❖ The number of employees of the Shire entitled to an annual salary of \$100,000 or more; and
- ❖ The number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$100,000. The stated amount may not reflect the actual number of employees receiving the amount during the reporting period at any one time.

From	To	Number of Employees
\$100,000	\$109,999	2
\$110,000	\$119,999	1
\$120,000	\$129,999	
\$130,000	\$139,999	
\$140,000	\$149,999	1
\$150,000	\$159,999	
\$160,000	\$169,999	
\$170,000	\$179,999	

## Information

### Personal Involvement

Elected members are involved with many organisations within the community, and are also active in representing Morawa at a regional or state level. Council's nominations to other organisations include:

- Northern Zone of WALGA
- North Midland Education and Industry Alliance
- North East Farming Futures
- Regional Road Group
- Morawa Community Aged Care Committee Aged Care
- Midwest – Wheatbelt Joint Development Assessment Panel
- Morawa Sinosteel Future Fund Committee

## Standing Committees

At present there is one standing Committees of Council:

- Audit Committee

## Occasional Committees

Council utilises occasional Committees as and when required.

## Agendas

To ensure that all items are included in the Agenda for Council meetings, it is requested that items for consideration be submitted to the Chief Executive Officer at least 10 days prior to Council meeting, as Agendas are prepared for members and are distributed one week prior to the meeting. This will permit each item to be researched if necessary, and be presented to Council with a recommendation for decision, if appropriate.

Copies of the Agenda are available prior to the meeting in accordance with the *Local Government Act 1995*. Please note that all Minutes are subject to confirmation by Council.

## Complaints

Complaints received by Council are processed and assigned to a responsible officer to be followed up. Most complaints received are in the form of works requests, which are assigned to works staff to complete. A system is in place to monitor progress of complaints. Where complaints are lodged about Councillor Conduct, these are processed as required under section 5.53 of the Local Government Act. In this instance the complaint is recorded under the Register of Minor Complaints.

## Delegated Authority

Under the *Local Government Act 1995*, Council is able to delegate many powers to either Committees or to the Chief Executive Officer. The CEO may then further delegate the duty or responsibility to perform a task. Delegations are recorded in a Register, and are reviewed by Council and the CEO annually.

## Services to the Community

Council provides an extensive variety of services for the community under a wide range of legislation. Services provided include:

Building control	Library services	Recycling
Bush fire control	Litter bins	Roads, footpaths & kerbs
Cemeteries	Traffic control works	Rubbish collection
Citizenship ceremonies	Parks & reserves	Storm water drainage
Crossovers	Planning controls	Street lighting

Dog control	Playground equipment	Street sweeping
Drainage	Public buildings for hire	Street tree planting
Environmental health	Public toilets	Swimming pool
Fire prevention	Recreation/sport facilities	

## Access to Council Documents

The following documents are available for inspection at the Shire Offices free of charge. Copies of the documents can be made available, although some will incur a charge to cover the cost of photocopying. The *Local Government Act 1995* does stipulate minimum requirements for documents to be made available for public inspection, and these include:

- ❖ Minutes and Agendas of Council and committee meetings
- ❖ General Policy Manual
- ❖ Annual Budgets
- ❖ Annual Report
- ❖ Annual Financial Statements
- ❖ Monthly Financial Statements
- ❖ Council Local Laws (formerly known as By-laws)
- ❖ Local Planning Scheme
- ❖ Electoral Rolls
- ❖ Financial Interest Register - Primary and Annual Returns, and Declarations
- ❖ Strategic Community Plan
- ❖ Corporate Plan

Many of these documents are also available on the Shire of Morawa website – [www.morawa.wa.gov.au](http://www.morawa.wa.gov.au).



*Bike Week Activities March 2018*



## Report on Corporate Plan

<b>Objective - ECONOMIC</b>		
A diverse, resilient and innovative economy	Maintain and increase population	<ul style="list-style-type: none"> <li>• Developed relationships with existing and prospective mining companies.</li> <li>• Residential Land available.</li> <li>• Industrial Land Plan for Stage 1 now approved. Project now shovel ready.</li> </ul>
	Maximise business, industry and investment opportunities	<ul style="list-style-type: none"> <li>• New Economic Development Manager Position Commenced July 2017</li> <li>• Regeneration Morawa to be rolled out.</li> <li>• New Local Planning Scheme and Strategy lodged with WA Planning Commission for Final Approvals.</li> <li>• Membership &amp; participation in Wildflower Tourism group</li> <li>• Provision for concept plan for caravan park expansion in 2018/19 budget.</li> <li>• Working with Morawa Business community on business signage.</li> <li>• Provision of building and administration services.</li> </ul>
	Responsive to innovation and new technologies	<ul style="list-style-type: none"> <li>• 2 new mobile phone towers approved. 1 operating at 30 June. 1 still to be made operational.</li> <li>• Council to continue to lobby for more phone towers via Blackspot submissions.</li> </ul>
	Provide essential services and infrastructure to support population growth	<ul style="list-style-type: none"> <li>• Asset management plans review is complete.</li> </ul>
	Planned and balanced growth	<ul style="list-style-type: none"> <li>• Awaiting WA Planning Commission Approval of new Local Planning Scheme and Strategy</li> </ul>
	The main street is the civic and retail heart connecting the town	<ul style="list-style-type: none"> <li>• Heritage and bush trails completed.</li> <li>• Ongoing maintenance of the Town Square.</li> </ul>
	Attractive and well maintained buildings and streetscape	<ul style="list-style-type: none"> <li>• Existing heritage colours policy is included in proposed LPS 3 policies.</li> <li>• Town clean-up day</li> </ul>

		<ul style="list-style-type: none"> <li>• Contributions made for painting of businesses.</li> <li>• Works team maintaining landscaping.</li> <li>• Planning for refurbishment of Council Chambers and Town Hall to be developed</li> <li>• Clean-up of untidy properties underway.</li> </ul>
	Well maintained local roads and ancillary infrastructure	<ul style="list-style-type: none"> <li>• Appointment of assets officer (part time)</li> <li>• Maintenance and renewal of road assets is planned and ongoing.</li> </ul>
	Affordable diverse and quality accommodation options for both residential and business	<ul style="list-style-type: none"> <li>• Leasing of aged persons units.</li> <li>• Leasing of low income units.</li> <li>• Transfer of aged units land to freehold is going ahead.</li> <li>• Future of old Morawa Hospital under investigation.</li> </ul>
	Increased investment in transport networks	<ul style="list-style-type: none"> <li>• Roads maintenance and upgrades continuing.</li> <li>• Issuing of RAV permits to heavy vehicle operators.</li> <li>• Liaison with Main Roads with regard to Network upgrades.</li> <li>• Airport continues to be maintained to comply with CASA requirements.</li> </ul>
<b>Objective - ENVIRONMENT</b>		
Protect and enhance the natural environment	Ensure natural resources are used efficiently and effectively	<ul style="list-style-type: none"> <li>• Dam maintenance to be detailed in asset management plans.</li> <li>• Chlorinator has been installed for water reuse and monthly sampling done when water is in use.</li> <li>• No issues raised re rail impacts on townsite..</li> </ul>
	Enhance the promote rehabilitation of our native vegetation	<ul style="list-style-type: none"> <li>• Biosecurity survey completed.</li> <li>• Refuse site rehabilitation to commence when new refuse site is opened.</li> <li>• Assist with control of pests.</li> <li>• Membership of biosecurity group.</li> </ul>

		<ul style="list-style-type: none"> <li>• Control of corellas in the Morawa townsite.</li> </ul>
	Minimise impact of salinity	<ul style="list-style-type: none"> <li>• Policy in place (drainage)</li> </ul>
	A regional waste management solution to achieve zero landfill	<ul style="list-style-type: none"> <li>• Transfer station operational.</li> <li>• Working on location for new site.</li> </ul>
<b>Objective - SOCIAL</b>		
A community that is friendly, healthy and inclusive	Services and facilities that meet the needs of the community	<ul style="list-style-type: none"> <li>• A Club Development Officer is shared with the Shires of Three Springs and Perenjori.</li> <li>• The Shire continues to support Emergency Services with the assistance of a shared Community Emergency Services Manager.</li> <li>• Operation of aged and low income housing.</li> <li>• Some in kind support is provided to the Morawa CRC.</li> <li>• Transport services continue to be provided.</li> </ul>
	Respect our cultural, indigenous and heritage assets	<ul style="list-style-type: none"> <li>• Tourism promotion continues including support for the Tourism Group.</li> <li>• Roads and facilities related to tourism continue to be maintained.</li> <li>• The Shire supports community groups and events.</li> <li>• Policy in place</li> </ul>
	Retain a safe environment	<ul style="list-style-type: none"> <li>• The Shire continues to provide a ranger service.</li> <li>• An Environmental Health Officer visits throughout the year.</li> <li>• The Shire supports the continuing of the shared CESM officer.</li> </ul>
	A wide range of regional events	<ul style="list-style-type: none"> <li>• Provision of facilities and equipment.</li> </ul>
	Improved and well maintained community , recreational and civic infrastructure	<ul style="list-style-type: none"> <li>• Works program supporting maintenance of infrastructure.</li> <li>• Sports ground upgrade project complete.</li> </ul>

		<ul style="list-style-type: none"> <li>Asset management plans complete.</li> </ul>
<b>• Objective - CIVIC LEADERSHIP</b>		
A connected community with strong leadership	A well informed, connected community that actively participates	<ul style="list-style-type: none"> <li>Snippets published in house.</li> <li>Regular updating of Website and Facebook.</li> <li>Community Consultation and Surveys.</li> </ul>
	Existing strong community spirit and pride is fostered and encouraged	<ul style="list-style-type: none"> <li>Thank a volunteer event.</li> <li>Acknowledgement of groups. Welcome to new residents event.</li> <li>Employment of Economic Development Manager.</li> </ul>
	A local government that is respected, professional and accountable	<ul style="list-style-type: none"> <li>Ongoing training of staff.</li> <li>Consultation with WALGA and the Department of Local Government.</li> </ul>
	Improved regional partnerships with government and industry	<ul style="list-style-type: none"> <li>Working with Perenjori on projects.</li> <li>Shared officers – CESM and Club Development.</li> <li>Attendance and participation in Regional Forums.</li> <li>Ongoing relationships with Midwest Development Commission, Karara, Sinosteel.</li> </ul>
	Be compliant with relevant legislation	<ul style="list-style-type: none"> <li>Annual audit process</li> <li>Lodgement of Compliance Audit Report.</li> <li>Adoption of policies.</li> <li>Delegations reviewed annually.</li> </ul>
	Planned, affordable and effective service delivery and infrastructure	<ul style="list-style-type: none"> <li>Review of Strategic Community Plan completed.</li> </ul>
	Long term financial viability	<ul style="list-style-type: none"> <li>Seeking efficiencies.</li> <li>Budgeting for anticipated expenses.</li> <li>Consideration of whole of life costing.</li> <li>Development of partnerships.</li> </ul>
	Attract and retain quality staff	<ul style="list-style-type: none"> <li>Development of training matrix.</li> <li>Annual reviews of all staff.</li> <li>Liaison with traineeship providers.</li> </ul>

		<ul style="list-style-type: none"> <li>• Budget for appropriate staffing levels and remuneration.</li> <li>• Future revision of Workforce plan.</li> <li>• Subscription to WALGA services.</li> <li>• Senior staff membership of Local Government Professionals.</li> </ul>
--	--	---

A new corporate plan has been prepared which is expected to be adopted by Council in 2018/19.

*Town Clean-up Day - Karara and Shire Staff and Meedac volunteers.*

*Mr Grant Parsons with President Cr Karen Chappel receiving Australian citizenship on Australia Day 2018.*



Australia Day Citizenship Award winner Mrs Shirley Katona



## 2017-2018 Financial Statements



*Morawa Swimming Pool set up for school swimming carnival March 2018*



*New bush trail under construction*



*Cr Shirley Katona with CEO Mr Chris Linnell and Deputy President Cr Dean Carslake following her election to Council in May 2018.*



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**SHIRE OF MORAWA**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2018**

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**COMMUNITY VISION**

Our vision is for Morawa to become the future regional centre of the North Midlands, the primary industry hub of the mid-west and a **centre of excellence in research, education and training**.

It will be recognised as a welcoming, safe and attractive town with resourceful and colourful personalities. As a **proud and inclusive** community, our people will remain faithful to the rural values and lifestyle whilst embracing Morawa's rewarding career prospects, exceptional health and social facilities and quality, affordable housing.

Morawa will entice our youth to building futures in the town, for our elderly to age in place, and encourage city dwellers and transient workers to contemplate Morawa as a future home for their families.

Morawa's re-energised town centre and inviting main street will signal a return to the golden days with commercial and retail businesses run by locals, and community organisations, operating alongside government agencies, supporting the health and well-being of the region.

Our heritage buildings will come to life through contemporary social and cultural festivities year round. Careful management will ensure Morawa's **well utilised recreational facilities** remain the lifeblood of the community, complemented by a network of natural open spaces for people of all ages to enjoy.

**Sustained by the town's agricultural, mining and energy industries** as well as the diverse education and training opportunities; **Morawa's economy will remain strong**. Our people will be employed by spirited, **ground breaking** and progressive businesses, whilst new partnerships will attract investment and enhance Morawa's growth.

As the innovation hub of the North Midlands, Morawa will also service, and be serviced by, a network of self-supporting satellite communities. An efficient bus network and quality roads will be used by students, workers, elderly, tourist, farmers, miners and other residents between Morawa and the surrounding towns.

**Strong and committed partnerships** with our neighbouring towns, coupled with friendly 'country town rivalries' will bind us with our neighbours and position the North Midlands district as a strategic and formidable West Australian region.

Principal place of business:

26 Winfield Street  
Morawa WA 6623




SHIRE OF MORAWA  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

*Local Government Act 1995*  
*Local Government (Financial Management) Regulations 1996*

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Morawa for the financial year ended 30 June 2018 is based on proper accounts and records to present fairly the financial position of the Shire of Morawa as at 30 June 2018 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 inconsistent with the Act, the Australian Accounting Standards.

Signed on the 03 day of December 2018



Chief Executive Officer

Chris Linnell

Name of Chief Executive Officer



SHIRE OF MORAWA  
STATEMENT OF COMPREHENSIVE INCOME  
BY NATURE OR TYPE  
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
<b>Revenue</b>				
Rates	23(a)	1,809,317	1,800,645	1,664,137
Operating grants, subsidies and contributions	2(a)	2,498,463	1,197,480	6,026,656
Fees and charges	2(a)	852,875	837,207	762,018
Interest earnings	2(a)	143,259	102,362	172,463
Other revenue	2(a)	154,561	137,989	153,973
		<u>5,458,475</u>	<u>4,075,683</u>	<u>8,779,247</u>
<b>Expenses</b>				
Employee costs		(1,637,304)	(1,717,634)	(1,582,206)
Materials and contracts		(2,964,088)	(1,982,099)	(4,373,167)
Utility charges		(360,225)	(360,123)	(503,598)
Depreciation on non-current assets	9(b)	(1,713,120)	(1,463,496)	(1,470,054)
Interest expenses	2(b)	(20,028)	(20,920)	(22,752)
Insurance expenses		(174,778)	(140,979)	(200,120)
Other expenditure		(170,918)	(696,123)	(126,586)
		<u>(7,040,461)</u>	<u>(6,381,374)</u>	<u>(8,278,483)</u>
		(1,581,986)	(2,305,691)	500,764
Non-operating grants, subsidies and contributions	2(a)	957,985	1,017,064	2,265,831
Profit on asset disposals	9(a)	0	13,000	1,112
(Loss) on asset disposals	9(a)	(284)	0	(42,551)
Reversal of prior year loss on revaluation of Infrastructure - parks and ovals	8(b)	0	0	18,667
Net result		<u>(624,285)</u>	<u>(1,275,627)</u>	<u>2,743,823</u>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	10	3,170,662	0	(4,316,578)
<b>Total other comprehensive income</b>		<u>3,170,662</u>	<u>0</u>	<u>(4,316,578)</u>
<b>Total comprehensive income</b>		<u><u>2,546,377</u></u>	<u><u>(1,275,627)</u></u>	<u><u>(1,572,755)</u></u>

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



**SHIRE OF MORAWA**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY PROGRAM**  
**FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
<b>Revenue</b>				
Governance	2(a)	570	10	40
General purpose funding		3,527,616	2,693,995	4,202,542
Law, order, public safety		37,839	26,230	25,098
Health		3,906	5,350	3,328
Education and welfare		14,402	133,899	22,333
Housing		96,698	142,761	83,297
Community amenities		437,386	451,091	435,500
Recreation and culture		55,074	69,214	47,087
Transport		1,484,556	246,130	3,665,610
Economic services	*	(413,697)	167,819	156,933
Other property and services		214,125	139,184	137,479
		<b>5,458,475</b>	<b>4,075,683</b>	<b>8,779,247</b>
<b>Expenses</b>				
Governance	2(b)	(439,643)	(491,640)	(449,851)
General purpose funding		(196,393)	(174,282)	(196,911)
Law, order, public safety		(103,822)	(84,223)	(129,794)
Health		(219,698)	(210,604)	(155,117)
Education and welfare		(96,458)	(800,015)	(176,028)
Housing		(298,794)	(292,350)	(130,093)
Community amenities		(583,403)	(741,202)	(585,147)
Recreation and culture		(1,419,177)	(1,136,614)	(1,164,883)
Transport		(3,097,523)	(1,598,634)	(4,808,643)
Economic services		(564,402)	(794,594)	(415,210)
Other property and services		(1,120)	(36,296)	(44,054)
		<b>(7,020,433)</b>	<b>(6,360,454)</b>	<b>(8,255,731)</b>
<b>Finance Costs</b>				
Housing	2(b)	(20,028)	(20,920)	(22,752)
		<b>(20,028)</b>	<b>(20,920)</b>	<b>(22,752)</b>
		<b>(1,581,986)</b>	<b>(2,305,691)</b>	<b>500,764</b>
Non-operating grants, subsidies and contributions	2(a)	957,985	1,017,064	2,265,831
Profit on disposal of assets	9(a)	0	13,000	1,112
(Loss) on disposal of assets	9(a)	(284)	0	(42,551)
Reversal of prior year loss on revaluation of Infrastructure - parks and ovals	8(b)	0	0	18,667
		<b>957,701</b>	<b>1,030,064</b>	<b>2,243,059</b>
<b>Net result</b>		<b>(624,285)</b>	<b>(1,275,627)</b>	<b>2,743,823</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	10	3,170,662	0	(4,316,578)
<b>Total other comprehensive income</b>		<b>3,170,662</b>	<b>0</b>	<b>(4,316,578)</b>
<b>Total comprehensive income</b>		<b>2,546,377</b>	<b>(1,275,627)</b>	<b>(1,572,755)</b>

\* Grant funding of \$564,430 received in a previous period refunded in the current year

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



**SHIRE OF MORAWA  
STATEMENT OF FINANCIAL POSITION  
AS AT 30TH JUNE 2018**

	NOTE	2018	2017
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	6,332,038	7,138,224
Trade and other receivables	5	1,277,716	685,729
Inventories	6	14,846	1,118
<b>TOTAL CURRENT ASSETS</b>		<u>7,624,600</u>	<u>7,825,071</u>
<b>NON-CURRENT ASSETS</b>			
Other receivables	5	22,960	16,559
Property, plant and equipment	7(a)	22,512,518	23,105,106
Infrastructure	8(a)	47,544,308	44,071,710
<b>TOTAL NON-CURRENT ASSETS</b>		<u>70,079,786</u>	<u>67,193,375</u>
<b>TOTAL ASSETS</b>		<u>77,704,386</u>	<u>75,018,446</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	417,857	165,459
Current portion of long term borrowings	12(a)	75,142	70,815
Provisions	13	328,849	384,662
<b>TOTAL CURRENT LIABILITIES</b>		<u>821,848</u>	<u>620,936</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term borrowings	12(a)	306,640	381,781
Provisions	13	40,178	26,386
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>346,818</u>	<u>408,167</u>
<b>TOTAL LIABILITIES</b>		<u>1,168,666</u>	<u>1,029,103</u>
<b>NET ASSETS</b>		<u>76,535,720</u>	<u>73,989,343</u>
<b>EQUITY</b>			
Retained surplus		35,036,076	34,337,219
Reserves - cash backed	4	5,673,997	6,997,139
Revaluation surplus	10	35,825,647	32,654,985
<b>TOTAL EQUITY</b>		<u>76,535,720</u>	<u>73,989,343</u>

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



SHIRE OF MORAWA  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	RESERVES			TOTAL EQUITY
		RETAINED SURPLUS	CASH BACKED	REVALUATION SURPLUS	
		\$	\$	\$	\$
<b>Balance as at 1 July 2016</b>		<b>32,282,013</b>	<b>6,308,522</b>	<b>36,971,563</b>	<b>75,562,098</b>
Comprehensive income					
Net result		2,743,823	0	0	2,743,823
Changes on revaluation of assets	10	0	0	(4,316,578)	(4,316,578)
Total comprehensive income		2,743,823	0	(4,316,578)	(1,572,755)
Transfers from/(to) reserves		(688,617)	688,617	0	0
<b>Balance as at 30 June 2017</b>		<b>34,337,219</b>	<b>6,997,139</b>	<b>32,654,985</b>	<b>73,989,343</b>
Comprehensive income					
Net result		(624,285)	0	0	(624,285)
Changes on revaluation of assets	10	0	0	3,170,662	3,170,662
Total comprehensive income		(624,285)	0	3,170,662	2,546,377
Transfers from/(to) reserves		1,323,142	(1,323,142)	0	0
<b>Balance as at 30 June 2018</b>		<b>35,036,076</b>	<b>5,673,997</b>	<b>35,825,647</b>	<b>76,535,720</b>

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

**SHIRE OF MORAWA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual	2018 Budget	2017 Actual
		\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		1,731,785	1,950,645	1,548,484
Operating grants, subsidies and contributions		2,001,251	1,199,980	6,824,109
Fees and charges		852,875	837,207	806,021
Interest earnings		250,451	102,362	172,463
Goods and services tax		241,963	371,974	776,355
Other revenue		151,358	137,989	143,394
		<u>5,229,683</u>	<u>4,600,157</u>	<u>10,270,826</u>
<b>Payments</b>				
Employee costs		(1,682,476)	(1,715,134)	(1,582,062)
Materials and contracts		(2,722,197)	(1,682,099)	(4,536,450)
Utility charges		(360,225)	(360,123)	(503,598)
Interest expenses		(20,098)	(20,420)	(24,112)
Insurance expenses		(174,778)	(140,979)	(200,120)
Goods and services tax		(369,596)	(371,974)	(787,388)
Other expenditure		(170,918)	(696,123)	(126,586)
		<u>(5,500,288)</u>	<u>(4,986,852)</u>	<u>(7,760,316)</u>
<b>Net cash provided by (used in) operating activities</b>	14	<u>(270,605)</u>	<u>(386,695)</u>	<u>2,510,510</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for development of land held for resale		0	(20,000)	0
Payments for purchase of property, plant & equipment		(80,140)	(332,870)	(1,321,521)
Payments for construction of infrastructure		(1,343,703)	(1,807,415)	(2,700,965)
Non-operating grants, subsidies and contributions		957,985	1,017,064	2,172,061
Proceeds from sale of fixed assets		1,091	15,000	132,273
<b>Net cash provided by (used in) investing activities</b>		<u>(464,767)</u>	<u>(1,128,221)</u>	<u>(1,718,152)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of long term borrowings		(70,814)	(70,815)	(66,743)
<b>Net cash provided by (used in) financing activities</b>		<u>(70,814)</u>	<u>(70,815)</u>	<u>(66,743)</u>
<b>Net increase (decrease) in cash held</b>		<u>(806,186)</u>	<u>(1,585,731)</u>	<u>725,615</u>
Cash at beginning of year		7,138,224	7,046,435	6,412,609
<b>Cash and cash equivalents at the end of the year</b>	14	<u><u>6,332,038</u></u>	<u><u>5,460,704</u></u>	<u><u>7,138,224</u></u>

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

**SHIRE OF MORAWA  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual	2018 Budget	2017 Actual
		\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
Net current assets at start of financial year - surplus/(deficit)		558,948	428,376	1,081,056
		558,948	428,376	1,081,056
<b>Revenue from operating activities (excluding rates)</b>				
Governance		570	10	40
General purpose funding		1,743,970	897,142	2,548,313
Law, order, public safety		37,839	26,230	25,098
Health		3,906	5,350	3,328
Education and welfare		14,402	133,899	22,333
Housing		96,698	142,761	83,297
Community amenities		437,386	464,091	435,500
Recreation and culture		55,074	69,214	47,087
Transport		1,484,556	246,130	3,666,722
Economic services		(413,697)	167,819	156,933
Other property and services		214,125	139,184	137,479
		3,674,829	2,291,830	7,126,130
<b>Expenditure from operating activities</b>				
Governance		(439,643)	(491,640)	(449,851)
General purpose funding		(196,393)	(174,282)	(178,244)
Law, order, public safety		(103,822)	(84,223)	(146,986)
Health		(219,698)	(210,604)	(155,117)
Education and welfare		(96,458)	(800,015)	(176,028)
Housing		(318,822)	(313,270)	(152,845)
Community amenities		(583,403)	(741,202)	(585,147)
Recreation and culture		(1,419,177)	(1,136,614)	(1,164,883)
Transport		(3,097,807)	(1,598,634)	(4,815,580)
Economic services		(564,402)	(794,594)	(415,210)
Other property and services		(1,120)	(36,296)	(62,476)
		(7,040,745)	(6,381,374)	(8,302,367)
<b>Operating activities excluded</b>				
(Profit) on disposal of assets	9(a)	0	(13,000)	(1,112)
Loss on disposal of assets	9(a)	284	0	42,551
(Reversal) of prior year loss on revaluation of fixed assets		0	0	(18,667)
Movement in deferred pensioner rates (non-current)		(6,401)	0	(2,624)
Movement in employee benefit provisions (non-current)		13,792	0	(11,275)
Movement in LSL Reserve		(71,867)	0	(5,515)
Depreciation and amortisation on assets	9(b)	1,713,120	1,463,496	1,470,054
<b>Amount attributable to operating activities</b>		(1,158,040)	(2,210,672)	1,378,231
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions		957,985	1,017,064	2,265,831
Proceeds from disposal of assets	9(a)	1,091	15,000	132,273
Purchase of land held for resale		0	(20,000)	0
Purchase of property, plant and equipment	7(b)	(80,140)	(332,870)	(1,415,291)
Purchase and construction of infrastructure	8(b)	(1,343,703)	(1,807,415)	(2,700,965)
<b>Amount attributable to investing activities</b>		(464,767)	(1,128,221)	(1,718,152)
<b>FINANCING ACTIVITIES</b>				
Repayment of long term borrowings	12(a)	(70,814)	(70,815)	(66,743)
Transfers to reserves (restricted assets)	4	(351,128)	(278,751)	(1,340,804)
Transfers from reserves (restricted assets)	4	1,674,270	1,892,170	652,187
<b>Amount attributable to financing activities</b>		1,252,328	1,542,604	(755,360)
<b>Surplus(deficiency) before general rates</b>		(370,479)	(1,796,289)	(1,095,281)
<b>Total amount raised from general rates</b>	23(a)	1,783,646	1,796,853	1,654,229
<b>Net current assets at June 30 c/fwd - surplus/(deficit)</b>	24	<b>1,413,167</b>	<b>564</b>	<b>558,948</b>

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

## 1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities and to the extent they are not in-consistent with the *Local Government Act 1995* and accompanying regulations), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1995* and accompanying regulations. Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of 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 affect 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.

### THE LOCAL GOVERNMENT REPORTING ENTITY

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

### THE LOCAL GOVERNMENT REPORTING ENTITY (Continued)

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. A separate statement of those monies appears at Note 26 to these financial statements.

### AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

#### Land under roads

In Western Australia, all 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 AASB 1051 Land Under Roads* and the fact *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

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

Whilst such treatment is inconsistent with the requirements of *AASB 1051, 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 Shire.



SHIRE OF MORAWA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

2. REVENUE AND EXPENSES

(a) Revenue	2018 Actual	2017 Actual
	\$	\$
<b>Significant revenue</b>		
WANDRRA Flood Damage	1,359,935	3,447,457
Funding was approved to repair damage sustained to eight of the district's roads during January/February 2017 rain events.		
<b>Other revenue</b>		
Reimbursements and recoveries	89,229	78,000
Other	65,332	75,973
	154,561	153,973
<b>Fees and Charges</b>		
Governance	25	40
General purpose funding	17,137	6,049
Law, order, public safety	9,768	2,129
Health	0	471
Education and welfare	2,789	2,744
Housing	95,432	66,070
Community amenities	430,104	434,155
Recreation and culture	52,783	40,269
Transport	29,391	882
Economic services	120,690	178,994
Other property and services	94,756	30,215
	852,875	762,018

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

**Grant Revenue**

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

	2018	2017
	\$	\$
<b>Operating grants, subsidies and contributions</b>		
General purpose funding	1,557,402	2,359,438
Law, order, public safety	18,572	18,968
Education and welfare	11,614	18,993
Housing	0	4,545
Community amenities	6,000	0
Recreation and culture	0	5,000
Transport	1,439,305	3,647,212
Economic services	(534,430)	(30,000)
Other property and services	0	2,500
	<u>2,498,463</u>	<u>6,026,656</u>
<b>Non-operating grants, subsidies and contributions</b>		
Governance	20,000	0
Law, order, public safety	0	370,940
Education and welfare	0	11,000
Housing	0	578,060
Community amenities	0	3,829
Recreation and culture	0	282,000
Transport	937,985	926,232
Other property and services	0	93,770
	<u>957,985</u>	<u>2,265,831</u>
<b>Total grants, subsidies and contributions</b>	<u>3,456,448</u>	<u>8,292,487</u>

**SIGNIFICANT ACCOUNTING POLICIES**

**Grants, Donations and Other Contributions**

Grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

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

**Grants, Donations and Other Contributions (Continued)**

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 22. 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 operations for the current period.

	2018	2018	2017
	Actual	Budget	Actual
	\$	\$	\$
<b>Interest earnings</b>			
- Reserve funds	99,068	63,862	98,552
- Other funds	14,366	10,000	10,332
Other interest revenue (refer note 23(e))	29,825	28,500	63,579
	<u>143,259</u>	<u>102,362</u>	<u>172,463</u>

**SHIRE OF MORAWA**

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

2. REVENUE AND EXPENSES (Continued)

(b) Expenses	2018	2017
	\$	\$
<b>Significant expense</b>		
WANDRRA Flood Damage	1,578,416	3,431,788
Damage was sustained to eight of the district's roads during January/February 2017. Council undertook a competitive Public Tender Process inviting suitable and experienced consultants to provide Project Management and Claims Management Services. The estimated total cost of the repairs is approximately \$4.1 million and estimated to be completed in November 2018.		
<b>Auditors remuneration</b>		
- Audit by RSM - Final	17,039	23,633
- Other Services by RSM	7,950	0
- Other Services by Moore Stephens	6,855	6,350
	31,844	29,983
<b>Interest expenses (finance costs)</b>		
Long term borrowings (refer Note 12(a))	20,028	22,752
	20,028	22,752

SHIRE OF MORAWA  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30TH JUNE 2018

3. CASH AND CASH EQUIVALENTS	NOTE	2018 \$	2017 \$
Unrestricted		514,845	20,190
Restricted		5,817,193	7,118,034
		6,332,038	7,138,224

The following restrictions have been imposed by regulations or other externally imposed requirements:

Long Service Leave Reserve	4	209,270	281,137
Plant Reserve	4	1,015,608	905,518
Building Reserve	4	121,089	99,976
Economic Development Reserve	4	110,526	109,308
Community Development Reserve	4	1,217,918	1,187,559
Sewerage Reserve	4	218,716	216,306
Unspent Grants and Contributions Reserve	4	26,413	877,390
Morawa Future Funds Interest Reserve	4	126,630	88,036
Morawa Community Future Funds Reserve	4	2,165,470	2,121,127
Refuse Transfer Station Reserve	4	27	27
Aged Care Units Reserve	4	9,233	9,131
ST-N/Midlands Solar Thermal Power Reserve	4	0	558,966
ST-Morawa Revitalisation Reserve	4	37,705	176,348
Business Units Reserve	4	102,875	81,962
Legal Fees Reserve	4	25,402	20,177
Road Reserve	4	143,228	141,649
Aged Care ex MCC Unit 1-4 Reserve	4	68,721	67,964
Aged Care Unit 5 Reserve	4	55,166	54,558
Swimming Pool Reserve	4	20,000	0
Unspent grants	22	143,196	120,895
		5,817,193	7,118,034

**SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and 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.

**Cash and cash equivalents (Continued)**

of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

SHIRE OF MORAWA  
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4. RESERVES - CASH BACKED

	2018		2018		2018		2018		2018		2017		2017	
	Actual	Actual	Actual	Transfer	2018	Budget	Budget	Budget	Opening	Actual	Actual	Actual	Actual	Closing
	Opening	Transfer	Transfer	(from)	Actual	Opening	Transfer	Closing	Balance	Transfer	Balance	Transfer	Balance	Balance
	Balance	to	(from)		Balance	to	(from)	Balance	to	(from)	to	(from)	to	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Long Service Leave Reserve	281,137	8,133	(80,000)	0	209,270	281,137	7,611	208,748	286,652	8,377	286,652	(13,892)	281,137	
Plant Reserve	905,518	110,090	0	0	1,015,608	905,518	108,411	953,929	941,344	166,184	941,344	(202,010)	905,518	
Building Reserve	99,976	21,113	0	0	121,089	99,976	20,929	70,905	79,045	20,931	79,045	0	99,976	
Economic Development Reserve	109,308	1,218	0	0	110,526	109,308	1,015	85,323	108,035	1,273	108,035	0	109,308	
Community Development Reserve	1,187,559	30,359	0	0	1,217,918	1,187,559	11,030	1,188,589	1,376,593	10,966	1,376,593	(200,000)	1,187,559	
Sewerage Reserve	216,306	2,410	0	0	218,716	216,306	34,528	180,834	144,602	71,704	144,602	0	216,306	
Unspent Grants and Contributions Reserve	877,390	1,495	(852,472)	0	26,413	877,391	8,149	52,568	92,743	852,969	92,743	(68,322)	877,390	
Morawa Future Funds Interest Reserve	88,036	38,594	0	0	126,630	88,036	12,050	100,086	54,705	33,331	54,705	0	88,036	
Morawa Community Future Funds Reserve	2,121,127	81,711	(37,368)	0	2,165,470	2,121,127	19,703	2,104,830	2,140,600	13,214	2,140,600	(32,687)	2,121,127	
Refuse Transfer Station Reserve	27	0	0	0	27	27	0	27	134,515	788	134,515	(135,276)	27	
Aged Care Units Reserve	9,131	102	0	0	9,233	9,131	85	9,216	9,025	106	9,025	0	9,131	
ST-N/Midlands Solar Thermal Power Reserve	558,966	5,464	(564,430)	0	0	559,632	5,198	14,830	550,687	8,279	550,687	0	558,966	
ST-Morawa Revitalisation Reserve	176,348	1,357	(140,000)	0	37,705	176,558	1,640	(178,198)	173,736	2,612	173,736	0	176,348	
Business Units Reserve	81,962	20,913	0	0	102,875	81,961	20,761	102,722	61,240	20,722	61,240	0	81,962	
Legal Fees Reserve	20,177	5,225	0	0	25,402	20,177	5,187	25,364	15,000	5,177	15,000	0	20,177	
Road Reserve	141,649	1,579	0	0	143,228	141,649	1,316	142,965	140,000	1,649	140,000	0	141,649	
Aged Care ex MCC Unit 1-4 Reserve	67,964	757	0	0	68,721	67,964	631	68,595	67,964	0	67,964	0	67,964	
Aged Care Unit 5 Reserve	54,558	608	0	0	55,166	54,558	507	55,065	54,558	0	54,558	0	54,558	
Swimming Pool Reserve	0	20,000	0	0	20,000	20,000	0	20,000	0	0	0	0	0	
	6,997,139	351,128	(1,674,270)	0	5,673,997	6,998,015	278,751	(1,892,170)	6,308,522	1,340,804	6,308,522	(652,187)	6,997,139	

All of the reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash in Note 3 to this financial report.

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

Name of Reserve	Anticipated date of use	Purpose of the reserve
Long Service Leave Reserve	Ongoing	- to be used to fund leave requirements.
Plant Reserve	Ongoing	- to be used to upgrade, replace or purchase new plant and equipment.
Building Reserve	Ongoing	- to be used to refurbish, replace, extend or establish Council owned buildings.
Economic Development Reserve	Ongoing	- to be used to create economic development initiatives in the local community.
Community Development Reserve	Ongoing	- to be used for Community Projects within the Shire of Morawa
Sewerage Reserve	Ongoing	- to be used to repair, replace or extend the sewerage facility.
Unspent Grants and Contributions Reserve	Ongoing	- to be used as a quarantine for unspent committed funds.
Morawa Future Funds Interest Reserve	Ongoing	- to be used for Morawa Community Projects
Morawa Community Future Funds Reserve	Ongoing	- to be used to provide an ongoing conduit for benefits to the people and environment of the Morawa Shire through the Sinosteel Midwest Corporation Morawa Future Fund Foundation Memorandum.
Refuse Transfer Station Reserve	17/18	- to be used for Morawa Landfill closure
Aged Care Units Reserve	Ongoing	- to be used for the maintenance/ construction of Aged Care Units at the Morawa Perenjori Health Centre
ST-N/Midlands Solar Thermal Power Reserve	Ongoing	- Super Town funds to be used for the N/Midlands Solar Thermal Power feasibility Study Project
ST-Morawa Revitalisation Reserve	17/18	- Super Town funds to be used for the Morawa Town Revitalisation Project
Business Units Reserve	Ongoing	- to be utilised for the refurbishment/repairs of the current Units or to establish new Business Units
Legal Fees Reserve	Ongoing	- to be utilised for unforeseen Legal Fees.
Road Reserve	Ongoing	- to be utilised for future Road Construction and Maintenance.
Aged Care ex MCC Unit 1-4 Reserve	Ongoing	- to be used for the maintenance/upgrade of Aged Care Units 1-4 at the Morawa Perenjori Health Centre
Aged Care Unit 5 Reserve	Ongoing	- to be used for the maintenance/upgrade Aged Care Unit 5 at the Morawa Perenjori Health Centre
Swimming Pool Reserve	Ongoing	- to be used for the maintenance/upgrade to Morawa Swimming Pool

SHIRE OF MORAWA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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5. TRADE AND OTHER RECEIVABLES

	2018	2017
	\$	\$
<b>Current</b>		
Rates outstanding	558,537	487,406
Sundry debtors	71,409	48,351
GST receivable	164,167	36,534
Accrued income	491,349	114,161
Provision for doubtful debts	(7,746)	(723)
	<u>1,277,716</u>	<u>685,729</u>
<b>Non-current</b>		
Rates outstanding - pensioners	22,960	16,559
	<u>22,960</u>	<u>16,559</u>

Information with respect the impairment or otherwise of the totals of rates outstanding and sundry debtors is as follows:

**Rates outstanding**

Includes:

Past due and not impaired	577,576	503,965
Impaired	3,921	0

The table illustrates the rates outstanding aging analysis (including non current pensioners)

Up to one year	283,897	284,224
One to three years	151,872	121,959
Three or more years	145,728	97,782
	<u>581,497</u>	<u>503,965</u>

**Sundry debtors**

Includes:

Past due and not impaired	67,584	47,628
Impaired	3,825	723

The table illustrates the sundry debtors aging analysis

Up to one month	11,209	29,339
One to three months	6,033	7,591
Three or more months	54,167	11,421
	<u>71,409</u>	<u>48,351</u>

**SIGNIFICANT ACCOUNTING POLICIES**

**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.

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.

**Classification and subsequent measurement**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

SHIRE OF MORAWA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**6. INVENTORIES**

**Current**

Fuel and materials

	2018	2017
	\$	\$
	14,846	1,118
	14,846	1,118

**SIGNIFICANT ACCOUNTING POLICIES**

**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.

SHIRE OF MORAWA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

7 (a). PROPERTY, PLANT AND EQUIPMENT

	2018	2017
	\$	\$
Land and buildings		
Land - freehold land at:		
- Independent valuation 2017 - Level 2	1,133,660	1,133,660
- Independent valuation 2017 - Level 3	63,000	63,000
- Additions after valuation - cost	28,636	0
	<u>1,225,296</u>	<u>1,196,660</u>
Land - vested in and under the control of Council at:		
- Independent valuation 2017 - Level 3	7,400	7,400
	<u>7,400</u>	<u>7,400</u>
Total land	<u>1,232,696</u>	<u>1,204,060</u>
Buildings - non-specialised at:		
- Independent valuation 2017 - Level 2	4,258,000	4,258,000
- Additions after valuation - cost	51,504	0
Less: accumulated depreciation	(103,882)	0
	<u>4,205,622</u>	<u>4,258,000</u>
Buildings - specialised at:		
- Independent valuation 2017 - Level 3	15,190,700	15,190,700
Less: accumulated depreciation	(284,501)	0
	<u>14,906,199</u>	<u>15,190,700</u>
Total buildings	<u>19,111,821</u>	<u>19,448,700</u>
Total land and buildings	<u>20,344,517</u>	<u>20,652,760</u>
Furniture and equipment at:		
- Independent valuation 2016 - Level 2	49,300	49,300
- Management valuation 2016 - Level 2	10,159	10,159
- Management valuation 2016 - Level 3	35,091	35,091
- Additions after valuation - cost	11,702	11,702
Less: accumulated depreciation	(29,386)	(13,553)
	<u>76,866</u>	<u>92,699</u>
Plant and equipment at:		
- Independent valuation 2016 - Level 2	1,272,000	1,272,000
- Management valuation 2016 - Level 2	433,782	436,282
- Management valuation 2016 - Level 3	128,834	128,834
- Additions after valuation - cost	732,396	732,396
Less: accumulated depreciation	(475,877)	(209,865)
	<u>2,091,135</u>	<u>2,359,647</u>
Total property, plant and equipment	<u>22,512,518</u>	<u>23,105,106</u>



SHIRE OF MORAWA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

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.

	Land - freehold land	Land - vested in and under the control of Council	Total land	Buildings - specialised	Buildings - non-specialised	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Work in Progress	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	1,841,500	505,885	2,347,385	3,124,071	18,720,974	21,845,045	24,192,430	94,550	2,032,207	199,697	26,518,884	
Additions	93,771	0	93,771	0	531,023	531,023	624,794	0	790,497	0	1,415,291	
(Disposals)	0	0	0	0	0	0	0	0	(173,712)	0	(173,712)	
Revaluation increments/(decrements) transferred to revaluation surplus	(738,611)	(498,485)	(1,237,096)	(21,757)	(2,700,368)	(2,722,125)	(3,959,221)	0	0	0	(3,959,221)	
Depreciation (expense)	0	0	0	(86,814)	(376,227)	(463,041)	(463,041)	(13,553)	(231,244)	0	(707,838)	
Transfers	1,196,660	7,400	1,204,060	0	1,242,500	(984,702)	257,798	11,702	(58,101)	(199,697)	11,702	
Carrying amount at 30 June 2017	28,636	28,636	57,272	4,258,000	15,190,700	19,448,700	20,652,760	92,699	2,359,647	0	23,105,106	
Additions	0	0	0	51,504	0	51,504	80,140	0	0	0	80,140	
(Disposals)	0	0	0	0	0	0	0	0	(1,375)	0	(1,375)	
Depreciation (expense)	0	0	0	(103,882)	(284,501)	(388,383)	(388,383)	(15,833)	(267,137)	0	(671,353)	
Carrying amount at 30 June 2018	1,225,296	7,400	1,232,696	4,205,622	14,906,199	19,111,821	20,344,517	76,866	2,091,135	0	22,512,518	

SHIRE OF MORAWA  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>Land and buildings</b>					
Land - freehold land	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2017	Price per hectare
Land - freehold land	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Land - vested in and under the control of Council	3	Income approach	Independent registered valuers	June 2017	Comparative income and expense data
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2017	Price per square metre
Buildings - specialised	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
<b>Furniture and equipment</b>					
- Independent valuation 2016	2	Market approach using recent observable market data for similar items	Independent registered valuers	June 2016	Price per item
- Management valuation 2016	2	Market approach using recent observable market data for similar items	Management valuation	June 2016	Price per item
- Management valuation 2016	3	Cost approach using depreciated replacement cost	Management valuation	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

SHIRE OF MORAWA  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements (Continued)

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>Plant and equipment</b>					
- Independent valuation 2016	2	Market approach using recent observable market data for similar items	Independent registered valuers	June 2016	Price per item
- Management valuation 2016	2	Market approach using recent observable market data for similar items	Management valuation	June 2016	Price per item
- Management valuation 2016	3	Cost approach using depreciated replacement cost	Management valuation	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) 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 MORAWA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

8 (a). INFRASTRUCTURE

	2018	2017
	\$	\$
Infrastructure - Roads		
- Management valuation 2015 - Level 3	0	56,477,482
- Management valuation 2018 - Level 3	67,482,348	0
- Additions after valuation - cost	0	2,542,599
Less: accumulated depreciation	(29,705,023)	(25,023,936)
	<u>37,777,325</u>	<u>33,996,145</u>
Infrastructure - Footpaths		
- Management valuation 2015 - Level 3	0	1,049,165
- Management valuation 2018 - Level 3	1,106,056	0
- Additions after valuation - cost	0	2,075
Less: accumulated depreciation	(720,289)	(669,181)
	<u>385,767</u>	<u>382,059</u>
Infrastructure - Parks and Ovals		
- Independent valuation 2017 - Level 3	1,520,150	1,520,150
Less: accumulated depreciation	(745,573)	(699,400)
	<u>774,577</u>	<u>820,750</u>
Infrastructure - Sewerage		
- Independent valuation 2017 - Level 3	3,649,550	3,649,550
Less: accumulated depreciation	(1,449,582)	(1,381,700)
	<u>2,199,968</u>	<u>2,267,850</u>
Infrastructure - Airfields		
- Independent valuation 2017 - Level 3	2,103,500	2,103,500
Less: accumulated depreciation	(1,580,825)	(1,529,500)
	<u>522,675</u>	<u>574,000</u>
Infrastructure - Dams		
- Independent valuation 2017 - Level 3	2,192,150	2,192,150
Less: accumulated depreciation	(1,553,913)	(1,508,670)
	<u>638,237</u>	<u>683,480</u>
Infrastructure - Playground Equipment		
- Independent valuation 2017 - Level 3	230,650	230,650
Less: accumulated depreciation	(139,818)	(127,450)
	<u>90,832</u>	<u>103,200</u>
Infrastructure - Other		
- Independent valuation 2017 - Level 3	9,411,750	9,411,750
- Management valuation 2017 - Level 3	133,323	133,323
- Additions after valuation - cost	175,453	0
Less: accumulated depreciation	(4,565,599)	(4,300,847)
	<u>5,154,927</u>	<u>5,244,226</u>
<b>Total infrastructure</b>	<u>47,544,308</u>	<u>44,071,710</u>

SHIRE OF MORAWA  
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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.

	Infrastructure - Roads	Infrastructure - Footpaths	Infrastructure - Parks and Ovals	Infrastructure - Sewerage	Infrastructure - Airfields	Infrastructure - Dams	Infrastructure - Playground Equipment	Infrastructure - Other	Infrastructure - Works in Progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	32,970,122	403,084	642,121	2,139,211	587,500	631,960	37,100	4,357,967	714,288	42,483,353
Additions	1,524,911	0	0	0	0	0	0	1,176,054	0	2,700,965
Revaluation increments/ (decrements) transferred to revaluation surplus	0	0	167,732	203,033	(1,000)	87,859	71,400	(886,381)	0	(357,357)
Revaluation (loss)/ reversals transferred to profit or loss	0	0	18,667	0	0	0	0	0	0	18,667
Depreciation (expense)	(498,888)	(21,025)	(7,770)	(74,394)	(12,500)	(36,339)	(5,300)	(106,000)	0	(762,216)
Transfers									(714,288)	(11,702)
Carrying amount at 30 June 2017	33,996,145	382,059	820,750	2,267,850	574,000	683,480	103,200	5,244,226	0	44,071,710
Additions	1,168,250	0	0	0	0	0	0	175,453	0	1,343,703
Revaluation increments/ (decrements) transferred to revaluation surplus	3,145,929	24,733	0	0	0	0	0	0	0	3,170,662
Depreciation (expense)	(532,999)	(21,025)	(46,173)	(67,882)	(51,325)	(45,243)	(12,368)	(264,752)	0	(1,041,767)
Carrying amount at 30 June 2018	37,777,325	385,767	774,577	2,199,968	522,675	638,237	90,832	5,154,927	0	47,544,308

8. INFRASTRUCTURE (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Footpaths	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Parks and Ovals	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Sewerage	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Airfields	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Dams	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Playground Equipment	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Other	3	Cost approach using depreciated replacement cost	Independent and management valuations	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) 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 to determine the fair value of infrastructure using level 3 inputs.

## 9. FIXED ASSETS

### SIGNIFICANT ACCOUNTING POLICIES

#### Fixed assets

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

#### Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost and 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 no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the 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 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.

#### Revaluation

The fair value of fixed assets is determined at least every three years in accordance with the regulatory framework. At the end of each 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.

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.

#### Land under control

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

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 in accordance with the other policies detailed in this Note.

9. FIXED ASSETS (Continued)

(a) Disposals of Assets

The following assets were disposed of during the year.

	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss	Budget Net Book Value	Budget Sale Proceeds	Budget Profit	Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$
Plant and Equipment								
Community amenities								
1996 Toyota Coaster Community Bus	0	0	0	0	2,000	15,000	13,000	0
Transport								
Proceeds of sale of Asset P128	1,375	1,091	0	(284)	0	0	0	0
	1,375	1,091	0	(284)	2,000	15,000	13,000	0

(b) Depreciation

	2018	2017
	\$	\$
Buildings - non-specialised	103,882	86,814
Buildings - specialised	284,501	376,227
Furniture and equipment	15,833	13,553
Plant and equipment	267,137	231,244
Infrastructure - Roads	532,999	498,888
Infrastructure - Footpaths	21,025	21,025
Infrastructure - Parks and Ovals	46,173	7,770
Infrastructure - Sewerage	67,882	74,394
Infrastructure - Airfields	51,325	12,500
Infrastructure - Dams	45,243	36,339
Infrastructure - Playground Equipment	12,368	5,300
Infrastructure - Other	264,752	106,000
	1,713,120	1,470,054



9. FIXED ASSETS (Continued)

(b) Depreciation (Continued)

**SIGNIFICANT ACCOUNTING POLICIES**

**Depreciation**

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- a) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
- b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

**Depreciation rates**

Major depreciation periods used for each class of depreciable asset are:

Buildings	40 to 100 years
Furniture and equipment	5 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
clearing and earthworks	not depreciated
construction/road base	40 years
original surfacing and	
major re-surfacing	
- bituminous seals	20 years
Gravel roads	
clearing and earthworks	not depreciated
construction/road base	40 years
gravel sheet	12 years
Formed roads (unsealed)	
clearing and earthworks	not depreciated
construction/road base	50 years
Footpaths - slab	50 years
Drainage	50 years
Other Infrastructure	10 to 50 years
Parks and ovals	50 years
Airfields	50 years

**Depreciation (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 in the period in which they arise.

**Capitalisation threshold**

Expenditure under the thresholds listed below is not capitalised. Rather, it is recorded on an asset inventory listing.

- Land	Nil (All Land Capitalised)
- Buildings	5,000
- Plant & equipment	5,000
- Furniture & equipment	5,000
- Infrastructure	5,000

SHIRE OF MORAWA  
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10. REVALUATION SURPLUS

	2018			2018			2018			2017					
	Opening Balance	Revaluation Increment	Revaluation (Decrement)	Revaluation Movement on Revaluation	Closing Balance	Opening Balance	Revaluation Increment	Revaluation (Decrement)	Revaluation Movement on Revaluation	Closing Balance	Opening Balance	Revaluation Increment	Revaluation (Decrement)	Revaluation Movement on Revaluation	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land and buildings	10,023,810	0	0	0	10,023,810	13,983,031	0	0	0	13,983,031	10,023,810	0	(3,959,221)	(3,959,221)	10,023,810
Furniture and equipment	31,674	0	0	0	31,674	31,674	0	0	0	31,674	31,674	0	0	0	31,674
Plant and equipment	571,549	0	0	0	571,549	571,549	0	0	0	571,549	571,549	0	0	0	571,549
Infrastructure - roads	18,550,097	3,145,929	0	3,145,929	21,696,026	18,550,097	0	0	0	18,550,097	18,550,097	0	0	0	18,550,097
Infrastructure - footpaths	28,074	24,733	0	24,733	52,807	28,074	0	0	0	28,074	28,074	0	0	0	28,074
Infrastructure - parks and ovals	167,732	0	0	0	167,732	0	0	0	0	167,732	167,732	0	0	0	167,732
Infrastructure - sewerage	1,407,329	0	0	0	1,407,329	1,204,296	0	0	0	1,204,296	1,407,329	203,033	0	203,033	1,407,329
Infrastructure - airfields	311,142	0	0	0	311,142	312,142	0	0	0	312,142	311,142	0	(1,000)	(1,000)	311,142
Infrastructure - dams	664,870	0	0	0	664,870	577,011	0	0	0	577,011	664,870	87,859	0	87,859	664,870
Infrastructure - playground equipment	86,870	0	0	0	86,870	15,470	0	0	0	15,470	86,870	71,400	0	71,400	86,870
Infrastructure - other	811,838	0	0	0	811,838	1,698,219	0	0	0	1,698,219	811,838	0	(886,381)	(886,381)	811,838
	32,654,985	3,170,662	0	3,170,662	35,825,647	36,971,563	530,024	(4,846,602)	(4,316,578)	32,654,985					

Movements on revaluation of fixed assets are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

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11. TRADE AND OTHER PAYABLES

Current

Sundry creditors  
 Accrued interest on long term borrowings  
 Accrued salaries and wages  
 Accrued expenditure  
 FBT liability  
 PAYG liability

	2018	2017
	\$	\$
	295,630	92,665
	3,440	3,510
	11,325	8,965
	2,077	7,588
	8,215	9,060
	97,170	43,671
	<b>417,857</b>	<b>165,459</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect

**Trade and other payables (Continued)**

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.

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12. INFORMATION ON BORROWINGS

(a) Repayments - Borrowings

Particulars	Borrowing Institution	Interest Rate %	Principal 1 July 2017 \$	New Loans \$	Principal Repayments		Principal 30 June 2018		Interest Incurred	
					Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Housing										
Loan 133 - GEHA House	WATC	6.55%	70,621	0	34,156	34,156	36,465	35,366	3,993	4,600
Loan 134 - 2 Broad Street	WATC	6.20%	49,838	0	24,158	24,158	25,680	25,680	1,994	3,389
Loan 136 - 24 Harley Street	WATC	3.93%	332,137	0	12,500	12,501	319,637	319,636	14,041	12,931
			452,596	0	70,814	70,815	381,782	380,682	20,028	20,920

All loan repayments were financed by general purpose revenue.

Borrowings

	2018 \$	2017 \$
Current	75,142	70,815
Non-current	306,640	381,781
	<u>381,782</u>	<u>452,596</u>

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12. INFORMATION ON BORROWINGS (Continued)

(b) New Borrowings - 2017/18  
 The Shire did not take up any new debentures during the year ended 30 June 2018.

(b) Unspent Borrowings  
 The Shire did not have any unspent debentures as at 30 June 2018.

(b) Undrawn Borrowing Facilities  
 Credit Standby Arrangements  
 Bank overdraft limit  
 Bank overdraft at balance date  
 Credit card limit  
 Credit card balance at balance date  
 Total amount of credit unused

Loan facilities  
 Loan facilities - current  
 Loan facilities - non-current  
 Total facilities in use at balance date

Unused loan facilities at balance date

	2018	2017
	\$	\$
	0	800,000
	0	0
	15,000	15,000
	(250)	(3,350)
	14,750	811,650
	75,142	70,815
	306,640	381,781
	381,782	452,596
	NIL	NIL

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are recognised at fair value when the Shire becomes a party to the contractual provisions to the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

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 until such time as the asset is substantially ready for its intended use or sale.

### 13. PROVISIONS

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2017			
Current provisions	144,795	239,867	384,662
Non-current provisions	0	26,386	26,386
	144,795	266,253	411,048
Additional provision	30,993	0	30,993
Amounts used	0	(66,275)	(66,275)
Increase in the discounted amount arising because of time and the effect of any change in the discounted or inflation rate	(388)	(6,351)	(6,739)
<b>Balance at 30 June 2018</b>	<b>175,400</b>	<b>193,627</b>	<b>369,027</b>
<b>Comprises</b>			
Current	175,400	153,449	328,849
Non-current	0	40,178	40,178
	175,400	193,627	369,027

#### SIGNIFICANT ACCOUNTING POLICIES

##### Employee benefits

##### Short-term employee benefits

Provision is made for the Shire'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.

The Shire'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.

##### Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

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

**Other long-term employee benefits (Continued)**  
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.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire 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.

##### Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and 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.

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14. NOTES TO THE STATEMENT OF CASH FLOWS

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:

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Cash and cash equivalents	6,332,038	5,460,704	7,138,224
<b>Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>			
Net result	(624,285)	(1,275,627)	2,743,823
Non-cash flows in Net result:			
Depreciation	1,713,120	1,463,496	1,470,054
(Profit)/loss on sale of asset	284	(13,000)	41,439
Loss on revaluation of fixed assets	0	0	(18,667)
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(598,388)	152,500	704,191
(Increase)/decrease in inventories	(13,728)	0	217
Increase/(decrease) in payables	252,398	303,000	(192,702)
Increase/(decrease) in provisions	(42,021)	0	27,986
Grants contributions for the development of assets	(957,985)	(1,017,064)	(2,265,831)
Net cash from operating activities	(270,605)	(386,695)	2,510,510

SHIRE OF MORAWA  
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15. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2018	2017
	\$	\$
Governance	960,186	551,238
General purpose funding	581,497	503,965
Law, order, public safety	447,465	643,256
Health	723,217	743,891
Education and welfare	543,899	559,500
Housing	3,924,939	3,946,813
Community amenities	3,094,702	3,178,802
Recreation and culture	13,715,097	14,114,304
Transport	41,036,538	36,615,357
Economic services	9,936,865	10,628,568
Other property and services	1,950,871	2,175,901
Unallocated	789,110	1,356,851
	<u>77,704,386</u>	<u>75,018,446</u>



SHIRE OF MORAWA  
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## 16. CONTINGENT LIABILITIES

The Shire of Morawa has in compliance with Section 11 of the *Contaminated Sites Act 2003* listed sites to be possible sources of contamination:

- The Shire of Morawa Works Depot. Reserve 36276
- The Shire of Morawa Landfill site (existing) Reserve 20087
- The Shire of Morawa Waste Water Treatment Plant Reserve 37310
- The Shire of Morawa Landfill site (Canna) UCL east of Reserve 18321
- The Shire of Morawa Landfill site (Gutha) Reserve 17830

Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk and agree with the DWER the need and criteria for remediation, the Shire is unable to accurately quantify its clean-up liabilities for potentially contaminated sites. The Shire is continuing to monitor the sites and will progressively undertake site investigations and remediation on a risk based approach. This approach is consistent with the DWER guidelines.

### *Old Morawa Hospital*

The Shire was granted a management order over Reserve 52057 on 22 April 2015 (the Old Hospital Site). The buildings on the site are in a state of disrepair, and it is assumed, include asbestos containing materials (ACM's) within the buildings' fabric.

The Shire has been working with the Department of Planning Lands and Heritage (the Department) regarding the future ownership for the old hospital. The Department will first need to consider whether native title rights and interests have been extinguished over the whole or portion of the subject reserve.

Upon confirming the native title status for Reserve 52057, both the Shire and the Department will consider the options which include:

- The subject reserve remains with the Shire with an undertaking that the building is demolished or
- The Shire surrenders its management order and the subject land is placed with the Department's Land Asset Sales Program for divestment.

## 17. CAPITAL AND LEASING COMMITMENTS

### (a) Capital Expenditure Commitments

The Shire did not have any future capital expenditure commitments at the reporting date.

### (b) Operating Lease Commitments

The Shire did not have any future operating lease commitments at the reporting date.

## SIGNIFICANT ACCOUNTING POLICIES

### Leases

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

Finance leases are capitalised recording an asset and a liability at the lower of the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

### Leases (Continued)

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

**SHIRE OF MORAWA  
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**18. JOINT ARRANGEMENTS**

The Shire of Morawa has entered into a joint arrangement, based on a Deed of Trust, with Homeswest for the construction of 2 - 1 bedroom and 1 - 2 bedroom units in Dreghorn Street, Morawa. The provision of this housing aims to provide accommodation for single persons. The Shire of Morawa has a 2% interest in the assets of this joint arrangement. All revenue and expenditure, as well as liabilities, of the joint arrangement are recognised in the relevant financial statements of Council.

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Non-current assets</b>		
Land and buildings	3,260	3,260
Less: accumulated depreciation	(76)	0
	<b>3,184</b>	<b>3,260</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Interests in joint arrangements**

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

In joint arrangements joint operators maintain direct interests in each asset and exposure to each liability of the arrangement, unless otherwise varied contractually.

**Interests in joint arrangements (Continued)**

The Shire's interests in the assets, liabilities, revenue and expenses of joint arrangements are included in the respective line items of the financial statements.

SHIRE OF MORAWA  
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19. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
The following fees, expenses and allowances were paid to council members and/or the President.			
Meeting Fees	61,717	64,000	64,000
President's allowance	16,750	17,000	17,000
Deputy President's allowance	4,250	4,250	4,250
Travelling expenses	0	200	0
Telecommunications allowance	0	1,500	522
	<u>82,717</u>	<u>86,950</u>	<u>85,772</u>

Key Management Personnel (KMP) Compensation Disclosure

	2018	2017
	\$	\$
The total of remuneration paid to KMP of the Shire during the year are as follows:		
Short-term employee benefits	421,980	491,085
Post-employment benefits	55,408	63,711
Other long-term benefits	37,059	103,936
Termination benefits	<u>161,137</u>	<u>0</u>
	<u>675,584</u>	<u>658,732</u>

*Short-term employee benefits*

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

*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: may or may not be applicable in any given year).

Transactions with related parties

Transactions between related parties, and the Shire are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guaranties exist in relation to related parties at year end.

The following transactions occurred with related parties:	2018	2017
	\$	\$
Purchase of goods and services	358,035	316,500
Amounts outstanding from related parties:		
Elected Members - rates	58,790	0
Amounts payable to related parties:		
Trade and other payables	1,971	0
Elected Members - fees and allowances	20,046	0

Related Parties

The Shire's main related parties are as follows:

*i. Key management personnel*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.

*ii. Joint arrangements accounted for under the proportionate consolidation method*

The Shire has a 2% interest in the supply of single person accommodation with Homeswest. The interest in the joint venture entity is accounted for in these financial statements using the proportionate consolidation method of accounting. For details of interests held in joint venture entities, refer to Note 18.

**20. MAJOR LAND TRANSACTIONS**

The Shire did not participate in any major land transactions during the 2017/2018 financial year.

**21. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

The Shire did not participate in any trading undertakings or major trading undertakings during the 2017/2018 financial year.

SHIRE OF MORAWA  
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22. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening Balance <sup>(1)</sup>		Received <sup>(2)</sup>		Expended <sup>(3)</sup>		Closing Balance <sup>(1)</sup>		Received <sup>(2)</sup>		Expended <sup>(3)</sup>		Closing Balance	
	1/07/16	2016/17	2016/17	2016/17	2016/17	2016/17	30/06/17	30/06/17	2017/18	2017/18	2017/18	2017/18	30/06/18	30/06/18
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Governance</b>														
Department of Infrastructure - Stronger Communities	0	0	0	0	0	0	0	20,000	0	20,000	0	0	20,000	
<b>Recreation and culture</b>														
Dept of Sport & Recreation - Swimming Pool	32,000	0	0	0	0	32,000 *	0	0	0	(32,000)	0	0	0	
Dept of Sport & Recreation - Kidsport	0	5,000	(1,499)	0	3,501	0	0	0	0	0	0	0	3,501	
<b>Transport</b>														
Roads to Recovery - Auslink	360,659	593,566	(836,831)	0	117,394 @	0	513,898	(511,597)	0	119,695 @	0	0	0	
<b>Economic services</b>														
Morawa Community Trust	54,705	33,331	0	0	88,036 *	0	38,594	0	0	126,630 *	0	0	925,000 *	
Midwest Sinosteel - Morawa Future Funds	925,000	0	0	0	925,000 *	0	0	0	0	0	0	0	244,234 *	
Midwest Corp - Road Funds	244,234	0	0	0	244,234 *	0	0	0	0	0	0	0	0	
Power Project	550,687	8,279	0	0	558,966 *	@	5,464	(564,430)	0	0	0	0	0	
RDL - Super Towns - Morawa Revitalisation	148,797	0	(81,170)	0	67,627 *	@	0	(67,627)	0	0	0	0	0	
MWIP - Super Towns - Morawa Revitalisation	40,505	2,612	0	0	43,117 *	@	0	(43,117)	0	0	0	0	0	
<b>Other property and services</b>														
Water Corporation - Revegetation Funds	12,358	209	0	0	12,567 *	@	233	0	0	12,800 *	@	0	0	
<b>Total</b>	<b>2,368,945</b>	<b>642,997</b>	<b>(919,500)</b>	<b>2,092,442</b>	<b>578,189</b>	<b>(1,218,771)</b>	<b>1,451,860</b>	<b>1,451,860</b>	<b>1,451,860</b>	<b>1,451,860</b>	<b>1,451,860</b>	<b>1,451,860</b>	<b>1,451,860</b>	<b>1,451,860</b>

**SHIRE OF MORAWA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018**

**22. CONDITIONS OVER GRANTS/CONTRIBUTIONS (Continued)**

**Notes:**

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

(2) - 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.

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

(\*) - All or part of these unspent contributions were held in reserve funds as at 30 June 2017 and 30 June 2018.

(@) - At 30 June 2017 and 30 June 2018 the Shire had committed this funding for use in accordance with the funding agreement.

**Disclosed as follows:**

- Restricted Cash (Note 3)
- Unspent Grants and Contributions Reserve (Note 3)
- Morawa Community Trust Reserve (Note 3)
- Morawa Community Future Funds Reserve (Note 3)
- Super Towns - North Midlands Solar Thermal Power Reserve (Note 3)
- Super Towns - Morawa Revitalisation Reserve (Note 3)

2018	2017
\$	\$
143,196	120,895
12,800	87,684
126,630	88,036
1,169,234	1,169,234
0	558,966
0	67,627
<b>1,451,860</b>	<b>2,092,442</b>

SHIRE OF MORAWA  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30TH JUNE 2018

23. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	2018		2017		Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
							Total Revenue \$	Total Revenue \$	Total Revenue \$	Total Revenue \$			
<b>Gross rental valuations</b>													
Residential/Commercial	0.075707	268	2,807,436	212,543	(1,296)	0	211,247	216,691	214,220	0	0	0	214,220
<b>Unimproved valuations</b>													
Rural	0.023043	202	63,004,000	1,451,801	(1,104)	0	1,450,697	1,306,842	1,451,801	0	0	0	1,451,801
Mining	0.289681	15	472,333	136,826	276	0	137,102	136,014	136,826	0	0	0	136,826
<b>Sub-Total</b>		485	66,283,769	1,801,170	(2,124)	0	1,799,046	1,659,547	1,802,847	0	0	0	1,802,847
<b>Minimum payment</b>	<b>\$</b>												
<b>Gross rental valuations</b>													
Residential/Commercial	290	46	27,078	13,340	0	0	13,340	13,392	13,050	0	0	0	13,050
<b>Unimproved valuations</b>													
Rural	290	6	53,200	1,740	0	0	1,740	1,953	1,740	0	0	0	1,740
Mining	656	11	11,311	7,216	0	0	7,216	7,216	7,216	0	0	0	7,216
<b>Sub-Total</b>		63	91,589	22,296	0	0	22,296	22,561	22,006	0	0	0	22,006
<b>Discounts/concessions (refer note 23(d))</b>													
Total amount raised from general rate		548	66,375,358	1,823,466	(2,124)	0	1,821,342	1,682,108	1,824,853	0	0	0	1,824,853
Ex-gratia rates								(37,696)	(27,879)				(28,000)
Movement in Excess Rates								1,783,646	1,654,229				1,796,853
Rates Written Off								5,914	5,792				5,792
<b>Totals</b>								23,675	5,741				0
								(3,918)	(1,625)				(2,000)
								1,809,317	1,664,137				1,800,645

**SIGNIFICANT ACCOUNTING POLICIES**

**Rates**  
 Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.



SHIRE OF MORAWA  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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23. RATING INFORMATION (Continued)

(b) Sewerage Rate (Section 41 Health Act)

Charge type	Number of Properties	Minimum Rate	Rate in \$	Rateable Value	Revenue	Interim Rate Revenue	Back Rate Revenue	2018		2017		2018 Total Sewerage Rate Revenue	2018 Budget Rate Revenue	2018 Budget Back Rate Revenue	2018 Interim Rate Revenue	2018 Budget Rate Revenue	2018 Total Budget Revenue	
								Total Sewerage Rate Revenue	Total Sewerage Rate Revenue									
Sewerage rate - general																		
Sewerage Levy Residential	221	7.2391	7.2391	2,129,556	154,161	(348)	0	153,813	151,456	156,000	0	156,000	0	0	0	0	156,000	0
Sewerage Levy Commercial	13	7.2391	7.2391	376,324	27,242	(922)	0	26,320	40,898	42,125	0	42,125	0	0	0	0	42,125	0
				2,505,880	181,403	(1,270)	0	180,133	192,354	198,125	0	198,125	0	0	0	0	198,125	0
Sewerage rate - minimum																		
Sewerage Levy Residential	9	348.60	348.60	16,020	3,137	0	0	3,137	0	0	0	0	0	0	0	0	0	0
Sewerage Levy Commercial	11	821.00	821.00	86,744	9,031	0	0	9,031	0	0	0	0	0	0	0	0	0	0
				102,764	12,168	0	0	12,168	0	0	0	0	0	0	0	0	0	0
Sewerage charges																		
Sewerage - Vacant Land	33	247.00	247.00	8,151	8,151	(247)	0	7,904	7,923	8,398	0	8,398	0	0	0	0	8,398	0
Sewerage - Fixture - Non-rateable property	11	779.80	779.80	8,578	8,578	(780)	0	7,798	8,493	8,578	0	8,578	0	0	0	0	8,578	0
Sewerage - Additional Fixture - Non-rateable	94	485.00	485.00	45,590	45,590	0	0	45,590	45,117	45,590	0	45,590	0	0	0	0	45,590	0
				62,319	(1,027)	0	0	61,292	61,533	62,566	0	62,566	0	0	0	0	62,566	0
				255,890	(2,297)	0	0	253,593	253,887	260,691	0	260,691	0	0	0	0	260,691	0

Sewerage rate	Area/properties Rate Imposed	Rate Applied to Costs	Rate Set Aside to Reserve	Reserve Applied to Costs	Budget Rate Applied to Costs	Budget Reserve Applied to Costs
Sewerage Levy and Charges	To service and maintain the Shire of Morawa Sewerage system	175,942	2,410	0	212,223	70,000
	Morawa - non-rateable properties connected to the Morawa Sewerage system.				34,528	70,000
		175,942	2,410	0	212,223	70,000

(c) Service Charges  
 The Shire of Morawa did not levy any Service Charges during 2017/18.

SHIRE OF MORAWA  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30TH JUNE 2018

23. RATING INFORMATION (Continued)

(d) Discounts, Incentives, Concessions, & Write-offs

Rates Discounts		2018		2017		2018		Circumstances in which Discount is Granted
Rate or Fee Discount Granted	Discount %	Actual	Budget	Actual	Budget	Actual	Budget	
General Rates	2.50%	\$ 37,696	\$ 28,000	\$ 27,879	\$ 28,000			A discount of 2.50% of the current rates levied (excluding Rubbish and ESL) was offered to rate payers whose payment of the full amount owing, including arrears, and service charges is received on or before Tuesday 3rd October 2017 or 35 days after the date of service appearing on the rate notice, whichever was the later.
Waivers or Concessions		\$ 37,696	\$ 28,000	\$ 27,879	\$ 28,000			
Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	2018 Actual	2018 Budget	2017 Actual	2017 Budget	2018 Actual	2018 Budget	
Rates Assessment	Write-off	\$ 3,918	\$ 2,000	\$ 1,625	\$ 2,000	\$ 3,918	\$ 2,000	
		\$ 3,918	\$ 2,000	\$ 1,625	\$ 2,000			

23. RATING INFORMATION (Continued)

(e) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan		Instalment Plan Interest Rate %	Unpaid Rates Interest	
		Admin Charge \$	%		Rate	%
<b>Option One</b>						
Single full payment	03/10/2017				5.50%	
<b>Option Two</b>						
First instalment	03/10/2017				5.50%	
Second instalment	05/02/2018	5	5.50%		5.50%	
<b>Option Three</b>						
First instalment	03/10/2017				5.50%	
Second instalment	04/12/2017	5	5.50%		5.50%	
Third instalment	05/02/2018	5	5.50%		5.50%	
Fourth instalment	05/04/2018	5	5.50%		5.50%	
		<b>2018</b>	<b>2017</b>		<b>2018</b>	<b>Budget</b>
		\$	\$		\$	\$
Interest on unpaid rates		28,582	60,156		25,000	
Interest on instalment plan		1,243	3,423		3,500	
Charges on instalment plan		585	970		1,000	
		<u>30,410</u>	<u>64,549</u>		<u>29,500</u>	

SHIRE OF MORAWA  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

24. NET CURRENT ASSETS

Composition of net current assets for  
the purposes of the Rate Setting Statement

	2018 (30 June 2018 Carried Forward) \$	2018 (1 July 2017 Brought Forward) \$	2017 (30 June 2017 Carried Forward) \$
Surplus/(Deficit) 1 July 17 brought forward	1,413,167	558,948	558,948
<b>CURRENT ASSETS</b>			
Cash and cash equivalents			
Unrestricted	514,845	20,190	20,190
Restricted	5,817,193	7,118,034	7,118,034
Receivables			
Rates outstanding	558,537	487,406	487,406
Sundry debtors	71,409	48,351	48,351
GST receivable	164,167	36,534	36,534
Accrued income	491,349	114,161	114,161
Provision for doubtful debts	(7,746)	(723)	(723)
Inventories			
Fuel and materials	14,846	1,118	1,118
<b>LESS: CURRENT LIABILITIES</b>			
Trade and other payables			
Sundry creditors	(295,630)	(92,665)	(92,665)
Accrued interest on long term borrowings	(3,440)	(3,510)	(3,510)
Accrued salaries and wages	(11,325)	(8,965)	(8,965)
Accrued expenditure	(2,077)	(7,588)	(7,588)
FBT liability	(8,215)	(9,060)	(9,060)
PAYG liability	(97,170)	(43,671)	(43,671)
Current portion of long term borrowings	(75,142)	(70,815)	(70,815)
Provisions			
Provision for annual leave	(175,400)	(144,795)	(144,795)
Provision for long service leave	(153,449)	(239,867)	(239,867)
<b>Unadjusted net current assets</b>	<b>6,802,752</b>	<b>7,204,135</b>	<b>7,204,135</b>
<b>Adjustments</b>			
Less: Reserves - restricted cash	(5,673,997)	(6,997,139)	(6,997,139)
Add: Current portion of long term borrowings	75,142	70,815	70,815
Add: Component of leave liability not required to be funded	209,270	281,137	281,137
<b>Adjusted net current assets - surplus/(deficit)</b>	<b>1,413,167</b>	<b>558,948</b>	<b>558,948</b>

**Difference**

There was no difference between the surplus/(deficit) 1 July 2017 brought forward position used in the 2018 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2017 audited financial report.

**SHIRE OF MORAWA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2018**

**25. FINANCIAL RISK MANAGEMENT**

The Shire's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Shire's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Shire.

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 Shire held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2018	2017	2018	2017
	\$	\$	\$	\$
<b>Financial assets</b>				
Cash and cash equivalents	6,332,038	7,138,224	6,332,038	7,138,224
Receivables	1,300,676	702,288	1,300,676	702,288
	<u>7,632,714</u>	<u>7,840,512</u>	<u>7,632,714</u>	<u>7,840,512</u>
<b>Financial liabilities</b>				
Payables	417,857	165,459	417,857	165,459
Borrowings	381,782	452,596	402,428	480,965
	<u>799,639</u>	<u>618,055</u>	<u>820,285</u>	<u>646,424</u>

Fair value is determined as follows:

Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.

Borrowings, held to maturity investments, estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

25. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

The Shire's objective is to maximise its return on cash whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash portfolio. Council has an Investment Policy and the Policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

Cash is subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the Shire.

The Shire manages these risks by diversifying its portfolio and only investing in investments authorised by *Local Government (Financial Management) Regulation 19C*.

	2018	2017
	\$	\$
Impact of a 1% <sup>(1)</sup> movement in interest rates on cash		
- Equity	67,851	68,104
- Statement of Comprehensive Income	67,851	68,104

Notes:

<sup>(1)</sup> Sensitivity percentages based on management's expectation of future possible interest rate movements.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2018

25. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

The Shire's major receivables comprise rates and annual charges and user charges and fees. 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 incentives.

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 level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

The Shire makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Shire's credit risk at balance date was:

	2018	2017
Percentage of rates and annual charges	%	%
- Current	0%	0%
- Overdue	100%	100%
Percentage of other receivables		
- Current	70%	70%
- Overdue	30%	30%
<b>Rates outstanding</b>		
Includes:		
Past due and not impaired	577,576	503,965
Impaired	3,921	0
The table illustrates the rates outstanding aging analysis (including non current pensioners)		
Up to one year	283,897	284,224
One to three years	151,872	121,959
Three or more years	145,728	97,782
<b>Sundry debtors</b>		
Includes:		
Past due and not impaired	67,584	47,628
Impaired	3,825	723
The table illustrates the sundry debtors aging analysis		
Up to one month	11,209	29,339
One to three months	6,033	7,591
Three or more months	54,167	11,421

25. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables and 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. The Shire 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 the Shire's Payables and Borrowings are set out in the Liquidity Table below:

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<b>2018</b>					
Payables	417,857	0	0	417,857	417,857
Borrowings	91,024	101,729	317,903	510,656	381,782
	508,881	101,729	317,903	928,513	799,639
<b>2017</b>					
Payables	165,459	0	0	165,459	165,459
Borrowings	91,024	167,320	343,335	601,679	452,596
	256,483	167,320	343,335	767,138	618,055

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

Year ended 30 June 2018	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	\$	\$	\$	%
<b>Borrowings</b>								
Fixed rate								
Long term borrowings	62,145	0	0	0	0	319,637	381,782	4.33%
Weighted average Effective interest rate	6.41%					3.93%		
<b>Year ended 30 June 2017</b>								
<b>Borrowings</b>								
Fixed rate								
Long term borrowings	0	120,458	0	0	0	332,138	452,596	4.62%
Weighted average Effective interest rate		6.51%				3.93%		



SHIRE OF MORAWA  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30TH JUNE 2018

26. 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:

	1 July 2017	Amounts Received	Amounts Paid	30 June 2018
	\$	\$	\$	\$
Housing Bonds	2,000	3,108	0	5,108
Bonds Hall/Rec Centre Hire	100	1,250	0	1,350
Youth Centre	865	0	0	865
Daphne Little - Excess rent	1,704	0	0	1,704
Council Nominations	0	480	(80)	400
Haulmore Trailers Land Dep	4,641	0	0	4,641
Local Drug Action Group	661	0	0	661
Bonds Dreghorn Units	1,164	0	0	1,164
Bonds Aged Care Units	1,266	1,746	(200)	2,812
BCITF/BRB Training Levy	1,818	1,411	(3,628)	(399)
Morawa Oval Function Centre	1,762	500	0	2,262
	<u>15,981</u>			<u>20,568</u>

**27. 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 Shire.

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

Title	Issued / Compiled	Applicable (1)	Impact
(i) AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Shire, it is not anticipated the Standard will have any material effect.
(ii) AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2019	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.  The effect of this Standard will depend on the nature of future transactions the Shire has with those third parties it has dealings with. It may or may not be significant.
(iii) AASB 16 Leases	February 2016	1 January 2019	Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability into the statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position when AASB 16 is adopted.

Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the Shire, the impact is not expected to be significant.

**Notes:**

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

SHIRE OF MORAWA  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30TH JUNE 2018

27. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS (Continued)

Title	Issued / Compiled	Applicable (1)	Impact
(iv) AASB 1058 Income of Not-for-Profit Entities	December 2016	1 January 2019	<p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> <li>- Assets received below fair value;</li> <li>- Transfers received to acquire or construct non-financial assets;</li> <li>- Grants received;</li> <li>- Prepaid rates;</li> <li>- Leases entered into at below market rates; and</li> <li>- Volunteer services.</li> </ul>

Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Shire's operations.

Notes:

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

Adoption of New and Revised 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.

Whilst many reflected consequential changes associate with the amendment of existing standards, the only new standard with material application is as follows:

- |   |                |
|---|----------------|
| (i) AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities | 1 January 2017 |
| (ii) AASB 2016-7 Amendments to Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities   | 1 January 2017 |

## 28. OTHER SIGNIFICANT ACCOUNTING POLICIES

### a) 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.

### b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operating cycle. In the case of liabilities where the Shire 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 or non-current based on the Shire's intentions to release for sale.

### c) 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.

### d) Comparative figures

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

When the Shire applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

### e) 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.

### f) Superannuation

The Shire contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

### g) Fair value of assets and liabilities

Fair value is the price that the Shire 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.

### h) 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.

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

The Shire 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 Shire 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 the service capacity of an asset.

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, the Shire 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.

### i) Impairment of assets

In accordance with Australian Accounting Standards the Shire's cash generating non-specialised 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) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

For non-cash generating specialised assets that are measured under the revaluation model such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the end of the reporting period.

**SHIRE OF MORAWA**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2018**

**29. ACTIVITIES/PROGRAMS**

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

<b>PROGRAM NAME</b>	<b>OBJECTIVE</b>	<b>ACTIVITIES</b>
<b>GOVERNANCE</b>	To manage Council's finances	Includes Rates, Loans, Investments & Grants.
<b>GENERAL PURPOSE FUNDING</b>	To manage Council's finances	Includes Members of Council, Civic Functions and Public Relations, Council Elections, Training/Education.
<b>LAW, ORDER, PUBLIC SAFETY</b>	To provide, develop & manage services in response to community needs.	Includes Emergency Services & Animal Control.
<b>HEALTH</b>	To provide, develop & manage services in response to community needs.	Includes Environmental Health, Medical & Health facilities.
<b>EDUCATION AND WELFARE</b>	To provide, develop & manage services in response to community needs.	Includes Education, Welfare & Children's Services.
<b>HOUSING</b>	To ensure quality housing and appropriate infrastructure is maintained.	Includes Staff & Other Housing.
<b>COMMUNITY AMENITIES</b>	To provide, develop & manage services in response to community needs.	Includes Refuse Collection, Sewerage, Cemetery, Building Control, Town Planning & Townscape.
<b>RECREATION AND CULTURE</b>	To ensure the recreational & cultural needs of the community are met.	Includes Pools, Halls, Library, Oval, Parks & Gardens & Recreational Facilities.
<b>TRANSPORT</b>	To effectively manage transport infrastructure.	Includes Roads, Footpaths, Private Works, Machine Operating Costs, Outside Wages & Airstrip.
<b>ECONOMIC SERVICES</b>	To foster economic development, tourism & rural services in the district.	Includes Tourism, Rural Services, Economic Development & Caravan Park.
<b>OTHER PROPERTY AND SERVICES</b>	To provide control accounts and reporting facilities for all other operations.	Includes Private Works, Public Works Overheads, Plant Operating Costs, Administration Overheads and Unclassified Items

SHIRE OF MORAWA  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30TH JUNE 2018

30. FINANCIAL RATIOS

	2018	2017	2016
Current ratio	2.95	1.75	2.21
Asset consumption ratio	0.52	0.54	0.51
Asset renewal funding ratio	0.87	0.90	0.67
Asset sustainability ratio	0.64	1.89	0.99
Debt service cover ratio	1.66	22.76	(1.92)
Operating surplus ratio	(0.54)	0.19	0.67
Own source revenue coverage ratio	0.42	0.34	0.39

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 consumption ratio	$\frac{\text{depreciated replacement costs of depreciable assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation expenses}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$

### 31. ECONOMIC DEPENDENCY

A significant portion of revenue is received by way of grants from State and Federal Government.  
The total of grant revenue from government sources is disclosed with the income statement.



## Auditor General

### INDEPENDENT AUDITOR'S REPORT

To the Council of the Shire of Morawa

#### Report on the Audit of the Financial Report

##### Opinion

I have audited the annual financial report of the Shire of Morawa which comprises the Statement of Financial Position as at 30 June 2018, 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 Morawa:

- (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 2018 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 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 Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Shire's financial reporting responsibilities under the Act. Regulation 16 of the *Local Government (Financial Management) Regulations 1996* (Regulations), does not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. My opinion is not modified in respect of this matter.

##### 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 a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the 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 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 financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Conclude on the appropriateness of the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Shire's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report, as we cannot predict future events or conditions that may have an impact.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Council and the CEO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

### **Report on Other Legal and Regulatory Requirements**

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

- (i) The following material matters indicating 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 were identified during the course of my audit:
  - a. For approximately 39% of purchase transactions we sampled, there was inadequate or no evidence that a sufficient number of quotations was obtained, to test the market, and no documentation to explain why other quotes were not sought. This practice increases the likelihood of not receiving value for money in procurement.
- (ii) All required information and explanations were obtained by me.
- (iii) All audit procedures were satisfactorily completed.

- (iv) In my opinion, the asset consumption ratio and the asset renewal funding ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

**Other Matter**

The financial report of the Shire for the year ended 30 June 2017 was audited by another auditor who expressed an unmodified opinion on that financial report. The financial ratios for 2017 and 2016 in Note 30 of the audited financial report were included in the supplementary information and/or audited financial report for those years.

**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 Morawa for the year ended 30 June 2018 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 financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the 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 financial report to confirm the information contained in this website version of the financial report.

SANDRA LABUSCHAGNE  
ACTING DEPUTY AUDITOR GENERAL  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
25 December 2018



Our Ref: 7948



Office of the Auditor General  
Serving the Public Interest

Mr Chris Linnell  
Chief Executive Officer  
Shire of Morawa  
PO Box 14  
MORAWA WA 6623

7th Floor, Albert Facey House  
469 Wellington Street, Perth

Mail to: Perth BC  
PO Box 8489  
PERTH WA 6849

Tel: (08) 6557 7500  
Fax: (08) 6557 7600

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

Dear Mr Linnell

### **ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018**

The Office has completed the audit of the annual financial report for your Shire. In accordance with section 7.12AD (2) of the *Local Government Amendment (Auditing) Act 2017*, we enclose the Auditor General's auditor's report, together with the audited annual financial report.

We have also forwarded the reports to the President and the Minister for Local Government, as required by the Act. You are required to publish the annual report, including the auditor's report and the audited financial report, on your Shire's official website within 14 days after the annual report has been accepted by your Council.

#### **Management Control Issues**

While the result of the audit was generally satisfactory, I would like to draw your attention to the attached listing of deficiencies in internal control and other matters that were identified during the audit. These matters have been discussed with management and their comments have been included in the attachment.

Please note that the purpose of our audit was to express an opinion on the financial report. The audit included consideration of internal control relevant to the preparation of the financial report in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

An audit is not designed to identify all internal control deficiencies that may require management attention. The matters being reported are limited to those deficiencies that have been identified during the audit that are of sufficient importance to warrant being reported. It is possible that other irregularities and deficiencies may have occurred and not been identified as a result of our audit.

This letter has been provided for the purposes of the Shire and the Minister for Local Government and may not be suitable for other purposes.

I would like to take this opportunity to thank you, the management and the staff of the Shire for their cooperation with the audit team during our audit.

Feel free to contact me on 6557 7716 if you would like to discuss these matters further.

Yours faithfully

SUBHA GUNALAN  
DIRECTOR FINANCIAL AUDIT

05 December 2018

Attach



REGISTER NUMBER <b>449/DP192804</b>	
DUPLICATE EDITION <b>N/A</b>	DATE DUPLICATE ISSUED <b>N/A</b>

WESTERN AUSTRALIA

**RECORD OF QUALIFIED CERTIFICATE  
OF  
CROWN LAND TITLE**  
UNDER THE TRANSFER OF LAND ACT 1893  
AND THE LAND ADMINISTRATION ACT 1997  
**NO DUPLICATE CREATED**

VOLUME **LR3107** FOLIO **545**

The undermentioned land is Crown land in the name of the STATE OF WESTERN AUSTRALIA, subject to the interests and Status Orders shown in the first schedule which are in turn subject to the limitations, interests, encumbrances and notifications shown in the second schedule.

  
REGISTRAR OF TITLES 

**LAND DESCRIPTION:**

LOT 449 ON DEPOSITED PLAN 192804

**STATUS ORDER AND PRIMARY INTEREST HOLDER:  
(FIRST SCHEDULE)**

**STATUS ORDER/INTEREST:** RESERVE UNDER MANAGEMENT ORDER

**PRIMARY INTEREST HOLDER:** COMMISSIONER OF MAIN ROADS OF DON AITKIN CENTRE, WATERLOO CRESENT, EAST PERTH

(XE I184894 ) REGISTERED 25/7/2002

**LIMITATIONS, INTERESTS, ENCUMBRANCES AND NOTIFICATIONS:  
(SECOND SCHEDULE)**

- 1. G419566 RESERVE 26670 FOR THE PURPOSE OF GOVERNMENT REQUIREMENTS - MAIN ROADS DEPARTMENT REGISTERED 13/3/1997.
- I184892 CHANGE OF RESERVE PURPOSE. PURPOSE CHANGED TO DEPOT SITE REGISTERED 25/7/2002.
- I184894 MANAGEMENT ORDER. CONTAINS CONDITIONS TO BE OBSERVED. WITH POWER TO LEASE FOR ANY TERM NOT EXCEEDING 21 YEARS, SUBJECT TO THE CONSENT OF THE MINISTER FOR LANDS. REGISTERED 25/7/2002.

- Warning:
- (1) A current search of the sketch of the land should be obtained where detail of position, dimensions or area of the lot is required. Lot as described in the land description may be a lot or location.
  - (2) The land and interests etc. shown hereon may be affected by interests etc. that can be, but are not, shown on the register.
  - (3) The interests etc. shown hereon may have a different priority than shown.

-----END OF CERTIFICATE OF CROWN LAND TITLE-----

**STATEMENTS:**

The statements set out below are not intended to be nor should they be relied on as substitutes for inspection of the land and the relevant documents or for local government, legal, surveying or other professional advice.

SKETCH OF LAND: LR3107-545 (449/DP192804)

END OF PAGE 1 - CONTINUED OVER

ORIGINAL CERTIFICATE OF CROWN LAND TITLE  
QUALIFIED

REGISTER NUMBER: 449/DP192804

VOLUME/FOLIO: LR3107-545

PAGE 2

PREVIOUS TITLE: LR3037-797  
PROPERTY STREET ADDRESS: 78 VALENTINE ST, MORAWA.  
LOCAL GOVERNMENT AUTHORITY: SHIRE OF MORAWA  
RESPONSIBLE AGENCY: MAIN ROADS WESTERN AUSTRALIA

NOTE 1: A000001A CORRESPONDENCE FILE 2739/1952.

NOTE 2: LAND PARCEL IDENTIFIER OF MORAWA TOWN LOT/LOT 449 ON SUPERSEDED PAPER  
CERTIFICATE OF CROWN LAND TITLE CHANGED TO LOT 449 ON DEPOSITED PLAN  
192804 ON 06-AUG-02 TO ENABLE ISSUE OF A DIGITAL CERTIFICATE OF TITLE.

NOTE 3: THE ABOVE NOTE MAY NOT BE SHOWN ON THE SUPERSEDED PAPER CERTIFICATE  
OF TITLE.

## Samantha Appleton

---

**From:** MINISSALE Mark (Con) <mark.minissale@mainroads.wa.gov.au>  
**Sent:** Tuesday, 4 December 2018 4:51 PM  
**To:** Samantha Appleton  
**Subject:** RE: 78 Valentine Street, Morawa - Reserve 26670 "Depot Site"

Hello Samantha,

No cost to the Shire, once the Shire confirms in writing that they agree to accept the full control of Reserve 26670 I will forward this on to the Department of Lands, Planning and Heritage.

This agency will then cancel Main Roads' management order and then grant a new one to the Shire.

Regards

---

**From:** Samantha Appleton <em@morawa.wa.gov.au>  
**Sent:** Tuesday, 4 December 2018 4:04 PM  
**To:** MINISSALE Mark (Con) <mark.minissale@mainroads.wa.gov.au>  
**Subject:** RE: 78 Valentine Street, Morawa - Reserve 26670 "Depot Site"

Hi Mark

Are you able to let me know whether the transfer will be no cost or how it will work. Thanks.

*Regards*

**Samantha Appleton**  
**Executive Manager Development & Administration**  
**Shire of Morawa**

Work: (08) 9971 1204

Email : [em@morawa.wa.gov.au](mailto:em@morawa.wa.gov.au)

*2010 Local Government Best Practice Award Winner*  
*2011 National Category Winner Regional Collaborations*



**From:** MINISSALE Mark (Con) <[mark.minissale@mainroads.wa.gov.au](mailto:mark.minissale@mainroads.wa.gov.au)>  
**Sent:** Tuesday, 4 December 2018 8:37 AM

To: Samantha Appleton <[em@morawa.wa.gov.au](mailto:em@morawa.wa.gov.au)>

Subject: 78 Valentine Street, Morawa - Reserve 26670 "Depot Site"

Good morning Sam,

As discussed this morning, Reserve 26670 is surplus to Main Roads' operational requirements and, because the Shire of Morawa has been leasing this site for some time now, I was wondering whether the Shire is interested in taking on this site.



Accordingly, I would appreciate it if you were to confirm whether or not this is the case.

Regards

**Mark Minissale**

A/Land Officer

Property Management Branch

p: 9323 4301

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





# POLICY MANUAL

ADOPTED/REVIEWED DATE	RESOLUTION No.	REVISION No.



# POLICY MANUAL DISCLOSURE

This Policy Manual is intended as a guide to Elected Members and Staff on the normal practices and activities of Council. The policies and procedures do not require strict adherence, but may be changed as circumstances dictate, and amended at any time by Council.

Staff are expected to use care and discretion in implementing the policies, to ensure the best possible outcome, whether or not a particular incident complies with the stated policy. At the same time, the implementation must be fair, consistent and effective with the emphasis on guidance and assistance rather than legal compulsion/action or inspectorial bias.

Council, in its absolute discretion, reserves the right to amend, add, delete or apply wholly, in part or not at all, any or all policies without notice.

---

Chris Linnell  
Chief Executive Officer

---

Date:

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# CODE OF CONDUCT FOR ELECTED MEMBERS & STAFF

## Conflict and Disclosure of Interest

### GENERAL

#### Conflict of Interest

Elected members and staff will ensure that there is no actual (or perceived) conflict of interest between their personal interests and the impartial fulfilment of their professional duties;

1. Staff will not engage in private work with or for any person or body with an interest in a proposed or current contract with the Local Government, without first making disclosure to the Chief Executive Officer. In respect, it does not matter whether advantage is in fact obtained, as any appearance that private dealings could conflict with performance of duties must be scrupulously avoided.
2. Elected members and staff will lodge written notice with the Chief Executive Officer describing an intention to undertake a dealing in land within the municipality or which may otherwise conflict with the Council's functions (other than purchasing the principal place of residence).
3. Members and staff who exercise a recruitment or other discretionary function will make disclosure before dealing with relatives or close friends and will disqualify themselves from dealing with those persons.
4. Staff will refrain from partisan political activities which could cast doubt on their neutrality and impartiality in acting in their professional capacity.
5. An individual's rights to maintain their own political convictions are not impinged upon by this clause. It is recognized that such convictions cannot be a basis for discrimination and this is supported by anti-discriminatory legislation.

Members and staff will adopt the principles of disclosure of interest as contained within the *Local Government Act 1995*.

#### Disclosure of Interest

Members and appropriate staff will disclose, in a written return or at the relevant meeting, the interests which might be in conflict with their public or professional duties.

Whenever disclosure is required, recommended in this Code of Conduct (Code), or otherwise seems appropriate, it will be made promptly, fully, and in writing within the register provided.

#### Personal Benefit

#### Use of Confidential Information

Members and staff will not use confidential information to gain improper advantage for themselves or for any other person or body, in ways which are consistent with their obligation to act impartially, or to improperly cause harm or detriment to any person or organization.

## **Intellectual Property**

The title to Intellectual Property in all duties relating to contracts of employment will be assigned to the Local Government upon its creation unless otherwise agreed by separate contract.

## **Improper or Undue Influence**

Members and staff will not take advantage of their position to improperly influence other members of staff in the performance of their duties or functions, in order to gain undue or improper (direct or indirect) advantage or gain for themselves or for any other person or body.

## **Gifts or Bribery**

1. Members and staff will not seek or accept (directly or indirectly) from any person or body, any immediate or future gift, reward or benefit (other than gifts of a token kind, or moderate acts of hospitality) for themselves or for any other person or body, relating to their status with the Local Government or their performance of any duty or work which touches or concerns the Local Government.
2. If any gift, reward or benefit is offered (other than gifts of a token kind, or moderate acts of hospitality), disclosure will be made in a prompt and full manner and in writing in the appropriate register.

## **Conduct of Elected Members and Staff**

### **Personal Behavior**

Elected members and staff will:

1. Act, and be seen to act, properly and in accordance with the requirements of the law and the terms of this Code.
2. Perform their duties impartially and in the best interests of the Local Government uninfluenced by fear or favor.
3. Act in good faith (i.e. honestly, for the proper purpose, and without exceeding their powers) in the interest of the Local Government and the community.
4. Make no allegations which are improper or derogatory (unless true and in public interest) and refrain from any form of conduct, in the performance of their official or professional duties, which may cause any reasonable person unwarranted offence or embarrassment.
5. Always act in accordance with their obligation of fidelity to the Local Government.

Elected members will represent and promote the interests of the Local Government while recognizing their special duty to their own constituents.

### **Honesty and Integrity**

Elected members and staff will:

1. Observe the highest standards of honesty and integrity and avoid conduct which may suggest any departure from the standards.
2. Bring to the notice of the President any dishonesty or possible dishonesty on the part of any other member, and in the case of an staff member to the Chief Executive Officer.
3. Be frank and honest in their official dealing with each other.

## **Performance of Duties**

1. While on duty, staff will give their whole time and attention to the Local Government's business and ensure that their work is carried out efficiently, economically and effectively, and that their standard of work reflects favorably both on them and on the Local Government.
2. Elected members will at all-time exercise reasonable care and diligence in the performance of their duties, being consistent in their decision making but treating all matters on individual merits. Members will be as informed as possible about the functions of the Council, and treat all members of the community honestly and fairly.

## **Compliance with Lawful Orders**

1. Elected members and staff will comply with any lawful order given by any person having authority to make or give such an order, with any doubts as to the propriety of such order being taken up with the supervisor of the person who gave the order and, if resolution cannot be achieved, with the Chief Executive Officer;
2. Members and staff will give effect to the lawful policies of the Local Government, whether they agree with or approve of them.

## **Administrative and Management Practices**

Members and staff will ensure compliance with proper and reasonable administrative practices and conduct, and professional and responsible management practices.

## **Corporate Obligations**

### **Standard of Dress**

Staff are expected to comply with neat and responsible dress standards at all times. Management reserves the right to raise the issue of dress with individual staff.

## **Communication and Public Relations**

All aspects of communication by staff (including verbal, written or personal), involving Local Government's activities should reflect the status and objectives of that Local Government. Communications should be accurate, polite and professional.

1. As a representative of the community elected members need to be not only responsive to community views, but to adequately communicate the attitudes and decisions of Council. In doing so elected members should acknowledge that.
2. As an elected member of the Council there is respect for the decision making processes of the Council which are based on a decision of the majority of the Council.
3. Information of a confidential nature ought not be communicated until it is no longer treated as confidential.
4. Information relating to decisions of the Council on approvals, permits and so on ought to only be communicated in an official capacity by a designated officer of the Council;
5. Information concerning adopted policies, procedures and decisions of the Council is conveyed accurately.

## **Relationships between Elected Members and Staff**

An effective elected member will work as part of the Council team with the Chief Executive Officer and other members of staff. That teamwork will only occur if elected members and staff have mutual respect and co-operation with each other to achieve the Council's corporate goals and implement the Council's strategies.

To achieve that position elected members need to:

1. Accept that their role is a leadership, not a management or administrative one.
2. Acknowledge that they have no capacity to individually direct members of staff to carry out particular functions.
3. Refrain from publicly criticizing staff in a way that cast aspersions on their professional competence and credibility.

### **Appointment to Committees**

As part of their representative role members are often asked to represent the Council on external organizations. It is important that members:

1. Clearly understand the basis of their appointment.
2. Provide regular reports on the activities of the organization.

### **Dealing with Council Property**

Use of Local Government Resources – elected members and staff will:

1. Be scrupulously honest in their use of Local Government's resources and shall not misuse them or permit their misuse (or the appearance of misuse) by any other person or body;
2. Use Local Government resources entrusted to them effectively and economically in the course of their duties.
3. Not use Local Government's resources (including the services of Council) for private purposes (other than when supplied as part of a contract of employment), unless properly authorized to do so, and appropriate payments are made (as determined by the Chief Executive Officer).

### **Travelling and Sustenance Expenses**

Members and staff will only claim or accept travelling and sustenance expenses arising out of travel related matters which have a direct bearing on the services, policies or business of the Local Government in accordance with Local Government policy and the provision of the Local Government Act.

### **Access to Information**

1. Staff will ensure that members are given access to all information necessary for them to properly perform their functions and comply with their responsibilities as members;
2. Members will ensure that information provided will be used properly and to assist in the process of making reasonable and informed decisions on matters before Council.



## Acknowledgement

I \_\_\_\_\_ acknowledge that I have received and read the Code of Conduct for the Shire of Morawa and understand that this document describes the conduct and behavior expected of me in my role as an Officer/Elected Member for the Shire of Morawa.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

ADOPTED OCM	16/04/2003	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED – Policy adjusted/corrected and formatted	20/12/2018	

# 1.0 ADMINISTRATION

## 1.1 POLICY MANUAL

The Chief Executive Officer shall maintain a Policy Manual as an up to date recording of the various policies of the Council.

### Objective

1. To provide elected members with a formal written record of all policy decisions;
2. To provide the staff with guidelines to follow in accordance with Council decisions;
3. To enable the staff to act promptly in accordance with Council requirements, but without continual reference to Council;
4. To enable elected members to adequately handle enquiries from electors without unnecessary referrals to the staff or the Council;
5. To enable Council to maintain a continual review of Council policy decisions and to ensure they are in keeping with community expectations, current trends and circumstances;
6. To enable electors to obtain immediate advice on matters of Council policy. Council is to carry out a review of the policies each year.

### Policy Statement

A copy of the Policy Manual, together with details of variations as they occur, shall be distributed to all elected members.

Changes to the Policy Manual shall be made only on:

1. A notice of motion;
2. An agenda item clearly setting out details of the amended policy;
3. By Absolute Majority Vote.

### Scope

Policies shall relate to matters of an on-going nature. Policy decisions on single issues are not to be recorded in the manual.

### Legislative and Strategic Context

Act: Local Government Act 1995 – Section 2.7

Link to Strategic Plan 4.3 A local government that is respected, professional and accountable.

ADOPTED OCM	16/04/2003	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED – Policy adjusted/corrected and formatted.	20/12/2018	

## 1.2 RECORDS MANAGEMENT

### Policy Description

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

This policy applies to all government records created or received by a Shire of Morawa employee, contractor or Elected Member, or an organization performing outsourced services on behalf of the Shire of Morawa, regardless of their physical format, storage location or date of creation.

### Custodianship of Records

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

### Roles and Responsibilities of Recordkeeping

#### Elected Members

All elected members are to create, collect and retain records relating to their role as an elected member for the Shire of Morawa in a manner commensurate with legislation and the Shire's policies and procedures for recordkeeping. Originals or copies thereof shall be delivered to the Chief Executive Officer for recording and safe keeping by the Shire of Morawa. Party political and personal records of elected members are exempt.

#### Chief Executive Officer

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

#### Managers

All managers are to ensure recordkeeping policy and procedures are known and adhered to in their area of responsibility.

#### All Staff

All staff (including contractors) are to create, collect and retain records relating to Shire of Morawa business activities they perform. They are to identify significant and ephemeral records, ensure significant records are captured into the Recordkeeping System and that all records are handled in a manner commensurate with legislation and the Shire's policies and procedures for recordkeeping.

### Creation of Records

All elected members, staff and contractors will create full and accurate records, in the appropriate format, of the Shire's business decisions and transactions to meet all legislative, business, administrative, financial, evidential and historical requirements.

## **Capture and Control of Records**

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

## **Security and Protection of Records**

All records are to be categorized as to their level of sensitivity and adequately secured and protected from violation, unauthorized access or destruction, and kept in accordance with necessary retrieval, preservation and storage requirements.

## **Access to Records**

Access to the Shire's records by staff and contractors will be in accordance with designated access and security classifications. Access to the Shire's records by the general public will be in accordance with the Freedom of Information Act 1992 and Shire policy. Access to the Shire's records by Elected Members will be via the Chief Executive Officer in accordance with the Local Government Act 1995.

## **Appraisal, Retention & Disposal of Records**

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

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED		

### 1.3 USE OF COUNCIL CHAMBERS

The use of the Council Chambers other than for official Council activities will be at the discretion of the Shire President or Chief Executive Officer.

ADOPTED OCM	21/05/1998	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM – Unchanged	20/12/2018	

## 1.4 COUNCIL PHOTOGRAPHS

A formal group photograph of all elected members will be taken after the election of each new Council.

ADOPTED OCM	16/03/2000	RESOLUTION
AMENDED OCM	16/04/2003	
AMENDED OCM	19/12/2016	
REVIEWED OCM - Unchanged	20/12/2018	

## 1.5 CONFERENCE AND TRAINING EXPENSES

WALGA Annual Conference expenses will be met by the Shire of Morawa and is limited to registration fees, accommodation, breakfast and evening meals including those of partners. The cost of partners programs is excluded.

The Shire President, Chief Executive Officer and a maximum of three elected members may attend annually. Attendance by elected members is to be rotated.

Other conference and training expenses by elected members and/or staff are to be within normal approved budget allocation, and limited to registration, accommodation and meals for authorized attendees and their partners.

ADOPTED OCM	20/05/1999	RESOLUTION
AMENDED OCM	16/04/2003	
REVIEWED OCM - Unchanged	20/12/2018	

## **1.6 CONFERENCES ATTENDANCE – SENIOR STAFF**

### **State and Professional Conferences**

1. Senior Management Team members are encouraged to attend the annual State conference relating to their profession;
2. Senior Management Team members are encouraged to attend biennially, the Federal conference relating to their profession. (Note: where the officer's professional organization does not convene a State conference the senior team member is encouraged to attend the organization's Federal conference, annually);
3. Funds for attendance at State and Federal professional conferences shall be provided in each annual budget under the provision for staff member training;

The Chief Executive Officer is authorized to approve the attendance of staff at State and Federal professional conferences in accordance with the following guidelines:

- a) Budget authority and funding arrangements are to be considered;
- b) The Chief Executive Officer is to ensure that attendance at the conference will be beneficial to the officer and/or the Shire of Morawa;
- c) The staff member is to provide a report on the issues, outcomes, etc. of the conference with recommendations as appropriate and the report is to be submitted to Council;
- d) Senior Management Team members will not be precluded from attending a Federal Conference only because the conference happens to be held overseas;
- e) If it is considered beneficial for the President and/or elected members to accompany Senior Management Team members to any State or Federal conference, such attendance shall be at the discretion of the Council and will only occur if adequate funds are available in the annual budget.

### **Other Conferences**

Provision is to be made in each year's budget of an appropriate sum to cover Shire representation (President, elected members and staff) at other conferences (i.e. in addition to State & Federal professional conferences)

- a) The Chief Executive Officer may approve or decline staff attendance at other conferences;
- b) If it is considered beneficial for the President and/or elected member/s to accompany staff to any other conferences, such attendance shall be at the discretion of the Council and will only occur if adequate funds are available in the annual budget.

### **Annual Study Tours**

Details of study tours are to be arranged in advance so that suitable provision can be made in the annual budget. When no details of study tours have been arranged or arrangements are incomplete, an appropriate amount shall be included in the annual budget to cover the cost of an annual study tour.

The Chief Executive Officer in consultation with Council may approve attendance at study tours in compliance with the following guidelines:

- a) The maximum attendance at any study tour is to be two elected members and two staff;
- b) Attendance at a study tour shall only take place where there are appropriate funds provided for in the annual budget;



- c) A detailed report including recommendations on each study tour shall be submitted to Council;
- d) Budget authority and funding arrangements shall be considered.

ADOPTED OCM	16/04/2003	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED – Policy adjusted/corrected and formatted. Policy title changed. <b>From:</b> Conference Study Tours <b>To:</b> Conference Attendance Senior Staff	20/12/2018	

## 1.7 NOMINATION OF SENIOR STAFF MEMBERS

For the purposes of Section 5.37 of the Local Government Act 1995, the Council designates the following staff members to be “senior staff members”:

Chief Executive Officer  
Executive Manager Development & Administration  
Executive Manager Corporate & Community Services  
Principal Works Supervisor

ADOPTED OCM	21/08/1996	RESOLUTION
AMENDED OCM	12/02/2011	
REVIEWED OCM	22/07/2015	
AMENDED OCM	19/12/2016	
REVIEWED OCM – Unchanged	20/12/2018	

## 1.8 ORDINARY COUNCIL MEETINGS

The Ordinary Meeting of Council shall be held on the third Thursday of each month, except for January.

Ordinary Meeting of Council commencing at 5.30pm.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## 1.9 MEDIA STATEMENTS & PUBLIC RELATIONS

Publicity of Shire of Morawa activities through the media will be by the authority of the President or, where the President agrees, the Chief Executive Officer:

- a) Media releases and statements are to be confirmed by the President before distribution;
- b) A press release file shall be maintained for reference purposes.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## 1.10 CONFERENCE & MEETINGS EXPENSES

Where an elected member is authorized to attend a conference, meeting, course or other Council business, the Shire of Morawa will pay for:

- a) Fees;
- b) Travel and elected member's accommodation;
- c) Meals and other incidentals with these expenses.

Additionally, the Shire of Morawa will pay for spouses to attend any official partner program (award/Gala Dinner Day), connected with the conference.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## 1.11 HOURS OF OPERATION – ADMINISTRATION & DEPOT

Council sets the following as the hours of operation for the Administration Offices and Depot on normal working days:

- a) Administration Office Opening Hours 8:30am to 4:00pm;
- b) Staff Working Hours 8:30am to 4:30pm (30 minute lunch break);
- c) Depot Working hours 7:00am to 4:00pm. Every second Thursday's Working Hours are 7:00am to 3:30pm.

The Chief Executive Officer be charged with the responsibility to ensure the Administration Offices and Depot are open to the public in accordance with this policy.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## 1.12 CLOSURE OF ADMINISTRATION OFFICES DURING CHRISTMAS AND NEW YEAR

To assist with the efficient and effective management of Shire of Morawa's Administration Offices (including Libraries) and Works Depot during the Festive Season holiday period ensuring that patrons receive sufficient notification of the closures.

Council provides guidelines to the Chief Executive Officer in the closure of Administration and Works Depot facilities across the Christmas and New Year holiday period.

The Administration Offices (including Libraries) and Works Depot will be closed for business from 4 pm on the last working day before Christmas and re-open on the second working day following New Year's Day.

The Chief Executive Officer will have discretion to vary the times of closure so that the period may include up to one day prior to Christmas Day and up to two days after New Year's Day, but not exceeding a total of eight consecutive working days inclusive of public holidays, excluding weekends.

### **Provided:**

- a) Staff use Annual Leave, Time in Lieu or Rostered Days Off to account for those days not designated as public holidays;
- b) Staff emergency contact details are made available to the public;
- c) The closures are advertised locally via newspaper and notice board notification.

Council may receive a report from the Chief Executive Officer no later than the Ordinary Council Meeting in October each year advising of the details of the forthcoming Christmas and New Year closure period.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

### 1.13 COMPLAINTS HANDLING

A complaint is an expression of dissatisfaction made about current Council Policy or procedure, the standard of service, actions, or lack of action by the Council or its staff, affecting an individual customer or group of customers.

A complaint is therefore not:

- a) A request for service;
- b) A request for information or explanation of policies or procedures; or
- c) The lodging of an appeal in accordance with a standard procedure or policy.

A complaint should be responded to within one week or five working days. In the response to a complainant, a timeline for completion of any remedy or resolution should be included.

A record of complaints received and their resolution should be provided to Council on a monthly basis. The annual record of complaints should be included in Council's Annual Report. The record should include details of:

All complaints will be resolved in a timely fashion in compliance with:

- a) Acts of Parliament;
- b) Council Local Laws;
- c) Council Policy; Council Objectives;
- d) Complaints and are to be actioned within one (1) working day where practicable;
- e) Provide quality customer service that addresses customer expectations whilst identifying any need for improvement to service delivery;
- f) Ensure that the complaints handling procedure is monitored and improvement made as necessary.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		



## 1.14 CITIZENSHIP CEREMONIES

To recognise the importance of this occasion to new Australians.

The President is to conduct citizenship ceremonies. The Chief Executive Officer shall arrange formalities for the ceremony.

Suitable refreshments are to be provided for the ceremony and a book on Australiana or local history is to be presented to the recipient.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## 1.5 AUSTRALIA DAY CELEBRATIONS

Council to support the following Australia Day celebrations (with the stated conditions):

- a) Hosting of Australia Day Breakfast;
- b) The Chief Executive Officer to organize Tournaments/Games/Awards.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## 2.0 BUILDINGS

### 2.1 HERITAGE COLOURS – SOLOMON AND WINFIELD STREETS

Property owners of buildings along Solomon and Winfield Streets are encouraged to keep the presentation of their shop frontages. The Shire of Morawa's preference is to retain heritage colours (Morawa Town Planning Scheme Report part 10 and Morawa Town-site Policy No.4 and 5) throughout the main streets, being Winfield and Solomon Streets.

The Shire will reimburse 100% cost of the paint (not painting costs) should property owners paint their shop frontages in the heritage colour scheme.

ADOPTED OCM	22/12/2005	RESOLUTION
AMENDED OCM	20/07/2006	
REVIEWED OCM	19/12/2016	
REVIEWED OCM – Policy Deleted. No longer required.	20/12/2018	

## 2.2 APPLICATION FOR PLANNING CONSENT

The following Town Planning Policies have been prepared in accordance with Clause 9 of Local Planning Scheme No. 3.

Applications for planning consent made in accordance with Part 9 of the Scheme shall be in the form of Schedule 6.

Unless the Shire of Morawa waives any requirement every application for planning consent shall be accompanied by a plan or plans to scale, showing:

- a) Street name, lot number(s), north point and the dimensions of the site;
- b) The location and proposed use of any existing buildings to be retained and the location and use of buildings proposed to be erected on the site;
- c) The existing and proposed means of access for pedestrians and vehicles to and from the site;
- d) The location, number, dimensions and layout of all car parking spaces intended to be provided;
- e) The location and dimensions of any area proposed to be provided for the loading or the unloading of vehicles carrying goods or commodities to or from the site and the means of access to and from those areas;
- f) The location, dimensions and design of any landscaped, open storage, or trade display area and particulars of the manner in which it is proposed to develop those areas;
- g) Details of development and uses of lots immediately surrounding the subject land; and
- h) Any other plan or information that may reasonably be required to enable the application to be determined.

The Chief Executive Officer is authorized to waive any requirement, or to require additional information as is deemed necessary in order for the application to be determined.

The notice of an application for planning consent advertised in accordance with Part 9 of the Scheme shall be in the form of Schedule 6 with such modifications as circumstances require. The decision regarding an application for planning consent shall be notified in the form of Schedule 9.

The Chief Executive Officer is authorized to determine and approve planning consent where the proposed development:

- a) Is permitted under the Scheme;
- b) Is consistent with the provisions of the Scheme and all relevant Planning Policies;
- c) Is to be constructed of all new materials.

The Chief Executive Officer shall refer any application not complying with the delegated authority to Council for determination.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## **2.3 DOG KENNELS/DOG KEEPING**

### **Dog Kennels/Dog Keeping**

An “A” use is one that is not permitted unless the local government has exercised its discretion by granting planning approval after giving special notice in accordance with Clause 9.4 of the LPS.

Clause 9.4 outlines the process by which the proposal is to be advertised and the opportunities for public submissions to be made.

The Shire of Morawa shall not permit the establishment or maintenance of a kennel establishment in any area if in its opinion such a kennel would adversely affect the environment, be a nuisance to or in any way be detrimental or prejudicial to adjoining residents and land.

The owner or occupier of any land within the Shire of Morawa shall not, unless the premises have been granted exemption under Section 26 (3) of the Dog Act 1976, keep, or permit to keep more than two dogs over the age of three months and the young of those dogs under that age within a townsite or four dogs over the age of 3 months and the young of those dogs under that age, if the premises are situated outside the townsite, unless such premises are:

- a) Situated within the zone approved for the establishment of a kennel under the LPS;
- b) Is a kennel establishment approved under the LPS.

The Shire of Morawa considers that dogs licensed as dogs used for droving or tending to stock under the Dog Regulations (1976) (commonly referred to as ‘working dogs’) up to a maximum of 6 dogs as an exemption under Section 26 (3) of the Dog Act (1976) provided they are located on premises in the “General Farming” zone of LPS No. 3.

Nothing in this policy precludes compliance with the relevant State Government Legislation eg. The Dog Act 1976, this includes the issuing of a license for a kennel establishment under the Shire of Morawa Dogs Local Law as well as obtaining planning approval.

The applicant is reminded of his/her general environmental responsibilities, as required by the Environment Protection Act 1986, to take all reasonable and practical measures to ensure that the activities on the whole site, including during construction, do not pollute the environment in a way which causes or may cause environmental harm.

The purpose of the Policy is:

- a) To provide guidance to applicants who wish to keep dogs or seek to establish kennels on their property;
- b) To guide the Shire of Morawa in determining the appropriateness and adequacy of proposed kennel development in the “General Farming” zone;
- c) The policy has been adopted by Council as a Local Planning Policy in accordance with the provision of Part 2 of Local Planning Scheme No. 3;
- d) Under sub clauses 2.3.2 and 10.2 of the Scheme, the Shire of Morawa shall have due regard to the provisions of this policy when determining an application for planning approval in addition to the relevant provisions of the Scheme.

### **Definition of Kennels**

For the purposes of this policy, dog keeping and kennels are considered to be a commercial Operation and excludes the maintenance of a kennel for private purposes:

- a) Kennels may be “Breeding Kennels” or “Boarding Kennels”;
- b) A “Breeding Kennel” is a formal establishment for the propagation of purebred dogs, whether or not the animals are actually housed in a separate shed, garage, a state of the

- art facility or the family dwelling;
- c) “Breeding Kennels” are heavily regulated and must follow rules laid down by the breed club, the Kennel Council and relevant legislation;
- d) A “Boarding Kennel” is a place where dogs are temporarily housed for a fee. Many kennels offer grooming and training in addition to boarding. Day boarding is when a dog is housed during the day only and not overnight.

For the purposes of this policy, dog keeping or dog kennels includes:

- a) The keeping of a significant number of dogs (ie. more than two);
- b) Dog keeping in confined accommodation (ie. in a kennel, shelter or pound);
- c) Involving a boarding or racing or training establishment or dog breeding for commercial, show or private purposes.

### **Planning Considerations**

- a) Dog keeping, which may include the use of dog kennels, can have minimal social and environmental impact if it is in an appropriate area and sited, designed and managed property;
- b) The main impacts are noise, visual impact, loss of productive agricultural land and compatibility with adjoining uses.

The following information is required by the Shire of Morawa to undertake an adequate assessment:

- a) Number of kennels;
- b) Survey of surrounding properties to establish separation distances from residential or other sensitive receivers;
- c) Air quality protection measures;
- d) Noise mitigation measures;
- e) Water demand and use;
- f) Water and soil protection measures including, wastewater containment and disposal, chemical storage and work areas, storm water pollution prevention, solid waste storage and disposal.

### **Management Measures**

#### **Noise**

- a) The potential for noise may be increased where animals are kept in close proximity to other animals or to sites where other animals are kept (e.g. one dog barking may lead to other dogs barking in the same, or nearby, kennels). Therefore, the more dogs kept on the premises the greater the potential for noise impact and complaint. Strategies to reduce nuisance noise may need to be implemented, such as citronella collars or advice from a qualified noise consultant or both;
- b) Boarding kennels in particular may give rise to noise problems because of the large numbers of dogs, the range of different breeds and the stress experienced by the dogs in unfamiliar conditions;
- c) The number of dogs (including pups over the age of four months) kept on the site may therefore need to be limited to a specific number;
- d) A minimum separation distance of 500 meters from sensitive receptors (i.e. houses on neighboring properties) is recommended unless it can be demonstrated that management measures can be put in place to ameliorate the noise impact.

#### **Noise disturbance should be minimized by:**

- a) Locating and constructing kennels and other facilities to visually screen dogs from external stimuli such as other dogs, animals, traffic or passers-by;

- b) Use of earth banks and/or vegetation and/or manually constructed sound barriers. Barriers should have no gaps;
- c) Management regimes that minimize opportunities for noise generated external stimuli. Some kennels may need to be fully enclosed or acoustically buffered at a ratio of 1:15 for particularly noisy animals (electronic masking noise devices to reduce audible stimuli to the dogs);
- d) Restriction of feeding to within hours of 7am – 6pm where practicable;
- e) Exercise of dogs to be performed between the hours of 9am and 5pm;
- f) Appropriate construction materials for kennels which reduces the impact of noise. Use of sound absorption materials (eg. glass, fiber or wool) on the side of the barrier facing the noise source can help to reduce noise levels by reducing noise reflections;
- g) Ventilation needs to be considered in conjunction with any noise insulation work – air conditioning if installed should ensure that external units are located so as to avoid any impact on neighbors;
- h) Buffers appropriate to the size of the facility and based on the requirements for ongoing compliance with the above noise controls, be largely provided within the boundaries of the property.

### **Waste management**

- a) Attention to the cleanliness of the kennels and effective waste management will minimize the potential for odor nuisance. Kennels should be cleaned daily. All fecal matter, old bones and uneaten food must be collected from the kennels and yards at least twice a day and temporarily stored in lined and sealed containers prior to removal from the site so that odor does not cause a nuisance beyond the boundaries of the site. Such waste must be disposed of to a licensed waste depot, by an appropriate waste disposal service;
- b) All kennels must have an impervious floor draining to an appropriately sized septic tank and subsurface soakage system designed and constructed to meet the Shire of Morawa’s public health standards;
- c) Materials should be selected for ease of maintenance and cleaning, durability and non-toxicity. Floors of animal housing areas of kennels must be made of an impervious material to assist clearing and drainage. Wood, brick, dirt or grass floors are not acceptable;
- d) The internal surfaces of the external walls of kennels must be constructed of impervious, solid, washable materials optimally curved at the wall/floor junctions to facilitate cleaning and disinfection;
- e) Kennel floors must be sloped to enable wastes and water to run off. A collection drain must be provided to take away water after cleaning;
- f) Owner to ensure land is free from excrement, food waste and all other matter likely to become or create a nuisance. Land must be free from excrement, food waste so that it cannot attract or breed pests.

### **Public Liability**

- a) All boarding establishments must carry a minimum of \$10,000,000 Public Liability Cover;
- b) All animals entering boarding establishments must be identified and all reasonable and special requirements in particular relating to vaccination must be complied;
- c) The proponent (or nominated manager) of a kennel establishment is responsible for the operation of the kennel in accordance with these guidelines.

### **Enclosures**

Fencing between enclosures (both internal & external) must prevent dogs from escaping from one enclosure to another and must be in such condition that they prevent injury.

### **Security**

- a) Kennels must be able to be securely locked to prevent unauthorized entry;
- b) Each individual kennel, module or colony pen must be fitted with a secure closing device

- that cannot be opened by the dogs;
- c) Any security methods used must allow for ready access to dogs and ready exit for staff and animals from the premises in the event of an emergency;
- d) All boarding establishments must have an external perimeter fence surrounding the establishment to prevent the escape of dogs.

## **Facilities**

- a) Each animal boarding establishment must provide an area for reception, records storage, and include washing and toilet facilities for staff;
- b) Boarding facilities must be designed, constructed, serviced and maintained in a way that ensures the good health and well-being of the animals, whilst preventing escape or injury to humans;
- c) Pens may be separated by either solid partitions, galvanized chain wire or weld mesh wire dividers. Pens must be completely enclosed having either a solid or wire roof or have an overhang of 700mm at an angle of 35 degrees to the horizontal;
- d) All kennels must be provided with a weatherproof sleeping area containing raised beds;
- e) Where dog kennels are constructed indoors, temperature, humidity and ventilation must be considered. Ventilation must be adequate to keep animal housing areas free of dampness, noxious odors and draughts. Cage or pen areas must have an ample supply of fresh air;
- f) Suitable facilities for bathing, drying and grooming animals must be available and must be hygienically maintained. These facilities may be provided by a grooming service provided that the boarding establishment has a business agreement with the service;
- g) Housing must provide protection from the weather (wind, rain, sun and extremes of climate), vermin and harassment from other animals;
- h) Facilities must have appropriate fire extinguishers or other fire protection.

## **Exercise**

- a) The proprietor (or nominated manager) must ensure that dogs housed in pens of the minimum recommended size for more than two weeks are exercised daily;
- b) Dogs in enclosures larger than 20m<sup>2</sup> do not require additional exercise unless they are boarded for longer than four weeks. Care must be taken to ensure that dogs being exercised cannot escape and are not in danger of attack or other injury;
- c) Exercise areas must be well maintained, not muddy or bare and dusty. Health and hygiene of both animals and humans must be taken into consideration;
- d) Dogs can also be exercised/socialized during daylight hours in the same manner as for day boarding establishments provided all requirements for day boarding are met including supervision levels and the owner has given written permission for this to occur;
- e) Dogs must not be walked on roads but confined within the premises for safety reasons unless:
- f) They are on a lead at all times.

## **Information Requirements from Applicant**

An application must be supported with the following information, to the satisfaction of the Shire of Morawa, as appropriate:

- a) A fully dimensioned site context plan showing adjoining land and the closest residences;
- b) A detailed site layout plan, including elevations, drawn to an appropriate scale showing the location of all proposed pens, runs and buildings on the site;
- c) Full details of all landscaping, including the type and location of all plants and the type of ground surface treatment (ie. lawn, sand, concrete, gravel etc);
- d) Details of the height, style and location of all fences;
- e) Details of lighting;
- f) Materials of construction of all kennels and buildings associated with the use including type and method of insulation;



- g) A site storm water management plan;
- h) Number of dogs kept on the site and the proposed number of litters per year;
- i) Details of exercising and training which will occur on the site;
- j) Method of waste collection, storage and disposal;
- k) Details as to whether boarding of dogs not belonging to the operator will take place, including the number and frequency of turnover;
- l) Details of day to day operations of the facility to include such items as exercising times and feeding times and visiting procedure;
- m) Response to the relevant Environmental Protection Authority guidelines.

**Determination of the Application**

In determining an application for a planning approval, the Shire of Morawa is to have regards to:

- a) Any written submissions received on the proposed use of the premises;
- b) Any economic or social benefits which may be derived by any person in the district if the application for a planning approval is approved;
- c) The effect which the kennel establishment may have on the environment or amenity of the neighborhood;
- d) Whether the approved kennel establishment will create a nuisance for the owners and occupiers of adjoining premises; and
- e) Whether or not the imposition of and compliance with appropriate conditions of an approval will mitigate any adverse effects of the approved kennel establishment identified in the preceding paragraphs.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## 3.0 FINANCE

### 3.1 FINANCIAL HARDSHIP POLICY FOR WATER SERVICES

#### Purpose

This Financial Hardship Policy outlines how the Shire of Morawa's ("we") will assist a residential customer ("you") who cannot pay a rate notice because of financial hardship.

Our policy applies only to the water services portion and the rateable sections of your rate notice.<sup>1</sup> Residential tenants who have agreed with the land owner to receive a rate notice are also covered by this policy.

If you are also having difficulty paying other charges on your rate notice or if you are a commercial customer, we encourage you to still talk to us.

We are committed to working with you to find an appropriate payment solution that works for both you and us. We understand that it can be difficult to ask for support and will treat you sensitively and respectfully.

#### What is financial hardship?

You will be in financial hardship if paying the water services portion of your rate notice will affect your ability to meet your basic living needs<sup>2</sup> – in short, if you have the intention but not the financial capacity to pay.

Financial hardship may, for example, be caused by:

- a) Loss of your or a family member's primary income;
- b) Spousal separation or divorce;
- c) Loss of a spouse or loved-one;
- d) Physical or mental health issues;
- e) A chronically ill child;
- f) Budget management issues associated with a low income; and
- g) Other unforeseen factors affecting your capacity to pay, such as a reduction in income or an increase in non-discretionary spending.

#### Identifying customers in financial hardship

~~If you think you may be in financial hardship we encourage you to contact us as soon as possible. You may ask your financial counsellor to contact us on your behalf.~~

~~We will~~ The Chief Executive Officer will assess within three business days whether we consider you to be in financial hardship. If we cannot make our assessment within three business days, we will refer you to a financial counsellor for assessment.

As part of our assessment we will consider any information provided by you and, if applicable, your financial counsellor. We will also consider any information we may have on your payment history. As soon as we have made our assessment, we will advise you of the outcome.

#### Payment plans

If we determine that you are in financial hardship, we will offer you more time to pay the water services portion of your rate notice or a payment plan for this portion. We will not charge you

<sup>1</sup> This is because the *Water Services Code of Conduct (Customer Service Standards) 2013* and our water license only require us to have a hardship policy for any water services we provide to residential customers.

<sup>2</sup> Clause 19 of the *Water Services Code of Conduct (Customer Service Standards) 2013* defines financial hardship as "being in an ongoing state of financial disadvantage in which the customer's ability to meet the basic living needs of the customer or a dependent of the customer would be adversely affected if the customer were to pay an unpaid bill for a water service supplied in respect of the place used solely or primarily as the customer's dwelling".

any fees or interest as part of your extension or payment plan.

We will involve you and, if applicable, your financial counsellor in setting a payment plan. When setting the conditions of the plan, we will consider your capacity to pay and, if relevant, your usage needs.

If appropriate, we will review and revise your extension or payment plan.

We do not have to offer you a payment plan if you have had two payment plans cancelled because of non-payment.

If you are a tenant, we must make sure that the land owner is aware of us giving you an extension or entering into a payment plan with you before we do so. We can agree that you notify the land owner of the proposed extension or payment plan (and provide us with evidence that you have done so), or you can give us permission to notify the land owner.

## **Debt reduction and collection**

~~If you are in financial hardship, we will consider reducing the amount you owe us.~~

~~We will also not commence or continue proceedings to recover your debt:~~

Upon confirmation of your financial hardship, the Chief Executive Officer will consider reducing the total debt incurred and will confirm that no legal procedure will commence to recover your debt:

While we are assessing whether or not you are in financial hardship; or

If you are complying with your payment plan or another payment arrangement you have with us.

~~If you do not comply with your payment plan or other payment arrangement, we may commence debt recovery proceedings. When collecting your debt, we will comply with Part 2 of the ACCG and ASIC's Debt collection guidelines for collectors and creditors.~~

Not complying with your payment plan, legal procedures will commence without notice. The Shire of Morawa holds the right to appoint a debt collection agency and additional fees will apply. (ACCC & ASIC's Debt Collection Guidelines).

~~We may outsource your debt to a debt collection agency. Please be advised that additional fees may apply in this case. We will ensure that any debt collection agency we engage will comply with Part 2 of the ACCG and ASIC's Debt collection guidelines for collectors and creditors.~~

## **Useful information**

Redirection of rate notice: We will advise you of your right to have your rate notice redirected to another person free of charge if you are absent or ill;

Payment options: You may pay your rate notice by direct debit, Centrepay, internet, telephone or post. Paying by direct debit or Centrepay may help you manage your bills more easily as your bills will be paid through regular deductions

~~For more information on your payment options, please contact us / refer to your rate and valuation notice.~~

Concessions and other financial relief and assistance: You may be eligible for the concession(s) and/or financial relief for the water services portion of your rate notice:

To receive a Concession, you must hold an appropriate Pensioner or Senior's cards and follow instructions as detailed below:

Seniors Card (SC) - Owner is entitled to receive up to 25% rebate on Local Government rates and FESA Emergency Services Lev. The rebate is limited to a maximum amount and the deferment option is not available;

Seniors Card (SC) and a Commonwealth Seniors Health Card (CSHC) - Owner is entitled to receive up to 50% rebate on Local Government rates and FESA Emergency Services Levy. The rebate is limited to a maximum amount and the deferment option is available;

Pensioner Concession Card (PCC) or State Concession Card (SCC) - Owner is entitled to

receive up to 50% rebate on Local Government rates and FESA Emergency Services Levy. The rebate is limited to a maximum amount and the deferment option is available;  
As at 1<sup>st</sup> July of current year – Be the owner or co-owner of the property or have a right to reside at the property under the terms of a Will (documentation required) and occupy the property as your “ordinary place of residence”;

### **Have registered with the Council or Water Corporation**

A pro-rata rebate may be available from the date of registration to Pensioners and seniors who become eligible after July 1 of the rating year. ~~This section of the policy will be updated if changes occur and clients notified.~~

### **Financial counselling**

We will advise you of any financial counselling services or other organisations that may be available to you.

Financial counsellors offer free, independent information to help you take control of your financial situation.

The Financial Counsellors' Association of WA (FCAWA) can refer you to a financial counsellor in your area. Alternatively, you can call the FCAWA's Financial Counselling Helpline. The Helpline provides a free confidential service for all Western Australians with financial problems and queries.

The FCAWA's contact details are:

Financial Counsellors' Association of WA

Phone: (08) 9325 1617

Financial Counselling Helpline: 1800 007 007

Email: [afm@financialcounsellors.org](mailto:afm@financialcounsellors.org)

Website: [www.financialcounsellors.org](http://www.financialcounsellors.org)

### **Fees and Charges**

We may charge you penalty interest which is calculated on a simple interest basis, set by council at a rate displayed on the front of the rate notice each year (currently 5.5%) on all unpaid rates. Penalty interest will accrue on any rates and service charges that:

- a) Are carried forward from previous rating periods.
- b) Remain unpaid after they become due and payable.

~~A list of all our fees and charges may be found at [www.morawa.wa.gov.au](http://www.morawa.wa.gov.au)~~

~~If you have a complaint, please contact us first. Our contact details are included in section 10 below.~~

~~If you are not satisfied with the way we handle your complaint, you may refer your complaint to the Energy & Water Ombudsman. The Energy & Water Ombudsman will investigate your complaint and may mediate the dispute between you and us.~~

~~Rate payers hold the right to consult agencies to respond to complaints and dissatisfaction and contact details are:~~

~~The Energy & Water Ombudsman's contact details are:~~

Energy and Water Ombudsman Western Australia  
2<sup>nd</sup> Floor, Albert Facey House  
469 Wellington Street - Perth WA 6000  
Phone; (08) 9220 7588 Free call 1800 754 004  
TIS – Translation and Interpreting Service: 131 450

Email: [energyandwater@ombudsman.wa.gov.au](mailto:energyandwater@ombudsman.wa.gov.au)

### Approval and Review

Our policy was approved by the Economic Regulation Authority of WA.

We will review our policy at least every five years to ensure it remains up-to-date and relevant.

~~Our contact details – Shire of Morawa details~~

~~You can contact us at:~~

Shire of Morawa

In Person 66 Winfield Street Morawa WA 6623

Postal Address PO Box 14, Morawa WA 6623

Phone: (08) 9971 1204

TTY 1800 555 727

TIS 131450

Fax: (08) 9971 1284

Email: [admin@morawa.wa.gov.au](mailto:admin@morawa.wa.gov.au)

OPENING HOURS: Monday to Friday 8:30am – 4:30pm

~~We are open Monday to Friday. Office hours: 8.30 am – 4.30 pm.~~

ADOPTED OCM – Adjusted – Highlighted throughout.	20/02/2014	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## 3.2 PROJECT MANAGEMENT

The objective of this Policy is to enable the Shire of Morawa to develop and sustain an appropriate level of project management capability, for Council to undertake and conclude projects over a specified time frame, to achieve a pre-determined goal or set of outcomes within a specified cost parameter and meet the requirements of the *Local Government Act 1995*.

A project can be broadly defined as a series of tasks over a specified timeframe to achieve a pre-determined goal or set of outcomes within a specified cost parameter. There is a critical need for local government to be flexible, efficient and competitive in the delivery of projects for its constituents, to pre-determined outcomes, within cost and time limitations.

To achieve best practice, the following aspects are to be undertaken, documented and authorized by the Chief Executive Officer:

- a) Allocation of a single responsible Project Manager;
- b) Appropriate project concept formulation and approvals;
- c) Relevance of the project to Council's Community Strategic Plan;
- d) Identification of any risks or opportunities for improvement that may arise during or as a consequence of the project;
- e) Accurate cost estimation and budget provision for the project;
- f) Stipulated monitoring and reporting milestones;
- g) Completion of a written Project Plan including risk, communication, procurement and cost allocations sub plans;
- h) Appropriate project control mechanisms to be in place as per the Shire's Project Management Procedure;
- i) Relevant Project Procedure to be audited periodically.

Project management principles utilizing the methods and techniques and set out in the above documentation are to be followed. The Council's designated responsible officer for the project is accountable for adherence to this policy and relevant procedures.

### Definitions

Community Strategic Plan	Council's corporate publication outlining the long term priorities for the community.
Council	Shire of Morawa
Project Manager	The person responsible for the day to day management of the project objectives, tasks, progress and project team.

### Risk Management

Risk Management is an important obligation Council takes very seriously and proactively manages especially in regard to its projects delivery. In the formulation and delivery of projects, the Shire of Morawa is very aware that there are risks to be assessed and systematically managed, to which elected members, staff members, community and interested parties may be exposed.

The Shire has a Risk Management Policy, Framework and system to be applied. In the concept formation, approval, planning, delivery, cost, quality and assurance control, monitoring and evaluation of projects, all elected members, managers, project managers, contractors, staff members and interested parties are encouraged to consider and assess applicable perceived risks and, if necessary, communicate them to the Chief Executive Officer or Project Manager prior to the commencement of the project or relevant project phase or activity.

~~Policy Administration~~

Responsible Officer	Chief Executive Office
Council Reference	Ordinary ..... - Item .....
Policy Review Date	Annually as required by regulation
File Number	
Relevant Legislation	Local Government Act 1995
Related Policies/Procedures/Protocols	Code of Conduct Project Management Procedure

ADOPTED OCM	16/10/2014	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM - Adjusted – Highlighted throughout.	20/12/2018	

### 3.3 RISK MANAGEMENT

#### Objective

The Shire of Morawa Risk Management Policy documents the commitment and objectives regarding managing uncertainty that may impact the Shire's strategies, goals or objectives.

#### Policy

It is the Shire's Policy to achieve best practice (aligned with AS/NZS ISO 31000:2009 Risk management), in the management of all risks that may affect the Shire, its customers, people, assets, functions, objectives, operations or members of the public.

Risk Management will form part of the Strategic, Operational, Project and Line Management responsibilities and where possible, be incorporated within the Shire's Integrated Planning Framework.

The Shire's Management Team will determine and communicate the Risk Management Policy, Objectives and Procedures, as well as, direct and monitor implementation, practice and performance.

Every staff member within the Shire is recognized as having a role in risk management from the identification of risks to implementing risk treatments and shall be invited and encouraged to participate in the process.

Consultants may be retained at times to advise and assist in the risk management process, or management of specific risks or categories of risk.

Definitions (from AS/NZS ISO 31000:2009)

#### **Risk: Effect of uncertainty on objectives:**

Note 1: An effect is a deviation from the expected – positive or negative. An effect is a deviation from the expected – positive or negative.

Note 2: Objectives can have different aspects (such as financial, health and safety and environmental goals) and can apply at different levels (such as strategic, organization-wide, project, product or process).

#### **Risk Management:**

Coordinated activities to direct and control an organization with regard to risk.

#### **Risk Management Process:**

Systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analyzing, evaluating, treating, monitoring and reviewing risk.

#### **Risk Management Objectives:**

- a) Optimize the achievement of our vision, mission, strategies, goals and objectives;
- b) Provide transparent and formal oversight of the risk and control environment to enable effective decision making;
- c) Enhance risk versus return within our risk appetite;
- d) Embed appropriate and effective controls to mitigate risk;
- e) Achieve effective corporate governance and adherence to relevant statutory, regulatory



- and compliance obligations;
- f) Enhance organizational resilience;
- g) Identify and provide for the continuity of critical operations.

**Risk Appetite**

The Shire quantified its risk appetite through the development and endorsement of the Shire’s Risk Assessment and Acceptance Criteria. The criteria are included within the Risk Management Procedures and are subject to ongoing review in conjunction with this policy.

All organizational risks to be reported at a corporate level are to be assessed according to the Shire’s Risk Assessment and Acceptance Criteria to allow consistency and informed decision making. For operational requirements such as projects or to satisfy external stakeholder requirements, alternative risk assessment criteria may be utilized, however these cannot exceed the organizations appetite and are to be noted within the individual risk assessment.

**Roles, Responsibilities & Accountabilities**

The Chief Executive Officer is responsible for the allocation of roles, responsibilities and accountabilities. These are documented in the Risk Management Procedures (Operational Document).

**Monitor & Review**

The Shire will implement and integrate a monitor and review process to report on the achievement of the Risk Management Objectives, the management of individual risks and the ongoing identification of issues and trends. This policy will be kept under review by the Shire’s Management Team and its staff. It will be formally reviewed two years.

ADOPTED OCM	16/10/2014	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## 3.4 PURCHASING POLICY

### Objective

- a) To provide compliance with the *Local Government Act 1995* and the *Local Government Act (Functions and General) Regulations 1996*;
- b) To deliver a best practice approach and procedures to internal purchasing for the Shire of Morawa;
- c) To ensure consistency for all purchasing activities that integrates within all the Shire of Morawa operational areas.

### Why do we need a Purchasing Policy?

The Shire of Morawa is committed to setting up efficient, effective, economical and sustainable procedures in all purchasing activities. This policy:

- a) Provides the Shire of Morawa with a more effective way of purchasing goods and services;
- b) Ensures that purchasing transactions are carried out in a fair and equitable manner;
- c) Strengthens integrity and confidence in the purchasing system;
- d) Ensures that the Shire of Morawa receives value for money in its purchasing;
- e) Ensures that the Shire of Morawa considers the environmental impact of the procurement process across the life cycle of goods and services;
- f) Ensures the Shire of Morawa is compliant with all regulatory obligations;
- g) Promotes effective governance and definition of roles and responsibilities;
- h) Uphold respect from the public and industry for the Shire of Morawa's purchasing practices that withstand probity.

### Ethics & Integrity

All officers and employees of the Shire of Morawa shall observe the highest standards of ethics and integrity in undertaking purchasing activity and act in an honest and professional manner that supports the standing of the Shire of Morawa.

The following principles, standards and behaviours must be observed and enforced through all stages of the purchasing process to ensure the fair and equitable treatment of all parties:

- a) Full accountability shall be taken for all purchasing decisions and the efficient, effective and proper expenditure of public monies based on achieving value for money;
- b) All purchasing practices shall comply with relevant legislation, regulations, and requirements consistent with the Shire of Morawa policies and code of conduct;
- c) Purchasing is to be undertaken on a competitive basis in which all potential suppliers are treated impartially, honestly and consistently;
- d) All processes, evaluations and decisions shall be transparent, free from bias and fully documented in accordance with applicable policies and audit requirements;
- e) Any actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed; and
- f) Any information provided to the Shire of Morawa by a supplier shall be treated as commercial-in-confidence and should not be released unless authorised by the supplier or relevant legislation.

### Value for Money

Value for money is an overarching principle governing purchasing which allows the best possible outcome to be achieved for the Shire. It is important to note that compliance with the purchasing specification is more important than obtaining the lowest price, particularly taking into account user requirements, quality standards, sustainability, life cycle costing and service benchmarks.

## Application

An assessment of the best value for money outcome for any purchasing process should consider:

- a) All relevant Total Costs of Ownership (TCO) and benefits including transaction costs associated with acquisition, delivery, distribution, as well as other costs such as but not limited to holding costs, consumables, deployment, maintenance and disposal;
- b) The technical merits of the goods or services being offered in terms of compliance with specifications, contractual terms and conditions and any relevant methods of assuring quality, including but not limited to an assessment of levels and currency of compliances, value adds offered, warranties, guarantees, repair and replacement policies, ease of inspection, ease of after sales service, ease of communications etc.;
- c) Financial viability and capacity to supply without risk of default (competency of the prospective suppliers in terms of managerial and technical capabilities and compliance history); and
- d) A strong element of competition in the allocation of orders or the awarding of contracts. This is achieved by obtaining a sufficient number of competitive quotations wherever practicable.

## PURCHASING THRESHOLDS AND PROCESSES

### Legislative / Regulatory Requirements

The requirements that must be complied with by the Shire, including purchasing thresholds and processes, are prescribed within the *Local Government (Functions and General) Regulations 1996* and this Purchasing Policy.

Purchasing that is **below \$150,000** in total value (excluding GST) must utilize a Request for Quotation process, either direct to the market or through a panel of pre-qualified suppliers (such as a WALGA Preferred Supply Contract).

Purchasing that **exceeds \$150,000** in total value (excluding GST) must be put to public Tender unless a regulatory Tender exemption is utilized by the Shire. Tender exemptions apply in the following instances:

- a) An emergency situation as defined by the *Local Government Act 1995*;
- b) The purchase is from a WALGA Preferred Supply Contract or Business Service. All WALGA Preferred Supply Contracts have been established utilizing a competitive public procurement process to pre-qualify suppliers that meet compliance requirements and offer optimal value for money to the Local Government sector;
- c) The purchase is from a Department of Finance Common Use Arrangements (where Local Government use is permitted), a Regional Local Government or another Local Government;
- d) The purchase is under auction that has been authorized by Council;
- e) The contract is for petrol, oil, or other liquid or gas used for internal combustion engines; or
- f) Any of the other exclusions under Regulation 11 of the *Local Government (Functions and General) Regulations 1996* apply.

Determining purchasing value is to be based on the following considerations:

- a) The actual or expected value of a contract over the full contract period (including all options to extend);
- b) The extent to which it could be reasonably expected that the Shire will continue to purchase a particular category of goods, services or works and what total value is or could be reasonably expected to be purchased.

*Note: When making a decision about whether to conduct a Public Tender or utilize a Tender exempt arrangement, the Shire should compare the cost and benefits of both processes.*

The compliance requirements, time constraints, costs and risks associated with a Public Tender should be evaluated against the value delivered by such a process. This should then be compared with the costs and benefits of using a Tender exempt arrangement which include direct access to pre-qualified suppliers, full regulatory compliance, risk mitigation, administrative efficiencies and cost savings.

### Purchasing Thresholds - Requirements

Below is the purchasing process that must be followed based on the actual or expected value of each purchase by the Shire of Morawa:

Purchasing Thresholds (ex GST)	Purchasing Requirements
Up to \$5,000	Obtain at least one (1) verbal quotations from suppliers. If a written quotation is received, it must be supported by evidence of the quotation (eg email, fax or record of quotation) in each instance. All quotations from suppliers should be in writing. OR Obtain quotations directly from a pre-qualified panel of suppliers which include WALGA Preferred Supply Contracts.
\$5,000 - \$19,999	Obtain at least two (2) written quotations (eg email, fax or original copy). OR Obtain quotations directly from a pre-qualified panel of suppliers which include WALGA Preferred Supply Contracts. It is recommended that wherever possible, the Shire source multiple competitive quotations (at least two (2) Preferred Suppliers) using a simple quotation process either through eQuotes or directly in writing.
\$20,000 - \$49,999	Obtain at least two (2) written quotations (eg email, fax or original copy) from suppliers containing price and specification of goods and services. The procurement decision is to be based on all value for money considerations in accordance with the definition stated within this Policy. OR Obtain quotations directly from a pre-qualified panel of suppliers which include WALGA Preferred Supply Contracts. It is recommended that wherever possible, the Shire source multiple competitive quotations (at least two (2) Preferred Suppliers) using a formal Request for Quotation process either through eQuotes or directly in writing.
\$50,000 - \$149,999	Obtain at least three (3) written quotations (eg email, fax or original copy) from suppliers containing price and specification of goods and services. The procurement decision is to be based on all value for money considerations in accordance with the definition stated within this Policy. OR Obtain quotations directly from a pre-qualified panel of suppliers which include WALGA Preferred Supply Contracts. It is recommended that wherever possible, the Shire source multiple competitive quotations (at least three Preferred Suppliers) using a formal Request for Quotation process either through eQuotes or directly in writing.
\$150,000 and above	Conduct a public Tender process in accordance with this policy and the WALGA Procurement Handbook. The procurement decision is to be based on value for money considerations in accordance with the definition stated within this Policy. OR Obtain quotations directly from a Tender exempt and pre-qualified panel of suppliers which include WALGA Preferred Supply Contracts. It is recommended that wherever possible, the Shire source multiple competitive quotations (at least three Preferred Suppliers) using a formal Request for Quotation process either through eQuotes or directly in writing.

Where considered necessary, the Shire may consider calling Public Tenders in lieu of undertaking a Request for Quotation for purchases under the \$150,000 threshold (excluding GST). This decision should be made after considering the benefits of this approach in

comparison with the costs, risks, and timeliness and compliance requirements and also whether the purchasing requirement can be met through a pre-qualified panel of suppliers such as WALGA Preferred Supply Contracts.

If a decision is made to undertake a Public Tender for contracts of less than \$150,000, a Request for Tender process entailing all the procedures for tendering outlined in this Policy and the WALGA Procurement Handbook must be followed in full.

**Note:**

*The thresholds specified in the Purchasing Thresholds Table are determined purely on dollars values, however the Local Government (Functions and General) Regulations 1996 also allow quotation criteria to be set for different types of goods, services or works, suppliers, contracts, or any other item that the Shire considers appropriate.*

**Purchasing Procedures**

Tender or Request for Quotation through Tender Exempt Panels (\$150,000 or over in value)

For the procurement of goods, services or works where the value exceeds \$150,000, the Shire must either undertake :

- a) A Public Tender process; or
- b) Requests for Quotation process from a Tender exempt panel of pre-qualified suppliers including WALGA Preferred Supply Contracts (which are specifically designed around Local Government requirements) or State Government Common Use Arrangements (where Local Government access is permitted).

**Using a Tender Exempt Panel of Pre-Qualified Suppliers**

When accessing a Tender exempt panel of pre-qualified suppliers, such as a WALGA Preferred Supply Contract, the Shire must utilize a Request for Quotation process through eQuotes or in writing direct with the Preferred Suppliers.

In undertaking a Request for Quotation, the Shire does not need to request that pre-qualified suppliers provide the type of information that is normally provided in a Public Tender. The fact that WALGA has already undertaken a public procurement process and has pre-qualified each Preferred Supplier means that this information has already been obtained and validated.

Additionally, the Shire does not need to use its own contractual terms and conditions given that WALGA has already developed best practice contractual terms and conditions which have been accepted by every Preferred Supplier. These contractual terms and conditions ensure that the interests of the Shire are fully protected.

Keeping the scope of the Request for Quotation focused on the Specification and the selection criteria that will be utilized by the Shire to assess different quotations will ensure that only the required information is sought from Preferred Suppliers and the response process is streamlined.

Responses from Preferred Suppliers should be in writing and contain the price and a sufficient amount of information that addresses the Specification and selection criteria provided by the Shire.

**eQuotes**

eQuotes is a secure, web-based procurement tool that streamlines and simplifies the Request for Quotation process with WALGA Preferred Suppliers at the same time as facilitating purchasing compliance, probity and control over all aspects of purchasing.

All WALGA Preferred Supply Contracts are available on eQuotes and all necessary contract information is preloaded to enable informed procurement choices, including contract details, insurances, pricing (where applicable) etc. The Shire can also upgrade eQuotes to include their local suppliers.

### **Request for Quotation Process**

In the event that the Shire elects to call a Request for Quotation, the following process should be followed:

The Request for Quotation documentation must include:

- a) Written Specification that communicates the requirement(s) in a clear, concise and logical fashion;
- b) Selection Criteria to be applied;
- c) Price Schedule;
- d) Conditions of responding;
- e) Validity period of offer;
- f) Invitations to quote must be issued simultaneously to ensure that all parties receive an equal opportunity to respond. This can be done through eQuotes or directly to suppliers
- g) New information that is likely to change the requirements must be offered to all prospective suppliers at the same time;
- h) Written responses must be assessed for compliance, then against the selection criteria, and then value for money. All evaluations must be documented;
- i) Respondents must be advised in writing as soon as possible after the final determination is made and approved.

For this procurement range, selection must be based on value for money (in accordance with the definition stated within this Policy) and which quotation would be most advantageous to the Shire.

The evaluation process should include an assessment of qualitative factors such as quality, stock availability, accreditation, time for completion or delivery, warranty conditions, technology, maintenance requirements, organization's capability, previous relevant experience, environmental and social impacts, corporate social responsibility and any other relevant factors as part of the assessment of the supplier's response.

The Shire can utilize the flexible nature of WALGA Preferred Supply Contracts to leverage optimal value for money through the competitive nature of the quotation process and based on their purchasing intent (eg volume or value of items to be purchased, period of contract etc). Additionally, when using a WALGA Preferred Supply Contract the Shire may negotiate with the highest rated Preferred Supplier from the evaluation process. This does not rule out the other Preferred Suppliers until successful conclusion of negotiations via award of contract.

The responsible officer is expected to demonstrate due diligence when conducting a Request for Quotation process and must comply with any record keeping and audit requirements. Record keeping requirements must be maintained in accordance with record keeping policies.

#### **Note:**

*While the pre-qualified nature of WALGA Preferred Supply Contracts provides Local Government with the capacity to negotiate with Preferred Suppliers, this is generally not permitted within a Public Tender process due to legal process contract risks.*

#### **Public Tender**

In the event that the Shire elects to call a Public Tender:

- a) Before Tenders are publicly invited, the Shire must record the decision to invite Tenders (which is to be recorded in the Tender Register) and must determine in writing the criteria for deciding which tender should be accepted;
- b) The Evaluation Panel must be established prior to the advertising of the Tender and include a mix of skills and experience relevant to the nature of the purchase. For Tenders, the Evaluation Panel must contain a minimum of two (2) members;
- c) A Tender Notice must be advertised in a State wide publication e.g. "The West Australian" newspaper (Local Government Tenders section), preferably on a Wednesday or Saturday;
- d) The Tender must remain open for at least 14 days after the date the Tender is advertised. Care must be taken to ensure that 14 full days are provided as a minimum;
- e) The Tender Notice must include:
  - f) A brief description of the goods or services required;
  - g) Information as to where and how Tenders may be submitted;
  - h) The date and time after which Tenders cannot be submitted;
  - i) A contact person to supply more detailed information if required. Detailed information must include:
    - j) Such information as the Shire decides should be disclosed to those interested in submitting a Tender response;
    - k) Detailed specifications of the goods or services required;
    - l) The criteria for deciding which Tender response should be accepted;
    - m) Whether or not the Shire has decided to submit a Tender response; and
    - n) Whether or not Tender responses can be submitted by facsimile or other electronic means, and if so, how Tenders may so be submitted.

### **Additional Information**

1. Tenders must not be made available (counter, mail, internet, referral, or other means) without a robust process to ensure the recording of details of all parties who acquire the documentation. If clarifications, addendums or further communication are required prior to the close of Tenders, all potential Tenderers must have equal access to this information in order for the Shire not to compromise its duty to be fair;
2. If, after the Tender has been publicly advertised, any changes, variations or adjustments to the Tender document and/or the Conditions of Tender are required, the Shire may vary the initial information by taking reasonable steps to give each person who has sought copies of the Tender documents notice of the variation;
3. A Tender response that is not received in full in the required format by the advertised Tender Deadline must be rejected;
4. No tenders are to be removed from the Tender Box or opened (read or evaluated) prior to the Tender Deadline;
5. Tenders are to be opened in the presence of the Chief Executive Officer's delegated nominee and preferably at least one other Local Government officer. The details of all Tender responses received and opened must be recorded in the Tenders Register. Tender responses are to be opened in accordance with the advertised time and place. There is no obligation to disclose or record tendered prices at the Tender opening, and price information should be regarded as *commercial-in-confidence* to the Shire. Members of the public are entitled to be present;
6. The Tenderer's offer form, price schedule and other appropriate pages from each Tender shall be date stamped and initialed by at least two (2) Local Government officers or representatives present at the opening of Tender responses.

Where the Shire has invited Tender responses and no compliant submissions have been received; direct purchases can be arranged on the basis of the following:

- a) A sufficient number of quotations are obtained;
- b) The process follows the guidelines for seeking quotations (see Request for Quotation process on page 6);
- c) The specification for goods and/or services remains unchanged;
- d) Purchasing is arranged within six (6) months of the closing date of the lapsed Tender.

1. Tender responses that have not been rejected must be assessed by the Shire by means of a written evaluation against the pre-determined criteria. The Evaluation Panel must assess each Tender response that has not been rejected to determine which response is most advantageous;
2. If after the Tender has been publicly advertised and a successful Tenderer has been chosen, and before the Shire and Tenderer have entered into a contract, a minor variation may be made by the Shire. A minor variation may not alter the nature of the goods and/or services procured, nor may it materially alter the specification or structure provided for by the initial Tender;

Each Tenderer shall be notified of the outcome of the Tender following Council resolution or appropriate delegated authority. Notification must include:

- a) The name of the successful Tenderer;
- b) The total value of consideration of the winning offer;
- c) The details and total value of consideration for the winning offer must be entered into the Tenders Register at the conclusion of the Tender process.

For this procurement range, selection of Tenderer must be based on value for money (in accordance with the definition stated within this Policy) and which Tender response would be most advantageous to the Shire.

To comply with the requirements of Regulation 18(4) of the *Local Government (Functions and General) Regulations 1996*, the Tender evaluation process must provide a written assessment of the extent that each Tender response satisfies the criteria which was set prior to advertising the Tender. This should include an assessment of qualitative factors such as quality, stock availability, accreditation, time for completion or delivery, warranty conditions, technology, maintenance requirements, organization's capability, previous relevant experience, environmental and social impacts, corporate social responsibility and any other relevant factors as part of the assessment of the Tender response.

The responsible officer is expected to demonstrate due diligence when conducting a public Tender and must comply with any record keeping and audit requirements.

### **Request for Quotation (\$50,000 or over to \$149,999 in value)**

For the procurement of goods or services where the value **exceeds \$50,000** but is **less than \$149,999**, it is recommended that at least three (3) written quotations be obtained from the market or from a pre-qualified panel of suppliers including WALGA Preferred Supply Contracts.

In the event that a Shire elects to call a Request for Quotation, the following process should be followed:

- a) Provide a Request for Quotation that includes as a minimum:
  - b) Written Specification that communicates the requirement(s) in a clear, concise and logical fashion;
  - c) Selection Criteria to be applied;
  - d) Price Schedule;
  - e) Conditions of responding; and
  - f) Validity period of offer.
1. Invitations to quote must be issued simultaneously to ensure that all parties receive an equal opportunity to respond. This can be done through eQuotes or directly to suppliers;
  2. New information that is likely to change the requirements must be offered to all prospective suppliers at the same time;
  3. Written responses must be assessed for compliance, then against the selection criteria, and then value for money. All evaluations must be documented;



4. Respondents must be advised in writing as soon as possible after the final determination is made and approved.

Requests for Quotation to a panel of pre-qualified suppliers, such as a WALGA Preferred Supply Contract, should be undertaken through eQuotes or in writing directly with the Preferred Suppliers. Responses from Preferred Suppliers should be in writing and contain the price and a sufficient amount of information that addresses the Specification and selection criteria provided by the Shire.

For this procurement range, selection of supplier should be based on value for money (in accordance with the definition stated within this Policy) and the response which would be most advantageous to the Shire.

The evaluation of quotations should consider qualitative factors such as quality, stock availability, accreditation, time for completion or delivery, warranty conditions, technology, maintenance requirements, organization's capability, previous relevant experience, environmental and social impacts, corporate social responsibility and any other relevant factors as part of the assessment of the quote).

The Shire can utilize the flexible nature of WALGA Preferred Supply Contracts to leverage optimal value for money through the competitive nature of the quotation process and based on their purchasing intent (eg volume or value of items to be purchased, period of contract etc). Additionally, when using a WALGA Preferred Supply Contract the Shire may negotiate with the highest rated supplier from the evaluation process. This does not rule out the other suppliers until successful conclusion of negotiations via award of contract.

The responsible officer is expected to demonstrate due diligence seeking quotes and to comply with any record keeping and audit requirements. Record keeping requirements must be maintained in accordance with record keeping policies.

*Note: The WALGA Procurement Handbook has a model Request for Quotation Template which provides best practice documentation and will assist with recording details.*

### **Request for Quotation (\$20,000 - \$49,999 in value)**

#### **Written Requests for Quotations**

For the procurement of goods or services where the value is \$20,000 - \$49,999, it is recommended that at least two (2) written quotations be obtained from the market or from a pre-qualified panel of suppliers including WALGA Preferred Supply Contracts.

In the event that the Shire elects to call a Request for Quotation, the following process should be followed:

- a) Provide a simple Request for Quotation document that outlines the key elements of the process and requires written quotations;
- b) Provide an appropriately detailed written Specification that communicates the requirement(s) in a clear, concise and logical fashion;
- c) Invitations to quote must be issued simultaneously to ensure that all parties receive an equal opportunity to respond. This can be done through eQuotes or directly to suppliers;
- d) New information that is likely to change the requirements must be offered to all prospective suppliers at the same time;
- e) Written responses must be assessed for compliance, then against the selection criteria, and then value for money. All evaluations must be documented;
- f) Respondents must be advised in writing as soon as possible after the final determination is made and approved.

Requests for Quotation to a panel of pre-qualified suppliers, such as a WALGA Preferred Supply Contract, should be undertaken through eQuotes or in writing directly with the Preferred Suppliers. Responses from Preferred Suppliers should be in writing and contain the price and a sufficient amount of information that addresses the Specification and selection criteria provided by the Shire.

The responsible officer is expected to demonstrate due diligence seeking quotes and to comply with any record keeping and audit requirements.

*Note: The WALGA Procurement Handbook has a model Request for Quotation Template which provides best practice documentation and will assist with recording details.*

### **Request for Quotation (\$5,000 - \$19,999 in value)**

#### **Written Requests for Quotations**

For the procurement of goods or services where the value is \$5,000 - \$19,999, it is recommended that at least two (2) written quotations be obtained from the market or from a pre-qualified panel of suppliers including WALGA Preferred Supply Contracts.

In the event that the Shire elects to call a Request for Quotation, the following process should be followed:

- a) Provide a simple Request for Quotation document that outlines the key elements of the process and requires written quotations;
- b) Provide an appropriately detailed written Specification that communicates the requirement(s) in a clear, concise and logical fashion;
- c) Invitations to quote must be issued simultaneously to ensure that all parties receive an equal opportunity to respond. This can be done through eQuotes or directly to suppliers;
- d) New information that is likely to change the requirements must be offered to all prospective suppliers at the same time;
- e) Written responses must be assessed for compliance, then against the selection criteria, and then value for money. All evaluations must be documented;
- f) Respondents must be advised in writing as soon as possible after the final determination is made and approved.

Requests for Quotation to a panel of pre-qualified suppliers, such as a WALGA Preferred Supply Contract, should be undertaken through eQuotes or in writing directly with the Preferred Suppliers. Responses from Preferred Suppliers should be in writing and contain the price and a sufficient amount of information that addresses the Specification and selection criteria provided by the Shire.

The responsible officer is expected to demonstrate due diligence seeking quotes and to comply with any record keeping and audit requirements.

*Note: The WALGA Procurement Handbook has a model Request for Quotation Template and a Verbal Form Template which provide best practice documentation and will assist with recording details.*

#### **Verbal Requests for Quotations**

For the procurement of goods or services where the value is under \$5,000 the Shire may undertake a verbal Request for Quotation process.

The verbal quotation must be obtained from the market or the Shire may purchase from a Tender exempt panel of pre-qualified suppliers including WALGA Preferred Supply Contracts.

The requirements relating to verbal quotations are:

- a) Ensure that the requirement/specification is clearly understood by the Shire employee seeking the verbal quotations;
- b) Ensure that the requirement is clearly, accurately and consistently communicated to each of the suppliers being invited to quote;
- c) Ensure that all quotations from suppliers are in writing and/or refer to a pricing list in an email, website or catalogue.

The responsible officer is expected to demonstrate due diligence seeking quotes and to comply with any record keeping and audit requirements.

**Note:** *The WALGA Procurement Handbook contains sample forms for recording verbal and written quotations.*

## **FINANCIAL REQUIREMENTS AND DELEGATIONS**

All procurement activities shall be undertaken in accordance with the requirements of authorized purchasing limits as delegated to, and by, the Chief Executive Officer (Delegation 7.2.11 – Incurring Liability and Making Payments).

## **RECORDS MANAGEMENT**

Records of all Tenders and Requests for Quotation must be retained in compliance with the *State Records Act 2000 (WA)* and the Shire's internal Records Management Policy.

All records associated with the Tender or Request for Quotation process must be recorded and retained.

For a Tender process, this includes:

- a) Tender documentation;
- b) Internal documentation;
- c) Evaluation documentation;
- d) Enquiry and response documentation;
- e) Approval documentation;
- f) Notification and award documentation.

For a Request for Quotation process, this includes:

- a) Quotation documentation;
- b) Internal documentation;
- c) Approval documentation;
- d) Order forms and requisitions.

## **SUSTAINABLE PROCUREMENT AND CORPORATE SOCIAL RESPONSIBILITY**

Sustainable Procurement is defined as the purchasing of goods and services that have less environmental and social impacts than competing products and services.

Corporate Social Responsibility (CSR) in procurement is defined as purchasing which provides preference to organizations that can demonstrate compliance with ethical and regulatory standards and can demonstrate making a positive impact on the communities and markets in which they operate. ISO 26000 provides guidance on how the Shire can procure goods and services in a socially responsible way.

The Shire is committed to providing a preference to organizations that demonstrate both sustainable business practices and high levels of corporate social responsibility. Where

appropriate, the Shire shall endeavor to design Requests for Quotation and Tenders to provide an advantage to suppliers demonstrating that they minimize environmental and negative social impacts and embrace CSR. Sustainable and CSR considerations must be balanced against value for money outcomes in accordance with the Shire's sustainability objectives.

### **Application**

In practical terms sustainability and corporate social responsibility in procurement means the Shire shall endeavor at all times to identify and purchase products and services that:

- a) Have been determined as necessary;
- b) Demonstrate environmental best practice in energy efficiency/and or consumption which can be demonstrated through suitable rating systems and eco-labelling;
- c) Demonstrate environmental best practice in water efficiency;
- d) are environmentally sound in manufacture, use, and disposal with a specific preference for products made using the minimum amount of raw materials from a sustainable resource, are free of toxic or polluting materials and consume minimal energy during the production stage;
- e) Can be refurbished, reused, recycled or reclaimed. Those that are designed for ease of recycling, re-manufacture or otherwise to minimize waste will be given priority;
- f) Demonstrate a regard for the local economy and a supply chain that supports local business development;
- g) Are ethically sourced from sustainable and fair-trade supply chains;
- h) With regards to motor vehicles (where practicable) - feature the highest fuel efficiency available, based on vehicle type and within the designated price range; and
- i) With regards to new buildings and refurbishments (where practicable), use renewable energy and technologies where available.

## **BUY LOCAL AND REGIONAL PRICE PREFERENCE**

### **BUY LOCAL**

Under the State Government's Buy Local Policy, Government Agencies and Local Governments (including the Shire of Morawa) are encouraged to maximize participation of local and small businesses in the supply of goods, services and works purchased or contracted by government agencies.

A key goal in this policy is open and fair competition to ensure that businesses locally are provided with every opportunity to bid for work. It is recognized that not every category of goods, services or works that is purchased by the Shire will lend itself to supply by local businesses.

### **Application**

As much as practicable, the Shire's purchasing must:

- a) Ensure that buying practices, procedures and specifications do not unfairly disadvantage local businesses;
- b) Ensure that procurement plans address local business capability and local content;
- c) Explore the capability of local businesses to meet requirements and ensure that Requests for Quotation and Tenders are designed to accommodate the capabilities of local businesses;
- d) Avoid bias in the design and specifications for Requests for Quotation and Tenders – all Requests must be structured to encourage local businesses to bid; and
- e) Provide adequate and consistent information to potential suppliers.

## REGIONAL PRICE PREFERENCE

Non-metropolitan Local Governments (such as the Shire of Morawa) are permitted to adopt a policy which provides a regional price preference to be given to suppliers located outside the metropolitan area.

### Application

The Shire of Morawa may give a price preference to a regional Tenderer or Supplier by reducing the bid price by:

- a) 10% — where the contract or quote is for goods or services, up to a maximum price reduction of \$50 000;
- b) 5% — where the contract or quote is for construction (building) services, up to a maximum price reduction of \$50 000; or
- c) 10% — where the contract is for goods or services (including construction (building) services), up to a maximum price reduction of \$500,000, if seeking Tenders for the provision of those goods or services for the first time, due to those goods or services having been, until then, undertaken by the Shire.

The amounts, or levels of price preference, in (a) and (b) and (c) above are applicable to businesses/contractors located within the Mid West Region of Western Australia.

The requirements for adopting a Regional Price Preference Policy are set out in Regulation 24E of the *Local Government (Functions and General) Regulations 1996*.

Example

An example of how the price preference policy works is as follows:

Quote Received	Price Received	Price Reduction 10%	Adjusted Price
Quote 1 – Mid West Supplier	\$100,000	\$10,000 (10% of \$100,000)	\$90,000
Quote 2 – Metropolitan Supplier	\$95,000	No preference is applicable	\$95,000
Quote 3 – Metropolitan Supplier that uses \$50,000 of local goods and services	\$97,500	\$5,000 (10% of local content i.e. \$50,000 is applied)	\$92,500

It can be seen from the above table that, in terms of price, the quote from the regional supplier is the most advantageous, once the preference has been applied.

## PURCHASING FROM WA DISABILITY ENTERPRISES

Pursuant to State Government policy, the Shire is encouraged to consider the option of purchasing goods and services from registered WA Disability Enterprises. This is contingent on the provision of fair value and quality.

### Application

The Shire is encouraged to invite relevant WA Disability Enterprises to respond to a Request for Quotation or Tender for goods or services. Determining the purchasing process to be followed is based on the actual or expected value of each purchase by the Local Government as outlined above in Section 5 (Purchasing Thresholds and Processes) of this Policy. There are seven (7) Disability Enterprises registered in Western Australia.

A complete list of approved organizations is available from the following website: [www.wade.org.au](http://www.wade.org.au)

*Note: Local Governments can also purchase from WA Disability Enterprises via WALGA Preferred Supply Contracts and State Government Common Use Arrangements (CUAs).*

**ADOPTION**

Adoption of this Purchasing Policy was endorsed by the Shire on:

Responsible Officer	Date	Signature
CEO		
President		

ADOPTED OCM	15/12/2007	RESOLUTION
AMENDED OCM	18/12/2015	
AMENDED OCM	19/12/2016	
REVIEWED OCM – Adjusted and formatted.	20/12/2018	

### 3.5 INVESTMENT POLICY

The purpose of this policy is to ensure Council conforms to its responsibilities under:

*Local Government Act 1995* – Section 6.14  
*The Trustees Act 1962* – Part III Investments

*Local Government (Financial Management) Regulations 1996* – Regulations 19, 28 and 49  
Australian Accounting Standards.

- a) That Council has in place a current set of policies and delegations for its Officer's responsible for the investment of Council held funds;
- b) Adherence to the guidelines and procedures outlined in this document by all officers with delegated authority to invest/control Council funds.

#### **Objective**

- a) Preservation of Capital;
- b) To take a conservative approach to investments, but with a focus to add value through a prudent investment of funds;
- c) To achieve an adequate level of diversification to spread risk;
- d) To achieve a high level of security;
- e) To have ready access to funds for day-to-day requirements;
- f) To ensure that surplus funds are invested appropriately and that appropriate records are kept.

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

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

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

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

#### **Legislative Requirements**

All investments are to comply with the following:

- a) Local Government Act 1995 (as amended) – Section 6.14;
- b) Trustees Act, 1962 – Part III Investments;
- c) Local Government (Financial Management) Regulations 1996 Regulation 19, Regulation 19C, Regulation 28 and Regulation 49; and
- d) Australian Accounting Standards.

#### **Delegated Authority**

- a) Officers authorized to make investment decisions and sign investment lodgments, withdrawals etc., are outlined below and must be named in Council's Delegated Authority Register;
- b) In case of annual leave or absence, the Chief Executive Officer may approve delegations

- for relieving persons, under advice to Council;
- c) Any investments made under delegated authority are to comply with the Authorized Investments List;
  - d) Decisions in excess of \$800,000 unauthorized investments or for terms > 12 months should be referred to Council.

### **Prudent Person Standard**

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

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

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

### **Approved Investments**

Without approval from Council, investments are limited to:

- a) State/Commonwealth Government Bonds with a term of maturity not exceeding three years;
- b) Fixed term deposits placed with an authorized institution\* for a term not exceeding 12 months; and
- c) Interest-bearing deposits placed with an authorized institution.

### **Prohibited Investments**

This Investment Policy prohibits any investment carried out for speculative purposes including:

- a) Derivative-based instruments;
- b) Principal-only investments or securities that provide potentially nil or negative cash flow; and
- c) Stand-alone securities issued that have underlying futures, options, forward contracts and swaps of anykind.

This policy also prohibits the use of leveraging (borrowing to invest) of an investment.

In accordance with the Local Government (Financial Management) Regulations 1996 Reg 19C, this policy also prohibits the following:

- a) Deposits with any institution other than an authorized institution\*;
- b) Deposits for a fixed term of more than 12 months;
- c) Investment in bonds that are not guaranteed by the Commonwealth Government, or a State or Territory government;
- d) Investment in bonds with a term to maturity of more than three years; and
- e) Investment in a foreign currency.

\*Authorized Institution as defined in the Bank Act 1959 (Commonwealth) section 5.

### **Risk Management Controls**

Risk Management Controls include:

- a) Delegated Authority to invest;
- b) Documented investment procedures;
- c) Investment Register to be maintained;
- d) Maturity of investments to be monitored at least monthly;



- e) Monthly statements to be received from counterparties;
- f) Monthly bank reconciliations to be prepared for each account;
- g) Monthly report to Council.

### Risk Management Guidelines

Investments obtained are to comply with three key criteria relating to:

- a) Portfolio Credit Framework: limit overall credit exposure of the portfolio;
- b) Counterparty Credit Framework: limit exposure to individual counterparties/institutions; and
- c) Term to maturity Framework: limits based upon maturity of securities.

Portfolio Credit Framework - limits overall credit exposure of the portfolio.

The following credit framework limits the percentage of the portfolio exposed to any particular credit rating category.

S&P Long Term Rating	S&P Short Term Rating	Direct Investment Maximum %
AAA	A-1+	100%
AA	A-1	100%
A	A-2	60%

Counterparty Credit Framework - limits exposure to individual counterparties/institutions.

S&P Long Term Rating	S&P Short Term Rating	Direct Investment Maximum %
AAA	A-1+	45%
AA	A-1	35%
A	A-2	20%

Term to Maturity Framework - limits based upon maturity of securities.

Overall Portfolio Term to Maturity Limits	
Portfolio % < 1 year	100% Max. And 40% Min.
Portfolio % 1-3 years	60%

### Investment Advisor

It may be appropriate to seek external advice from an investment advisor and if so this person must be:

- a) An independent person who has no conflict of interest in relation to investment products recommended,
- b) Approved by Council, and
- c) Licensed by the Australian Securities and Investment Commission.

### Reporting and Review

- a) Documentary evidence must be held on file for each investment and an investment register maintained by filing the monthly investment report to council in the Register;
- b) The investment policy will be reviewed annually or as required in the event of legislative changes;

- c) A monthly report must be provided to council detailing the investment portfolio. The monthly report shall include information about the term and the rate of return of each
- d) Investment;
- e) The annual financial report is to include information on earnings from investments as specified by Financial Management Regulation (FMR) 49.

**Liquidity**

- a) Liquidity ratio - at least 70% of total investment portfolio must be liquefiable within ten (10 days)
- b) Maturity and Cash flow to be monitored to ensure cash funds are available to meet commitments.

**Separate and Common Accounts**

- a) Separate accounts must be established the following purposes;
- b) Money required to be held in the municipal fund;
- c) Money required to be held in the trust fund; and Money required to hold in reserve accounts;
- d) Money required to be held in the trust fund; and Money required to be held in reserve accounts;
- e) Money from different accounts may be placed in a common account for investment purposes;
- f) Interest earned on each individual “Reserves/Restricted Assets” will be applied to that particular account.

ADOPTED OCM	15/12/2007	RESOLUTION
AMENDED OCM	18/12/2015	
AMENDED OCM	19/12/2016	
REVIEWED OCM – Adjusted and formatted.	20/12/2018	

### 3.6 COMMUNITY FUNDING POLICY

To provide an equitable, transparent framework for the allocation and distribution of community grants or donations.

This policy defines the rules in regards to the use of the Community Grants Funding (The Fund). This policy is separate to the funding that is provided through the Morawa Sinosteel Future Fund (Formerly the Community Development Fund).

The Shire of Morawa aims to foster inclusive local communities in its district through providing funding that will support eligible local individuals and community organizations or groups to either: undertake or participate in an event, activity or project.

A key part of this process is to provide a funding program through the Fund that both individuals and community organizations in the Morawa District can apply for each year.

#### **The funding can be used for:**

- a) Supporting local events, activities and projects that occur inside the Morawa District;
- b) Supporting individuals and community organizations to participate in events, activities and projects that occur outside of the Morawa District.

#### Community Grants Funding Budget Allocation (Available Funds)

The amount that the Shire will make available each year through the Budget for the Fund is a total of \$5,000.

#### Amount of Grant/Donation/Sponsorship Available

~~The Shire will award grants or donations or sponsorship from the Fund of up to a total of \$1,000 per annum per eligible application..~~ Moved to item 3.12 Donation.

#### Administration of the Application Process

Applications for the Fund are to be administered (executive authority to process and approve) by the CEO according to the following principles:

- a) Applications are open all year round with the Fund advertised each quarter;
- b) Applications are to be processed and approved or rejected according to the guidelines developed and administered by the CEO in accordance with this policy. Typically the guidelines will encapsulate:
  - c) The application criteria including the eligibility criteria;
  - d) The acquittal process;
  - e) A review mechanism for the guidelines.
- f) Once the funding pool of \$5,000 has been reached for each financial (budget) year, no other applications will be considered by the CEO;
- g) Applications that are in excess of the available funds may be presented to Council for consideration.

#### Eligible Application

- a) Applicant must be a local resident, community organization or group;
- b) Only one application can be received from an applicant each financial year.

#### **Responsible Officer**

Executive Manager Administration & Development

**Level of Review**

This policy is to be reviewed every two years

ADOPTED OCM	17/08/2017	RESOLUTION
AMENDED OCM – Adjusted and changed sentence highlighted	20/12/2018	
REVIEWED OCM		

### 3.7 CORPORATE CREDIT CARD

#### Objective

To provide Executive Staff with the flexibility to make purchases on behalf of Council, in accordance with budget provisions. The following are the guidelines for the use of the Council Credit Card:

- a) All Council Officers issued with a Corporate Credit Card shall sign a register acknowledging receipt of the card and the responsibilities associated with holding a Credit Card on behalf of Council;
- b) All credit card receipts are to be handed to the accounts department for reconciliation and allocation purposes;
- c) At the expiration of employment, the cardholder is to return their Corporate Credit Card to the CEO or Council;
- d) The card is not to be transferred to another user;
- e) Any lost or damaged Credit Cards must be reported immediately to the CEO or Council;
- f) Any purchase made must relate to expenditure on behalf of Council. No personal expenditure may be incurred;
- g) Any reward schemes associated with the holding of a Corporate Credit Card can only be redeemed for council benefit, not the individual.

The following indicates the authorised amount to use a Council provided Corporate Credit Card for fuel purchases and council approved expenditure limit for each executive Staff:

- a) Chief Executive Officer – a credit limit of \$10,000 monthly as approved by council;
- b) Executive Manager Corporate and Community Services – a credit limit of \$5,000 monthly as approved by council and the Chief Executive Officer;
- c) Executive Manager Development and Administration – a credit limit of \$5,000 monthly as approved by council and the Chief Executive Officer;
- d) Principal Works Supervisor – a credit limit of \$5,000 monthly as approved by council and the Chief Executive Officer

The Chief Executive Officer is to authorize the monthly purchases made on all Corporate Credit Card.

Failure to comply with the requirements of this policy may result in the cardholder losing their Corporate Credit Card or, in the event of a serious breach of policy, further disciplinary action.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

### **3.8 CORPORATE FUEL CARD**

This policy applies to all Shire employees and associated parties with Shire issued Fuel Cards. Employees driving a Shire supplied vehicle, where required will be issued with a Shire owned Fuel Card.

#### **Objective**

To provide an alternative mechanism for the purchase of fuel for Shire supplied vehicles and relevant associated parties (e.g. Bushfire Service), employees and associates are away from Morawa or on weekends. (Employees are required to fuel up at sites only accepting the Shire issued fuel Card).

#### **Procedure**

- a) To ensure that only goods and services obtained are paid for, disbursements have been made to the correct party and are properly classified and recorded in the financial records;
- b) To ensure that all fuel docketts not relating to the fuel card for the designated vehicle are to be forwarded onto Council's accounting staff in a timely manner;
- c) To ensure that all purchases made on Shire's Fuel Cards are correctly accounted and recorded;
- d) Ensure that the fuel cards are only used for Unleaded Fuel, Diesel or Gas.

As a minimum, employees must provide the following information to the console operator after fueling the vehicle:

- a) Card PIN number and or signature if required;
- b) If the Plant or Registration is not printed on the fuel docket the driver is required to write the information on the docket;
- c) The fuel card docketts must be sent to Shire's accounting staff in a timely manner (once a week) this is preferably the next working day. However, an acceptable time will be within 5 working days of returning to work;
- d) Fuel docket not relating to the designated vehicle should have the plant number written on it and be signed by the employee or associate using the vehicle;
- e) Accounting Staff will then verify that all fuel docketts have been received and will then process the fuel card statement for authorization by the Executive Manager Corporate & Community Services;
- f) The accounting staff will maintain a register of all employees and associates who have been issued with Shire Fuel Cards.

#### **Risk Management and Fraud Control**

- a) All employees issued with a fuel card will be required to sign a document acknowledging their compliance with the fuel card policy once adopted by Council;
- b) All employees must ensure that they adhere to the requirements of the policy. Otherwise they may forfeit the use of the Fuel Card;
- c) Employees are to use the fuel card for the purchase of fuel relating to Shire business and for authorized private usage;
- d) Annual reviews of the usage of the fuel card will be conducted by the Executive Manager Corporate & Community Services. A report will be submitted to the Executive Management Team as required detailing any issues on the use of the fuel cards;
- e) Where a card is lost, stolen or damaged the holder must notify the Executive Manager Corporate & Community Services immediately. Steps will then be taken to cancel the card and reissuing a new fuel card;
- f) Appropriate measures will be taken to ensure cardholders adherence to the Policy. These measures may include cancellation of the fuel card, or any other measures deemed necessary by the Chief Executive Officer. This could include disciplinary action;

- g) It is the responsibility of the cardholder to return the fuel card to the Finance department on resignation or termination from the Shire of Morawa. The Shire's Senior Finance Officer will follow up on any cards that are not returned;
- h) Other methods of payment, such as cash are only to be used in exceptional circumstances. An example of this is where there are no service stations that accept a Shire operated fuel card. The employee or associate must make every effort to seek out a service station that accepts a Shire operated fuel card;
- i) In the case of using cash to pay for fuel purchases, the reimbursement of the fuel payment must be authorized by the Executive Manager Corporate & Community Services or Chief Executive Officer.

**Acknowledgement and Acceptance of Conditions of Use of Fuel Card.**

Cardholders must ensure that:

- a) They have read and understand policy number "Fuel Card Usage Policy". It is essential that each cardholder understands his or her responsibilities in relation to the correct use of the card;
- b) Shire Fuel Card is maintained in a secure manner and guarded against improper use;
- c) Cards are only used for official business purposes and authorized private usage, as per Council's Policy;
- d) Cards are returned to the Senior Finance Officer upon resignation or termination of employment.

**Acceptance of conditions:**

I \_\_\_\_\_, acknowledge and accept the above conditions and the conditions written in the Fuel Card Usage Policy.

I have read and understand the correct procedures in the operation of the Shire Fuel Card.

Signature \_\_\_\_\_

Date \_\_\_\_\_

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

### 3.9 OUTSTANDING RATES & CHARGES – WRITE OFF/WAIVER OF SMALL BALANCES

#### Policy Statement

That Council delegate authority to the Chief Executive Officer to write-off outstanding balances on individual rate assessments of amounts not exceeding \$10.00.

The objective is to assist Finance and Administration staff in end-of-financial year procedures by the removal of small debtors' balances within Council's Rates Ledger.

The procedure is undertaken only at the end of each financial year. Every endeavor is made by the Rates department personnel to ensure that ratepayers meet their annual financial commitments in relation to all rates and charges levied on their property.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		



### 3.10 RATES DISCOUNT

#### Statement

That Council gives a rate discount for rates paid before the close of business on the due date, to provide an incentive for ratepayers to pay their rates in full by the due date.

A discount on rates will be given in the following circumstances:

- a) Payments by Cheque, cash or EFTPOS received and receipted before close of business on the due date; and
- b) All Electronic payments made before close of business on the due date.

Council sets the rate discount percentage when adopting Council's Annual Budget.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

### 3.11 BANK ACCOUNTS SIGNATURES & PAYMENTS

#### Objectives

To designate a hierarchy of signatories for Shire bank and investment accounts.

The Shire of Morawa shall maintain the following bank accounts:

- a) Municipal Account;
- b) Trust Account;
- c) Reserve Account;
- d) Investment accounts – where surplus funds and reserves are being held.

All transactions are to be authorized by two signatures, with at least one signatory being from an Authorized Primary Signatory. This includes payments by cheque, electronic funds transfer, transfers between accounts, payroll payments and investment of surplus and reserve funds.

Where an officer has been involved in the preparation of a payment batch, the payment will be approved by two other signatories.

#### Authorized and Secondary Signatories.

Authorized Primary signatories are the Chief Executive Officer, the Executive Manager Corporate and Community Services, the Executive Manager Development and Administration and the Shire President.

Authorized Secondary signatories are the Senior Finance Officer, the Finance Officer, and all elected members with the exception of the Shire President who is a Primary Signatory.

The Bank Account Signatory and Payment Policy will be reviewed at least annually and revised in the event of legislative changes.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

### 3.12 DONATIONS

Council may sponsor members of the community or provide financial assistance to community organizations for the provision of services that are of benefit to the community.

Requests for financial assistance will be invited in March and are to be in writing for consideration by Council duly budget deliberations.

Amount of Grant/Donation/Sponsorship Available

The Shire will award grants or donations or sponsorship from the Fund of up to a total of \$1,000 per annum per eligible application.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

### 3.13 SUNDRY DEBTORS RECOVERY

Recovery of sundry debtors is to follow the procedure:

- a) After 30 days from the raising of the invoice, a statement is to be issued;
- b) After 60 days from the issuing of the statement, a letter of demand for payment of debt in full within 21 days is to be issued;
- c) At the end of the 21 days, the Chief Executive Officer may authorize a Notice of Intent to Summons if the debt is not paid in full within 14 days;
- d) At the end of 14 days the Chief Executive Office may authorize the issue of a summons;
- e) The Chief Executive Officer is authorized to negotiate with debtors unable to pay sundry debts, an extension of time or a repayment plan. Where conditions of the extension are not complied with, the Chief Executive Officer is authorized to give 14 days' notice of intent to commence legal action and institute recovery proceedings.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

### 3.14 ASSET MANAGEMENT

#### Objective

To provide clear direction in the provision and management of all Shire of Morawa assets that ensures sustainable outcomes and appropriate levels of service, for present and future stakeholders.

The Shire of Morawa will undertake to provide the appropriate service levels for its assets, in a whole-of-life and economically, environmentally and socially sustainable manner. In providing and managing assets, the Shire will take into account an appropriate balance between service delivery, risk, reliability, safety and cost.

Budgeting priority will be given to the operation, maintenance and renewal of existing assets and services, and adequate resources will be provided to manage them in a cost effective manner.

This Policy applies to all physical assets and their components with a useful life of more than one year, and a replacement value of greater than \$1,000, which require management by the Shire.

Physical assets are:

- a) Land;
- b) Buildings;
- c) Infrastructure;
- d) Plant & equipment; and
- e) Cultural collections.

The Asset Life Cycle (Whole of Life) Lifecycle asset management involves the decisions made at each stage of an asset's life, from planning to disposal. The decisions made at one stage will affect the asset's performance in others.

ADOPTED OCM	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

### 3.15 FIXED ASSETS VALUATION, CAPITALISATION & DEPRECIATION

#### Objective

To meet legislative requirements with regard to valuation, capitalization and depreciation of fixed assets held by the Shire of Morawa.

The current written down values of non-current assets are to be recognized at Fair Value in line with AASB13 on a three year's revaluation cycle as per Local Government (Financial Management) Regulations 1996.

Assets with a value of over \$10,000 are to be capitalized and added to the asset register.

Where appropriate, assets valued at less than \$1,000 may be entered into an Inventory register for control purposes.

Asset depreciation rates are set by classification and are as follows:

- a) Land not depreciated Buildings 50 years 2.0%;
- b) Furniture and Equipment 10 years 10.0%;
- c) Computer & Electronic Equipment 3 years 33.0%;
- d) Plant and Equipment Earthmoving Plant 15 years 7.0%;
- e) Heavy Trucks 10 years 10.0%;
- f) Light and Heavy Trucks 8 years 12.5%;
- g) Sedans & Utilities 5 years 20.0%;
- h) Minor Miscellaneous Plant 3 years 33.0%;
- i) Sealed roads and streets clearing and earthworks (Formation) not depreciated construction/road base (Pavement) 40 years 2.5%;
- j) Original surfacing and major re-surfacing Seal) bituminous seals and 40 years 2.5%;
- k) Asphalt surfaces 40 years 2.5%;
- l) Gravel roads clearing and earthworks (Formation) not depreciated construction/road base (Pavement) 20 years 5.0%;
- m) Gravel sheet 20 years 5.0%;
- n) Formed roads (unsealed) clearing and earthworks (Formation) not depreciated construction/road base (Pavement) 50 years Footpaths - slab 40 years 2.5%;
- o) Bridges 60 years 1.7%;
- p) Drainage (Storm Water Channels) 40 years 2.5%.

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

The assets carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

When revalued assets are disposed of, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

ADOPTED OCM –	20/12/2018	RESOLUTION
New Policy		
AMENDED OCM		
REVIEWED OCM		

## 4.0 STAFF

### 4.1 STAFF HOUSING

Council shall determine, based upon the particular position and the various factors relevant at the time, whether housing is applicable to a certain position. Issues such as housing availability and the procurement of a local applicant can be determining factors.

Any staff member utilizing Shire provided housing is required to provide a \$1,000 bond to be used in the event of additional cleaning or maintenance (outside normal wear and tear) being required to a Shire owned or leased property at the time of the staff member's departure from the Shire of Morawa. Any preference as to the bond structure, (either cash and/or accrued leave entitlements) is to be at the discretion of the new staff member.

Telephone service will be provided at the residences occupied by the following officers in consideration of overtime worked:

- a) Chief Executive Officer
- b) Executive Manager Development and Administration
- c) Executive Manager Corporate and Community Services
- d) Principal Works Supervisor

The Shire will pay the telephone rental and all Shire related and reasonably incurred private calls upon the receipt of appropriate documentation.

The Shire will pay 70% of electricity and 100% of gas charges at the residences of the following officers in consideration of overtime worked:

- a) Chief Executive Officer
- b) Executive Manager Development and Administration
- c) Executive Manager Corporate and Community Services
- d) Principal Works Supervisor

The *Chief Executive Officer* is authorized to offer all new staff living in Shire housing the benefit where the Shire will pay up to 70% of power consumed. The benefit can be withdrawn by the Chief Executive Officer if the consumption is considered to be excessive.

#### **Morawa Shire Housing Rental Policy**

- a) Water Charges – all water charges are met by the Shire in consideration of occupiers undertaking reasonable garden maintenance;
- b) Equipment use – use of minor gardening equipment such as lawn mowers and whipper snippers is permitted by liaising with the Principal Works Supervisor. Normal mechanical checks to be undertaken prior to use (fuels & oils);
- c) Maintenance – minor maintenance items should be initially assessed by the tenant. Contact to be made with the Shire Office if a tradesman or major works are apparent;
- d) Gardens – the Shire will be responsible for replacement of native and existing plants. Direct purchased manure, fertilizer, seedlings and any annual or exotic plants remains the responsibility of the tenant. Approved reticulation systems are to be installed at the Shire's expense. Provision of top-dressing soil, mulch (if available) may be arranged through the Principal Works Supervisor at no cost;
- e) Presentation – property is to be kept in a neat and tidy condition at all times, including if the tenant is away. Arrangements for watering of gardens when away is the responsibility of the tenant;
- f) Wall Picture Hooks – permitted although use of existing hooks is requested where possible;
- g) Fixtures & Fittings – blinds and curtains will be replaced on a fair wear and tear basis at the

Shire's expense. If damaged occurs due to tenant misuse, the tenant will be responsible for repairs and/or replacement;

- h) Pets – pets are permitted. Any damage, wear and tear on carpets, gardens or furnishings remain the tenant responsibility if caused by the tenant's pets;
- i) Improvements – costs for minor improvements such as paving slabs, garden edging, fence painting or brickwork that will enhance the property asset may be met by the Shire. The works should be confirmed with the Chief Executive Officer prior to commencement;
- j) Gutters – cleaning of leaves from gutters is the responsibility of the tenant;
- k) Inspection – A member of Council and / or the Chief Executive Officer or the Deputy Chief Executive Officer be included in the six monthly housing inspections (with authorized notice) to liaise with tenants on maintenance, housekeeping and upgrade items. Inspections will occur at least biannually and on departure from each premise.

ADOPTED OCM	16/03/2000	RESOLUTION
AMENDED OCM	20/12/2007	
REVIEWED OCM	19/12/2016	
REVIEWED OCM – Adjusted and formatted. Senior title changed. From Manager Accounting & Finance to Executive Manager Corporate & Community Services	20/12/2018	



## 4.2 REMOVAL EXPENSES

The Shire of Morawa reimburses removal expenses up to a maximum of \$4,000,00. 25% following 3 month's satisfactory service, 25% following 6 months satisfactory service and 50% following 1 year service. This policy can be varied by agreement of the Chief Executive Officer if the removal costs are of a minor amount.

~~For Executive Managers, the amount to be reimbursed will be set by agreement with the Chief Executive Officer.~~

ADOPTED OCM	22/04/1999	RESOLUTION
AMENDED OCM	16/04/2003	
REVIEWED OCM	19/12/2016	
REVIEWED OCM – Adjustment. Last sentence removed	20/12/2018	

### 4.3 ROSTERED DAYS OFF

With the exception of the Executive Managers, it is the policy of the Shire of Morawa to provide staff with Rostered Days Off (RDO).

To obtain access to RDO's the staff member staff must commit to and undertake reasonable amounts of extra hours' work over and above the standard working hours relating to each staff member's paid employment.

All outside staff and the Principal Works Supervisor are able to accrue one day RDO for every nine days worked.

All remaining staff (excluding the Executive Managers) are able to accrue one day RDO for every nineteen days worked.

Staff are not permitted to accrue in excess of three days RDO. Once a three day accumulation is reached staff are unable to accrue any additional RDO time until the accrued balance falls below three days.

ADOPTED OCM	17/02/2005	RESOLUTION
AMENDED OCM	20/12/2007	
REVIEWED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## **4.4 DRUGS AND ALCOHOL**

### **Objective**

The Shire of Morawa is committed to safety as the major priority for all of its operations.

The objective of this policy is to implement a fair and proactive alcohol and other drugs screening program that will contribute to the safety and health of all staff, elected members, volunteers and contractors of the Shire.

The goal is to perform work in such a manner that the potential for injury is reduced.

It is the intention to create an environment where staff, elected members, volunteers and contractors recognize the health and safety risks of misusing alcohol and other drugs and thus provide an opportunity for them to obtain assistance to avoid such misuse.

### **The Shire of Morawa's Commitment**

The *Shire of Morawa* and its employees must take all reasonable care not to endanger the safety of themselves or others (including customers) in the workplace. Alcohol and other drug usage becomes an occupational safety and health issue if a worker's ability to exercise judgment, coordination, motor control, concentration and alertness at the workplace is impaired.

For the purposes of this policy, the term "employee/s" shall extend to cover contractors, volunteers and any person performing work for or with the *Shire of Morawa* in any capacity.

### **The Individual's Responsibility**

Under the *Occupational Safety and Health Act 1984* (the OSH Act), workers must take reasonable care of their own safety and health and not endanger the safety and health of others at the workplace. The consumption of alcohol and/or drugs while at work is unacceptable, except in relation to any authorized and responsible use of alcohol at workplace social functions. Employees are required to present themselves for work and remain, while at work, capable of performing their work duties safely. An employee who is under the influence of alcohol and/or drugs at the workplace, or is impaired, may face disciplinary action including possible termination of employment.

### **Reporting Requirements**

Employees must report to their employer any situation where they genuinely believe that an employee may be affected by alcohol and/or other drugs.

### **Drug Use on the Premises**

Employees who buy, take, or sell drugs on *Shire of Morawa* premises, may be found to have engaged in serious misconduct. Such behavior may result in disciplinary action up to and including dismissal. Employees who have been prescribed medication/drugs by a medical practitioner that could interfere with their ability to safely carry out their role must inform their manager or Human Resources and disclose any side effects that these medication/drugs may cause.

### **Consumption of Alcohol on the Premises**

Except in situations where the *Shire of Morawa* holds a function on the premises and alcohol is provided, employees must not bring in and/or consume alcohol in the workplace.

## **Drug/Alcohol Treatment Programs**

Where an employee acknowledges that they have an alcohol or drug problem and are receiving help and treatment, the Local Government will provide assistance to the employee:

- a) The Local Government will allow an employee to access any accrued personal or annual leave they are undergoing treatment;
- b) The Local Government will take steps to return an employee to their employment position after completion of the treatment program, if practicable in the circumstances;
- c) Where an employee acknowledges that they have an alcohol or drug problem and are receiving help and treatment, the line manager or members of senior management, will review the full circumstances and agree on a course of action to be taken;
- d) This may include redeployment to suitable alternative employment, or possible termination from employment if the employee is unable to safely carry out the requirements of their role.

## **Managers' Responsibilities - Consumption of Alcohol at Work Sponsored Functions**

Team managers shall:

- a) Encourage their people to make alternative arrangements for transport to and from work prior to the function;
- b) Ensure that the following is made available: - Low alcohol beer, soft drinks and water - Beverages: Tea, Coffee and Food;
- c) If the manager believes a person may be over the BAC 0.05 limit, assist the person with safe transport home (including contacting a family member or arranging a taxi); and
- d) If the manager has to leave the function early, appoint a delegate to oversee the rest of the function.

## **Pre-Employment Medical Tests**

As part of the recruitment selection criteria, preferred candidates for employment positions may be required to attend a medical assessment which includes drug and alcohol testing.

## **Identification of Impairment & Testing**

If the *Shire of Morawa* has reasonable grounds to believe that an employee is affected by drugs and/or alcohol it will take steps to address the issue.

Reasonable grounds may include (but are not limited to), where an employee's coordination appears affected, has red or bloodshot eyes or dilated pupils, smells of alcohol, acts contrary to their normal behavior, or otherwise appears to be affected by drugs and/or alcohol.

If the *Shire of Morawa* suspects that an employee is under the influence of drugs and/or alcohol it may pursue any or all of the following actions:

- a) Direct an employee to attend a medical practitioner and submit to a medical assessment to determine whether the employee is fit to safely perform their duties;
- b) Require that an employee undergo drug and alcohol testing administered by a representative of the *Shire of Morawa*;
- c) Direct an employee to go home.

A medical assessment may include a drug and/or alcohol test. Testing shall be conducted in accordance with the Australian Standard AS/NZS 4308:2008 - Procedures for specimen collection and the detection and quantitation of drugs of abuse in urine.

In circumstances where an employee indicates the consumption of prescription or pharmacy

drugs, the *Shire of Morawa* may request further information from the medical practitioner conducting the assessment about the effects and proper usage of the prescription or pharmacy drugs being taken. The *Shire of Morawa* may direct the employee to go home following the medical assessment until it can be established that they are fit to undertake their duties.

If an employee refuses to attend a medical examination or refuses to submit to an alcohol or drug test, the employee will be immediately directed to go home. Refusal to attend a medical assessment or refusal to go home constitutes a breach of this policy and may result in disciplinary action being taken against the employee up to and including the termination of employment.

The following steps are to be taken where an employee who has submitted to a medical assessment returns a positive test result for alcohol and/or drugs:

- a) The employee tested and the supervisor (or respective employer) will be informed of the result;
- b) A disciplinary discussion will take place in accordance with the disciplinary policies and procedures of the *Shire of Morawa*.

An employee who returns a positive test will be in breach of this policy. A breach of this policy may result in disciplinary action being taken against the employee up to an including the termination of employment.

### **Education, Training & Awareness**

Employees who recognize that they have a drink or drug problem, or that they are at risk of developing one, are encouraged to come forward so that they can be assisted to the get the appropriate help.

The *Shire of Morawa* engages the services of an external Employee Assistance Provider who can provide the organization's people with free and confidential counselling.

### **Consequences of Breaching this Policy**

An employee engaged by the *Shire of Morawa* who breaches the provisions of this policy may face disciplinary action including possible termination of employment.

### **Variation to this Policy**

This policy may be cancelled or varied from time to time. All the organisation's employees will be notified of any variation to this policy by the normal correspondence method.

### ~~Related Corporate Documents~~

~~Disciplinary Policy  
Grievances, Investigations, & Resolutions Procedure (where applicable)~~

~~Policy Number~~

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~~Policy Version~~

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~~Policy Owners~~

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~~Creation Date~~

Next Review Due

~~This policy should be reviewed every 2 years, or more often where circumstances require.~~

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**Acknowledgement**

I \_\_\_\_\_ acknowledge that I have received read the Drugs and Alcohol Policy for the Shire of Morawa and understand that this document describes the conduct and behavior expected of me in my role as a staff member or contractor of the Shire of Morawa.

Signature \_\_\_\_\_

Witness Signature \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

ADOPTED OCM	18/02/2016	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM – Adjustment. Related Documents item removed.	20/12/2018	

## 4.5 PERSONAL PROFESSIONAL DEVELOPMENT

The Shire of Morawa is committed to the personal development of its staff and encourages staff to undertake formal study.

The Shire recognizes that staff who undergo formal study will be of benefit to the Shire's development as well as increasing the staff knowledge and expanding their career prospects. As part of the Shire's pledge to support their staff, this policy has been put in place, to provide a fair system suitable to both staff and the Shire of Morawa's needs.

Council will provide a budget for the purposes of formal external study to the value of \$10,000.00. This figure will be reviewed annually.

The review process will include the Chief Executive Officer requesting an expression of interest from staff, held in March, as part of the budget preparation. Staff members will be required to show their intention of commencing or continuing study and provide an estimate on the cost involved.

A budget figure will be presented to Council as a result of the information sourced from the staff. The allocation of the adopted budget to staff is based on a first- in first- served basis, with each staff member initially allowed to undertake one unit at a time. However, should the budget allow, staff members may be able to claim more than one unit. Approval to do so will be at the discretion of the Chief Executive Officer.

Staff can claim 50% of the cost associated with their studies upon enrolment for the required unit. The remaining 50% may be claimed from the Shire upon successful completion of the unit. Cost associated refers to the enrolment and purchase of required course textbooks and materials.

Staff who fail a unit that the Shire has paid the first 50% for will be required to reimburse the Shire, unless they re-enroll within 6 months. Any costs associated with the re-enrolment will be at the expense of the staff member. Staff who have re-enrolled and successfully pass the unit, are still able to claim the remaining 50%. The amount will not include any costs associated with there-enrolment.

If a staff member fails a second time when attempting the unit, the staff member is required to reimburse all of the Shire's expense for that unit.

Applicants must be employed by the Shire for a minimum of three months. The Chief Executive Officer may use his/her discretion and approve a staff member with less than three month's tenure under exceptional circumstances.

Study undertaken must have a degree of relevance to the position held currently within the Shire. Courses must be provided by an accredited educational facility such as TAFE or a University.

The Shire will allow paid study time at the discretion of the Chief Executive Officer.

Other conference and training expenses by elected members and/or staff are to be within normal approved budget allocation, and limited to registration, accommodation and meals for authorized attendees and their partners.

ADOPTED OCM	16/12/2004	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## 4.6 CORPORATE UNIFORMS

The Shire of Morawa supports the wearing of a corporate uniform for administrative staff. In line with this, the Shire will purchase clothing to the value of the annual allocation as outlined below. Any purchase over the annual allocation amount is to be reimbursed by staff. It is permitted that this be done by way of salary deduction arrangements.

Chief Executive Officer	As per Contract
Executive Managers	As per Contract
Office Staff	\$300
Principal Works Supervisor	\$500
Swimming Pool Manager	\$300

ADOPTED OCM	21/04/1994	RESOLUTION
AMENDED OCM	20/12/2007	
REVIEWED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	



## 4.7 OCCUPATIONAL HEALTH AND SAFETY

### Objective

The Shire of Morawa (“the Shire”) is committed to providing a safe and healthy workplace for employees, contractors, elected members, visitors, volunteers and any other person whose health or safety could be affected. The Shire has a legislated “duty of care” to provide a safe and healthy workplace.

### Policy Statement

Our goal of zero injuries and illnesses may be reached through a strong commitment from management and involvement of our employees and relevant others at all levels.

Our performance continually improves through:

- a) Achieving compliance with all relevant legislation, standards and codes of practice and exceeding these where possible whilst maintaining a practical approach to all tasks;
- b) Effective communications systems, including a proactive approach to front line management;
- c) Continued focus on compliance through a consultative and cooperative approach;
- d) Identifying and assessing health and safety risks, implementation of controls and monitoring for continuous improvement through an effective management system;
- e) Setting achievable targets and objectives, assessing training needs and providing various other levels of support for employees;
- f) Ensuring employees at all levels understand, accept and are held accountable for breaches of health and safety;
- g) Engaging competent employees and contractors who can preferably demonstrate a commitment to safety management systems which meets or exceeds the Shire’s standards.

The Shire accepts responsibility for the development, implementation and maintenance of its health and safety (OHS) management system. Adequate resources shall be provided by the Shire to enable satisfactory implementation of all policies and procedures.

The Shire shall continue to actively encourage a positive OHS culture through open communication and consultation with employees, contractors and others.

Any person acting under the direction of the Shire is expected to comply with all requirements contained in any OHS related procedure.

This policy applies to the Shire of Morawa employees, volunteers, elected members and contractors when acting for or on behalf of the Shire of Morawa.

### Legislative and Strategic Context

Act	Occupational Safety & Health Act 1984
Regulations	Occupational Safety & Health Regulations 1996
State Policy/Guideline/Standard	Western Australian Worker’s Compensation and Rehabilitation Act
Link to Strategic Community Plan	4.3 – A Local Government that is Respected, professional and accountable

## Associated Documents

### Internal:

Accident/Incident Report Form  
Contractor/Employee Induction  
Injury Management Procedure  
Safe work Method Statements, relevant to work practices

### External:

Australian Standards, relevant to work areas and work practices  
Codes of Practice, relevant to work areas and work practices  
WorkCover 2B Workers Compensation form.

## Version Control

Revision Date: This policy is to be reviewed every two years.

Responsible Officer: Executive Manager Development and Administration.

### Revision History:

Version	Author	Version Description	Date Completed
1.0	EMDA	Council adoption reference: 7.2.3.1 OCM: 15 February 2018 Resolution: 180217	27 March 2018

ADOPTED OCM	20/12/2007	RESOLUTION
AMENDED OCM	20/12/2018	
REVIEWED OCM		

## 4.8 DISCIPLINARY POLICY

### Objective

The Shire of Morawa may from time to time consider that issues of employee behavior, misconduct or unacceptable performance levels require disciplinary action.

This policy applies to all employees who work at the Shire of Morawa including contractors, volunteers and any person performing work for or with the Shire of Morawa in any capacity.

The Shire of Morawa is committed to providing the best possible service and ensuring its employees perform and conduct themselves in accordance with Shire of Morawa policies, procedures and guidelines (Policies). Any disciplinary procedure will be applied in a consistent, fair and objective manner, and it will ensure that, where reasonable, employees are given an opportunity and assistance to improve.

### Authority to take Disciplinary Action

Disciplinary action may only be taken when authorised by the Chief Executive Officer or Executive Managers. This is to be done only after consultation with Human Resources.

### When the Disciplinary Policy Applies

Some examples of when this policy may be invoked include breaches of Shire of Morawa policy and procedures including, but not limited to:

- a) Breaches of the Code of Conduct such as failing to disclose a conflict of interest, or accepting a prohibited gift; or
- b) Poor performance such as frequently attending for work late or producing a poor quality of work; or
- c) Inappropriate personal behaviour such as theft, violating the Discrimination, Harassment and Bullying Policy, or wilfully disobeying a lawful instruction.

### General Disciplinary Principles

The following principles will apply to any disciplinary action taken:

- a) Nature of allegation and investigation: Before formal disciplinary action is taken against an employee, the nature of the allegations made against an employee will be put to the employee and an investigation may ensue, in accordance with the Grievances, Investigations & Resolution Policy and Procedure;
- b) Right to a support person: Where an employee is required to attend a formal meeting regarding a disciplinary matter or procedure, the employee may be accompanied by a support person where practicable. The role of a support person is not to advocate on behalf of anyone, but to simply provide emotional or other support;
- c) Confidential: All parties must keep matters related to a disciplinary process confidential;
- d) Fair and impartial: The Shire of Morawa strives to keep the disciplinary process fair and impartial, meaning that all parties involved will have an opportunity to put their case forward and be given an opportunity to respond.

### Serious Misconduct

Serious misconduct pursuant to the *Fair Work Regulations 2009 (Cth)* includes, but is not limited to:

- a) Wilful or deliberate behaviour by an employee that is inconsistent with the continuation of the contract of employment;
- b) Conduct that causes serious and imminent risk to:

- c) The health or safety of a person; or
- d) The reputation, viability or profitability of the Shire of Morawa's organisation;
- e) The employee, in the course of the employee's employment, engaging in:
- f) Theft; or
- g) Fraud; or
- h) Assault;
- i) The employee being intoxicated at work; or
- j) The employee refusing to carry out a lawful and reasonable instruction that is consistent with the employee's contract of employment.

If an employee engages in serious misconduct, disciplinary action that may be taken includes, but is not limited to, summary dismissal (termination of employment without notice).

### **Other Disciplinary Action**

With the exception of serious misconduct, where an employee has engaged in an act or omission which is inconsistent with any of the Shire of Morawa's Policies, the employee could be disciplined as follows:

- a) Verbal warning – Where an employee engages in an act or omission which is inconsistent with the Policies, management has the discretion to issue the employee with a verbal warning. The verbal warning should be noted in a file note and placed on the employee's personnel file.
- b) Written warning – If the employee engages in a more serious act or omission, or acts in a manner which is inconsistent with the Policies, management has the discretion to issue the employee with a written warning. The employee must be given a copy of the written warning.
- c) Termination of employment with notice – In cases other than summary dismissal, an employee's employment may be terminated with notice or payment in lieu of notice provided the Shire of Morawa has a valid reason for terminating the employee's employment and the employee has an opportunity to respond to the reasons for termination.

Whenever an employee is required to attend a meeting regarding a disciplinary issue, the employee may have a support person present where practicable. The type of disciplinary action taken against an employee is at the Shire of Morawa's discretion and the type of disciplinary action will depend on the seriousness and frequency of any misconduct or performance issue.

### **Principles to be Applied**

Where disciplinary action is taken, the principles of procedural fairness must prevail. These principles are expanded on in the Shire of Morawa's Grievances, Investigations, and Resolutions Procedure.

### **Investigation Procedures for Alleged Misconduct**

Investigations into alleged misconduct should follow the processes detailed in the Shire of Morawa's Grievances, Investigations, and Resolutions Policy and Procedure.

### **Reporting Obligations**

If an officer or employee of the Shire of Morawa has reporting obligations pursuant to the *Corruption and Crime Commission Act 2003 (WA)* and suspects on reasonable grounds that a matter arises which concerns or may concern misconduct, the Corruption and Crime Commission must be notified of that matter as soon as reasonably practicable.

Employees must also be aware of and adhere to any obligations pursuant to the *Public Interest Disclosure Act 2003 (WA)*.

## Variation to this Policy

This policy may be cancelled or varied from time to time. All the organisation's employees will be notified of any variation to this policy by the normal correspondence method.

### ~~Related Corporate Documents~~

#### ~~Code of Conduct~~

~~Policy Number~~

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~~Policy Version~~

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~~Policy Owners~~

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~~Creation Date~~

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~~Next Review Due~~

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ADOPTED OCM	20/12/2012	RESOLUTION
AMENDED OCM – Adjustment. Table highlighted. No longer required.	20/12/2018	
REVIEWED OCM		

## 4.9 DISCRIMINATION HARASSMENT & BULLYING

### Objective

The Shire of Morawa and its employees are committed to providing a working environment where every employee is treated equally, fairly and without prejudice. For the purposes of this policy the term “employee/s” will extend to cover contractors, volunteers and any person performing work for or with the Shire of Morawa in any capacity.

An employee is directly discriminated against if they are treated less favorably than another person in the same or similar circumstance, because of any one of the grounds of discrimination outlined below. Indirect discrimination can occur where a practice or requirement is imposed upon all employees; however a high proportion of employees with an attribute cannot comply with, or are affected by, that practice or requirement. The Shire of Morawa acknowledges its responsibilities and obligations pursuant to State and Federal equal opportunity and anti-discrimination laws.

The Shire of Morawa and its employees acknowledge they are subject to State and Federal equal opportunity and anti-discrimination legislation. The following is a non-exhaustive list of the grounds of discrimination for which it is unlawful to discriminate against an individual:

- a) Age;
- b) Family responsibility or status;
- c) Race or colour;
- d) Sex including gender identity, sexual orientation and intersex status;
- e) Physical or mental disability;
- f) Marital status;
- g) Political or religious conviction;
- h) Pregnancy;
- i) Criminal record;
- j) Breastfeeding;
- k) Gender history;
- l) Impairment;
- m) National extraction or social origin; and
- n) Trade union activity

### Sexual Harassment

The *Equal Opportunity Act 1984 (WA)* and the *Sex Discrimination Act 1984 (Cth)* provide that it is unlawful to engage in sexual harassment. Sexual harassment can be defined as any unwelcome conduct of a sexual nature, such as an unwelcome sexual advance or an unwelcome request for sexual favors, in circumstances in which a reasonable person would anticipate that the person harassed would be offended, humiliated or intimidated.

Some examples of sexual harassment include, but are not limited to:

- a) Physical contact (touching, rubbing, patting, embracing, brushing up against etc.);
- b) Gestures of a sexual nature;
- c) Leering or staring;
- d) Offensive telephone calls, emails, text messages or notes;
- e) Sexual suggestive jokes or comments;
- f) Tales of sexual exploits;
- g) Repeated requests for a date;
- h) Unwelcome comments or questions about a person's sex life, appearance or dress; and
- i) Sexually graphic material (poster, calendars, cartoons, graffiti, messages, emails).

## **Bullying**

Bullying is defined as repeated and unreasonable behavior directed towards an employee or a group of employees that creates a risk to health and safety. Unreasonable behaviour amounts to behaviour that a reasonable person in the circumstances would see as unreasonable including behaviour that is victimizing, humiliating, intimidating or threatening.

Bullying is also unlawful under the *Occupational Safety and Health Act 1984 (WA)* and the *Occupational Safety and Health Regulations 1996 (WA)*.

### **Some examples of bullying include, but are not limited to:**

- a) Loud, abusive or offensive language or comments;
- b) Yelling and screaming;
- c) Unjustified criticism and insults;
- d) Unjustified threats of dismissal or other disciplinary action;
- e) Acts of sabotaging another's work by withholding information which is required to fulfil tasks;
- f) Spreading malicious rumors or misinformation;
- g) Inappropriate comments about an employee's appearance, lifestyle of family;
- h) Deliberately excluding an employee from workplace meetings or activities;
- i) Hiding documents or equipment or withholding vital information required for effective work performance;
- j) Constantly changing targets or work guidelines;
- k) Overloading an employee with work and impossible deadlines;
- l) Setting tasks that are unreasonably below or beyond an employee's level of skill;
- m) Threats of assault or violence or actual violence;
- n) Teasing and practical jokes; and
- o) Isolating or ignoring an employee on a constant basis.

Where an employee makes a threat of violence or assaults another employee, the police should be called.

### **Reasonable Management Action**

The Shire of Morawa has a right to take reasonable management action to direct the way in which work is conducted and to give employees lawful and reasonable directions to complete work in a certain manner. Reasonable management action is not workplace bullying.

### **Some examples of reasonable management action include, but are not limited to:**

- a) The establishment and regular use of performance management systems;
- b) The setting of reasonable performance targets and deadlines;
- c) Providing employees with constructive feedback or counselling to assist workers to improve their work performance or the standard of their behaviour;
- d) Issuing a lawful and reasonable direction to an employee to complete a work task;
- e) Preparing and amending a roster for employees;
- f) Transferring an employee to a different work location for operational reasons;
- g) Implementing organizational change;
- h) Informing an employee about inappropriate behaviour in a confidential manner; and
- i) Taking disciplinary action against an employee.

### **Other Behaviours not considered to be Bullying**

Where two or more employees have a difference of opinion and disagree on an issue, this is not usually considered to be workplace bullying. However, where conflict escalates and is repeated, it may meet the definition of workplace bullying.

Additionally bullying does not occur where bullying behaviour is a one off occurrence and if that behaviour does not create a risk to health or safety,

## **What are the Ways in which Bullying can occur?**

There are a variety of ways bullying behaviour can occur in the workplace such as verbally, through email or text message or via social media. Bullying can be directed at an individual employee or a group of employees, and can be carried out by one or more employees. Bullying can occur between employees, downwards from managers to employees or upwards from employees to supervisors or managers.

## **What to do if you think you are being discriminated Against, Sexually Harassed or Bullied?**

Refer to the Grievance Policy and Grievance Procedure for steps to take if you think you are being discriminated against, sexually harassed or bullied, or if you suspect another employee is experiencing any of those things.

## ***Roles & Responsibilities***

To ensure the intent of this policy is realized, various roles within the Shire of Morawa must assume certain responsibilities.

### **The Employer**

The Shire of Morawa will endeavor to:

- a) Provide all workplace participants with a workplace free from discrimination, sexual harassment and bullying;
- b) Provide and maintain safe systems of work;
- c) Provide a fair and effective procedure to investigate and resolve complaints of sexual harassment, discrimination and bullying;
- d) Treat all employees fairly; and
- e) Take suitable disciplinary action against any employee who is found to have sexually harassed, discriminated, bullied or victimized another employee.

### **All the Organization's Employees**

Employees are required to:

- a) Report any incidents of sexual harassment, discrimination or bullying they may see happening around them to an appropriate manager or supervisor;
- b) Follow all policies and procedures of the Shire of Morawa;
- c) Ensure they do not victimize any person making a complaint of sexual harassment, discrimination or bullying; and
- d) Treat all employees fairly and with respect.

### **Support**

The Shire of Morawa engages the services of an external Employee Assistance Provider who can provide employees with confidential counselling. Please see Human Resources for details of the Employee Assistance Provider.

### **Consequences of Breaching This Policy**

Any breach of this policy, may result in disciplinary action up to and including termination of employment.



### Variation to This Policy

This policy may be cancelled or varied from time to time. All the Shire of Morawa’s employees will be notified of any variation to this policy by the normal correspondence method.

Related Corporate Documents:

Grievance Policy

Grievance Procedure

Policy  
Number

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Policy  
Version

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Policy  
Owners

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Creation Date

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Next Review Due                      This policy should be reviewed every 12 months (annually), or more often where circumstances require.


ADOPTED OCM	20/12/2003	RESOLUTION
AMENDED OCM	20/12/2018	
REVIEWED OCM		

## 4.10 GRIEVANCES, INVESTIGATIONS & RESOLUTION POLICY

### Objective

All employees have a right to express any genuine grievances or complaints via an impartial internal process. All employees involved in a grievance process are expected to participate in good faith. For the purposes of this policy, the term “employee/s” will extend to cover contractors, volunteers and any person performing work for or with the Shire of Morawa in any capacity.

### Complainant

A employee who raises a complaint about a matter regarding the workplace.

### Respondent

An employee who is alleged to have acted in a manner which caused the complainant to raise a complaint.

### Support Person

A Complainant and/or a Respondent may choose to bring a Support Person with them to a meeting, where practicable. The role of a Support Person is not to advocate on behalf of anyone, but to simply provide emotional support.

### Witness

A person (including an employee) who is requested by the Local Government to assist the process by providing relevant information regarding the complaint.

### What to do if you have a Complaint?

If an employee (Complainant) is the victim of behaviour of another employee (Respondent) which is inconsistent with the Local Government’s policies, procedures or guidelines (Policies), the Complainant should, where reasonable or practicable, first approach the Respondent for an informal discussion.

If the nature of the complaint is deemed to be sufficiently serious, the complainant should contact their Manager or Human Resources directly.

If the inappropriate behaviour continues, the Complainant is encouraged to make a formal complaint to their direct manager. If the direct manager is the Respondent in the matter or if the employee feels uncomfortable approaching their manager, the Complainant should approach the Human Resources Manager.

The employee who receives the complaint must contact Human Resources and decide upon the most appropriate way to take the matter forward, whether it is an informal discussion with the Complainant and/or the Respondent, or the commencement of a formal investigation of the complaint.

### Key Principles in the Complaint Resolution Process

The following principles are necessary for the fair investigation and resolution of a complaint:

- a) **Confidential** – Only the employees directly investigating or addressing the complaint will have access to the information about the complaint. The Shire of Morawa may inform or appoint a third party to investigate or advise on the investigation. All parties involved in dealing with a complaint are required to keep the matter confidential. Information will only be placed on an employee’s personal file if they are disciplined as a result of the complaint;
- b) **Impartial** (fair/unbiased) – Both parties will have an opportunity to put their case forward. No assumptions are made and no action will be taken until available and relevant information has been collected and considered;

- c) **Sensitive** – The employees who assist in responding to complaints should be specifically trained or equipped to treat all complaints sensitively and ensure the process is free of coercion or intimidation;
- d) **Timely** – The Shire of Morawa aims to deal with all complaints as quickly as possible and in accordance with any legislative requirements;
- e) **Documented** – All complaints and investigations must be documented. In formal grievance processes, records must be kept of all documents collected and/or drafted as part of that process. For more informal processes, a file note or note in a diary may be sufficient;
- f) **Natural Justice** – The principles of natural justice provide that:
  - A Respondent against whom allegations are made as part of a grievance process has the right to respond to the allegations before any determination is made;
  - A Respondent against whom an allegation is made has the right to be told (where possible and appropriate) who made the allegation;
  - Anyone involved in the investigation should be unbiased and declare any conflict of interest;
  - Decisions must be based on objective considerations and substantiated facts; and
  - The Complainant and the Respondent have the right to have a support person present at any meetings where practicable.
- g) **Procedural Fairness** – The principles of procedural fairness provide that:
  - the Respondent is advised of the details (as precisely and specifically as possible) of any allegations when reasonably practicable;
  - A Respondent is entitled to receive verbal or written communication from the Shire of Morawa of the potential consequences of given forms of conduct, as applicable to the situation;
  - The Respondent is given an opportunity to respond to any allegations made against them by a Complainant;
  - Any mitigating circumstances presented to the Shire of Morawa through the grievance process are investigated and considered;
  - the Respondent has the right to have an appropriate support person present during any inquiry or investigation process where practicable or necessary;
  - any witnesses who can reasonably be expected to help with any inquiry or investigation process should be interviewed; and
  - All interviews of witnesses are conducted separately and confidentially.

### **Outcome of Making a Complaint**

If a complaint is substantiated, there are a number of possible outcomes. If the complaint involves a performance issue, the manager of the Respondent may commence a formal or informal performance management process with the Respondent or elect to discipline the Respondent in accordance with the Disciplinary Policy.

If the complaint involves a breach of a Policy or any other behaviour that is inconsistent with the employment relationship, the manager of the Respondent, in consultation with Human Resources, may elect to discipline the Respondent in accordance with the Disciplinary Policy.

### **Vexatious or Malicious Complaints**

Where a Complainant has deliberately made a vexatious or malicious complaint that Complainant may be subject to disciplinary action, including but not limited to, termination of employment.

### **Victimization of Complainant**

A Complainant must not be victimized by the Respondent or any other employee of the Shire of Morawa for making a complaint. Anyone responsible for victimizing a Complainant may be subject to disciplinary action, including but not limited to, termination of employment.

### Variation to This Policy

This policy may be cancelled or varied from time to time. All the Shire of Morawa's employees will be notified of any variation to this policy by the normal correspondence method.

Related Corporate Documents  
Discrimination, Harassment & Bullying Policy  
Code of Conduct  
EEO Policy

Policy Number

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Policy Version

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Policy Owners

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Creation Date

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Next Review Due

This policy should be reviewed every 12 months (annually), or more often where circumstances require.

ADOPTED OCM	20/12/2003	RESOLUTION
REVIEWED OCM	20/12/2018	
REVIEWED OCM		

## 4.11 PERFORMANCE MANAGEMENT POLICY

### Objective

This policy applies to all employees at the Shire of Morawa, where unsatisfactory performance is identified. This policy applies outside of the annual performance review process and can be introduced at any time when unsatisfactory performance is identified.

Key Performance Indicators	The parties acknowledge key performance indicators as a means of measuring what has been achieved and the need for any further improvements.
Performance Management	Performance management is a cyclical process that aims to: a) Achieve a shared understanding of organizational and job goals; and b) Demonstrate how clear objectives and standards of behaviour enable the achievement of such goals.

This policy has been designed to ensure that supervisors and employees are supported by a clear framework for identifying, managing and documenting instances of unsatisfactory performance, in a manner that is consistent with the principles of natural justice and procedural fairness.

### Identification of Unsatisfactory Performance

In considering whether an employee's performance is unsatisfactory, supervisors should ensure the expectations of performance are reasonable and are consistent with the:

- a) Position Description for the role;
- b) employee's key performance indicators;
- c) requirements of the relevant classification under the [Local Government Industry Award 2010/insert relevant classification system being used]; and
- d) Shire of Morawa's required standards.

### Responsibilities

It is agreed that as part of any performance management process, the responsibilities of those involved will be as outlined below:

#### Employee

- a) Actively participate in the performance management process;
- b) Meet the performance expectations outlined by the Shire of Morawa;
- c) Report immediately to the line manager any circumstances that may impact on the employee's ability to meet the performance expectations;
- d) Contribute to the development of the Performance Improvement Plan and actively participate in the review meetings.

#### Line Manager

- a) Actively participate in the performance management process;
- b) Conduct regular review meetings for the duration of the performance management process;
- c) Document progress in a Performance Improvement Plan;
- d) Provide honest, constructive, timely feedback and reasonable support on an ongoing basis;
- e) Identify and provide reasonable support to the employee to achieve the performance expectations;
- f) Ensure the process identified in this document is adhered to in accordance with the principles

- of natural justice;
- g) Address any issues that arise through this process with the relevant employee.

## Human Resources

Provide support and guidance on the policy to line managers.

### **Process**

It is the responsibility of line managers to provide continual feedback on an employee's performance and any unsatisfactory performance. This should be done so informally on a continual basis. Should the informal process not sufficiently address the unsatisfactory performance the following process will apply.

- 1) Where unsatisfactory performance is identified, the line manager will identify and document what specific performance is unsatisfactory. The line manager will then discuss the unsatisfactory performance with Human Resources to determine whether it warrants formal action;
- 2) The line manager will invite the employee to a meeting to outline the specific performance concerns and give the employee an opportunity to respond. If the employee can provide an explanation or reasonable mitigating circumstances for the unsatisfactory performance, this may end the performance management process. If not, the process will continue;
- 3) The line manager will confirm in writing to the employee that they are under formal performance management;
- 4) The line manager will meet again with the employee to determine a written Performance Improvement Plan. The Plan will provide an opportunity for the employee to address their unsatisfactory performance and allow the parties to plan how to bring the performance of the employee up to the required level. In creating the Plan, consideration should be given to what support mechanisms are required for the employee to improve their performance to the required level. Examples of support mechanisms include, but are not limited to:
  - a) Coaching and mentoring;
  - b) Attendance at a training course or workshop; or
  - c) An arrangement for time off work and/or the provision of the details of the Employee Assistance Provider where the employee advises that personal events/issues are affecting their performance;
  - d) The line manager will establish reasonable timeframes, which generally would not exceed six months from the date of the performance management commences, for the employee to achieve the required levels of performance;
  - e) The line manager and employee will meet on a regular basis to review the Performance Improvement Plan and assess if the employee is meeting the required performance standards;
  - f) At the expiration of the timeframes set by the line manager, a review meeting will be held with the employee to assess whether the employee has achieved the required levels of performance.

If the employee has achieved the required levels of performance, the performance management process will cease.

If the performance of the employee is still unsatisfactory, then disciplinary action may be taken. This disciplinary action may include termination of employment.

At any stage of the performance management process, should the actions or unsatisfactory performance of the employee be considered sufficiently serious, disciplinary action may be taken without completing the entire Performance Improvement Plan.

## Disciplinary Action

At any stage of the performance management process, disciplinary action may be taken.

## Confidentiality

The parties to the performance management process will:

- a) Maintain confidentiality throughout the performance management process; and
- b) Keep documentation produced during the performance and unsatisfactory performance process secure as part of official Shire of Morawa records.

## Variation to this Policy

This policy may be cancelled or varied from time to time. All the Shire of Morawa's employees will be notified of any variation to this policy by the normal correspondence method.

### *Related Corporate Documents*

Policy Number

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Policy Version

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Policy Owners

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Creation Date

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Next Review Due

This policy should be reviewed every 12 months (annually), or more often where circumstances require.

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ADOPTED OCM	20/12/2003	RESOLUTION
REVIEWED OCM	20/12/2018	
REVIEWED OCM		

## 4.12 RECRUITMENT AND SELECTION POLICY

### Objective

This policy is designed to ensure appropriate and consistent recruitment standards are maintained throughout the Shire of Morawa operations. It provides a resource to assist managers to carry out the recruitment of employees in accordance with the principles outlined in section 5.40 of *the Local Government Act 1995* (WA) (the Act) and maximize the probability of successful recruitment and selection decisions.

### Principles:

#### Merit and Equity

The Shire of Morawa is committed to recruitment, selection, promotion, and other personnel decisions being fair, consistent and compliant with the principles set out in section 5.40 of the Act. These principles include but are not limited to:

- a) Employees are to be selected and promoted in accordance with the principles of merit and equity; and
- b) No power with regard to matters affecting employees is to be exercised on the basis of nepotism or patronage; and
- c) Employees are to be treated fairly and consistently; and
- d) There is to be no unlawful discrimination against employees or persons seeking employment by a local government on a ground referred to in the *Equal Opportunity Act 1984* or on any other ground; and
- e) Employees are to be provided with safe and healthy working conditions in accordance with the *Occupational Safety and Health Act 1984*.

Recruitment and selection practices must evidence reasonable measures to attract a broad range of suitable candidates from which the most suitable candidate may be selected. Practices shall not be designed to limit or exclude the ability for suitable candidates to apply.

#### Confidentiality of Information and Conflict of Interest

All employees involved in the recruitment and selection process shall be bound by:

- a) strict standards of confidentiality; and
- b) disclosure of interest requirements;

As outlined in the Shire of Morawa's Code of Conduct and the Shire of Morawa's Recruitment and Selection Process.

#### Equal Employment in the Workplace

The Shire of Morawa recognizes its legal, moral, social and ethical obligations to actively promote and practice the principles of equal opportunity in all aspects of employment.

The Shire of Morawa will ensure:

- a) All advertisements, job descriptions and titles are non-discriminatory;
- b) The most suitable person is appointed to a position based on qualifications, skills, expertise, experience and aptitude;
- c) All personnel forms are non-discriminatory and relevant in phrasing and requirements; and
- d) Benefits and entitlements are accessible and administered in a consistent manner throughout the workforce.

### Application:

This policy covers the recruitment and selection of all Shire of Morawa vacant positions other



than the Chief Executive Officer.

Chief Executive Officer recruitment and employment procedures are prescribed in the relevant sections of the Act and the Local Government (Administration) Regulations 1996.

Recruitment and selection of positions which have been previously determined as 'senior employees' in accordance with section 5.37 of the Act, will accord with the requirements of this policy in addition to requirements for the Chief Executive Officer to inform Council of any decision to employ or dismiss a 'senior employee'.

### **Authorities and Responsibilities**

An Executive Manager is responsible for the recruitment and selection of employees:

- a) Including assessing the need to recruit for a position;
- b) Within the scope of their direct or indirect supervision;
- c) Within approved budget allocations only;
- d) In accordance with this policy and relevant operational procedures;
- e) In consultation with the Human Resources Manager / Officer; and
- f) May execute resulting employment contracts on behalf of the Shire of Morawa.

An Executive Manager may nominate by written authority for recruitment and selection of an employee to be undertaken by a line-manager who is responsible for the direct supervision of the position, subject to compliance with the Director / Executive Manager's responsibilities above.

The Human Resources Officer is responsible for working with the Executive Manager, or their appointed nominee, to ensure procedural integrity of the recruitment and selection process.

### **Process and Procedures**

Documented recruitment procedures must reflect favorably on the organization and ensure that practices are transparent, professional and fair, and in accordance with the principles of section 5.40 of the Act.

### **Review of Positions**

The Shire of Morawa reserves the right to review the continuing need for any position within the Shire of Morawa's existing organizational structure and in context of the allocation of resources to meet the objectives of the Workforce Plan, Community Strategic Plan and Corporate Business Plan.

### **Recruitment Strategy**

The Recruitment Strategy documents the need to undertake recruitment, based upon:

- a) Present and future corporate needs;
- b) Alternative staffing needs i.e. structural change and/or redistribution of duties to other positions;
- c) Selection methods (psychometric testing, interviews, reference and background checks);
- d) Selection criteria, skills and capabilities required for the role;
- e) Attraction strategy - advertising, remuneration, benefits and candidate sourcing methods;
- f) Alternative methods if the process is unsuccessful or preferred candidate declines;
- g) Use of external consultants, appointed in accordance with the Purchasing Policy.

The Chief Executive Officer (or Executive Manager) must approve the Recruitment Strategy

before recruitment commences.

### **Selection & Appointment**

Selection must demonstrate substantial alignment with the requirements of the role, as determined in the Recruitment Strategy.

### **Probation**

Unless otherwise agreed by the Chief Executive Officer, appointments of more than six months shall require a probation period of at least three months.

### **Record Keeping**

Records must be created and maintained to evidence compliance with this policy, in accordance with the *Local Government's Record Keeping Plan and the State Records Act 2000*.

### **Policy Governance**

The Chief Executive Officer determines this policy and may cancel or vary the policy from time to time to reflect changes in organisational policy, best practice in recruitment processes and compliance with the relevant legislation. All the organisation's employees will be notified of any variation to this policy by the normal correspondence.

### **Variation to This Policy**

This policy may be cancelled or varied from time to time to reflect changes in organisational policy, best practice in recruitment processes and compliance with the relevant legislation. All the organisation's employees will be notified of any variation to this policy by the normal correspondence.

~~Policy Number~~

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~~Policy Version~~

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~~Policy Owners~~

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~~Creation Date~~

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~~Next Review Due~~      ~~This policy should be reviewed every 12 months (annually), or more often where circumstances require.~~

ADOPTED OCM	20/12/2003	RESOLUTION
REVIEWED OCM		
REVIEWED OCM		

## 4.13 ACCRUAL OF LONG SERVICE LEAVE & ANNUAL LEAVE

### Objective

To provide clear parameters in relation to taking Long Service and Annual Leave, with the aim of ensuring that employees do take leave as it falls due, at a time in which the taking of leave does not unreasonably affect Council's operations.

To ensure that staff leave entitlements are taken within a reasonable time span and that the leave liability owed by Council is reduced.

### Guidelines

- a) Leave shall be taken in full within the twelve (12) month period immediately following the anniversary date upon which the leave becomes due. Such leave shall be taken by mutual agreement having regard to Council's operational requirements. Failing agreement as to the taking of leave the Chief Executive Officer shall have the right to direct the officer to take leave;
- b) Leave shall be taken in accordance with award and legislative provisions and staff are encouraged to take leave in not more than two (2) periods;
- c) The Chief Executive Officer may upon written application allow leave to be deferred for a period not exceeding three (3) years;
- d) Leave shall be taken at a time convenient to both Council and the employee and shall be subject to prior written approval by their Supervisor;
- e) Annual Leave may be taken in advance without leave loading being applied at the discretion of the Chief Executive Officer or his authorized representative. Leave loading will be paid to the employee on the annual leave anniversary date;
- f) Where Long Service Leave has been deferred to meet the convenience of Council, the rate of pay shall be the rate applicable at the time the leave is taken or at termination of employment;
- g) Where Long Service Leave has been deferred to meet the convenience of the employee, the rate of pay shall be the rate applicable six (6) months after the leave became due, unless otherwise agreed in writing;
- h) The Shire of Morawa maintain a leave reserve fund, to cash back 100% of Accrued Annual Leave provision and to cash back 100% of current Accrued Long Service Leave provisions.

ADOPTED OCM	20/12/2018		RESOLUTION
REVIEWED OCM			
REVIEWED OCM			

## 4.14 SUPERANNUATION

Superannuation is based on the compulsory Commonwealth Government legislation. If a staff member contributes an additional 5%, the Shire will match that 5% with an additional 5%.

Shire of Morawa	Staff Member
Legislated amount	0%
<u>5%</u>	<u>5%</u>

ADOPTED OCM	16/07/1998	RESOLUTION
AMENDED OCM	22/12/2005	
REVIEWED OCM	19/12/2016	
REVOKED - Updated below	20/12/2018	

### Objective

To encourage and promote the benefits of superannuation to all Council employees.

That Council meets its obligations relating to the Superannuation Guarantee Charge (SGC) as well as contributing matching amounts to an employee's superannuation funds subject to the employee making their own contributions.

Council will contribute 9% of ordinary time earnings and allowances as its Superannuation Guarantee Contributions (SGC) in accordance with legislative requirements.

This is to increase each year effective from 1 July 2013 to reach a total of 12% as determined by Federal Government Policy and Budget changes.

Council will continue to contribute matching funds, on a dollar for dollar basis of up to 6% of ordinary time earnings and allowances subject to the employee making their own personal contributions.

This policy does not apply to employees whose contract of employment stipulates otherwise.

ADOPTED OCM – Adjustment made	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## **4.15 EQUAL EMPLOYMENT OPPORTUNITY**

This policy outlines Council's commitment to equal opportunity as an employer and as a service provider to the community.

### **Objective**

- a) To ensure that all persons employed or engaged by Council understand Council's commitment to equal employment opportunities;
- b) To make people aware of what constitutes equal employment opportunities;
- c) To provide guidelines to ensure the principles of equal employment opportunity are adhered to.

Council recognizes its legal obligations under the Equal Opportunity Act 1984 (as amended) and will actively promote the principles of equity and diversity in the workplace. This means that Council aims to provide a work environment that fosters good working relationships where employees, contractors and volunteers are treated fairly and equally and that unlawful discrimination does not take place.

### **Equal Employment Opportunity**

Council aims to be respected for its commitment to equal opportunity as an employer and as a service provider to the community by adopting the following practices.

### **Appointments, promotion and training**

Access to employment, contracts, promotion and training is to be fair and equitable. Decisions on matters affecting (prospective and current) employees, contractors and volunteers will be made on merit and are based on relevant experience, skills and ability required for the role. No decisions will be made on the basis of nepotism or patronage.

### **Diversity**

Council recognizes, values, and respects social, cultural and linguistic diversity. Where it can reasonably be achieved, assistance will be provided to employees and volunteers with special needs in order to assist them in undertaking their roles effectively.

### **Discrimination and harassment free environment**

Council promotes an environment where people are able to work effectively without the fear of unlawful discrimination or harassment. Discrimination is treating one person less favorably than another because of a personal attribute which is covered by equal opportunity laws, and includes: gender, marital status, pregnancy, family responsibilities or status, race, religious and/or political conviction, impairment, age, gender history and sexual orientation.

Discrimination is unlawful. Harassment is also not tolerated. Harassment is defined as any unwelcome, offensive action or remark concerning a person's gender, race, age, impairment or one of the other attributes as covered in the Equal Opportunity legislation.

### **Good working relationships**

Council aims to provide an enjoyable, challenging and harmonious work environment. Workplace bullying is one activity that detracts from this environment. It can create a risk to health and safety and will not be tolerated.

Workplace bullying is defined as repeated, unreasonable behaviour directed towards a person or a group of persons at a workplace.

## Responsibilities

All employees, volunteers and contractors have a shared responsibility to apply and promote the equal opportunity principles.

## Confidentiality

The Equal Opportunity Coordinator is required to protect the confidentiality of complaints. This requirement means information about a complaint cannot be revealed to the media or any person, other than parties to the complaint or those required to provide evidence about the complaint.

Complaints are more likely to be resolved easily and satisfactorily if the complaint is kept confidential.

## Investigation

The purpose of an investigation is to allow both parties to submit evidence to reveal facts. This process is both impartial and confidential.

The Equal Opportunity coordinator may request additional information to support the complaint. Such information may include the dates of specific incidents or witness statements.

Depending upon the circumstances a written statement of the allegations is provided to the respondent who is then required to provide a written response.

## Conciliation

Generally the written response is relayed to the complainant. If the complaint remains unresolved a conciliation conference may be arranged between the parties.

## Complaint Outcomes

The options for finalizing complaints are listed below:

- a) The complaint may be withdrawn at any time by the complainant;
- b) Conciliation can successfully take place and the parties reach a satisfactory agreement;
- c) When a complaint appears to have substance and attempts at conciliation have failed, the Equal Opportunity Coordinator must refer the complaint to the Chief Executive Officer for inquiry, unless the complainant does not wish to continue with the complaint;
- d) The Equal Opportunity Coordinator may dismiss the complaint at any stage if he/she is satisfied the complaint is misconceived, lacks substance, is frivolous, vexatious or relates to an act that is not unlawful by reason of a provision of the Act;
- e) A complainant can require the Equal Opportunity Coordinator to refer any dismissed complaint to the Chief Executive Officer for independent inquiry.

## Onus of Proof

Under the Act the onus of proof rests with the person who has made the complaint.

This protection is also afforded to anyone giving evidence about a complaint, or to someone who complains about unlawful discrimination, even if they have not made a complaint to the Equal Opportunity Commission.

ADOPTED OCM	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		



## 4.16 ALCOHOL & DRUGS IN THE WORKPLACE

### Objective

To provide guidance to management, elected members, employees, contractors and volunteers as to the procedures and consequences arising from the use and impact of alcohol and other drugs within the Shire of Morawa workplace.

The Shire of Morawa is committed to providing a safe, healthy and productive working environment for all staff. The Shire recognizes that employees affected by alcohol and other drugs may present a hazard in the workplace, causing injury to themselves and others. Co-workers may also be placed in difficult situations, expected to cover for unsafe work practices or faced with reporting a fellow employee.

This policy applies to all Shire of Morawa employees including elected members, contractors, consultants and volunteers.

Statutory Environment: Occupational Safety and Health Act 1984 3.2 Occupational Safety and Health Regulations 1996 3.3 Guidance Note – Alcohol & Other Drugs at the Workplace 3.4 Misuse of Drugs Act 1981 3.5 Road Traffic Act 1974 3.6 Public Sector Management Act 1994 3.7 Workers' Compensation and Rehabilitation Act 1981

Definitions: Shire Environment – This includes Shire of Morawa property and any official venue the Shire of Morawa may use for a Shire of Morawa sponsored function or event.

Other Drugs – for the purposes of this policy other drugs may include, but is not limited to:

- a) Cannabis;
- b) Opiate analgesics, such as heroin, pethidine or methadone;
- c) Stimulants;
- d) Amphetamines;
- e) Cocaine;
- f) Hallucinogens;
- g) Designer drugs such as ecstasy;
- h) Medications - prescribed or over the counter; or
- i) Inhalants such as petrol, glue or solvents.

This policy does not cover nicotine in the Shire of Morawa environment.

Alcohol and other drugs can cause a range of problems for employers. In some cases, their use may lead to loss of life, injury, damage to plant or equipment and negative publicity for business and can have serious adverse effects on the safety of staff, contractors, and visitors and on the reputation of the Shire.

The Occupational Safety and Health Act 1984 imposes on all employers a general duty of care to their employees. Although the provisions of the Act do not explicitly refer to alcohol and drugs, it is implied that the Shire must minimize employees' exposure to any hazards or incidences in the workplace that may be caused by an intoxicated or drug affected employee.

The Occupational Safety and Health Act 1984 also imposes on employees a general duty of care in the workplace, This specifically means that employees must act responsibly at all times and not expose themselves or others to safety risks due to impairment caused by alcohol or drugs. This includes not undertaking work if they believe they are impaired, and reporting to management if they believe another employee, or anyone in the workplace, is affected and creating a workplace hazard.

The Shire considers it improper for staff or elected members to conduct business in the Shire



environment when impaired from the use of alcohol or other drugs. This includes while operating Shire plant and equipment, whilst driving a Shire vehicle, on Shire property, whilst representing the Shire elsewhere, and whilst attending events organized by the Shire but not on Shire property.

Official and unofficial Shire functions provide an opportunity for the Shire to host special events for promotional, public relations or social purposes. Provision of alcohol is an acceptable beverage that adds to the congenial atmosphere of the occasion provided that, in its consumption the legal blood alcohol levels are maintained. Managing the amount of alcohol consumed at such functions is the joint responsibility of Council and each individual.

Illegal drugs and substances are forbidden in the Shire environment. This includes possession, use and distribution of illegal drugs and substances. Actions to be taken against persons may include but is not restricted to disciplinary action. Where appropriate, Police involvement will be sought.

Some medications prescribed by doctors, or available over the counter, may affect a person's ability to work safely.

Staff have a responsibility to advise their Manager or Supervisor of any medication they are taking which may impact on their ability to safely perform their job. This is particularly relevant in high risk working areas such as if the employee is operating machinery, driving a vehicle, performing complex decision making tasks or any work that requires the ability to react to sudden changes.

Employees taking medication should find out how it affects them by consulting their doctor. During this consultation employees should explain their work duties to the doctor in order to determine if their ability to work safely will be affected by the medication. It may be appropriate for the employee to provide verification as to the side effects of the medication, such as a medical certificate to their Manager, particularly where the medication is to be taken over an extended period of time.

If the staff member is unable to perform his/her usual work tasks safely they are to discuss with their Manager who can then assess the risk involved and either provide alternative duties or instruct the employee to take leave for the period of the medication.

## **Strategy**

A number of strategies can be taken to minimize the risk of alcohol and drug related harm at such functions including:

- a) Providing low alcohol beer and non-alcoholic drinks;
- b) Providing a choice of beverages;
- c) Limiting the amount of alcohol that is available to a reasonable amount per person;
- d) Serving food at functions;
- e) Ensuring employees who drink excessively and display other forms of inappropriate behaviour are advised their behaviour is not acceptable; and
- f) Hosting family friendly functions or activity based functions.

Organizers of events should also encourage staff to arrange alternative transport prior to the function, to minimize the risk of driving under the influence of alcohol.

Persons who are identified as having a drug related problem shall be recommended to seek drug awareness counselling from a recognized drug counselling agency.

## **Provision of staff training including**

- a) Information regarding different drugs, their dangers as well as the effects they might have

- on performance and safety;
- b) How to recognize staff or contractors with symptoms of impairment from the use of alcohol or other drugs;
- c) Developing techniques for intervention for instances of impairment due to the use of alcohol or other drugs; and
- d) Medial risk assessment.

### **Intervention Strategies**

Intervention strategies shall include:

- a) Offering assistance to staff through referral to professional community based rehabilitation services and health treatment services for those with problems;
- b) Encouraging staff to assist in maintaining a drug free Shire environment.

### **Procedures for Staff**

The following guidelines are to be followed when approaching a person suspected to be impaired by alcohol or other drugs:

- a) Be brief, firm and calm. Use the affected person's name and repeat your message;
- b) Do not argue or debate, simply repeat your message;
- c) Make suitable arrangements to ensure the impaired person gets home safely; and
- d) Try to persuade the person not to drive his or her own vehicle.

If a staff member suspects another member of staff is impaired at work, he/she should contact the person's Manager/Supervisor to advise them of the situation. The staff member should not approach the impaired person directly unless an immediate risk is apparent.

Any drug or alcohol related incidents including the consequences of such incidents are to be treated with the utmost confidentiality with only the necessary staff being informed i.e. Manager and/or Chief Executive Officer.

Where a Manager/ Supervisor suspects a staff member is impaired or has received a report from another member of staff they must:

- a) Take the staff member aside into a confidential office environment;
- b) Query the staff member to ascertain if he/she is impaired and if so what is contributing to their condition;
- c) If the staff member provides a reasonable explanation and is not considered to be a risk to either themselves or others allow the staff member to return to work;
- d) If the staff member does not provide a reasonable explanation and/or presents a risk to either themselves or others advise the staff member that they are to leave Shire property, offering the staff member alternatives to driving their own vehicle such as calling next of kin, a family member or friend. The staff member is also to be advised to report to their Manager's office the following morning.

If the person is aggressive, or demonstrates unpredictable behaviour, more than one person should be involved in the initial approach. This should be kept as confidential as possible, quietly assertive without aggression, being argumentative or threatening. If the staff member becomes increasingly aggressive:

- a) Evacuate all surrounding people at risk from the location of the impaired person or isolate the impaired person;
- b) Contact the Manager or Supervisor to provide immediate assistance; and
- c) Manager/Supervisor or Manager to take appropriate action. For example, try to calm the staff member, call the Police, Ambulance etc.

The next working day following the incident the staff member is to report directly to their Manager's office for a meeting to discuss the incident. The Manager should discuss the following:

- a) That the behaviour was inappropriate and why;
- b) Give the employee an opportunity to discuss any issues or responds to allegations;
- c) The consequences of further breach of policy;
- d) That the employee will be required to take leave until a medical certificate is presented that they are fit to return to work (the cost of the medical visit is to be at the employee's expense);  
and
- e) The support/counselling services available.

Immediately following the meeting the Manager must write a file note outlining what was discussed in the meeting and forward the documentation to the relevant Manager or CEO to be placed on the employees Personal File.

### **Consequences of Policy Breach**

#### **First Offence:**

The employee will be immediately suspended from duty without pay if found unfit to work:

- a) The employee will not be permitted to return to work until they have been tested again and proved negative for all prescribed substances;
- b) The employee will be given the opportunity to state their case. Unless there are convincing arguments to the contrary, this procedure will continue;
- c) The employee will be counselled by their supervisor that will focus on;
- d) The unacceptability of the employee's behaviour;
- e) The risk that such behaviour creates for the safety of the individual and other employees or members of the public;
- f) The employee's responsibility to demonstrate that the problem is being effectively addressed;
- g) That any future breach of the policy will result in second offence or instant dismissal;
- h) Written confirmation of the verbal discussions will be provided following the counselling which constitutes a written warning to the employee.

The employee will be formally offered the opportunity to contact a professional counsellor. The decision to undertake counselling or other treatment for alcohol or other drug or substance problem is the responsibility of the employee and cannot be made mandatory. However, refusal to accept counselling may result in instant dismissal on second offence. The Shire of Morawa will insist that the employee provide satisfactory evidence that the effect of work performance and/or safety has been addressed before they are permitted to return to work.

#### **Second Offence:**

- a) The employee will be immediately suspended from duty without pay if found unfit for work;
- b) The employee will be given the opportunity to state their case. Unless there are convincing arguments to the contrary, this procedure will continue;
- c) The employee will not be permitted to return to work until they have been tested again and proved negative for all prescribed substances;
- d) The employee will be counselled by their supervisor that will focus on:
- e) The unacceptability of the employee's behaviour;
- f) The risk that such behaviour creates for the safety of the individual and other employees or members of the public;
- g) The employee's responsibility to demonstrate that the problem is being effectively

- addressed;
- h) That any future breach of the policy will result in instant dismissal;
  - i) Written confirmation of the verbal discussions will be provided following the counselling which constitutes a written warning to the employee.

**Third Offence:**

- a) The employee will be given the opportunity to state their case. Unless there are convincing arguments to the contrary, this procedure will continue;
- b) The employee will be immediately dismissed from duty without notice.

In addition to the above procedures any staff member involved in an incident or accident involving another member of staff who is suspected of being under the influence of alcohol or other drugs at the time of the incident may, at the Shire’s discretion, be required to undergo a Drug or Alcohol test and disciplinary action may be taken.

Council reserves the right to deal with any breach of its drug and alcohol policy relating to staff in accordance with the “Fitness For Work” procedure issued by Council’s insurer. This includes the right to summarily dismiss an employee for any breach of this policy that is considered serious.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## 4.17 STAFF TRAINING & DEVELOPMENT

The Shire of Morawa is committed to developing a highly skilled and flexible workforce. Council is committed to providing training and development opportunities and ensuring fair access for all staff to these opportunities.

### Objective

- a) To ensure consistency in the level of support and opportunities for training and development for all employees;
- b) To assist employees in developing knowledge and skills relating to their current roles and future career paths.

Employees are encouraged to be involved in the Performance Management Review process where training and development plans are established at the commencement of a review period.

Providing development opportunities such as working in other positions “acting” rotation and multi-skilling are to be encouraged to develop skills, knowledge and flexibility.

The Shire of Morawa is committed to removing barriers to utilize skills acquired in accordance with the Individual Training and Development Plans.

The Shire of Morawa shall allow employees to attend course requirements, on or off the job, during ordinary working hours where training is undertaken as part of the Training Plan resulting from the Performance Management review discussions. Training attended must be critical to Council activities and not solely personal development. Training attended should develop skills and knowledge that can be used in the workplace.

The Shire of Morawa shall pay course fees associated with structured training programs but shall not pay fees if the employee is repeating a subject or section of the course/program. Course/training costs shall not be paid for personal development, if not work related.

The Shire of Morawa shall either provide transport or reimburse travel expenses incurred. Travel time involved cannot be claimed if such hours of travelling fall outside their standard spread of hours. Reasonable other expenses shall be paid including books, accommodation and meals.

Up to four hours leave with pay each week may be granted or alternatively block release and additional day/hours to an aggregate equivalent in a year will be approved. If time exceeds four hours then flex time or leave without pay is applicable.

An application for the purpose of attending a certified course or tertiary qualification must directly relate to the present occupation of the employee.

If employees cease to attend earlier than the predetermined length of the course, they will reimburse the Shire of Morawa for expenditure incurred on course fees and materials to that point.

The granting of study leave does not confer a right upon the employee to reimbursement of fees or any other forms of education assistance.

Council employees who are undertaking approved course and are required to pay admission/administration or HECS fees up front may apply for financial assistance. Each application for educational assistance shall be considered in relation to impact upon the work environment and available funds.

The Shire will support the resourcing of individual training and development plans and ensure staff are trained, educated and developed to do their jobs in a proper, responsible manner.

The Shire of Morawa will encourage employees to gain formal educational qualifications or upgrade those existing. Participation in training will be encouraged and time allowed for attendance and paid study leave.

Given that Council has a limited budget for training and development, the following provide some alternative avenues available for training costs:

- a) Utilize training programs available through funding bodies;
- b) Utilize low cost/free training offered by organisations such as the Western Australian Local Government Association;
- c) Run in-house training utilizing expertise within the organisation and existing training resources. Many organisations will provide speakers free of charge, and
- d) Share training sessions with other organisations to reduce the cost of training.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## 4.18 INJURY MANAGEMENT & REHABILITATION

Taken from the “Municipal Workcare Scheme Injury Management Policy and Procedural Manual 2006”. Of the Employer:

- a) To make provision for the injury management and rehabilitation of all workers who have sustained a compensable work related illness, injury or disability;
- b) To treat all workers with dignity and respect;
- c) To guarantee that all information is treated with sensitivity and confidentiality;
- d) To return the injured worker to the fullest capacity for gainful employment of which they are capable.

With this in mind the “Key Principles of Injury Management”, as identified by WorkCover, will be adopted. They are:

- a) Recognition that employers and injured workers are the primary stakeholders within the workers’ compensation system;
- b) Maintenance in or a safe return to work is the expected outcome;
- c) Medical practitioners and employers play a central decision making role in the return to work of injured workers;
- d) The focus of all services should be workplace based;
- e) The injury management process should be transparent, cost efficient and effective;
- f) Early intervention and pro-active injury management is critical in achieving return to work goals;
- g) When vocational rehabilitation is required, all parties are involved in a process that is transparent and requires joint decision-making.

To assist in the timely and effective injury management of employees, the employer will appoint an employee to the role of Workplace Injury Management Coordinator as part of their duties, to implement and monitor the injury management and rehabilitation procedures.

This appointment is in the knowledge that Municipal WorkCare Scheme employs a dedicated Injury Management Advisor to assist and guide this individual. Further to this, the Scheme’s claims Team Leader, appointed to the employer, is available to discuss any issues related to the management of the worker’s claim.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## 4.19 PROTECTIVE CLOTHING – OUTSIDE STAFF

### General

Outside staff are to be issued with protective clothing and equipment appropriate to their duties.

Protective clothing issues may include the following:

- a) Annually – work clothing, safety boots or shoes; and
- b) As necessary – sunscreen, water bottles, safety vests and wet weather gear.

Upon cessation of employment with the Shire of Morawa for whatever reason within 8 weeks of commencement, the employee concerned shall return to the Principal Works Supervisor such protective clothing and footwear which has been issued or make arrangements with the Chief Executive Officer to produce the items.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		



## 4.20 FITNESS AT WORK

The Shire of Morawa, as an employer, is committed to providing a safe and healthy place for its workers and approved visitors at its workplaces in accordance with the Occupational Safety and Health Act 1984.

This policy applies to all workers (a worker includes employees, apprentices, trainees, cadets, interns, work experience student, contractors, subcontractors, consultants and volunteers) employed or engaged by the Shire of Morawa at any of its workplaces, events and functions.

The policy also applies to approve visitors when attending a Shire of Morawa workplace.

Shire of Morawa line managers and any other worker charged by the Shire of Morawa to supervise other workers and approved visitors at any of the Shire of Morawa's workplaces are expected to abide by and enforce this Policy at all times.

Shire of Morawa's workers are required to attend fit for work to ensure duties are performed in a safe, efficient and productive manner. Workers should be aware that many factors may affect fitness for work, and these can often interact with each other.

These may include:

- a) General health and fitness;
- b) Secondary employment or volunteer activities;
- c) Recreational activities and sport;
- d) Medications;
- e) Insufficient sleep;
- f) Fatigue;
- g) Excessive work hours or demands;
- h) Injury or illness – work or non-work related;
- i) Consumption of alcohol or other drugs; and
- j) Personal factors – psychological, psychiatric issues, family issues or illnesses.

A worker, or approved visitor, who attends any Shire of Morawa workplace in an unfit manner is operating outside the Shire of Morawa's Policy and may be subjected to counselling, disciplinary action, or eviction from the workplace.

In managing this Policy, the Shire of Morawa will ensure, whenever possible, that confidentiality is maintained at all times.

### **To meet the Policy objective the Shire of Morawa will:**

- a) Aim to provide a safe and healthy working environment free of work-related injury or illness;
- b) Minimize the risk of workers, or approved visitors to the workplace, entering the workplace, presenting for work or conducting work while impaired;
- c) Establish appropriate steps to manage workers, or approved visitors to the workplace, who are not fit for work;
- d) Encourage workers who are not fit for work for any reason to independently seek assistance;
- e) Maintain appropriate health and fitness standards for its workers and provide encouragement for workers to sustain their fitness for work;
- f) Promote and assist the physical, psychological health of workers so that they can safely and efficiently sustain their work requirements;
- g) Provide the resources necessary to allow for monitoring, testing, education and counselling services within the workplace; and

h) Encourage behaviour and attitudes that are conducive to a healthy and safe workplace.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## 5.0 LAW, ORDER AND PUBLIC SAFETY

### 5.1 FIRE BURNING PERIODS

The following fire burning periods are to be observed in the District of the Shire of Morawa.

Any appending information regarding camping or cooking fires, burning of garden refuse and rubbish is to be adhered to and enforced by the appropriate Fire Control Officers.

Restricted and Prohibited Burning Times:

#### **Prohibited**

1 NOVEMBER TILL 31 JANUARY – Inclusive

#### **Restricted**

15 OCTOBER TILL 15 MARCH – Inclusive

#### **Prohibited Burning Period**

1 NOVEMBER TILL 31 JANUARY

No fires are allowed during this period except for special circumstances (i.e. dwelling house protection, clover burr harvest, crop protection, noxious weeds, etc.). A permit must be obtained from a Fire Control Officer for this purpose and all conditions of that permit met.

Restricted Burning Period 15 October to 15 March

During this period fires can only be lit when a permit has been obtained from a Bush Fire Control Office, and the conditions of the permit are met.

Camping or Cooking Fires (excluding gas BBQs)

Camping or cooking fires shall not be lit on any day during the prohibited burning period except in an area set aside by the Shire for that purpose. On all other occasions an area of 5 meters wide surrounding the fire must be completely free of all bush and inflammable material.

The fire must not be left unattended at any time and must be fully extinguished before the user leaves it.

Bushfire Control Officers Positions:

- a) Chief Fire Control Officer
- b) Deputy Chief Fire Control
- c) Morawa Town Fire Officer
- d) West Pintharuka Fire Control Officer
- e) Canna/Gutha Fire Control Officer
- f) West Morawa Fire Control Officer
- g) Koolanooka Fire Control Officer
- h) East Pintharuka Fire Control Officer
- i) Community Emergency Service Manager
- j) Adopted 16/3/2000 Amended 20/12/2007 Reviewed 19/12/2016

ADOPTED OCM	20/12/2012	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## 5.2 SUSPENSION OF PROHIBITED BURNING TIMES

Authority is delegated to the Chief Executive Officer in consultation with the Chief Fire Control Officer or in his absence the Deputy Chief Fire Control Officer to extend or otherwise alter the prohibited burning times.

ADOPTED OCM	13/03/2000	RESOLUTION
AMENDED OCM	16/04/2003	
REVIEWED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

### 5.3 HARVEST BANS

The only recurrent restricted harvesting day is Christmas Day. Authority to impose harvest bans due to seasonal conditions shall remain with the Chief Executive Officer in consultation with the Chief Fire Control Officer, or in his absence the Deputy Chief Fire Control Officer. If both officers are absent, the Chief Executive Officer in consultation with Fire Control Officers can issue a harvest ban.

Responsibility for the advertising of harvest bans remains with the Chief Executive Officer.

ADOPTED OCM	16/03/2000	RESOLUTION
AMENDED OCM	16/04/2003	
REVIEWED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## 5.4 BRIGADE MEMBERSHIP

Each Fire Control Officer is to supply annually a current list of brigade members to the Shire. Training requirements of brigade members are to be reviewed at least annually.

ADOPTED OCM	16/03/2000	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## 5.5 PERMITS TO BURN

That as a matter of Policy, Fire Control Officers be instructed that within the Restricted Burning Period, Permits to Burn may be issued on Public Holidays and Sundays with the exception of Easter falling within this period

ADOPTED OCM	20/12/2012	RESOLUTION
REVIEWED OCM	20/12/2018	
REVIEWED OCM		

## 5.6 FIREBREAKS – INSTALLATION, INSPECTION & PROSECUTION

Firebreaks must be installed by the date required in the Firebreaks Order adopted by Council each year.

The inspection of townsite firebreaks is to commence no later than seven days after the required date.

The inspection of townsite firebreaks is to be carried out by the Town Brigade Captain or Foreman together with the Chief Executive Officer (or a member of Staff nominated by the Chief Executive Officer). No warning or advice is to be given of the inspection.

Fire Control Officers are to report any rural firebreaks not in compliance with the Firebreaks Order to the Chief Executive Officer, as soon as possible, for action.

Those persons whose properties are found not to comply with the Firebreaks Order, are to be automatically issued with an Order to comply with the Firebreak Order within 7 clear days.

A second inspection is to be carried out, after sufficient time for compliance has passed.

Where after the second inspection any property still does not comply with the Firebreak Order, the Chief Executive Officer is authorised to issue an infringement notice, order the carrying out of works and/or arrange for the carrying out of works so that the property complies.

Firebreaks that have been installed after inspections and/or prosecution and/or Order must pass inspection by the Chief Executive Officer (or a member of Staff nominated by the Chief Executive Officer) or the Chief Bushfire Control Officer (or his nominee) or the Town Brigade Captain (or his nominee).

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		



## 6.0 PLANT AND EQUIPMENT

### 6.1 TENDERING AND PURCHASE

#### Objective

Where provision has been made in a budget for the purchase of any item of plant and/or equipment, the Chief Executive Officer shall be empowered to call tenders or obtain quotations under such conditions and specifications as are appropriate.

#### Policy

Replacement of plant items shall be in accordance with the Shire's Plant Replacement Program and budget deliberations. The Chief Executive Officer will present tenders to Council for determination.

ADOPTED OCM	16/03/2000	RESOLUTION
AMENDED OCM	16/04/2003	
REVIEWED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## 7.0 ROADS

### 7.1 CULVERT COST FOR RURAL LANDHOLDERS

The cost of supply and installation by the Shire of Morawa of an entrance pipe culvert for the benefit of a rural landholder should be met 50:50 by the landholder and the Shire. Such works, including costs are to be agreed in writing prior to work commencing.

ADOPTED OCM	16/03/2000	RESOLUTION
AMENDED OCM	16/04/2003	
REVIEWED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## 7.2 ROAD CROSSINGS FOR DEEP DRAINAGE

### Objection

The Morawa rural community and the Morawa Farm Improvement Group in particular have expressed interest in installing deep drains to arrest the degradation of viable farm lands.

The purpose of developing a policy in this instance is to ensure that the Shire of Morawa is aligned with community expectations, current trends and circumstances, and, to enable electors to obtain immediate advice on such matters.

The Shire is keen to facilitate such measures providing the Shire's infrastructure, private land and other public assets are not compromised.

Council will form a panel consisting of the Chief Executive Officer, Works Supervisor and interested elected members to assist in orderly process.

### Introduction

Landholders wishing to install deep drainage across Shire of Morawa roads are advised that the Shire's policy application approvals and subsidy requests process is as follows;

- a) Property owners are encouraged to assess and plan the overall drainage issues pertaining to a particular property drainage region, including necessary formal mapping prior to any applications to implement drainage is considered by Council;
- b) Where Shire of Morawa infrastructure likely is to be affected, Council is to assess the merits of a particular drainage application and its impact on localized areas and the overall drainage of that particular area prior to any decision or decision making process being implemented. In order to facilitate this, a copy of the NOTICE OF INTENT TO DRAIN is to be submitted to Council prior to, or concurrent with lodgment to, the Department of Agriculture;
- c) Where a NOTICE OF INTENT TO DRAIN is required, it must be completed and approved by the Department of Agriculture prior to works commencing;
- d) If a land owner wishes to discharge or divert water on, across, or through a road under the care and control of the Shire of Morawa, and is prepared to do so in accordance with the following criteria, the Shire will contribute as shown below.

### Drainage Criteria

- a) All sub-surface drainage installations instigated and/or undertaken by land holder(s) shall be maintained solely by the land holder(s);
- b) All road crossing drains requested that are primarily for deep drainage treatments shall be a minimum of:
- c) 600mm diameter Riblock polyethylenepipes;
- d) 600mm diameter steel wall and concrete lined pipes;
- e) All road crossings are to be installed at the same time as the drainage excavations being undertaken;
- f) Drainage systems are to be designed and located so as to achieve optimal performance and should not be altered so as to utilize existing road crossings;
- g) Deep drains are not to be installed in such a manner that the drainage effluent flow is dammed or retarded unless it can be demonstrated that the Shire of Morawa's infrastructure will not be compromised;
- h) The Shire will only contribute shown below providing the above conditions have been met. The Shire will not reimburse any landowner for any works undertaken.

### Landowner Contribution

All costs associated with mapping and directing water across any particular road reserve

including the supply, excavation and installation of the drainage pipes or culverts.

**Contribution by the Shire of Morawa**

All costs associated with backfilling and compaction the road crossing excavations and reinstatement of the road surface.

The Shire of Morawa reserves the right to extend timeframes to complete works in order to ensure that works can actually be undertaken in an orderly, planned, and budgeted manner. Ideally, applications for road crossings should be submitted in the March / April period prior to any work being undertaken. This will facilitate orderly budgetary consideration by the

Council in June / July. Timeframes may be negotiated if the landholder(s) wish to bear the whole cost of road crossing works, subject to the suitable integration into the Shire's works program.

ADOPTED OCM	21/10/2004	RESOLUTION
AMENDED OCM	16/11/2006	
REVIEWED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

### 7.3 FENCING OF RURAL ROAD RESERVES

Rural landowners are encouraged where possible when replacing fencing adjoining a road reserve, to site the replacement fence inside the property line to encourage natural vegetation regrowth whilst not impeding safety and road width.

There is no obligation to replace a fence inside the existing property line, however, cooperation in a bid to conserve natural vegetation is encouraged. Natural vegetation (including wildflowers) is not to be removed without prior consent of Council.

ADOPTED OCM	16/03/2000	RESOLUTION
AMENDED OCM	20/12/2007	
REVIEWED OCM	21/07/2016	
REVIEWED OCM	20/12/2018	

## 7.4 MORAWA STREET SIGNAGE

All street signage ordered shall be recognized in the standard Shire of Morawa colours, with logo. Town street signage is to be white background with brown lettering and trim and incorporating the Shire logo.

Replacement signage is to be of the same standard and ordered as and when required within budget.

ADOPTED OCM	20/08/1998	RESOLUTION
AMENDED OCM	17/02/2011	
REVIEWED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## 7.5 PRIVATE WORKS

All private works are to be carried out at the discretion of the Chief Executive Officer, at rates which ensure no loss is incurred by the Shire of Morawa and that Shire's normal works program is not adversely affected.

Private works are not to be conducted without a written quote being provided beforehand. All private works must be accompanied by the appropriate documentation identifying the requesting person, the nature of the work, and must be signed by the person accepting responsibility for payment. Pre-payment or deposit may be requested.

Requests for the grading of internal rural driveways will be undertaken at no cost to the landholder, however if the time to undertake the job is estimated at over an hour, normal private works rates are to apply after the first hour. All requests for grading are to be made to the Principal Works Supervisor or Chief Executive Officer and not the Plant Operators.

ADOPTED OCM	12/06/1997	RESOLUTION
AMENDED OCM	20/12/2007	
REVIEWED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## 7.6 CROSSOVERS

### Urban Areas and Rural Estates

- a) All crossovers shall be constructed to approve engineering standards, under the supervision and to the satisfaction of the Principal Works Supervisor. The owner/agent shall arrange for construction;
- b) All constructed crossovers must be paved with bituminous surfacing, in situ concrete, paving bricks or blocks;
- c) Subject to the crossover conforming with engineering standards approved by the Principal Works supervisor, the Shire of Morawa will contribute (or subsidize) half the cost of a standard crossover (one crossover to a property) to a maximum contribution of \$250.00 per crossover;
- d) The subsidy shall apply to industrial, commercial, grouped dwellings and single residential dwelling. In the case of strata titled dwellings, the subsidy applies to each crossover up to the number of dwellings;
- e) Crossovers, eligible for subsidy must be claimed for at the subsidy rate that applies in the financial year when construction is completed. The Shire will not contribute, retrospectively for existing crossovers or for crossovers installed without the Principal Works Supervisor's supervision or approval.

The reference a "standard crossover" shall mean a sealed or paved construction to a size conforming to Engineering Services standard widths, referred to in specifications.

### Crossover Maintenance

The Shire shall not be responsible for maintenance of crossovers. Upon completion of construction, the maintenance and upkeep of the crossing to a safe and trafficable standard remains the responsibility of the property owner.

### Bonds

Bonds for the construction or reconstruction of crossovers shall be required to be paid at time of issue of building license. The Principal Works Supervisor will set the amount of bond based on the value of nearby Shire owned infrastructure that could be damaged during the construction process.

Crossover construction/reconstruction shall be required as a condition of subdivision, development and/or as a condition of issue of building license where it is deemed by the Principal Works Supervisor that the construction is necessary.

With the exception of building licenses for structures accessible to vehicles, crossover construction/reconstruction as a condition of the building license shall not be required if the value of the works shown on the license is less than \$5,000 or the building works are minor (e.g., pergola, shed, pool, patio, toilet).

The Shire may construct the crossover in concrete if not constructed by the owner/agent within 6 months of practical completion or occupation of the building. The cost of such a crossover will be used to settle the account.

ADOPTED OCM	16/04/2003	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	



## 7.7 ROAD VERGE POLICY

### Objective

To control and manage the development and use of road verges within the Morawa townsite.

### Policy Statement

The Shire of Morawa is committed to ensuring that verge areas within the Morawa townsite are managed by private landowners and the Shire in a manner that provides a maintained, safe and aesthetically pleasing environment.

A verge is defined as the section of land between the front property boundary and the road kerb.

Shire of Morawa approval is required for any temporary storage on verge areas or installation of gardens, treatments or reticulation on verges.

ADOPTED OCM	19/12/2012	RESOLUTION
REVIEWED OCM	20/12/2018	
REVIEWED OCM		

## 7.8 PRIVATE USE OF DEPOT & PLANT

There is to be no private use of the depot, workshop or workshop based equipment without the specific approval of the Chief Executive Officer.

All private vehicles are to park in the approved areas only.

The depot telephone is for work purposes only.

Private use of plant and vehicles is at the Chief Executive Officer's discretion:

- a) Having regard to the appropriateness and duration of proposed use and its operational cost; and;
- b) Is subject to such terms and conditions as is deemed appropriate, and provided the proposed use is for, and by, the employee, for personal and non-commercial use.

ADOPTED OCM – New Policy	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## 8.0 RECREATION

### 8.1 LIQUOR PERMITS

The Chief Executive Officer is authorized to issue Liquor Permits for alcohol consumption on the Shire of Morawa premises, subject to the following conditions:

#### Town Hall

- a) No kegs to be taken into main hall area;
- b) No liquor to be consumed by persons under the age of 18 years.

#### Recreation Complex

- a) No liquor or kegs to be taken into main stadium area or squash courts;
- b) No kegs to be taken into main function area;
- c) No liquor to be consumed by persons under the age of 18 years.

#### Oval & Function Room

- a) No kegs to be taken into main function area;
- b) No liquor to be consumed by persons under the age of 18 years.

#### Other Shire Facilities

- a) No kegs to be taken into main hall area.
- b) No liquor to be consumed by persons under the age of 18 years.

All State regulatory liquor licensing requirements must be met by the applicant.

ADOPTED OCM	16/03/2000	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## 8.2 MORAWA CARAVAN PARK

The following conditions of occupancy are to be observed by all guests of the Morawa Caravan Park.

### General

- a) When the Caretaker is not in park, please help yourself to a site and power;
- b) All site fees shall be paid in advance to the Caretaker or at the Shire administration office or via the honesty box on-site;
- c) The registration form is to be completed for each site occupied;
- d) Guests are requested to report any damage or faulty equipment to the Caretaker;
- e) On the day of departure, guests must vacate the caravan park by 10.00am.

### Rules

- a) The speed limit within the park boundaries is 10 kilometers per hour;
- b) Guests shall not create any excessive noise or disturbance prior to 8:00am or after 10:00pm. Visitors are requested to observe these hours when visiting. The Caretaker or an authorized Shire officer has discretion to determine excessive noise and make appropriate visitor arrangements;
- c) No fires are to be lit within the caravan park boundary;
- d) Dogs are to be on a leash at all times whilst on caravan park premises. Please dispose of all dog feces by sealing in a plastic bag and placing in the bins provided;
- e) No car repairs or maintenance shall be carried out within the caravan park boundaries without the express permission of the Caretaker or authorized Shire officer;
- f) Visitors are not permitted to park their vehicles within the caravan park boundaries for periods longer than considered reasonable. The caretaker or an authorised Shire officer has discretion to determine what is deemed reasonable;
- g) Disposable nappies and other disposable items are to be placed in bins provided and shall not be flushed down toilets;
- h) Drainage from caravan sinks shall be emptied into the drainage facilities and not emptied onto trees or lawn. Sullage is to be dumped in the facilities provided;
- i) Washing of cars and vans is to be by bucket only;
- j) All sites are to be kept clean and tidy. Please use the bins provided.

### Termination of Occupancy

- a) Failure of a guest (or any person associated with a guest) to comply with any of the above rules and conditions of occupancy, will entitle the caretaker or an authorised Shire officer to terminate any guest's occupancy, which shall forthwith come to an end and the guest shall immediately vacate the park;
- b) Termination of a guest's occupancy upon the breach of any of the rules and conditions of occupancy shall not entitle the departing guest to any refund of any monies paid in advance, which may be retained by the Shire as and by way of liquidated damages.

ADOPTED OCM	16/06/1994	RESOLUTION
AMENDED OCM	22/12/2005	
REVIEWED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

### 8.3 MARKETS POLICY

The Morawa Shire fully supports the holding of Market Days in Morawa. Market Days add significant vibrancy and interest to the social fabric of the local community.

It is also important that Market Day events do not detract but complement the everyday activities of the resident Morawa business sector. In this context, Market Days will be approved to be held at either of the following locations:

- a) In the Town Square on Winfield Street;
- b) In the main Winfield Street TransWA Car Parking Area;
- c) North of the Morawa Drapery in Winfield Street;
- d) In Pioneer Park located adjacent to the main Winfield Street Toilets.

ADOPTED OCM	16/09/2012	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## 8.4 MORAWA VOLUNTEERS

In recognition for the valuable contribution made by volunteers in the Morawa community the Shire will hold an annual event to thank those volunteers for giving their time.

The event will be held on the third Thursday of October each year following the Ordinary meeting of the Council.

The event will consist of a Sundowner / BBQ function which will be held at a location within the Town. The event budget will be \$3,000 (to be reviewed each year in conjunction with the annual budget). The funds will cover the cost of food, drinks and entertainment.

The volunteer community groups invited to attend shall be those listed below:

- a) DFES
- b) SES
- c) St John Ambulance
- d) Tourist Centre
- e) RSL
- f) CWA
- g) Red Cross
- h) Lions Club
- i) Historical Society
- j) Hospital Auxiliary
- k) Northern Districts Community Support Group
- l) Op Shop
- m) Any general volunteers at the discretion of the Shire President and Chief Executive Officer

The Community Development Officer will liaise with the Shire President and the Chief Executive Officer on event arrangements in August of each year.

ADOPTED OCM	16/05/2003	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## **8.5 PREMIER'S AUSTRALIA DAY ACTIVE CITIZENSHIP AWARDS**

The Premier's Australia Day Active Citizenship Awards pay tribute to local individuals and groups who have made an outstanding contribution to the community. Any individual or organisation can make a nomination in either the following categories:

- a) Outstanding community contribution by a local citizen;
- b) Outstanding community contribution by a local citizen under 25 years of age;
- c) Outstanding community contribution by a local group or community event.

The Awards recognize those who have shown an exceptional level of commitment and provision of superior service and support to the Morawa community. The recipients will be selected from people and groups who have made a noteworthy contribution during the current year, or given outstanding service to the local community over a number of years through active involvement.

### **Eligibility for Nominations**

- a) All individuals being nominated must be an Australian Citizen;
- b) If an event is being nominated, a majority of members of the nominated group must be residents of the Shire of Morawa;
- c) Nominees for Citizen of the Year or Young Citizen of the Year must be residents of the Shire of Morawa or who conduct work in the area that benefits the Morawa community and whose achievements and service for others has had a widespread influence on the local community;
- d) To be eligible for 'outstanding community contribution by a local citizen under 25 years of age', nominees must be under 25 years of age on the day that the award is received;
- e) Self-nominations are not accepted;
- f) Only one person may be nominated per nomination form.

### **Selection Panel**

All eligible nominations are assessed by a Selection Panel comprised of two community members and the Shire President, assisted by the Chief Executive Officer. Two community members will be approached to join the selection panel during November each year. These two community members will change on a yearly basis. The Awards will be announced at the Australia Day Ceremony held on 26 January each year.

### **Conditions of Entry**

- a) The nominator must be an elector of the Shire of Morawa and must provide their full name and residential address and must disclose any relationship to the nominated person;
- b) The nomination form must be complete to be eligible for consideration;
- c) The name, address, contact details and signature of the two referees supporting the nomination must be supplied;
- d) The nominator and the two referees must have signed the nomination form if it is to meet the criteria;
- e) Shire of Morawa staff are ineligible to make nominations.

The Shire of Morawa must receive all nominations by no later than 5.00pm on 30 November each year. All nomination information and material submitted remains the property of the Shire of Morawa. The decision of the Selection Panel is final and no correspondence will be entered into.

### **Nominations**

Should be addressed and forwarded as follows:

“CONFIDENTIAL”

Chief Executive Officer

Morawa Active Citizenship Awards PO Box 14 Morawa WA 6623

ADOPTED OCM	19/09/2014	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	



## 8.6 USE OF SOCIAL MEDIA FOR PUBLICITY

### Objective

The use of social media is growing rapidly and this policy is designed to equip the Shire of Morawa for participation in social media a positive manner as a means of marketing and promoting the Shire and Youth Centre activities.

The purpose of this policy is to provide guidelines specifically for the use of Facebook to a targeted audience, to outline the Shire's position in relation to the use of social media by its staff, whether in an official or private capacity.

### Policy Statement

The Shire embraces the use of social media for the promotion, development and delivery of the Shire and Youth services. However, the Shire recognizes that there are risks and challenges associated with the use of these platforms.

Social media is the term used for internet-based tools for sharing and discussing information among people. It refers to user-generated information, opinion and other content shared over open digital networks.

### Social media may include (although is not limited to):

- a) Social networking sites (for example Facebook, MySpace, LinkedIn);
- b) Video and photo sharing websites (for example Flickr, YouTube, Instagram);
- c) Blogs, including corporate blogs and personal blogs;
- d) Blogs hosted by media outlets (for example "comments" or "your say" features on news websites);
- e) Micro-blogging (for example Twitter);
- f) Wikis and online collaborations (for example Wikipedia);
- g) Forums, discussion boards and groups (for example Google groups, Whirlpool);
- h) Vod and podcasting;
- i) Online multiplayer gaming platforms (for example World of Warcraft, Second Life);
- j) Instant messaging (including SMS);
- k) Geo-spatial tagging (for example Foursquare, Facebook 'Places' feature);
- l) Social Book Marking (for example Pinterest).

Social media also includes all other emerging electronic/digital communication applications. In this instance the Shire is focusing its attention on Facebook; however that does not rule out future extension of social media for the purposes of communication.

### Official Use of Social Media

Official use refers to communication carried out from one of the Shire's own social media channels (such as the Shire of Morawa or Youth Centre Facebook page), or when a staff member posts on an external channel as an authorized Shire representative (for example, when answering a question posted on a public forum).

### Who is authorized to Comment?

Before engaging in social media activity as a representative of the Shire, a staff member must become authorised to comment. Staff members may not comment unless authorised to be a representative spokesperson of the Shire. To be authorised to comment or be an authorised spokesperson, a staff member must have the explicit approval of the Chief Executive Officer.

The Youth Centre Facebook account is for the sole use of the Community Development Officer (CDO).

**Authorised Staff must:**

- a) Be open about their relationship with the Shire and that they are representing the Shire in a professional capacity;
- b) Post information that is accurate, fair and through;
- c) Refer to another Shire staff member to check information before it is posted;
- d) Be professional, relevant and responsive;
- e) Ensure all content matches the quality standards of the Shire;
- f) Ensure they are not the first to make an announcement, unless authorized to do so;
- g) Avoid any type of controversial topics and allow the EMCE to inform the community via the approved channels;
- h) Comment only on their areas of expertise and experience;
- i) Ensure any errors are corrected as soon as they are discovered;
- j) Be polite and respectful in all comments; and
- k) Abide by Facebook's own terms of use.

**Authorized Officers must not:**

- a) Post material that is discriminatory in any way obscene, offensive, defamatory, overtly sexual or explicit;
- b) Threatening or describing violent events or behaviors;
- c) Refers to or encourages the use of illegal drugs;
- d) Illegal or encouraging of illegal behaviors (including the violation of current Australian copyright laws);
- e) Harassing or hateful to an organization or person, including the Shire, staff, stakeholders, associates and suppliers;
- f) Discuss local government elections and candidates;
- g) Spam, repetitive and non-relevant;
- h) Selling or advertising by commercial enterprises;
- i) Relates to religious, political or cultural beliefs;
- j) Comments not topically related to the particular social medium being commented on; and
- k) Comment or post any material that might otherwise cause damage to the Shire's reputation or bring it into disrepute.

The above criteria will also be expected from users of the service, and if this is not adhered to then such posts will be removed. Users may then be blocked from posting on the Shire's social media platforms.

**Responding to Posts**

Authorized officers will act as administrators and at their discretion not every comment / post will receive a response, any comments that are responded to, will be during normal business hours.

If a comment or post requires a formal response, the commentator or poster will be directed to put their comment / query in writing and supplying a postal or street address.

**The Act of Liking a Post**

The act of the Shire 'following' or 'liking' an individual person, group, organization, business, event or location through the social media platforms does not indicate the Council or the Shire endorses the views, products, services or activities pertaining to the 'followed' or 'liked' group, business or entity. We are not necessarily directly affiliated with and do not endorse any advertisement that may appear when viewing our page, unless stated otherwise.

## **Personal Use of Social Media**

This policy does not intend to stop staff member's personal use of social media, however the policy does apply to personal social media when the staff member chooses to identify themselves as an staff member of the Shire, or makes reference to the Shire, its services, the Council or other Shire staff.

Staff members are personally responsible for content published by them on any form of social media platform. Staff should not rely on a site's security settings to guarantee privacy. Comments or photos posted on one site could potentially be used on others under the terms and conditions of many social media platforms.

Staff should be aware of and understand the potential risks and damage to the Shire that can occur, either directly or indirectly, from their personal use of social media and should comply with this policy to ensure that the risk is minimized.

### **To avoid breaching this policy staff must:**

- a) Only disclose and discuss publicly available information;
- b) Ensure that all content published is accurate and not misleading and complies with all relevant Shire policies and other government requirements;
- c) Expressly state that stated views are personal and are not representative of the Shire;
- d) Behave politely and respectfully; and
- e) Abide by the terms of use for using the social media platform or website, and adhere to legislation including copyright, privacy, defamation, contempt of court, discrimination, harassment and any other applicable laws.

### **Staff must not:**

- a) Post material that is offensive, obscene, defamatory, threatening, harassing, bullying, discriminatory, hateful, racist, sexist, infringes copyright, constitutes a contempt of court, discloses other people's personal information, breaches a Court suppression order, or is otherwise unlawful;
- b) Imply that they are authorized to speak as a representative of the Shire, nor give the impression that the views expressed are those of the Shire;
- c) Use the identity or likeness of another staff member, contractor or member of Council;
- d) Use their Shire email address or any Shire logo or insignia, which may give the impression of official support or endorsement of their personal comment;
- e) Use or disclose any confidential information or personal information obtained in their capacity as an staff member or contractor of the Shire;
- f) Post material that is, or might be construed as, threatening, harassing, bullying or discriminatory towards another staff member, elected member or contractor of the Shire; and
- g) Comment or post any material that might otherwise cause damage to the Shire's reputation, commercial interests or bring the Shire into disrepute.

## **Compliance**

Depending on the circumstances, non-compliance with this policy may constitute a breach of employment contract, misconduct under the Shire's Code of Conduct, sexual harassment, discrimination, or some other contravention of Shire policy or the law. Failure to comply with the policy may result in disciplinary action and, in more serious cases, may result in termination of employment.

The Shire reserves the right to remove any material that contravenes this policy from its own

social media platforms.

### **Identifying Inappropriate Use**

Where a staff member becomes aware of inappropriate or unlawful on-line content that relates to the Shire of Morawa or content that may otherwise have been published in breach of this policy, the situation and circumstances should be reported immediately to the Chief Executive Officer for assessment.

ADOPTED OCM	19/09/2014	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## 8.7 CARAVAN & ANNEXES STANDARDS

### Objective

Caravan Parks and Camping Grounds Regulations 1997

To ensure that all structures erected in Council operated Caravan Parks in the Shire of Morawa do not detract from the amenity of the overall facility.

All Caravans shall have current licensed Registration to enable mobilization in accordance with the requirements of the Caravan Parks and Camping Grounds Act and Regulations.

All annexes shall comply with the Caravan Parks and Camping Grounds Regulations 1997 including, but not limited to approval, licenses and construction.

For the purposes of Schedule 6 (4) – Rigid Annexes contained within the Caravan Parks and Camping Grounds Regulations 1997, the “walls of prefabricated modular panels or sections” shall mean insulated sandwich panels of such manufacture, colour and design that they complement the caravan to which the annex is attached and do not detract from the overall appearance and amenity of the Caravan Park.

ADOPTED OCM	20/12/2018	RESOLUTION
AMENDED OCM		
REVIEWED OCM		

## 9.0 TOWN PLANNING

### 9.1 RURAL SUBDIVISION

A rural subdivision policy has been formulated to guide Council in the assessment of subdivision applications relating to rural land. The objectives of the Town Planning Scheme with regards to rural land are as follows:

- a) To ensure the continuation of broad-hectare farming as the principal land use in the District and encouraging where appropriate the retention and expansion of agricultural activities;
- b) To consider non-rural land uses where they can be shown to be of benefit to the District and not detrimental to the natural resources or environment;
- c) To allow for facilities for tourists and travelers and for recreation uses.

Subdivision in the rural zone creates a number of concerns wherein it may:

- a) Place undue pressure on the provision of services and facilities;
- b) Compete for the use of rural land for agriculture;
- c) Be incompatible with existing agricultural practices;
- d) Reduce land use options on adjacent lots; and
- e) Compromise rural amenity, landscape and the environment.

In order to protect the future agricultural land use within the Shire of Morawa the *Shire of Morawa Town Planning Scheme No 2* permits subdivision of rural land in the following circumstances:

- a) The lots have already been physically divided by significant natural or man-made features which preclude the continued operation of a farming property as a single unit (unless adjoining land could be similarly subdivided and thereby, by the process of precedent, lead to an undesirable pattern of land use in the area or in lots too small for uses compatible with the prevailing use in the area or in ribbon development alongside roads);
- b) The lots are for farm adjustments;
- c) The lots are for specific purposes such as recreation facilities and public utilities; or
- d) The lots are required for the establishment of uses ancillary to the rural use of the land or are required for the traveling public and tourists (such as service stations and motels).

Council will not support the subdivision of rural land resulting in the creation of lots smaller than 20 hectares.

ADOPTED OCM	15/11/2001	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

# 10.0 ECONOMIC DEVELOPMENT

## 10.1 INFRASTRUCTURE ASSET MANAGEMENT

### Purpose

The purpose of this policy is to provide the basis for and to guide the strategic management of the Shire's infrastructure assets in order to deliver the Shire's long-term strategic objectives.

The purpose will be achieved by:

- a) Developing and implementing an Asset Management Strategy.
- b) Preparing and maintaining an Infrastructure Asset Management Plan.
- c) Preparing operations and maintenance plans for each infrastructure asset class.
- d) Maintaining up-to-date and validated Asset Management Systems and Processes that are aligned and integrated with the Shire's business practices.

### Scope

This Policy applies to infrastructure assets owned by the Shire of Morawa Shire. The asset types covered are as follows:

#### Roads assets comprising

- a) Sealed and Unsealed Roads;
- b) Culverts Railway Crossings;
- c) Road signs/features Floodways;
- d) Kerbing;
- e) Footpaths.

#### Buildings comprising

Shire depot Public/Civic Recreation Housing

#### Other assets comprising

Public/Civic Assets Recreation Assets Airport Sewerage and Effluent Reuse Assets

An Infrastructure Asset Management Plan was prepared in 2011. A separate Asset Management Plan covers the sewerage and effluent reuse assets.

This Infrastructure Asset Management Policy covers all the Shire's infrastructure assets, including the sewerage and effluent reuse assets.

### Objective

The objective of this Policy is to provide a consistent framework that is aligned and integrated with the Shire's business practices and is consistent with the State Government's Integrated Planning and Reporting requirements such that:

- a) Infrastructure assets are managed in accordance with the requirements of relevant legislation;
- b) Infrastructure assets are managed in accordance current best practice, taking affordability into account;
- c) A "whole of life" approach is taken to operational, maintenance, renewal and acquisition plans;
- d) Funding levels to ensure that infrastructure assets deliver the required Levels of Service are identified and reported;
- e) Levels of Service and risks are taken into account in the development of operational,

maintenance, renewal, and acquisition plans;

## Organizational Context

The Shire's most recent Strategic Plan (Strategic Plan – Breaking New Ground - Report 2018-2028) includes a set of values that inform the development and management of the Shire as follows:

- a) To be Innovative and Creative;
- b) To be Collaborative through partnerships;
- c) To be open and accountable;
- d) To provide strong leadership, governed by informed decisions; and
- e) To listen, communicate and respond.

In addition, the Strategic Plan indicates a set of objectives and outcomes that incorporate the community's goals:

OBJECTIVES	OUTCOMES
Objective 1 A diverse, resilient and innovative economy	1.1 Maintain and increase population. 1.2 Maximise business, industry and investment opportunities. 1.3 Responsive to innovation and new technologies. 1.4 Provide essential services and infrastructure to support population growth. 1.5 The main street is the civic and retail heart connecting the town. 1.6 Attractive and well maintained buildings and streetscapes. 1.7 Well maintained local roads and ancillary infrastructure. 1.8 Affordable, diverse and quality accommodation options for both residential and business. 1.9 Increased investment in transport networks.
Objective 2 Protect and enhance the natural environment	2.1 Ensure natural resources are used efficiently and effectively. 2.2 Enhance and promote rehabilitation of our native vegetation. 2.3 A Regional waste management solution to achieve zero landfill.
Objective 3 A community that is friendly, healthy and inclusive	3.1 Services and facilities that meet the needs of the community. 3.2 Respect our cultural, indigenous and heritage assets. 3.3 Retain a safe environment. 3.4 A wide range of regional events. 3.5 Improved and well maintained community, recreational and civic infrastructure. 3.6 Promote and Support a healthy community. 3.7 Support an inclusive community.
Objective 4 A connected community with strong leadership	4.1 A well informed, connected and engaged community that actively participates. 4.2 Existing strong community and spirit and pride is fostered and encouraged. 4.3 A local government that is respected, professional and accountable. 4.4 Strong regional partnership with government and industry. 4.5 Long term financial viability. 4.6 Attract and retain quality staff.

## Principles

The Shire is the owner of public assets and is responsible for the sustainable management of them and to provide for their replacement or renewal.



Asset management is a structured process which seeks to ensure best value for money from assets to deliver the strategic objectives of the Shire and which informs the operations and maintenance, renewal, disposal and acquisition of assets with an overall objective to optimize service delivery and manage related risks and costs over the asset's life cycle.

Infrastructure assets are fundamental to the Shire's overall service delivery.

The Shire recognizes Asset Management as a core activity. Accordingly, every staff member of the Shire is either directly or indirectly involved in the management of Shires' assets.

This Policy supports the Shires' intent to raise its Asset Management Practice to a level that is best practice, subject to affordability, through the provision of assets and their timely maintenance and renewal at appropriate levels to meet service needs.

The Shire recognizes that its assets incur ongoing operating costs and require maintenance and the replacement of components to ensure that they remain serviceable throughout their life. Some assets may also be disposed of. This combined cost, together with the capital cost of asset acquisition is termed lifecycle cost. This policy supports the Shires' commitment to ensure that the Levels of Service delivered by the assets are achieved at the best lifecycle cost.

The Shire also acknowledges through this policy that the acquisition of new assets will take into account the full cost of acquisition, operation, maintenance, renewal and disposal over its life cycle. Accordingly, the future cost impact of new assets will be fully considered as part of any new asset approval.

In undertaking asset management of the infrastructure assets, we will:

1. Develop an Infrastructure Asset Management Strategy and a life-cycle based Infrastructure Asset Management Plan in accordance with this Policy and review them every 4 years;
2. Ensure that the Infrastructure Asset Management Strategy, the Infrastructure Asset Management Plan and the Sewerage and Effluent Reuse Asset Management Plan are aligned to the Shire's Strategic Plan and to the State Governments Integrated Planning and Reporting Requirements;
3. Determine future levels of service taking consultation with the community and affordability into account;
4. Make decisions regarding asset operations and maintenance, renewal, disposal and acquisitions taking levels of service and affordability into account and based on lifecycle costs;
5. Ensure compliance with relevant accounting standards;
6. Ensure that all relevant legislation is taken into account;
7. Collect, store, manage and analyze data on asset utilization, performance and condition and utilize the data to inform operations and maintenance, renewal, disposal and acquisition plans;
8. Manage the risks of injury, liability and asset failure through risk and condition assessments;
9. Carry out demand forecasting to inform operations and maintenance, renewal, disposal and acquisition plans;
10. Develop Long Term Financial Plans on the basis of funding the asset operations and maintenance, renewal, disposal and acquisitions plans in accordance with this Policy;
11. Taking affordability into account, ensure that best practice asset management practices and systems are employed to support the management of the Shire's infrastructure assets.

## **Roles and Responsibilities**

### Elected members

1. Adopt the Infrastructure Asset Management Policy ;

2. Adopt the Infrastructure Asset Management Strategy; Adopt the Infrastructure Asset Management Plan;
3. Adopt the Sewerage and Effluent Reuse Asset Management Plan;
4. Support the use of asset management planning throughout the organization;
5. Make decisions regarding infrastructure assets in accordance with the Infrastructure Asset Management Policy, Strategy and Plan.

**Chief Executive Officer**

1. Develops and maintains the Infrastructure Asset Management Policy; Develops and maintains the Infrastructure Asset Management Strategy; Develops and maintains the Infrastructure Asset Management Plan;
2. Develops and maintains the Sewerage and Effluent Reuse Asset Management Plan; Ensures alignment between the Infrastructure Asset Management Policy, Strategy and the Asset Management Plans with other policies and processes in the organization; Ensures compliance with legislative requirements;
3. Ensures infrastructure assets are managed in accordance with Infrastructure Asset Management Policy, Strategy and Plan;
4. Ensures sewerage and effluent reuse assets are managed in accordance with Infrastructure, Asset Management Policy, Strategy and the Sewerage and Effluent Reuse Asset Management Plan;
5. Supports the use of asset management planning throughout the organization; Facilitates best practice asset management.

**Review of Policy**

This policy will be reviewed in conjunction with the review of the Infrastructure Asset Management Strategy and Infrastructure Asset Management Plan.

ADOPTED OCM	02/02/2013	RESOLUTION
AMENDED OCM	19/12/2016	
REVIEWED OCM	20/12/2018	

## 10.2 COMMUNITY ENGAGEMENT

### Policy Statement

#### Background and Situation

Involving citizens in government planning and decision-making is crucial to the legitimacy and responsiveness of government, the quality of public policies and programs, and the effectiveness of services.

Community engagement is aligned with Australia's system of representative democracy and whilst many government agencies have been undertaking a range of community engagement activities for some time, it is acknowledged there is need for continuous improvement at all levels.

The increasing emphasis on community involvement in government processes corresponds with growing citizen expectations for more accessible, responsive and accountable government. It also corresponds with an international trend towards more participatory and deliberative approaches to democratic governance. For example, in the past 18 months, we have witnessed a number of governments lose power or come under serious threat for the failure to engage their citizens in an appropriate process.

Globally, there are several drivers and trends moving governments to improve community engagement in planning and decision-making.

These trends include:

- a) Concerns about low levels of trust and confidence in government,
- b) Community expectations for governments to be responsive, accountable and effective,
- c) Mounting evidence and acknowledgement of increased social exclusion and disadvantage,
- d) The realization that government does not have the expertise, resources or influence to solve all issues.

Other global trends contributing to a growing interest in community engagement include:

- a) Rising education levels;
- b) Increasing interest in seeing more citizen opinions and values reflected in government policies and decisions;
- c) The changing nature of community and non-government organizations;
- d) Under the Local Government Reform process, a new strategic planning model was adopted in 2010. This Integrated Planning Framework (IPF) provides for a Strategic Community Plan (SCP), outlining the social, environmental and economic hopes, dreams and aspirations of all communities in Western Australia. The beginning processes of Community Engagement (CE) inform the SCP.

The absolute lynchpin of the entire IPF is *community engagement*. How communities are engaged, at what level, and with reviews, is critical to the success of any local government IPF. Whilst there are good examples of planning across the sector, the sector is encouraged to have a strategic planning system that delivers accountable and measurable linkages between the community aspirations and practical service delivery.

It is therefore considered paramount that local governments adopt a policy that will systematically capture the community sentiment, build organizational capacity to meet those needs and optimize the success of integrating the community component with other aspects of planning.

#### Values Basis

Shire of Morawa elected members and senior staff have identified the values underpinning this new policy and have committed to actions that will strengthen the Shire's approach to community engagement.

The values are as noted in Table 1:

**Table 1. Values**

Values	Actions	Notes
Respect	<p>People matter...decisions are made on the basis of people's needs leading to community ownership and continuous improvement for enhancing our quality of services proactively and collaboratively.</p> <p>We will use an inclusive process that treats the participants with recognition &amp; respect and seeks a balanced outcome, brings the community close to us so we understand more of what they want and how to include the community's thoughts.</p>	Government is a servant of the people and the people's needs will be considered; listening to feedback and incorporating it where appropriate is essential to the process
Transparency	We will be open and honest about our dealings with the people and keep them informed at all stages using the most appropriate form of communication given the programme, project or task at hand.	<p>People are less likely to deal in rumours or feel left out when they know what is being discussed and why. Knowledge is power.</p> <p>We recognise that to empower our communities and our residents, information must be provided to all levels and communication must occur at all levels.</p>
Fairness	We will consider venue, language and timing to ensure that engagement is accessible to all; discussion and decisions will be handled equally across all population groups and communities of interest	Connecting with the people, across a wide swath will help develop a sound understanding of the community and a sense of integrity
Loyalty	We will be loyal to the people of Morawa and its outlying communities, upholding their desires above all others and lobbying for their interests throughout the IPF process	Integrity and mutual respect are enhanced when people know they are valued and when we do what we say we will do
Empathy	We will be flexible in our approach, ensuring that maximum numbers of people can be engaged at every step; we will engage with the community in 'their space' not a space that we create	Venue, timing and access will be considered for all segments of the population

**Purpose**

Ensuring that residents of the Shire of Morawa have the maximum opportunity to contribute to their own social, economic and community well-being as well as good governance through information and consultation on minor projects, and active participation in the development of major programs, projects and events throughout the Shire.

elected members and senior staff have identified the levels of engagement to be used with this new policy and have committed to actions that will strengthen the Shire's approach to

community engagement.

These are as follows in Table 2:

**Table 2. Community Engagement Actions**

Actions	Notes
Each project/program will be reviewed to ensure the appropriate level of engagement is being used; council will use a balance/variety of engagement techniques in order to avoid 'burnout' and keep interest high	Communities can be over-consulted resulting in consultation burn-out; the appropriate level will be inbuilt in the planning process
A matrix will be developed listing all priorities and what levels of engagement will be used with each, including techniques	The IPF is accepted as mandated, however, there is a need to update across the system with the state engaging at local levels as well
Council commits to using all reasonable engagement practices and electronic means wherever possible to do so	Regular use of all currently available means, including community newsletters as well as Facebook and other interactive social media will be explored
Council identifies priority projects as those financially & physically achievable within available budgets, officer resources & timeframes	Timing of projects is important to avoid overtaxing officers or community members; elected members and senior staff are the arbiters of priority within budgetary, physical and staffing considerations
Council will engage outside 'experts' whenever needed	It is accepted that certain engagement techniques and evaluations are best managed by outside consultants, particularly when projects begin from the 'ideas' stage as is the nature of active participation

### Levels of Community Engagement

In the literature as well as in common practice, there are generally three to five levels of community engagement identified.

Each level is most appropriate with certain programs and projects. In addition, certain projects and programs are able to draw from all levels as needed.

It is recognized that levels of community engagement are not hierarchical but rather linear and that levels of engagement do not necessarily build on one another but are complementary.

It is further recognized that effective community engagement is built on trust, goodwill and respect, driven by a set of principles, not simply shaped by particular engagement techniques.

The levels accepted by the Shire of Morawa are identified in Table 3.

**Table 3. Levels of Community Engagement**

Information sharing	Consultation	Active Participation
Objective	Objective	Objective
To provide the public with balanced and objective information to assist them in understanding a problem, alternatives and/or solutions	To obtain public feedback on analysis, alternatives and/or decisions	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution
Promise to the public	Promise to the public	Promise to the public
We will keep you informed	We will keep you informed, listen to and acknowledge concerns, and provide feedback on how public input influenced the decision	We will look to you for direct advice and innovation in formulating solutions and incorporate your advice and recommendations into the decision to the maximum extent possible
General Nature	General Nature	General Nature
involves the least amount of time, minimal level of engagement and community influence advises community of decisions or services information received by phone, postal, internet, educational activity, public notice boards, media	involves a moderate amount of time, shared level of engagement and community influence government asks for views, considers views, provides feedback on how views affected final decision feedback on decisions and changes may take long time includes face-to-face meetings, on-line surveys, phone interviews	involves a substantial amount of time, as well as a substantial level of engagement and community influence individuals, communities and government work closely together to develop better policy, programs and services includes regular meetings and participation of committees, reference groups or advisory groups
Example Tools	Example Tools	Example Tools
advertising briefings community meetings community fairs or events education & awareness programs fact sheets informal club forums media stories newsletters news conferences newspaper displays & inserts online information shopfronts telephone hotline	discussion groups & workshops one-to-one interviews open days polls road shows survey research web-based consultation	action research advisory committees charrettes citizen juries & citizens' panels collective learning technique (world café) community reference groups community visioning deliberative polling deliberative retreats design workshops drama workshops fishbowls focus groups futures search conference imagining learning circles participatory editing precinct committees partnerships for active participation negotiation tables nominal group workshops photo voice policy action teams planning for Real open space technology summits

## Examples of Current Projects

Examples of Morawa projects and the level of engagement needed as well as how the results will be incorporated into the Strategic Community Plan are illustrated in Table 4 (not in priority order):

**Table 4. Project Examples**

Program/ Program/ Idea	Engagement Level & Techniques	Incorporation into Strategic Community Plan	Notes
Industrial Subdivision	<p>Combination of levels            Newsletter/personal invitation [town, mining companies, farmers] to a community forum            Collaborative work to engage interest in attending and identify group leaders [business community, football &amp; sports clubs, MEEDAC, schools, other community groups]            Explain project has been revitalised            Community forum as an active process with regular meetings            Electronic consultation as it affects all age groups; on-line survey plus mail-outs            Regular information flow to public &amp; participants; use social media, website, mail-outs, Snippets, notice boards, shop windows, etc.            Once industrial sectors are identified, develop a widespread media promotion            Develop strong relationships within existing business community through social occasions and direct engagement            Mobilize lobby groups for high speed internet and reduction of black spots</p>	<p>Information is collated with identification of achievable development opportunities in priority order            All collected data is double-checked with forum participants            Ensure zoning, planning and other regulations under Shire control are realistic            Gather and provide relevant information to prospective new businesses            Encourage existing regional businesses to consider expansion or complementary activities            Provide detail to Council for incorporation into the SCP as a major shire project in economic development</p>	<p>This has been an exciting project that has lapsed and should not be addressed in only one or two ways            A rates subsidy for 3-5yrs as an incentive for new businesses, especially those that can use the rail facility should be considered</p>
Solid Waste Disposal	<p>Consultation and active participation            Review results to date including consultant's report            Engage community to actively participate in decisions around a recycling option within the overall waste management plan            Encourage participation through shire website, word-of-mouth, social media, letter drop; involve MEEDAC            Utilise design workshop w/specialists in recycling; learn from other Shires            Encourage a recycling business to collect valuable scrap [copper, batteries, scrap metal, etc.]; liaise w/industrial group</p>	<p>Forward to council for formal approval as part of the overall waste management plan</p>	<p>It is a community and Shire obligation to ensure the environment is healthy and regulations have been met; the community has already been involved and discussing for some time            Consider recycling bins for households as an incentive</p>
Education Master Plan as part of Liveable Community	<p>Combination of levels            Provide basic information to prime up community for further work through advertising, online information, newsletters and fact sheets recapping the Education Plan already developed            Move to consultation via discussion groups, workshops, web-based consultation and community visioning to provide a broader forum and wider audience            Organise a specific collaborative community visioning experience that includes education as part of a liveable community            Move into active participation through a community reference group and focus groups that target different sectors of the community and different aspect of the issue            Use feedback to develop plans for infrastructure, advocacy and action</p>	<p>Forward final results to council for formal approval as part of the overall SCP</p>	<p>Formalise the working group already established into an advisory committee</p>

Version Control

Revision Date: This policy is to be reviewed every two years.

Responsible Officer: Executive Manager Development and Administration.

Revision History:

Version	Author	Version Description	Date Completed
1.0	EMDA	Council adoption reference: 7.2.3.3 OCM: 20 September 2017 Resolution: 1708009	20 September 2017

ADOPTED OCM	19/12/2012	RESOLUTION
REVIEWED OCM – Adjustment/formatting	20/12/2018	
REVIEWED OCM		



CR.SPN.1

12 December 2018

Mr Grant Woodhams  
Chair NMEITA  
PO Box 15  
MORAWA WA 6623

Dear Mr Grant Woodhams,

**RE: Support for the North Midlands Education, Industry and Training Alliance's Business Case to increase WACoA-Morawa's Residential Facility**

It is with pleasure that I write this letter to express the Shire of Morawa's support of the North Midlands Education, Industry and Training Alliance (NMEITA's) business case to increase Western Australia College of Agriculture – Morawa (WACoA-M) residential capacity.

We acknowledge NMEITA as the peak body in the North Midlands region that brings regional communities educational opportunities together. We understand that NMEITA seeks to ensure the continued delivery of excellence in education and training opportunities as well as enhancing the sustainability of North-Midlands schools and towns into the future.

The Shire of Morawa is committed to working towards sustainably developing and investing in its community and as such is fully supportive of NMEITA's residential facility expansion goals. We understand that this project seeks to gain government and industry support for the construction of an additional 48 residential rooms at the WACoA-M residential campus. If successful we understand that this project will provide an additional 28 beds for WACoA-M as well as 30 beds for students in years 10, 11, and 12 who attend the Morawa District High School (MDHS).

We believe that a successful NMEITA application will further strengthen the collaborative efforts of WACoA-M and the MDHS. WACoA-M and MDHS currently run a combined ATAR, tertiary entrance course and pathway for students in Years 10, 11 and 12. By combining student numbers and sharing resources, additional educational opportunities have been and will continue to be offered for students of the North Midlands region.

Following recent developments to the delivery of tertiary education in the Midwest through the Geraldton University Centre (GUC), there is now a clear pathway to further education and training. This pathway will now provide locally and regionally grown future employees for the rich and diverse agricultural industry of the Midwest.

WACoA-M is adaptable to regional requirements and as such have met growing educational interests and demands which is evidenced by its delivery of Certificates II and III in Agriculture, as well as the Certificate II in Automotive, Engineering and Conservation and Land Management. As a result of the developments in these educational opportunities thus enabling them to remain in the Midwest.

The economic benefits from the implementation of this project to Morawa and the Midwest will be significant. The construction phase of the facility will lead to increased employment opportunities for locals while also attracting skilled trade's people to the region. On the other hand at the operational level the facility will lead to increased staffing requirements which will lead to more long term employment opportunities. Building and construction contracts will also be on offer to local and regional companies. Finally, enrolled students will be able to develop hands on practical experience through educational and training opportunities made available through the construction phases of the new facility.

In this view, it is with pleasure that I commend NMEITA for providing educational leadership within the North Midlands region. The development and implementation of this regional project will be a welcomed boost to our region. It will in turn support jobs creation, community growth, and educational opportunities in the North Midlands and will also further assist in securing the educational sustainability of the region.

Yours sincerely

Cr Karen Chappel

**President**

Chris Linnell

**Chief Executive Officer**