



murchisonshire

Ancient land under brilliant skies

Ordinary Council Meeting

28 July 2022

Minutes Attachments

SHIRE OF MURCHISON
MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the period ending 30 June 2022

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

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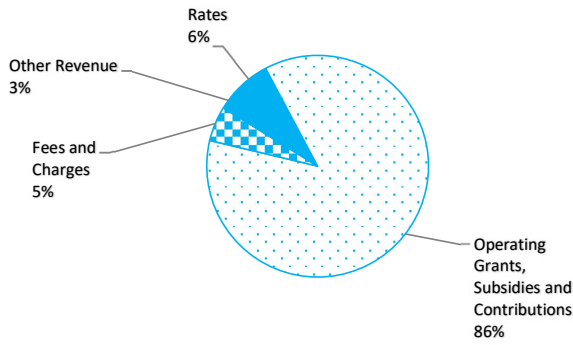
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MONTHLY FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2022

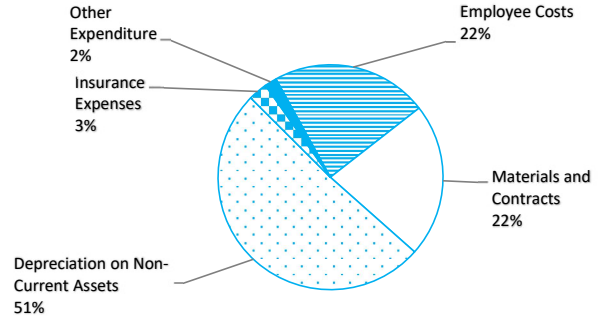
SUMMARY INFORMATION - GRAPHS

OPERATING ACTIVITIES

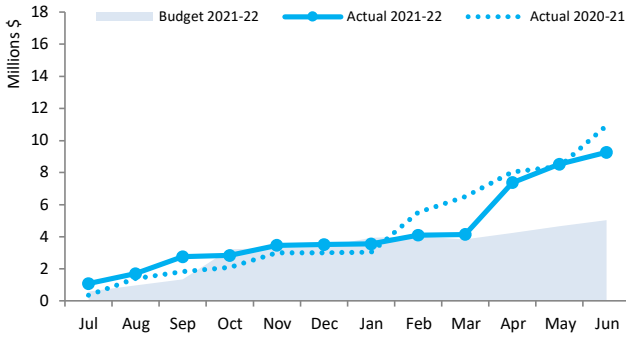
OPERATING REVENUE



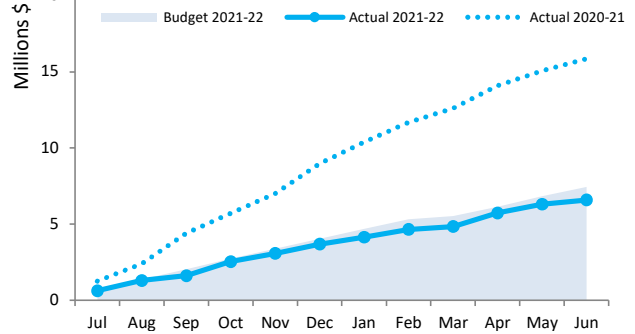
OPERATING EXPENSES



Budget Operating Revenues -v- Actual

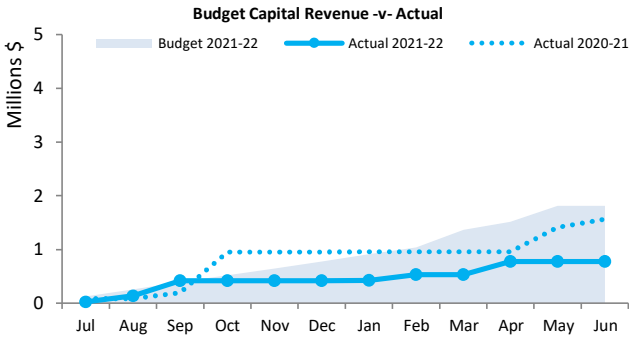


Budget Operating Expenses -v- YTD Actual

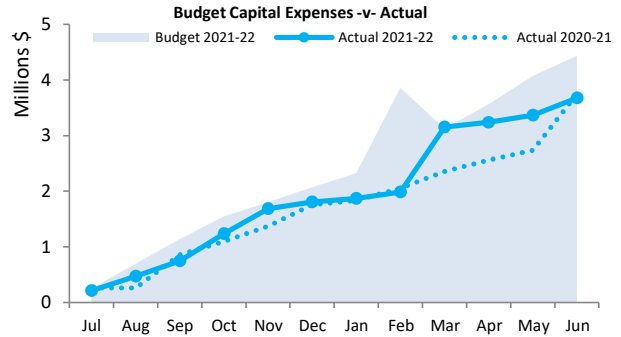


INVESTING ACTIVITIES

CAPITAL REVENUE



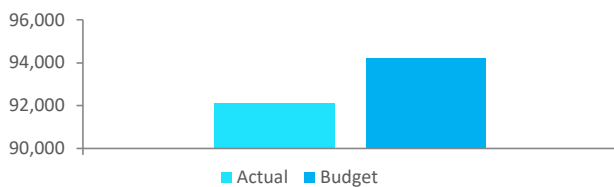
CAPITAL EXPENSES



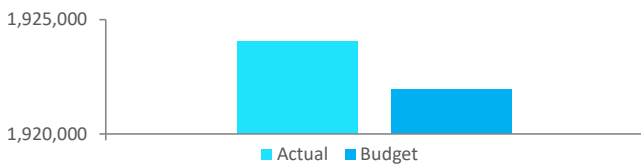
FINANCING ACTIVITIES

BORROWINGS

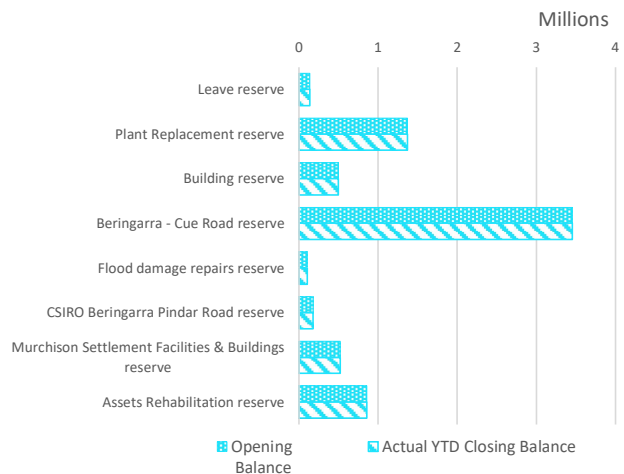
Principal Repayments



Principal Outstanding



RESERVES



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

MONTHLY FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2022

EXECUTIVE SUMMARY

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	(\$0.02 M)	(\$0.02 M)	(\$0.02 M)	\$0.00 M
Closing	\$0.58 M	\$0.58 M	\$5.03 M	\$4.45 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$12.46 M	% of total
Unrestricted Cash	\$5.33 M	42.8%
Restricted Cash	\$7.13 M	57.2%

Refer to Note 2 - Cash and Financial Assets

Payables		
	\$1.01 M	% Outstanding
Trade Payables	\$0.29 M	
0 to 30 Days		64.0%
30 to 90 Days		17.9%
Over 90 Days		18.1%

Refer to Note 5 - Payables

Receivables		
	\$0.42 M	% Collected
Rates Receivable	\$0.05 M	93.1%
Trade Receivable	\$0.36 M	% Outstanding
30 to 90 Days		0.6%
Over 90 Days		98.6%

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$1.30 M	\$1.30 M	\$6.03 M	\$4.73 M

Refer to Statement of Financial Activity

Rates Revenue			
	YTD Actual	% Variance	
	\$0.54 M		
	YTD Budget	\$0.54 M	0.0%

Refer to Note 6 - Rate Revenue

Operating Grants and Contributions			
	YTD Actual	% Variance	
	\$8.01 M		
	YTD Budget	\$3.67 M	118.0%

Refer to Note 12 - Operating Grants and Contributions

Fees and Charges			
	YTD Actual	% Variance	
	\$0.47 M		
	YTD Budget	\$0.54 M	(11.6%)

Refer to Statement of Financial Activity

Key Investing Activities

Amount attributable to investing activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$2.57 M)	(\$2.57 M)	(\$2.89 M)	(\$0.32 M)

Refer to Statement of Financial Activity

Proceeds on sale			
	YTD Actual	%	
	\$0.01 M		
	Amended Budget	\$0.05 M	10.4%

Refer to Note 7 - Disposal of Assets

Asset Acquisition			
	YTD Actual	% Spent	
	\$3.67 M		
	Amended Budget	\$4.44 M	82.8%

Refer to Note 8 - Capital Acquisitions

Capital Grants			
	YTD Actual	% Received	
	\$0.78 M		
	Amended Budget	\$1.81 M	42.7%

Refer to Note 8 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$1.86 M	\$1.86 M	\$1.90 M	\$0.04 M

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	\$0.09 M
Interest expense	\$0.02 M
Principal due	\$1.92 M

Refer to Note 9 - Borrowings

Reserves	
Reserves balance	\$7.13 M
Interest earned	\$0.00 M

Refer to Note 10 - Cash Reserves

This information is to be read in conjunction with the accompanying Financial Statements and notes.

**KEY TERMS AND DESCRIPTIONS
FOR THE PERIOD ENDED 30 JUNE 2022**

STATUTORY REPORTING PROGRAMS

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAM NAME AND OBJECTIVES

ACTIVITIES

GOVERNANCE

To provide the decision-making framework to facilitate allocation of scarce resources.

Administration and operation of facilities and services to members of Council. Other costs that relate to the task of assisting elected members and electors on matters which do not concern specific council services.

GENERAL PURPOSE FUNDING

To collect revenue to allow for the provision of services.

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

To provide services to help ensure a safer and environmentally conscious community.

Supervision of various by-laws, fire prevention and animal control.

HEALTH

To provide an operational framework for environmental and community health.

Monitor health control standards within the community, provide support and assistance with airstrips to enable all residents access to the Royal Flying Doctor for regular and emergency health services.

EDUCATION AND WELFARE

To provide services to disadvantaged persons. The elderly, children and youth.

Support of education facilities within the Shire and of any external resources necessary to assist with the education programmes for all residents.

HOUSING

To provide and maintain staff housing.

Provision and maintenance of staff housing.

COMMUNITY AMENITIES

To provide services required by the community.

Maintain a refuse site for the settlement.

RECREATION AND CULTURE

To establish and effectively manage infrastructure and resources which will help the social well being of the community.

Provide a library and museum and operation thereof. Maintain recreation centre, sports field, parks, gardens and other recreational facilities.

TRANSPORT

To provide safe, effective and efficient transport services to the community.

Construction and maintenance of roads, drainage works and traffic signs.
Maintenance of the settlement air-strip.

ECONOMIC SERVICES

To help promote the shire and its economic well being.

Building control, provision of power and water supplies. Supply and maintenance of television re-broadcasting installation. Provision of radio communication. Maintenance of caravan park. Vermin control and area promotion.

OTHER PROPERTY AND SERVICES

To monitor and control Shire's overheads operating accounts.

Private works operation, plant repair and operation costs.

STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2022

STATUTORY REPORTING PROGRAMS

	Ref Note	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	(17,596)	(17,596)	(17,596)	0	0.00%	
Operating Activities							
Revenue from operating activities							
Governance		15,302	15,302	30,398	15,096	98.65%	▲
General purpose funding - general rates	6	538,967	538,967	538,967	0	0.00%	
General purpose funding - other		2,045,055	2,045,055	5,176,215	3,131,160	153.11%	▲
Law, order and public safety		20,000	20,000	8,800	(11,200)	(56.00%)	▼
Education and welfare		0	0	2,500	2,500	0.00%	
Housing		780	780	0	(780)	(100.00%)	▼
Community amenities		285	285	85	(200)	(70.18%)	▼
Recreation and culture		6,508	6,508	28,379	21,871	336.06%	▲
Transport		1,404,244	1,404,244	2,685,009	1,280,765	91.21%	▲
Economic services		852,910	852,910	680,434	(172,476)	(20.22%)	▼
Other property and services		150,037	150,037	118,341	(31,696)	(21.13%)	▼
		5,034,088	5,034,088	9,269,128	4,235,040		
Expenditure from operating activities							
Governance		(775,671)	(775,671)	(660,033)	115,638	14.91%	▲
General purpose funding		(100,652)	(100,652)	(37,385)	63,267	62.86%	▲
Law, order and public safety		(103,989)	(103,989)	(101,579)	2,410	2.32%	
Health		(58,483)	(58,483)	(39,513)	18,970	32.44%	▲
Education and welfare		(2,200)	(2,200)	(2,064)	136	6.18%	
Housing		(45,826)	(45,826)	(91,079)	(45,253)	(98.75%)	▼
Community amenities		(172,012)	(172,012)	(127,167)	44,845	26.07%	▲
Recreation and culture		(328,532)	(328,832)	(258,550)	70,282	21.37%	▲
Transport		(4,151,717)	(4,151,717)	(3,617,390)	534,327	12.87%	▲
Economic services		(1,697,258)	(1,697,258)	(1,513,715)	183,543	10.81%	▲
Other property and services		579	579	(128,899)	(129,478)	22362.35%	▼
		(7,435,761)	(7,436,061)	(6,577,374)	858,687		
Non-cash amounts excluded from operating activities	1(a)	3,703,834	3,703,834	3,342,335	(361,499)	(9.76%)	
Amount attributable to operating activities		1,302,161	1,301,861	6,034,089	4,732,228		
Investing Activities							
Proceeds from non-operating grants, subsidies and contributions	13	1,814,415	1,814,415	775,249	(1,039,166)	(57.27%)	▼
Proceeds from disposal of assets	7	52,455	52,455	5,455	(47,000)	(89.60%)	▼
Payments for property, plant and equipment and infrastructure	8	(4,436,196)	(4,436,196)	(3,674,079)	762,117	17.18%	▲
Amount attributable to investing activities		(2,569,326)	(2,569,326)	(2,893,375)	(324,049)		
Financing Activities							
Proceeds from new debentures	9	2,000,000	2,000,000	2,000,000	0	0.00%	
Transfer from reserves	10	1,611,188	1,611,188	0	(1,611,188)	(100.00%)	▼
Repayment of debentures	9	(94,237)	(94,237)	(92,114)	2,123	2.25%	
Transfer to reserves	10	(1,653,854)	(1,653,854)	(3,424)	1,650,430	99.79%	▲
Amount attributable to financing activities		1,863,097	1,863,097	1,904,462	41,365		
Closing funding surplus / (deficit)	1(c)	578,336	578,036	5,027,580			

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Actual and YTD Actual data as per the adopted materiality threshold.

Refer to Note 15 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2021-22 year is \$10,000 or 10.00% whichever is the greater.

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

Note: General purpose funding - other revenue includes \$2,372,149 relating to the 2022/2023 Financial Assistance Grant allocation.

KEY TERMS AND DESCRIPTIONS**FOR THE PERIOD ENDED 30 JUNE 2022****NATURE OR TYPE DESCRIPTIONS****REVENUE****RATES**

All rates levied under the *Local Government Act 1995*. Includes general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts and concessions offered. Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refers to all amounts received as grants, subsidies and contributions that are not non-operating grants.

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of identifiable non financial assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

Service charges imposed under *Division 6 of Part 6 of the Local Government Act 1995*. *Regulation 54 of the Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

INTEREST EARNINGS

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

PROFIT ON ASSET DISPOSAL

Excess of assets received over the net book value for assets on their disposal.

EXPENSES**EMPLOYEE COSTS**

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Shortfall between the value of assets received over the net book value for assets on their disposal.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets.

INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

Statutory fees, taxes, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2022

BY NATURE OR TYPE

	Ref Note	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	(17,596)	(17,596)	(17,596)	0	0.00%	
Operating Activities							
Revenue from operating activities							
Rates	6	538,967	538,967	538,967	0	0.00%	
Operating grants, subsidies and contributions	12	3,674,942	3,674,942	8,010,536	4,335,594	117.98%	▲
Fees and charges		536,215	536,215	473,796	(62,419)	(11.64%)	▼
Interest earnings		60,500	60,500	8,561	(51,939)	(85.85%)	▼
Other revenue		223,464	223,464	237,268	13,804	6.18%	
		5,034,088	5,034,088	9,269,128	4,235,040		
Expenditure from operating activities							
Employee costs		(1,234,525)	(1,234,525)	(1,473,366)	(238,841)	(19.35%)	▼
Materials and contracts		(2,117,620)	(2,117,620)	(1,445,140)	672,480	31.76%	▲
Depreciation on non-current assets		(3,680,437)	(3,680,437)	(3,330,766)	349,671	9.50%	
Interest expenses		(8,557)	(8,557)	(21,298)	(12,741)	(148.90%)	▼
Insurance expenses		(178,225)	(178,225)	(180,109)	(1,884)	(1.06%)	
Other expenditure		(193,000)	(193,000)	(115,126)	77,874	40.35%	▲
Loss on disposal of assets	7	(23,397)	(23,397)	(11,569)	11,828	50.55%	▲
		(7,435,761)	(7,435,761)	(6,577,374)	858,387		
Non-cash amounts excluded from operating activities	1(a)	3,703,834	3,703,834	3,342,335	(361,499)	(9.76%)	
Amount attributable to operating activities		1,302,161	1,302,161	6,034,089	4,731,928		
Investing activities							
Proceeds from non-operating grants, subsidies and contributions	13	1,814,415	1,814,415	775,249	(1,039,166)	(57.27%)	▼
Proceeds from disposal of assets	7	52,455	52,455	5,455	(47,000)	(89.60%)	▼
Payments for property, plant and equipment	8	(4,436,196)	(4,436,196)	(3,674,079)	762,117	17.18%	▲
Amount attributable to investing activities		(2,569,326)	(2,569,326)	(2,893,375)	(324,049)		
Financing Activities							
Proceeds from new debentures	9	2,000,000	2,000,000	2,000,000	0	0.00%	
Transfer from reserves	10	1,611,188	1,611,188	0	(1,611,188)	(100.00%)	▼
Repayment of debentures	9	(94,237)	(94,237)	(92,114)	2,123	2.25%	
Transfer to reserves	10	(1,653,854)	(1,653,854)	(3,424)	1,650,430	99.79%	▲
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Refer to Note 15 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

Note: Operating grants, subsidies and contributions include \$2,372,149 relating to the 2022/2023 Financial Assistance Grant allocation.

**MONTHLY FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2022**

BASIS OF PREPARATION

BASIS OF PREPARATION

The financial report has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

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 financial 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.

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.

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.

SIGNIFICANT ACCOUNTING POLICES

CRITICAL ACCOUNTING ESTIMATES

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

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

GOODS AND SERVICES TAX

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.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 25 July 2022

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2022

NOTE 1
STATEMENT OF FINANCIAL ACTIVITY INFORMATION

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with Financial Management Regulation 32.

	Notes	Amended Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities				
		\$	\$	\$
Adjustments to operating activities				
Add: Loss on asset disposals	7	23,397	23,397	11,569
Add: Depreciation on assets		3,680,437	3,680,437	3,330,766
Total non-cash items excluded from operating activities		3,703,834	3,703,834	3,342,335

(b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation* 32 to agree to the surplus/(deficit) after imposition of general rates.

		Last Year Closing 30 June 2021	This Time Last Year 30 June 2021	Year to Date 30 June 2022
Adjustments to net current assets				
Less: Reserves - restricted cash	10	(7,128,983)	(7,128,983)	(7,132,407)
Add: Borrowings	9	1,176	1,176	593
Add: Provisions - employee	11	134,483	134,483	134,483
Total adjustments to net current assets		(6,993,324)	(6,993,324)	(6,997,331)

(c) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	2	8,156,910	8,156,910	12,459,095
Rates receivables	3	540,113	562,530	53,720
Receivables	3	199,601	177,184	362,913
Other current assets	4	143,889	143,889	408,122
Less: Current liabilities				
Payables	5	(1,620,804)	(1,620,804)	(1,006,863)
Borrowings	9	(1,176)	(1,176)	(593)
Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity	11	(308,322)	(308,322)	(117,000)
Provisions	11	(134,483)	(134,483)	(134,483)
Less: Total adjustments to net current assets	1(b)	(6,993,324)	(6,993,324)	(6,997,331)
Closing funding surplus / (deficit)		(17,596)	(17,596)	5,027,580

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. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

Description	Classification	Unrestricted \$	Restricted \$	Total Cash \$	Institution	Interest Rate	Maturity Date
Cash on hand							
Cash On Hand	Cash and cash equivalents	500	0	500	Cash on hand	Nil	Nil
Municipal Cash at Bank	Cash and cash equivalents	4,632,211	0	4,632,211	Westpac	Variable	Nil
Muni Short Term Investment	Cash and cash equivalents	1,660	0	1,660	Westpac	Variable	Nil
Murchison Oasis Roadhouse (Fuel ATM)	Cash and cash equivalents	269,781	0	269,781	Westpac	Variable	Nil
CSIRO Road Account Bank	Cash and cash equivalents	7,406	0	7,406	Westpac	Variable	Nil
Reserve Funds (Cash C/A)	Cash and cash equivalents	0	7,132,407	7,132,407	Westpac	Variable	Nil
Murchison Community Fund	Cash and cash equivalents	415,130	0	415,130	Westpac	Variable	Nil
Total		5,326,688	7,132,407	12,459,095			
Comprising							
Cash and cash equivalents		5,326,688	7,132,407	12,459,095			
		5,326,688	7,132,407	12,459,095			

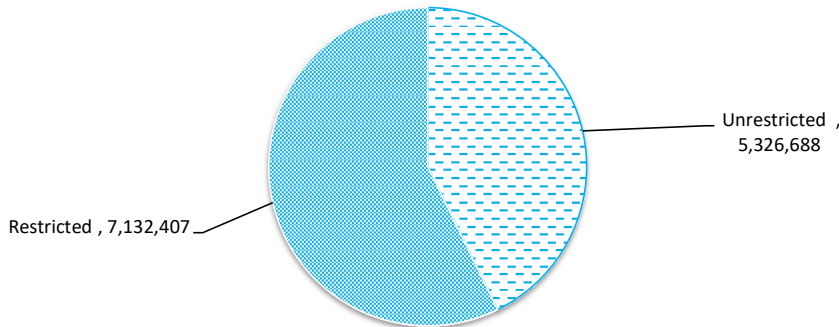
KEY INFORMATION

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

The local government classifies financial assets at amortised cost if both of the following criteria are met:

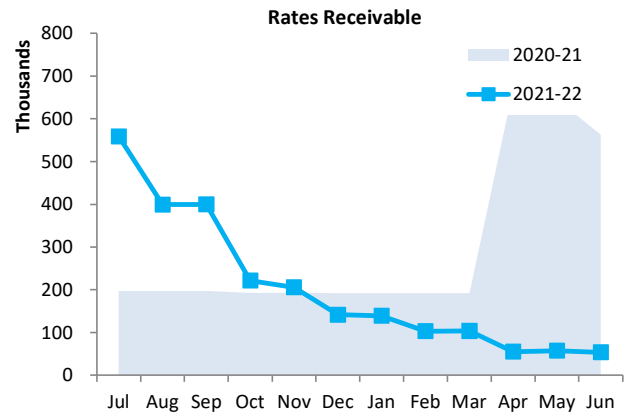
- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2022

Rates receivable	30 June 2021	30 Jun 2022
	\$	\$
Gross rates in arrears previous year	206,328	562,530
Levied this year	458,466	538,967
Less - collections to date	(102,264)	(1,025,360)
Gross rates collectable	562,530	76,137
Allowance for impairment of rates receivable	(22,417)	(22,417)
Net rates collectable	540,113	53,720
% Collected	15.4%	93.1%



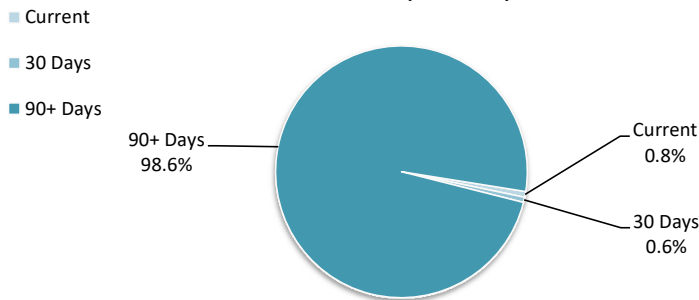
Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	470	400	0	61,151	62,021
Percentage		0.8%	0.6%	0%	98.6%	
Balance per trial balance						
Sundry receivable						62,021
GST receivable						263,951
Other receivables						36,941
Total receivables general outstanding						362,913

Amounts shown above include GST (where applicable)

KEY INFORMATION

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 impairment of receivables is raised when there is objective evidence that they will not be collectible.

Accounts Receivable (non-rates)



Other current assets	Opening Balance 1 July 2021	Asset Increase	Asset Reduction	Closing Balance 30 June 2022
	\$	\$	\$	\$
Inventory				
Fuel, oil and materials on hand	143,889	704,619	(440,386)	408,122
Total other current assets	143,889	704,619	(440,386)	408,122
Amounts shown above include GST (where applicable)				

KEY INFORMATION

Inventory

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

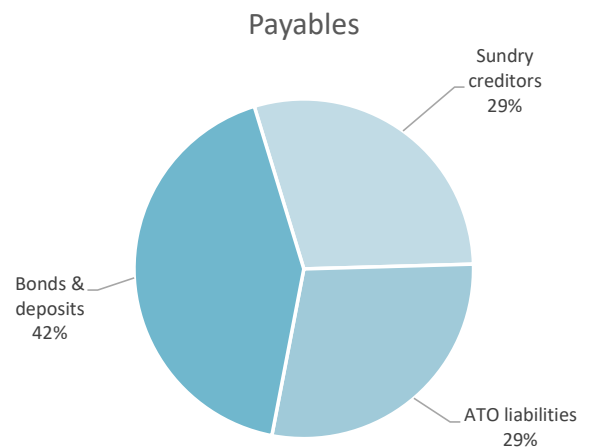
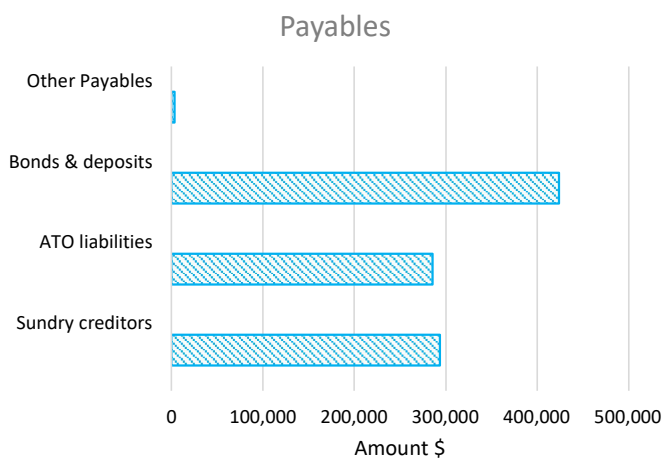
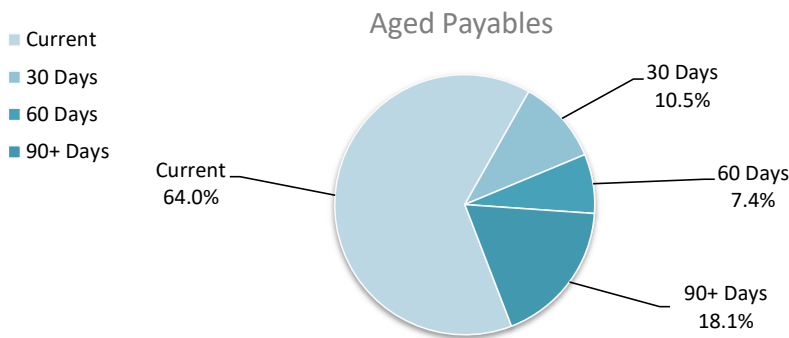
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	187,996	30,984	21,659	53,077	293,716
Percentage		64%	10.5%	7.4%	18.1%	
Balance per trial balance						
Sundry creditors						293,716
ATO liabilities						285,638
Bonds & deposits						423,926
Other Payables						3,583
Total payables general outstanding						1,006,863

Amounts shown above include GST (where applicable)

KEY INFORMATION

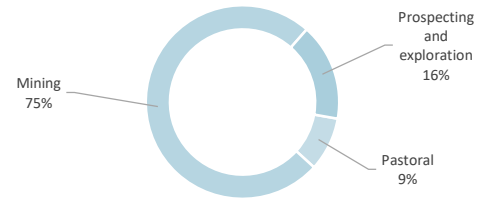
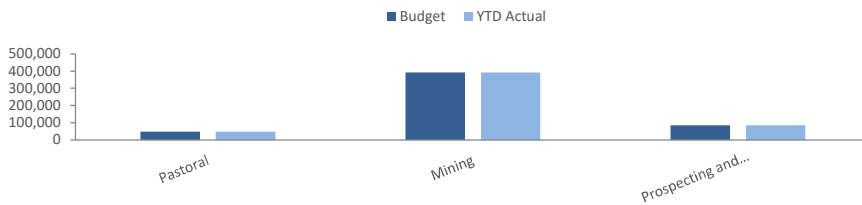
Trade and other payables represent liabilities for goods and services provided to the Shire that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are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



General rate revenue	Budget							YTD Actual			
	Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
RATE TYPE				\$	\$	\$	\$	\$	\$	\$	\$
Unimproved value											
Pastoral	0.038740	22	1,319,885	54,400	(7,024)	0	47,376	54,400	(7,024)	0	47,376
Mining	0.265430	12	1,480,809	393,051	0	0	393,051	393,051	0	0	393,051
Prospecting and exploration	0.096180	41	994,445	81,277	4,063	0	85,340	81,277	4,063	0	85,340
Sub-Total		75	3,795,139	528,728	(2,961)	0	525,767	528,728	(2,961)	0	525,767
Minimum payment	Minimum \$										
Unimproved value											
Pastoral	600	6	17,304	3,600	0	0	3,600	3,600	0	0	3,600
Prospecting and exploration	600	15	45,777	9,600	0	0	9,600	9,600	0	0	9,600
Sub-total		21	63,081	13,200	0	0	13,200	13,200	0	0	13,200
Total general rates							538,967				538,967

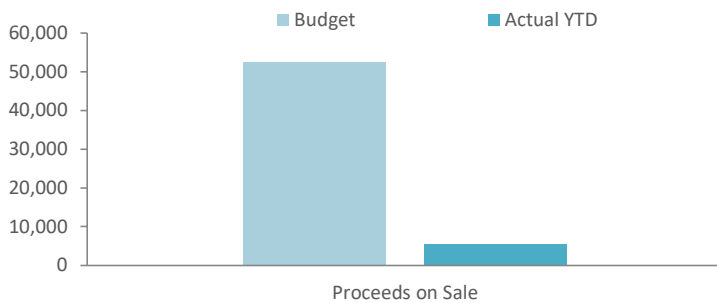
KEY INFORMATION

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Rates received in advance give rise to a financial liability. On 1 July 2021 the prepaid rates were recognised as a financial asset and a related amount was recognised as a financial liability and no income was recognised. When the taxable event occurs the financial liability is extinguished and income recognised for the prepaid rates that have not been refunded.



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2022

Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Plant and equipment								
	Governance								
	Plant and equipment	29,650	25,000	0	(4,650)	0	0	0	0
	Recreation and culture								
	Kubota Tractor-Mower	17,024	5,455	0	(11,569)	17,024	5,455	0	(11,569)
	Transport								
	Plant and equipment	29,178	22,000	0	(7,178)	0	0	0	0
		75,852	52,455	0	(23,397)	17,024	5,455	0	(11,569)



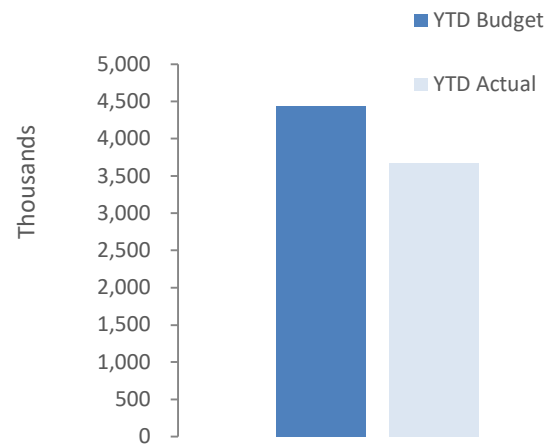
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2022**

**INVESTING ACTIVITIES
NOTE 8
CAPITAL ACQUISITIONS**

Capital acquisitions	Amended		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Buildings & Improvements	127,919	127,919	79,957	(47,962)
Other Buildings & Improvements	343,374	343,374	170,108	(173,266)
Furniture & Equipment	54,149	54,149	9,649	(44,500)
Plant & Equipment - Major	332,615	332,615	254,806	(77,809)
Roads	3,578,139	3,578,139	3,159,559	(418,580)
Payments for Capital Acquisitions	4,436,196	4,436,196	3,674,079	(762,117)
Total Capital Acquisitions	4,436,196	4,436,196	3,674,079	(762,117)
Capital Acquisitions Funded By:				
	\$	\$	\$	\$
Capital grants and contributions	1,814,415	1,814,415	775,249	(1,039,166)
Borrowings	2,000,000	2,000,000	2,000,000	0
Other (disposals & C/Fwd)	52,455	52,455	5,455	(47,000)
Cash backed reserves				
Plant Replacement reserve	433,000	433,000	0	(433,000)
Building reserve	11,000	11,000	0	(11,000)
Beringarra - Cue Road reserve	767,188	767,188	0	(767,188)
Assets Rehabilitation reserve	400,000	400,000	0	(400,000)
Contribution - operations	(1,041,862)	(1,041,862)	893,375	1,935,237
Capital funding total	4,436,196	4,436,196	3,674,079	(762,117)

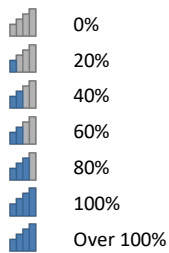
SIGNIFICANT ACCOUNTING POLICIES

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 local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value 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.



Capital expenditure total

Level of completion indicators



Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

Level of completion indicator, please see table at the end of this note for further det

Account Description		Amended		Year to Date Actual	Variance (Under)/Over	
		Current Budget	Year to Date Budget			
Capital Expenditure						
Buildings & Improvements						
	09134	Buildings Improvements - Staff Hsg	0	0	35,500	35,500
	14515	Buildings & Improvements - Admin	17,795	17,795	14,795	(3,000)
	12109	Buildings & Imp. - Depot	15,000	15,000	0	(15,000)
	13203	Buildings & Imp - (T.&A.P)	95,124	95,124	29,662	(65,462)
		Buildings & Improvements Total	127,919	127,919	79,957	(47,962)
Other Buildings & Improvements						
	10770	Buildings & Imp - O.C.A.	30,000	30,000	598	(29,402)
	12670	Improvements - Airport	63,374	63,374	63,770	396
	10104	Sanitation Infrastructure	50,000	50,000	0	(50,000)
	13205	Infrastructure (T.& A.P)	200,000	200,000	37,370	(162,630)
	13657	Utility Infrastructure	0	0	68,370	68,370
		Other Buildings & Improvements Total	343,374	343,374	170,108	(173,266)
Furniture & Equipment						
	14561	Furn & Equipment - Admin	9,649	9,649	9,649	0
	04116	Furniture & Equipment	15,000	15,000	0	(15,000)
	13202	Furniture & Equipment - (T.&A.P)	29,500	29,500	0	(29,500)
		Furniture & Equipment Total	54,149	54,149	9,649	(44,500)
Plant & Equipment - Major						
	12302	Road Plant Purchases	332,615	332,615	254,806	(77,809)
		Plant & Equipment - Major Total	332,615	332,615	254,806	(77,809)
Roads						
	12101	Council Roads Construction	716,356	716,356	1,374,198	657,842
	12103	MRWA Roads Construction	627,440	627,440	436,330	(191,110)
	12104	Roads to Recovery Construction	606,680	606,680	606,680	0
	12108	Roads Const - Grids	136,000	136,000	40,842	(95,158)
	12180	Roads Construction - Contributions	767,188	767,188	944	(766,244)
	12113	LRCIP Roads Construction	724,475	724,475	700,565	(23,910)
		Roads Total	3,578,139	3,578,139	3,159,559	(418,580)
		Grand Total	4,436,197	4,436,197	3,674,079	(762,118)

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2022

FINANCING ACTIVITIES

NOTE 9

BORROWINGS

Repayments - borrowings

Information on borrowings Particulars	Loan No.	1 July 2021	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Transport										
Purchase of road plant	1	16,177	0	0	583	1,176	15,594	15,001	269	529
Roadworks in 2020-21	2	0	2,000,000	2,000,000	91,531	93,061	1,908,469	1,906,939	18,421	7,501
Total		16,177	2,000,000	2,000,000	92,114	94,237	1,924,063	1,921,940	18,690	8,030
Current borrowings		1,176					593			
Non-current borrowings		15,001					1,923,470			
		16,177					1,924,063			

All debenture repayments were financed by general purpose revenue.

New borrowings 2021-22

Particulars	Amount Borrowed Actual	Amount Borrowed Budget	Institution	Loan Type	Term Years	Total Interest & Charges	Interest Rate	Amount (Used)		Balance Unspent
	\$	\$						Actual	Budget	
	\$	\$				\$	%	\$	\$	\$
Roadworks Funding	2,000,000	2,000,000	WATC	Debenture	10	199,033	2	2,000,000	2,000,000	0
	2,000,000	2,000,000				199,033		2,000,000	2,000,000	0

KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2022

OPERATING ACTIVITIES

NOTE 10

CASH RESERVES

Cash backed reserve

Reserve name	Opening Balance	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$
Leave reserve	139,088	46	25,700	0	0	0	164,788	139,134
Plant Replacement reserve	1,372,757	1	300,000	0	(433,000)	0	1,239,757	1,372,758
Building reserve	499,422	165	2,700	0	(11,000)	0	491,122	499,587
Beringarra - Cue Road reserve	3,454,306	2,932	24,000	0	(767,188)	0	2,711,118	3,457,238
Flood damage repairs reserve	105,969	0	500	0	0	0	106,469	105,969
CSIRO Beringarra Pindar Road reserve	175,949	53	900	0	0	0	176,849	176,002
Murchison Settlement Facilities & Buildings reserve	522,634	173	1,300,000	0	0	0	1,822,634	522,807
Assets Rehabilitation reserve	858,858	54	54	0	(400,000)	0	458,912	858,912
	7,128,983	3,424	1,653,854	0	(1,611,188)	0	7,171,649	7,132,407

	Opening Balance	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance
Other current liabilities	1 July 2021				30 June 2022
	\$		\$	\$	\$
Other liabilities					
- Liabilities under transfers to acquire or construct non-financial assets to be controlled by the entity	308,322	0	117,000	(308,322)	117,000
Total other liabilities	308,322	0	117,000	(308,322)	117,000
Provisions					
Provision for annual leave	116,351	0	0	0	116,351
Provision for long service leave	18,132	0	0	0	18,132
Total Provisions	134,483	0	0	0	134,483
Total other current liabilities	442,805	0	117,000	(308,322)	251,483
Amounts shown above include GST (where applicable)					

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 13

KEY INFORMATION

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.

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 calculation of net current assets.

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 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.

Contract liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue		
	Liability 1 July 2021	Increase in Liability	Decrease in Liability (As revenue)	Liability 30 Jun 2022	Current Liability 30 Jun 2022	Amended Budget Revenue	YTD Budget	YTD Revenue Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Operating grants and subsidies								
General purpose funding								
F.A.G Grant - General	0	0	0	0	0	1,528,348	1,528,348	3,900,857
F.A.G.Grant - Roads	0	0	0	0	0	454,362	454,362	1,265,123
Law, order, public safety								
Income Relating to Fire Prevention	0	0	0	0	0	19,500	19,500	8,800
Education and welfare								
Other Education Income	0	0	0	0	0	0	0	2,500
Housing								
Housing Reimbursements	0	0	0	0	0	780	780	0
Community amenities								
Other Community Amenities Inc	0	0	0	0	0	200	200	0
Transport								
Grant - MRWA Direct	0	0	0	0	0	231,299	231,299	1,512,101
Grant - Wandrra Flood Damage	0	0	0	0	0	1,172,045	1,172,045	1,172,045
Economic services								
Grant - Interpretative Experience	0	0	0	0	0	130,000	130,000	0
	0	0	0	0	0	3,536,534	3,536,534	7,861,426
Operating contributions								
Recreation and culture								
Staff housing costs reimbursed	0	0	0	0	0	3,122	3,122	3,751
Income - Other Recreation & Sport	0	0	0	0	0	18	18	18
Income Relating to Other Culture	0	0	0	0	0	0	0	22,240
Economic services								
Income Other Economic Services	0	0	0	0	0	300	300	0
Roadhouse - Other Revenue	0	0	0	0	0	524	524	524
Other property and services								
Income Relating to Administration	0	0	0	0	0	9,444	9,444	7,961
Diesel Fuel Rebate	0	0	0	0	0	125,000	125,000	86,363
PWO Related Income	0	0	0	0	0	0	0	4,016
Private Works Income	0	0	0	0	0	0	0	24,237
	0	0	0	0	0	138,408	138,408	149,110
TOTALS	0	0	0	0	0	3,674,942	3,674,942	8,010,536

Provider	Unspent non operating grants, subsidies and contributions liability					Non operating grants, subsidies and contributions revenue		
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Amended Budget	YTD Budget	YTD Revenue
	1 July 2021		(As revenue)	30 Jun 2022	30 Jun 2022	Revenue	Budget	Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Non-operating grants and subsidies								
Law, order, public safety								
Grant Revenue - Fire Prevention	0	0	0	0	0	2,000	2,000	3,993
Transport								
Grant - MRWA Specific	0	0	0	0	0	518,667	518,667	462,934
Grant - Roads to Recovery	0	0	0	0	0	565,000	565,000	0
Grant - LRCI Program	284,123	0	(284,123)	0	0	694,178	694,178	284,123
Dept Industry Airport Grant	24,199	0	(24,199)	0	0	34,570	34,570	24,199
Economic services								
Grant - Interpretative Experience	0	117,000	0	117,000	117,000	0	0	0
	308,322	117,000	(308,322)	117,000	117,000	1,814,415	1,814,415	775,249

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2022

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Code	Description	Council Resolution	Classification	Non Cash	Increase in	Decrease in	Amended
				Adjustment	Available Cash	Available Cash	Budget Running Balance
				\$	\$	\$	\$
Budget adoption			Opening surplus		40,959		40,959
Adjustment to opening surplus based on 2021							
Financial Statements						(22,416)	18,543
03100	ABC Expenses - Rate Revenue	24/03/22 Item 17.3	Operating Expenses			(5,700)	12,843
03101	Rates Stationery/Advertising	24/03/22 Item 17.3	Operating Expenses			(632)	12,211
03103	General Rates Levied	24/03/22 Item 17.3	Operating Revenue		6,967		19,178
03111	Rates Collection Costs Recovered	24/03/22 Item 17.3	Operating Revenue		1,345		20,523
03113	Rates Recovery Expenses	24/03/22 Item 17.3	Operating Expenses			(5,000)	15,523
03201	F.A.G Grant - General	24/03/22 Item 17.3	Operating Revenue		58,348		73,871
03202	F.A.G Grant - Roads	24/03/22 Item 17.3	Operating Revenue			(45,638)	28,233
04102	Council Election Expenses	24/03/22 Item 17.3	Operating Expenses			(31)	28,202
04110	Civic Receptions	24/03/22 Item 17.3	Operating Expenses		1,500		29,702
04111	Members - Training	24/03/22 Item 17.3	Operating Expenses		3,000		32,702
04113	ABC Expenses - Members	24/03/22 Item 17.3	Operating Expenses			(23,486)	9,215
04119	Housing Costs -Members	24/03/22 Item 17.3	Operating Expenses		1,376		10,591
04150	Income for Members Reimbursements	24/03/22 Item 17.3	Operating Revenue			(26,246)	(15,655)
04200	ABC Expenses - Other Governance	24/03/22 Item 17.3	Operating Expenses			(9,454)	(25,109)
04203	Other General Governance	24/03/22 Item 17.3	Operating Expenses			(12,051)	(37,160)
04204	Housing Costs (Other Gov)	24/03/22 Item 17.3	Operating Expenses		3,786		(33,374)
05100	ABC Expenses - Fire Prevention	24/03/22 Item 17.3	Operating Expenses			(343)	(33,717)
05105	Vehicle Exp. - Fire Prevention	24/03/22 Item 17.3	Operating Expenses		400		(33,317)
05107	Other Fire Prevention Expenses	24/03/22 Item 17.3	Operating Expenses			(7,347)	(40,664)
05307	CESM Program Expenses	24/03/22 Item 17.3	Operating Expenses			(84)	(40,748)
05309	COVID-19 Pandemic Expenses	24/03/22 Item 17.3	Operating Expenses			(1,221)	(41,969)
05310	ABC Expenses - O.L.O. & P.S.	24/03/22 Item 17.3	Operating Expenses			(337)	(42,306)
07400	Administration & Inspection	24/03/22 Item 17.3	Operating Expenses			(262)	(42,568)
07406	ABC Expenses - Prev. Services	24/03/22 Item 17.3	Operating Expenses			(308)	(42,876)
07503	ABC Expenses - Pest Control	24/03/22 Item 17.3	Operating Expenses			(308)	(43,184)
07702	Maintain Patient Transfer Vehicle	24/03/22 Item 17.3	Operating Expenses			(315)	(43,500)
07705	ABC Expenses - Other Health	24/03/22 Item 17.3	Operating Expenses			(329)	(43,828)
08000	Isolated Children's Parents Assoc	24/03/22 Item 17.3	Operating Expenses			(1,000)	(44,828)
09101	Maintenance 2 Office Road (CEO)	24/03/22 Item 17.3	Operating Expenses		7,016		(37,813)
09102	Maintenance 4A Kurara Way	24/03/22 Item 17.3	Operating Expenses		3,049		(34,763)
09103	Maintenance 4B Kurara Way	24/03/22 Item 17.3	Operating Expenses		1,996		(32,768)
09104	Maintenance 6 Kurara Way	24/03/22 Item 17.3	Operating Expenses			(6,181)	(38,949)
09105	Maintenance 8 Kurara Way	24/03/22 Item 17.3	Operating Expenses			(5)	(38,954)
09106	Maintenance 10A Kurara Way	24/03/22 Item 17.3	Operating Expenses			(12,443)	(51,396)
09107	Maintenance 10B Kurara Way	24/03/22 Item 17.3	Operating Expenses		2,592		(48,804)
09108	Maintenance 12A Kurara Way	24/03/22 Item 17.3	Operating Expenses		1,133		(47,671)
09109	Maintenance 12B Kurara Way	24/03/22 Item 17.3	Operating Expenses		4,615		(43,056)
09110	Maintenance 14 Mulga Cres	24/03/22 Item 17.3	Operating Expenses			(3,134)	(46,190)
09111	Maintenance 16 Mulga Cres	24/03/22 Item 17.3	Operating Expenses			(15,160)	(61,350)
09113	Staff Housing Costs Rallocated	24/03/22 Item 17.3	Operating Expenses		63,182		1,832
09117	Maintenance 8 Mulga Cres	24/03/22 Item 17.3	Operating Expenses			(1,888)	(56)
09118	Maintenance 10 Mulga Cres	24/03/22 Item 17.3	Operating Expenses			(6,267)	(6,323)
09123	Foxtel 4B Kurara Way	24/03/22 Item 17.3	Operating Revenue			(390)	(6,713)
09126	Foxtel 10A Kurara Way	24/03/22 Item 17.3	Operating Revenue			(390)	(7,103)
09129	Foxtel 12B Kurara Way	24/03/22 Item 17.3	Operating Revenue			(390)	(7,493)
09130	Foxtel 14 Mulga Cres	24/03/22 Item 17.3	Operating Revenue			(390)	(7,883)
09130	Foxtel 14 Mulga Cres	24/03/22 Item 17.3	Operating Revenue		390		(7,493)
09134	Buildings Improvements - Staff Hsg	24/03/22 Item 17.3	Capital Expenses		95,000		87,507
09135	Foxtel 8 Mulga Cres	24/03/22 Item 17.3	Operating Revenue			(390)	87,117
09136	Foxtel 10 Mulga Cres	24/03/22 Item 17.3	Operating Revenue			(390)	86,727
09137	Foxtel 12 Mulga Cres	24/03/22 Item 17.3	Operating Revenue			(390)	86,337
10100	Household Refuse Removal	24/03/22 Item 17.3	Operating Expenses		3,074		89,410
10103	Tip Maintenance Costs	24/03/22 Item 17.3	Operating Expenses		457		89,867
10104	Sanitation Infrastructure	24/03/22 Item 17.3	Operating Expenses		50,000		139,867
10105	ABC Expenses - H'sehold Refuse	24/03/22 Item 17.3	Operating Expenses			(346)	139,521
10300	Sewerage Expenses	24/03/22 Item 17.3	Operating Expenses			(1,505)	138,016
10303	ABC Expenses - Sewerage	24/03/22 Item 17.3	Operating Expenses			(210)	137,806
10500	Protection of Environment Expenses	24/03/22 Item 17.3	Operating Expenses		1,364		139,170
10503	ABC Exp. - Protection of Env.	24/03/22 Item 17.3	Operating Expenses			(308)	138,862
10510	Protection of Environment Donations	24/03/22 Item 17.3	Operating Expenses			(20,000)	118,862
10604	ABC Exp - Town Plng & Reg. Dev.	24/03/22 Item 17.3	Operating Expenses			(308)	118,554
10700	Other Community Amenities	24/03/22 Item 17.3	Operating Expenses			(956)	117,598
10701	Other Community Amenities Inc	24/03/22 Item 17.3	Operating Expenses			(15)	117,583
10704	Public Conveniences	24/03/22 Item 17.3	Operating Expenses			(1,411)	116,173
10705	Maintenance - Cemetery	24/03/22 Item 17.3	Operating Expenses			(1,596)	114,576
10709	ABC Expenses - O.C.A.	24/03/22 Item 17.3	Operating Expenses			(462)	114,114
11300	ABC Expenses - Other Rec. & Sport	24/03/22 Item 17.3	Operating Expenses			(453)	113,661
11301	Income - Other Recreation & Sport	24/03/22 Item 17.3	Operating Revenue		18		113,679

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2022

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Code	Description	Council Resolution	Classification	Increase in			Amended Budget Running Balance
				Non Cash Adjustment	Available Cash	Decrease in Available Cash	
				\$	\$	\$	\$
11304	Parks and Reserves Mtce	24/03/22 Item 17.3	Operating Expenses			(4,825)	108,854
11305	Murchison Sports Club Mtce	24/03/22 Item 17.3	Operating Expenses		4,550		113,404
11306	Maintenance - Polocrosse fields	24/03/22 Item 17.3	Operating Expenses			(18,529)	94,875
11307	Sports Toilet Block - Mtce	24/03/22 Item 17.3	Operating Expenses		490		95,365
11308	Insurance - Other Recreation & Sport	24/03/22 Item 17.3	Operating Expenses			(43)	95,322
11347	Loss on Sale of Assets - Other Rec & Sport - Op Exp	24/03/22 Item 17.3	Non Cash Item	(11,569)			83,753
11369	Proceeds Sale of Assets Oth Rec & Sport -Cap Inc	24/03/22 Item 17.3	Capital Revenue		5,455		89,208
11404	ABC Exp - TV Rebroadcasting	24/03/22 Item 17.3	Operating Expenses			(287)	88,920
11500	Library Costs	24/03/22 Item 17.3	Operating Expenses		100		89,020
11600	Other Cultural Expenses	24/03/22 Item 17.3	Operating Expenses			(373)	88,648
11601	Income Relating to Other Culture	24/03/22 Item 17.3	Operating Revenue		2,000		90,648
11602	Murchison Museum	24/03/22 Item 17.3	Operating Expenses		393		91,040
11604	Museum Cottage	24/03/22 Item 17.3	Operating Expenses		3,294		94,334
11606	ABC Expenses - Other Culture	24/03/22 Item 17.3	Operating Expenses			(497)	93,837
11611	Housing Costs Other Cult	24/03/22 Item 17.3	Operating Expenses			(283)	93,554
12101	Council Roads Construction	24/03/22 Item 17.3	Capital Expenses		221,734		315,288
12103	MRWA Roads Construction	24/03/22 Item 17.3	Capital Expenses			(407,912)	(92,625)
12104	Roads to Recovery Construction	24/03/22 Item 17.3	Capital Expenses		83,320		(9,304)
12108	Roads Const - Grids	24/03/22 Item 17.3	Capital Expenses		4,000		(5,304)
12113	LRCIP Roads Construction	24/03/22 Item 17.3	Capital Expenses			(724,475)	(729,779)
12153	Trans to Res - Asset Rehab.	24/03/22 Item 17.3	Capital Expenses			(54)	(729,833)
12203	Roads Maintenance General	24/03/22 Item 17.3	Operating Expenses		274,481		(455,352)
12204	Maintenance - Depot	24/03/22 Item 17.3	Operating Expenses		1,184		(454,168)
12205	Heavy Roads Maintenance	24/03/22 Item 17.3	Operating Expenses		450,000		(4,168)
12206	Traffic Signs Maint.	24/03/22 Item 17.3	Operating Expenses		23,712		19,543
12207	Bridges Maint.	24/03/22 Item 17.3	Operating Expenses		1,018		20,561
12210	Bunding of Old Roads	24/03/22 Item 17.3	Operating Expenses		80,332		100,893
12213	Grant - MRWA Specific	24/03/22 Item 17.3	Capital Revenue		240,000		340,893
12219	Grant - Wandrra Flood Damage	24/03/22 Item 17.3	Operating Revenue			(9,190)	331,703
12220	Traffic Licencing Commissions	24/03/22 Item 17.3	Operating Revenue			(500)	331,203
12223	Grids - Maintenance	24/03/22 Item 17.3	Operating Expenses		28,754		359,958
12227	Loan Interest Paid (WATC)	24/03/22 Item 17.3	Operating Expenses			(427)	359,531
12229	Flood Damage April 2019	24/03/22 Item 17.3	Operating Expenses			(12,565)	346,966
12235	Flood Damage	24/03/22 Item 17.3	Operating Expenses		143,425		490,390
12238	Grant - LCRIP	24/03/22 Item 17.3	Capital Revenue			(12,935)	477,455
12241	ABC Exp - Roads & Depot	24/03/22 Item 17.3	Operating Expenses			(3,037)	474,419
12243	Housing Costs Road Maint	24/03/22 Item 17.3	Operating Expenses			(1,168)	473,251
12302	Road Plant Purchases	24/03/22 Item 17.3	Capital Expenses			(4,615)	468,636
12604	Airport Maintenance	24/03/22 Item 17.3	Operating Expenses			(7,721)	460,915
12605	ABC Exp. - Aerodrome	24/03/22 Item 17.3	Operating Expenses			(142)	460,773
12670	Improvements - Airport	24/03/22 Item 17.3	Capital Expenses			(10,254)	450,519
13103	ABC Exp - Rural Services	24/03/22 Item 17.3	Operating Expenses			(308)	450,211
13201	Income Relating to Tourism & Area Promotion	24/03/22 Item 17.3	Operating Revenue		130,000		580,211
13203	Buildings & Imp - (T.&A.P)	24/03/22 Item 17.3	Capital Expenses		349,398		929,609
13205	Infrastructure (T.&A.P)	24/03/22 Item 17.3	Capital Expenses			(37,370)	892,239
13207	ABC Expenses - Other Economic Services	24/03/22 Item 17.3	Operating Expenses			(601)	891,638
13600	ABC Exp- Tourism/Area Prom.	24/03/22 Item 17.3	Operating Expenses			(1,036)	890,602
13601	Settlement Water Supply	24/03/22 Item 17.3	Operating Expenses		6,275		896,877
13602	Settlement Power Generation	24/03/22 Item 17.3	Operating Expenses			(27,928)	868,949
13603	Settlement Freight Service	24/03/22 Item 17.3	Operating Expenses		3,464		872,412
13605	Roadhouse Fuel Purchases	24/03/22 Item 17.3	Operating Expenses			(50,919)	821,493
13606	Roadhouse Fuel Expenses	24/03/22 Item 17.3	Operating Expenses		1,000		822,493
13608	Roadhouse Fuel Sales	24/03/22 Item 17.3	Operating Revenue		76,482		898,975
13609	Roadhouse - Other Revenue	24/03/22 Item 17.3	Operating Revenue		524		899,499
13610	Roadhouse Coolroom	24/03/22 Item 17.3	Capital Expenses		34,987		934,486
13618	Roadhouse - Shop Sales	24/03/22 Item 17.3	Operating Revenue			(2,957)	931,529
13619	Roadhouse Business Expenses	24/03/22 Item 17.3	Operating Expenses			(34,329)	897,200
13620	Cabins/Caravan Park	24/03/22 Item 17.3	Operating Expenses			(29,389)	867,811
13622	Trans from Res - Sett Facs.	24/03/22 Item 17.3	Capital Revenue			(350,000)	517,811
13640	R'House Bldg & Surrounds	24/03/22 Item 17.3	Operating Expenses			(22,250)	495,561
13641	Other Economic Services	24/03/22 Item 17.3	Operating Expenses		1,906		497,467
13643	Repay Treasury Loan Micro Grid Power	24/03/22 Item 17.3	Capital Expenses		45,145		542,612
13650	Interest Loan 3 Power Grid	24/03/22 Item 17.3	Operating Expenses		3,710		546,322
13653	Loan Proceeds - Micro Grid Pwr	24/03/22 Item 17.3	Capital Revenue			(750,000)	(203,678)
13654	R'House - Accom & Camping	24/03/22 Item 17.3	Operating Revenue			(43,319)	(246,997)
13655	Tourism - General Expenses	24/03/22 Item 17.3	Operating Expenses			(170,000)	(416,997)
13656	Housing Costs R'House	24/03/22 Item 17.3	Operating Expenses		230		(416,767)
13657	Utility Infrastructure	24/03/22 Item 17.3	Capital Expenses		900,000		483,233
14150	Private Works Income	24/03/22 Item 17.3	Operating Revenue		24,237		507,470
14200	Plant Expenses PWOH	24/03/22 Item 17.3	Operating Expenses		14,285		521,755
14201	PWO Related Income	24/03/22 Item 17.3	Operating Expenses		800		522,555

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2022

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Code	Description	Council Resolution	Classification	Increase in			Amended Budget Running Balance
				Non Cash Adjustment	Available Cash	Decrease in Available Cash	
				\$	\$	\$	\$
14202	Sick Leave Expense	24/03/22 Item 17.3	Operating Expenses			(6,117)	516,438
14203	Annual & LSL - Works	24/03/22 Item 17.3	Operating Expenses			(19,960)	496,478
14205	Works Salaries & Wages	24/03/22 Item 17.3	Operating Expenses		57,377		553,855
14207	Less PWO Allocated to Works	24/03/22 Item 17.3	Operating Expenses			(28,856)	524,999
14212	Staff Training/Meetings/OSH	24/03/22 Item 17.3	Operating Expenses		4,520		529,519
14213	TOIL - Works	24/03/22 Item 17.3	Operating Expenses		778		530,297
14214	Public Holidays - Works	24/03/22 Item 17.3	Operating Expenses		19,819		550,116
14216	Housing Costs Allocated to Works	24/03/22 Item 17.3	Operating Expenses			(20,446)	529,670
14220	Insurance - Works	24/03/22 Item 17.3	Operating Expenses			(8,274)	521,396
14302	Insurance - Plant	24/03/22 Item 17.3	Operating Expenses		662		522,059
14305	Parts & Repairs	24/03/22 Item 17.3	Operating Expenses			(14,402)	507,657
14306	Internal Repair Wages	24/03/22 Item 17.3	Operating Expenses		16,520		524,176
14309	Plant Operation Costs Allocated to Works	24/03/22 Item 17.3	Operating Expenses		15,647		539,823
14311	Housing (Plant) Related Costs	24/03/22 Item 17.3	Operating Expenses			(7,912)	531,911
14313	ABC Expenses - Plant Operation Costs	24/03/22 Item 17.3	Operating Expenses			(5,700)	526,211
14404	Diesel Fuel Rebate	24/03/22 Item 17.3	Operating Revenue		25,000		551,211
14500	General Office and Administration	24/03/22 Item 17.3	Operating Expenses		34,300		585,511
14501	Administration Office Bldg.	24/03/22 Item 17.3	Operating Expenses			(78,821)	506,690
14502	Workers Comp. - Administration	24/03/22 Item 17.3	Operating Expenses			(19,367)	487,323
14504	Telecommunications - Admin	24/03/22 Item 17.3	Operating Expenses			(5,500)	481,823
14506	Legal Expenses Administration	24/03/22 Item 17.3	Operating Expenses			(5,000)	476,823
14507	Trng./Conference - Admin	24/03/22 Item 17.3	Operating Expenses		2,300		479,123
14512	Income Relating to Administration	24/03/22 Item 17.3	Operating Revenue		29,548		508,671
14515	Buildings & Improvements - Admin	24/03/22 Item 17.3	Capital Expenses			(6,795)	501,876
14517	Insurance - Admin	24/03/22 Item 17.3	Operating Expenses			(10,071)	491,805
14518	Salaries - Administration	24/03/22 Item 17.3	Operating Expenses		129,407		621,212
14519	Staff Appointment Expenses	24/03/22 Item 17.3	Operating Expenses		5,565		626,777
14521	Audit Fees (Administration)	24/03/22 Item 17.3	Operating Expenses			(160)	626,617
14522	Consultancy Fees	24/03/22 Item 17.3	Operating Expenses			(5,000)	621,617
14523	Accounting Support Services	24/03/22 Item 17.3	Operating Expenses			(93,455)	528,162
14524	Subscriptions	24/03/22 Item 17.3	Operating Expenses			(20,250)	507,912
14527	Vehicle Expenses Administration	24/03/22 Item 17.3	Operating Expenses		6,904		514,816
14550	Less ABC Costs Alloc to W & S	24/03/22 Item 17.3	Operating Expenses		29,600		544,416
14561	Cap-Ex - Purchase Furn & Equipment - Admin	24/03/22 Item 17.3	Capital Expenses		351		544,767
14565	Administration Vehicles Capital	24/03/22 Item 17.3	Capital Expenses		70,000		614,767
14572	Transfer From Plant Res - ADMIN	24/03/22 Item 17.3	Capital Revenue			(45,000)	569,767
14602	Gross Salaries & Wages	24/03/22 Item 17.3	Operating Expenses		151,396		721,163
14603	Less Sal & Wages Allocated	24/03/22 Item 17.3	Operating Expenses			(151,396)	569,767
	Add back Loss on Disposal	24/03/22 Item 17.3	Non Cash Item	11,569			581,336
				0	4,111,944	(3,530,608)	581,336

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2022**

**NOTE 15
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2021-22 year is \$10,000 or 10.00% whichever is the greater.

Reporting Program	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
	\$	%				
Revenue from operating activities						
Governance	15,096	98.65%	▲	Insurance Rebate		
General purpose funding - other	3,131,160	153.11%	▲	Early payments of 2022/23 Grants Commission which have been transferred to Grants Commission Reserve		
Law, order and public safety	(11,200)	(56.00%)	▼			
Recreation and culture	21,871	336.06%	▲	School Mosaics Workshop Grant \$22,240 likely to move to 2022/23		
Transport	1,280,765	91.21%	▲	Includes recent Main Roads WA Capital Grant incorrectly shown and which will be addressed prior to year end		
Economic services	(172,476)	(20.22%)	▼		MWDC Royalty for Regions Grants for Business cases for Murchison Interpretive Experience Project and Carnarvon-Mullewa Road Widening Project	
Other property and services	(31,696)	(21.13%)	▼	Diesel Fuel Rebate		
Expenditure from operating activities						
Governance	115,638	14.91%	▲	ABC Cost Adjustments & Depreciation		
General purpose funding	63,267	62.86%	▲		Reduction in allowance for rates written off	
Health	18,970	32.44%	▲	ABC Cost Adjustments & Depreciation		
Housing	(45,253)	(98.75%)	▼	ABC Cost Adjustments & Depreciation		
Community amenities	44,845	26.07%	▲	ABC Cost Adjustments & Depreciation		
Recreation and culture	70,282	21.37%	▲	ABC Cost Adjustments & Depreciation	Arborist not used	
Transport	534,327	12.87%	▲	ABC Cost Adjustments & Depreciation	General underspend in several areas of budget	
Economic services	183,543	10.81%	▲	ABC Cost Adjustments & Depreciation & Cost of Fuel Sales		
Investing activities						
Proceeds from non-operating grants, subsidies and contributions	(1,039,166)	(57.27%)	▼		Excludes recent Main Roads WA Capital Grant incorrectly shown and which will be addressed prior to year end	
Proceeds from disposal of assets	(47,000)	(89.60%)	▼		Timing	
Payments for property, plant and equipment and infrastructure	762,117	17.18%	▲	Timing		
Financing activities						
Transfer from reserves	(1,611,188)	(100.00%)	▼		Transfers yet to be actioned	
Transfer to reserves	1,650,430	99.79%	▲	Transfers yet to be actioned		

From: [Geoffrey Brooks](#)
To: [Bill Boehm](#)
Cc: [Jorgen Jensen](#)
Subject: Murchison Regional Vermin Council (MRVC) - Murchison Region Vermin Cell - Letter of Support
Date: Wednesday, 20 July 2022 11:26:45 AM

Dear Bill

As discussed I confirm that the Murchison Region Vermin Cell has now been completed. The last section involved the construction of some 285 km of vermin fencing with funding as follows.

- Commonwealth Government – Building Better Regions and Drought Funding - \$2.468 M.
- WA Government – Department of Primary Industries and Regional Development \$1.144 M
- Local Government – Shires of Yalgoo, Mount Magnet, Sandstone and Cue - \$0.606 M

With the exception of Jingemarra Station the new vermin fence replaces existing station boundary fences. Currently the MRVC is putting together documentation required by Landgate to enable the creation of a Crown Land Easement for the new vermin fence to facilitate future maintenance and access by the MRVC.

Attached is a map that shows the section of the Murchison Regional Vermin Cell vermin fence located in your Shire.
















A letter of support from your Shire for the Murchison Region Vermin Cell and the creation of an easement for the cell fencing is requested.

Many thanks and please don't hesitate to call if required.
Best wishes

Geoff
Geoff Brooks
Chief Executive Officer
Murchison Regional Vermin Council

Email: gpbrooks2000@yahoo.com.au
Mobile: 0499 343 828
ABN: 28 431 267 089

Murchison Region Vermin Cell

-  No 1 Vermin Fence
-  No 2 Vermin Fence
-  Under construction, completion November 2021
-  State Barrier Fence
-  Shire
-  Road
-  Government Land
-  Meekeatharra Rangelands Biosecurity Association
-  Carnarvon Rangelands Biosecurity Association
-  Central Wheatbelt Biosecurity Association
-  Eastern Wheatbelt Biosecurity Group
-  Goldfields-Nullarbor Rangelands Biosecurity Association
-  Midlands Biosecurity Group
-  Northern Biosecurity Group
-  Pilbara Regional Biosecurity Group

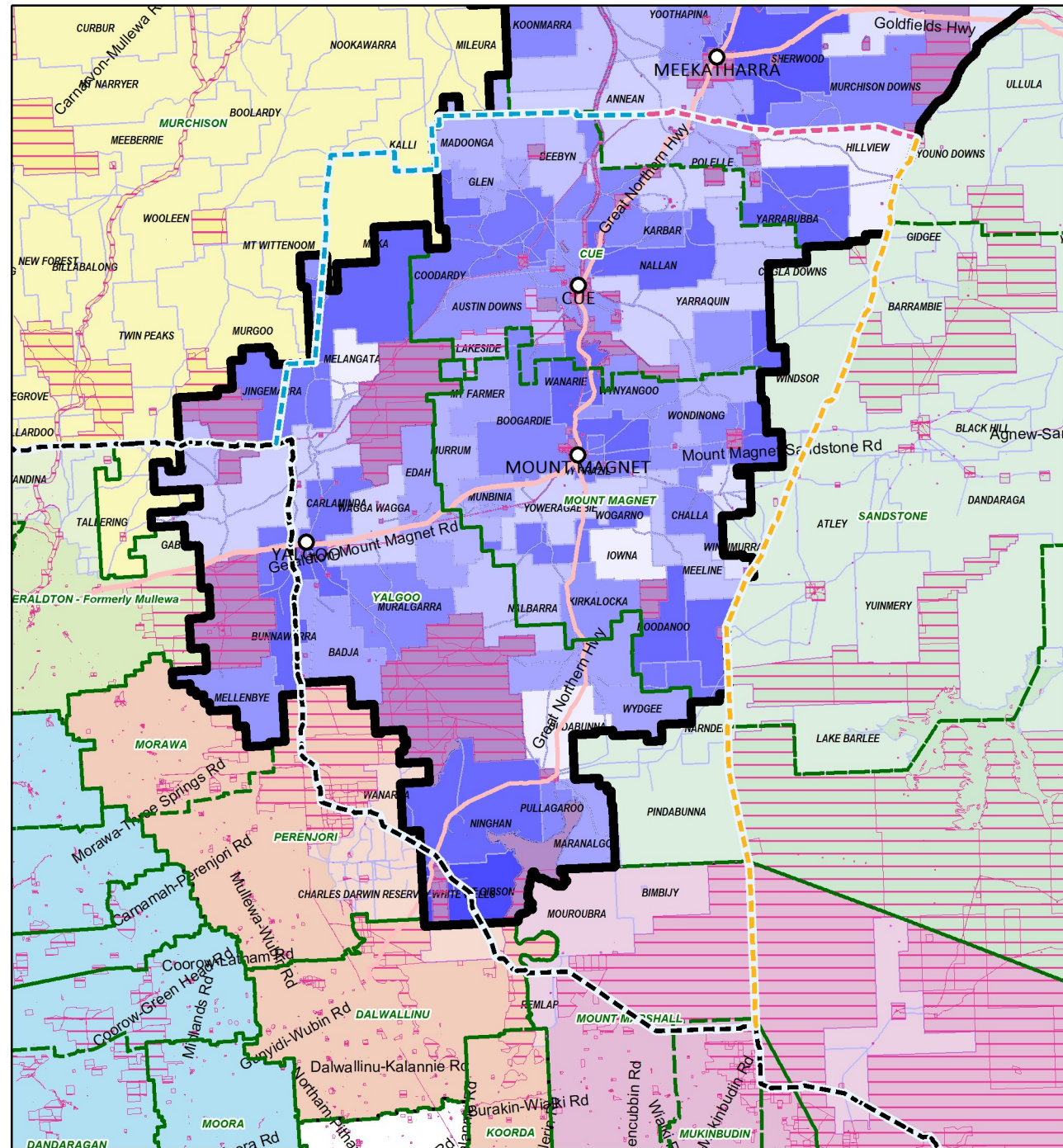
SOURCE DATA: Local government areas, roads and towns provided by Landgate

DISCLAIMER
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Department of
Primary Industries and
Regional Development



MEDIA RELEASE



3 July 2022

Local Government strengthened by new reforms

New reforms to the Local Government Act announced today by the State Government will strengthen the sector and better serve ratepayers in the long term.

In responding to today's announcement of reforms by Local Government Minister John Carey, WALGA President Karen Chappel said the package reflected the changing role and expectations the community held for Local Government.

"Many of the initiatives outlined by Minister Carey today are well supported by the sector and will further improve the accountability and efficiency of local governments across the state," she said.

"We have been seeking modernisation of Local Government legislation for some time and I am pleased to see the Minister has listened to our advocacy."

The introduction of an independent Local Government Inspector would give ratepayers confidence that all Local Governments were serving their communities responsibly and would result in a faster and less costly process in resolving complaints.

Cr Chappel said reducing unnecessary red-tape across a range of areas of Local Government responsibility would be beneficial for ratepayers in all communities.

She said successful advocacy from WALGA had ensured Local Governments with populations less than 5000 had a cap of seven, not five councillors.

A more flexible approach to enable resource sharing between local governments was also welcomed.

The introduction of *optional* preferential voting has demonstrated the Minister's commitment to listen to feedback from the Local Government sector.

Other major reforms successfully advocated by WALGA include:

- Greater clarity of roles and responsibilities of Elected Members and Chief Executive Officers
- Tiered compliance approach to financial reporting requirements according to size and scale of Local Governments including model financial statements.

MEDIA RELEASE



- Simplification of strategic planning processes and community engagement models
- The proposal to require audit committees to have a majority of independent members has not been progressed
- Greater flexibility in the establishment of regional subsidiaries
- Retention of current election cycle for Elected Members.

Work on the detailed design of the legislation is now underway and Cr Chappel welcomed the Minister's commitment for WALGA's ongoing participation on the Act Review working group.

Ends




Local Government Reforms: Full Reform Proposals

WALGA Responses




Theme 1: Early Intervention, Effective Regulation and Stronger Penalties


CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
1.1 Early Intervention Powers			
<ul style="list-style-type: none"> • The Act provides the means to regulate the conduct of local government staff and council members and sets out powers to scrutinise the affairs of local government. The Act provides certain limited powers to: <ul style="list-style-type: none"> ○ Suspend or dismiss councils ○ Appoint Commissioners ○ Suspend or order remedial action (such as training) for individual councillors. • The Act also provides the Director General with the power to: <ul style="list-style-type: none"> ○ Conduct Authorised Inquiries ○ Refer allegations of serious or recurrent breaches to the State Administrative Tribunal ○ Commence prosecution for an offence under the Act. • Authorised Inquiries are a costly and relatively slow response to significant issues. Authorised Inquiries are currently the only significant tool for addressing significant issues within a local government. 	<ul style="list-style-type: none"> • It is proposed to establish a Chief Inspector of Local Government (the Inspector), supported by an Office of the Local Government Inspector (the Inspectorate). • The Inspector would receive minor and serious complaints about elected members. • The Inspector would oversee complaints relating to local government Chief Executive Officers (CEOs). • Local Governments would still be responsible for dealing with minor behavioural complaints. • The Inspector would have powers of a standing inquiry, able to investigate and intervene in any local government where potential issues are identified. • The Inspector would have the authority to assess, triage, refer, investigate, or close complaints, having regard to various public interest criteria – considering laws such as the <i>Corruption, Crime and Misconduct Act 2003</i>, the <i>Occupational Safety and Health Act 1984</i>, the <i>Building Act 2011</i> and other legislation. • The Inspector would have powers to implement minor penalties for less serious breaches of the Act, with an appeal mechanism. • The Inspector would also have the power to order a local government to address non-compliance with the Act or Regulations. 	<p>No major changes to the central concepts. Work to develop and refine detail is ongoing.</p>	

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
<ul style="list-style-type: none"> The Panel Report, City of Perth Inquiry and the Select Committee Report made various recommendations related to the establishment of a specific office for local government oversight. 	<ul style="list-style-type: none"> The Inspector would be supported by a panel of Local Government Monitors (see item 1.2). The existing Local Government Standards Panel would be replaced with a new Conduct Panel (see item 1.3). Penalties for breaches to the Local Government Act and Regulations will be reviewed and are proposed to be generally strengthened (see item 1.4). These reforms would be supported by new powers to more quickly resolve issues within local government. 		✓
WALGA Response Support Items 1.1 to 1.3, but requests the Minister to explore alternate mechanisms for resolving local level complaints.			-
1.2 Local Government Monitors			
<ul style="list-style-type: none"> There are currently no legislative powers for the provision of monitors/temporary advisors. The DLGSC provides support and guidance to local governments, however, there is no existing mechanism for pre-qualified, specialised assistance to manage complex cases. 	<ul style="list-style-type: none"> A panel of Local Government Monitors would be established. Monitors could be appointed by the Inspector to go into a local government and try to resolve problems. The purpose of Monitors would be to proactively fix problems, rather than to identify blame or collect evidence. Monitors would be qualified specialists, such as: <ul style="list-style-type: none"> Experienced and respected former Mayors, Presidents, and CEOs - to act as mentors and facilitators Dispute resolution experts - to address the breakdown of professional working relationships Certified Practising Accountants and other financial specialists to assist with financial management and reporting issues Governance specialists and lawyers - to assist councils to resolve legal issues Human Resource and procurement experts - to help with processes like recruiting a CEO or undertaking a major land transaction. 	No major changes to the central concepts. Work to develop and refine detail is ongoing.	✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
	<ul style="list-style-type: none"> Only the Inspector would have the power to appoint Monitors. Local governments would be able to make requests to the Inspector to appoint Monitors for a specific purpose. 		✓
WALGA Response Support Items 1.1 to 1.3, but requests the Minister to explore alternate mechanisms for resolving local level complaints.			-
1.3 Conduct Panel			
<ul style="list-style-type: none"> The Local Government Standards Panel was established in 2007 to resolve minor breach complaints relatively quickly and provide the sector with guidance and benchmarks about acceptable standards of behaviour. Currently, the Panel makes findings of alleged breaches based on written submissions. The City of Perth Inquiry report made various recommendations that functions of the Local Government Standards Panel be reformed. 	<ul style="list-style-type: none"> The Standards Panel is proposed to be replaced with a new Local Government Conduct Panel. The Conduct Panel would be comprised of suitably qualified and experienced professionals. Sitting councillors will not be eligible to serve on the Conduct Panel. The Inspector would provide evidence to the Conduct Panel for adjudication. The Conduct Panel would have powers to impose stronger penalties – potentially including being able to suspend councillors for up to three months, with an appeal mechanism. For very serious or repeated breaches of the <i>Local Government Act 1995</i> (the Act), the Conduct Panel would have the power to recommend prosecution through the courts. Any person who is subject to a complaint before the Conduct Panel would have the right to address the Conduct Panel before the Panel makes a decision. 	No major changes to the central concepts. Work to develop and refine detail is ongoing.	✓
WALGA Response Support Items 1.1 to 1.3, but requests the Minister to explore alternate mechanisms for resolving local level complaints.			-

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
1.4 Review of Penalties			
<ul style="list-style-type: none"> There are currently limited penalties in the Act for certain types of non-compliance with the Act. 	<ul style="list-style-type: none"> Penalties for breaching the Act are proposed to be strengthened. It is proposed that the suspension of councillors (for up to three months) is established as the main penalty where a councillor breaches the Act or Regulations on more than one occasion. Councillors who are disqualified would not be eligible for sitting fees or allowances. They will also not be able to attend meetings or use their official office (such as their title or council email address). It is proposed that a councillor who is suspended multiple times may become disqualified from office. Councillors who do not complete mandatory training within a certain timeframe will also not be able to receive sitting fees or allowances. 	<p>Disqualifications</p> <p>It is further proposed to establish a provision that results in a person automatically becoming disqualified for 10 years from being an elected member at any local government in WA if they have been suspended three times (by either the Conduct Panel, State Administrative Tribunal or Minister).</p>	
1.5 Red Card Referrals			
<ul style="list-style-type: none"> Currently, local governments have different local laws and standing orders that govern the way meetings run. Presiding members (Mayors and Presidents) are reliant on the powers provided in the local government standing orders local laws. Differences between local governments is a source of confusion about the powers that presiding members have to deal with disruptive behaviours at council meetings. 	<ul style="list-style-type: none"> It is proposed that Standing Orders are made consistent across Western Australia (see item 2.6). Published recordings of all meetings would also become standard (item 3.1). It is proposed that Presiding Members have the power to 'red card' any attendee (including councillors) who unreasonably and repeatedly interrupt council meetings. This power would: <ul style="list-style-type: none"> Require the Presiding Member to issue a clear first warning. If the disruptions continue, the Presiding Member will have the power to 'red card' that person, who must be silent for the rest of the meeting. 	<p>Red Cards Not Progressed</p> <p>'Red Card Resolutions' will not be progressed. However, it is proposed that the new Meeting Procedure Regulations will have clear powers for Presiding Members to maintain order at meetings.</p>	<p style="text-align: center;">-</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
<ul style="list-style-type: none"> Disruptive behaviour at council meetings is a very common cause of complaints. Having the Presiding Member be able to deal with these problems should more quickly resolve problems that occur at council meetings. 	<ul style="list-style-type: none"> A councillor issued with a red card will still vote but must not speak or move motions. If the person continues to be disruptive, the Presiding Member can instruct that they leave the meeting. Any Presiding Member who uses the “red card” or ejection power will be required to notify the Inspector. Where an elected member refuses to comply with an instruction to be silent or leave, or where it can be demonstrated that the Presiding Member has not followed the law in using these powers, penalties can be imposed through a review by the Inspector. 		✓
WALGA Response: Supported initial proposal, subject to a provision permitting council members to call a point of order to overrule the presiding member by an absolute majority.			-
1.6 Vexatious Complaint Referrals			
<ul style="list-style-type: none"> No current provisions. 	<ul style="list-style-type: none"> Local governments already have a general responsibility to provide ratepayers and members of the public with assistance in responding to queries about the local government’s operations. Local governments should resolve queries and complaints in a respectful, transparent and equitable manner. Unfortunately, local government resources can become unreasonably diverted when a person makes repeated vexatious queries, especially after a local government has already provided a substantial response to the person’s query. It is proposed that if a person makes repeated complaints to a local government CEO that are vexatious, the CEO will have the power to decide that the complainant is being unreasonable, and that they will no longer respond. A person who is deemed an unreasonable complainant can appeal to the Inspector. 	No major changes. Work to develop and refine detail is ongoing.	✓
WALGA Response Supported, subject to the legislation including the ability of a person to lodge an appeal with the Inspector.			✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
1.7 Other Minor Reforms			
<ul style="list-style-type: none"> Other minor reforms are being considered to enhance the oversight of local government. Ministerial Circulars have traditionally been used to guide the local government sector. 	<ul style="list-style-type: none"> Potential other reforms to strengthen guidance for local governments are being considered. For example, one option being considered is the potential use of sector-wide guidance notices. Guidance notices could be published by the Minister or Inspector to give specific direction for how local governments should meet the requirements of the Act and Regulations. For instance, the Minister could publish guidance notices to clarify the process for how potential conflicts of interests should be managed. It is also proposed (see item 1.1) that the Inspector has the power to issue notices to individual local governments to require them to rectify non-compliance with the Act or Regulations. 	<p>Primary and Annual Returns Based on submissions, reforms to Annual and Primary Returns will add new penalties for non-compliance, and powers for the Inspector to compel any person to correct a potential error or omission on their return.</p>	

Theme 2: Reducing Red Tape, Increasing Consistency and Simplicity

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
2.1 Resource Sharing			
<ul style="list-style-type: none"> The Act does not currently include specific provisions to allow for certain types of resource sharing – especially for sharing CEOs. Regional local governments would benefit from having clearer mechanisms for voluntary resource-sharing. 	<ul style="list-style-type: none"> Amendments are proposed to encourage and enable local governments, especially smaller regional local governments, to share resources, including Chief Executive Officers and senior employees. Local governments in bands 2, 3 or 4 would be able to appoint a shared CEO at up to two salary bands above the highest band. For example, a band 3 and a band 4 council sharing a CEO could remunerate to the level of band 1. 	No major changes. Work to develop and refine detail is ongoing.	✓
2.2 Standardisation of Crossovers			
<ul style="list-style-type: none"> Approvals and standards for crossovers (the section of driveways that run between the kerb and private property) are inconsistent between local government areas, often with very minor differences. This can create confusion and complexity for homeowners and small businesses in the construction sector. 	<ul style="list-style-type: none"> It is proposed to amend the <i>Local Government (Uniform Local Provisions) Regulations 1996</i> to standardise the process for approving crossovers for residential properties and residential developments on local roads. A Crossover Working Group has provided preliminary advice to the Minister and DLGSC to inform this. The DLGSC will work with the sector to develop standardised design and construction standards. 	No major changes. Work to develop and refine detail is ongoing.	✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
2.3 Introduce Innovation Provisions			
<ul style="list-style-type: none"> Currently, the Act has very limited provisions to allow for innovations and responses to emergencies (such as the Shire of Bruce Rock Supermarket). 	<ul style="list-style-type: none"> New provisions are proposed to allow exemptions from certain requirements of the Act for: <ul style="list-style-type: none"> Short-term trials and pilot projects Urgent responses to emergencies. 	No major changes. Work to develop and refine detail is ongoing.	✓
2.4 Streamline Local Laws			
<ul style="list-style-type: none"> Local laws are required to be reviewed every eight years. The review of local laws (especially when they are standard) has been identified as a burden for the sector. Inconsistency between local laws is frustrating for residents and business stakeholders. 	<ul style="list-style-type: none"> It is proposed that local laws would only need to be reviewed by the local government every 15 years. Local laws not reviewed in the timeframe would lapse, meaning that old laws will be automatically removed and no longer applicable. Local governments adopting Model Local Laws will have reduced advertising requirements. 	No major changes. Work to develop and refine detail is ongoing.	✓
2.5 Simplifying Approvals for Small Business and Community Events			
<ul style="list-style-type: none"> Inconsistency between local laws and approvals processes for events, street activation and initiatives by local businesses is frustrating for business and local communities. 	<ul style="list-style-type: none"> Proposed reforms would introduce greater consistency for approvals for: <ul style="list-style-type: none"> alfresco and outdoor dining minor small business signage rules running community events. 	No major changes. Work to develop and refine detail is ongoing.	✓
2.6 Standardised Meeting Procedures, Including Public Question Time			
<ul style="list-style-type: none"> Local governments currently prepare individual standing order local laws. The Act and regulations require local governments to allocate time at meetings for questions from the public. Inconsistency among the meeting procedures between local governments is a common source of complaints. 	<ul style="list-style-type: none"> To provide greater clarity for ratepayers and applicants for decisions made by council, it is proposed that the meeting procedures and standing orders for all local government meetings, including for public question time, are standardised across Western Australia. Regulations would introduce standard requirements for public question time and the procedures for meetings generally. 	Electors' Meetings Further minor changes to Electors Meetings are proposed to: <ul style="list-style-type: none"> Increase the number of electors required to call an Electors' Special Meeting to 300 (from 100) or five per cent of the number of electors (whichever is less). 	✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
	<ul style="list-style-type: none"> Members of the public across all local governments would have the same opportunities to address council and ask questions. 	<ul style="list-style-type: none"> Allow a Presiding Member to refuse to hold a second Electors' Special Meeting if the matter raised has already been considered at a Special Electors' Meeting within the last 12 months (the local government would still have to refer the matter for inclusion on the agenda of the next Council Meeting) The new meeting procedures regulations will also apply to Electors' meetings, including the annual electors' meeting. This will enable the Presiding Member to maintain order while ensuring members of the public have a clear right to ask questions. 	✓
<p>WALGA Response: Section 5.28 of the Local Government Act 1995 should be amended to increase the number of electors required to request a meeting to 500, or 5 percent of electors, whichever is fewer. For Local Governments with total electors of less than 500, the requirement should be a minimum of 25 percent of electors. Will seek clarity on whether a statutory prohibition will be embedded in the legislation, whether it is intended that a Presiding Member will have discretion.</p>			✓
<p>2.7 Regional Subsidiaries</p>			
<ul style="list-style-type: none"> Initiatives by multiple local governments may be managed through formal Regional Councils or less formal "organisations of councils" such as NEWROC and WESROC. These initiatives typically have to be managed by a lead local government. In 2016-17, provisions were introduced to allow for the formation of Regional Subsidiaries. Regional Subsidiaries can be formed in line with the <i>Local Government (Regional Subsidiaries) Regulations 2017</i>. So far, no Regional Subsidiary has been formed. 	<ul style="list-style-type: none"> Work is continuing to consider how Regional Subsidiaries can be best established to: <ul style="list-style-type: none"> enable Regional Subsidiaries to provide a clear and defined public benefit for people within member local governments provide for flexibility and innovation while ensuring appropriate transparency and accountability of ratepayer funds where appropriate, facilitate financing of initiatives by Regional Subsidiaries within a reasonable and defined limit of risk Ensure all employees of a Regional Subsidiary have the same employment conditions as those directly employed by member local governments. 	<p>Financial Reporting Streamlined financial reporting requirements will be extended for regional subsidiaries, so they only need to comply with band 3 and 4 model financial statement provisions.</p> <p>Borrowing for Projects It is proposed to amend the Act to enable regional subsidiaries to borrow money for capital projects to achieve the purpose specified in the regional subsidiaries charter (subject to conditions, including within prescribed borrowing limits).</p>	✓
<p>WALGA Response Supported, subject to the use of a Charter as the primary governance and regulatory instrument.</p>			✓

Theme 3: Greater Transparency & Accountability

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
3.1 Recordings and Live-Streaming of All Council Meetings			
<ul style="list-style-type: none"> • Currently, local governments are only required to make written minutes of meetings. • While there is no legal requirement for live streaming or video or audio recording of council meetings, many local governments now stream and record their meetings. • Issues relating to behaviours and decisions at meetings constitute a large proportion of complaints about local governments. • Local governments are divided into bands with the largest falling in bands 1 and 2, and smaller local governments falling bands 3 and 4. The allocation of local governments into bands is determined by The Salaries and Allowances Tribunal based on factors¹ such as: <ul style="list-style-type: none"> ○ Growth and development ○ Strategic planning issues 	<ul style="list-style-type: none"> • It is proposed that all local governments will be required to record meetings. • Band 1 and 2 local governments would be required to live- stream meetings and make video recordings available as public archives. • Band 1 and 2 are larger local governments, are generally located in larger urban areas, with generally very good telecommunications infrastructure, and many already have audio-visual equipment. • Band 1 and 2 local governments would be required to live- stream meetings and make video recordings available as public archives. • Several local governments already use platforms such as YouTube, Microsoft Teams and Vimeo to stream and publish meeting recordings. • Limited exceptions would be made for meetings held outside the ordinary council chambers, where audio recordings may be used. • Recognising their generally smaller scale, typically smaller operating budget, and potential to be in more remote locations, band 3 and 4 local governments would be required to record and publish audio recordings, at a minimum. 	<p>Limited Exemptions</p> <p>It is proposed to allow for minor exemptions to the requirement for live-streaming in defined scenarios (for instance, for a council holding a meeting outside of council chambers, and with the prior written consent of the Inspector).</p>	✓

¹ See page 3 of the [2018 Salaries and Allowance Tribunal Determination](#)

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
<ul style="list-style-type: none"> ○ Demands and diversity of services provided to the community ○ Total expenditure ○ Population ○ Staffing levels. 	<ul style="list-style-type: none"> ● These local governments would still be encouraged to Livestream or video record meetings. ● All council meeting recordings would need to be published at the same time as the meeting minutes. Recordings of all confidential items would also need to be submitted to DLGSC for archiving. 		✓
WALGA Response: Support live streaming of OCM and SCMs of Band 1-2 LGs and audio recordings for Band 3-4 LGs. Do not support archiving the recordings of confidential matters by the Dept.			✓
3.2 Recording All Votes in Council Minutes			
<ul style="list-style-type: none"> ● A local government is only required to record which councillor voted for or against a motion in the minutes of that meeting if a request is made by an elected member at the time of the resolution during the meeting. ● The existing provision does not mandate transparency. 	<ul style="list-style-type: none"> ● To support the transparency of decision-making by councillors, it is proposed that the individual votes cast by all councillors for all council resolutions be required to be published in the council minutes to identify those for, against, on leave, absent or who left the chamber. ● Regulations would prescribe how votes are to be consistently minuted. 	No major changes. Work to develop and refine detail is ongoing.	✓
3.3 Clearer Guidance for Meeting Items that may be Confidential			
<ul style="list-style-type: none"> ● The Act currently provides broad definitions of what type of matters may be discussed as a confidential item. ● There is limited potential for the review of issues managed as confidential items under the current legislation. 	<ul style="list-style-type: none"> ● Recognising the importance of open and transparent decision-making, it is considered that confidential meetings and confidential meeting items should only be used in limited, specific circumstances. ● It is proposed to make the Act more specific in prescribing items that may be confidential and items that should remain open to the public. ● Items not prescribed as being confidential could still be held as confidential items only with the prior written consent of the Inspector. ● All confidential items would be required to be audio recorded, with those recordings submitted to DLGSC. 	Specific Provisions Proposed provisions for managing confidential items at council meetings (and preventing councils from unreasonably using confidentiality provisions to avoid public scrutiny) have been refined to: <ul style="list-style-type: none"> ● clarify that only a limited part of a meeting specific to confidential information (e.g., receiving legal advice) may be closed 	-

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
		<ul style="list-style-type: none"> specify that certain matters (town planning and development applications, budgeting, major land transactions, leases of local government property) must be held in full public view Specify that certain matters (CEO appointment, management of behavioural complaints about elected members, local government cybersecurity) must be held confidentially Require that any other matters proposed to be considered confidentially will require the prior approval of the Inspector. 	-
WALGA Response: WALGA generally supported the proposals, however, the involvement of the Inspector was unanticipated. Our advocacy will encourage the prescription of confidential matters (third party information such as IP, CIC contracts, etc) without reference to the Inspector.			-
3.4 Additional Online Registers			
<ul style="list-style-type: none"> Local governments are required to provide information to the community through annual reports, council minutes and the publication of information online. Regular online publication of information can substitute for certain material in annual reports. Consistency in online reporting across the sector will provide ratepayers with better information. 	<ul style="list-style-type: none"> It is proposed to require local governments to report specific information in online registers on the local government's website. Regulations would prescribe the information to be included. The following new registers, each updated quarterly, are proposed: <ul style="list-style-type: none"> Lease Register to capture information about the leases the local government is a party to (either as lessor or lessee) Community Grants Register to outline all grants and funding provided by the local government 	<p>To clarify, the online register of contracts is only for the supply of goods and services and will not include direct employment contracts. To clarify, information about the identity of individual residential tenants of housing owned by the local government will not be required to be published on the online lease register.</p>	✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
<ul style="list-style-type: none"> These registers supplement the simplification of financial statements in Theme 6. 	<ul style="list-style-type: none"> Interests Disclosure Register that collates all disclosures made by elected members about their interests related to matters considered by council Applicant Contribution Register accounting for funds collected from applicant contributions, such as cash-in-lieu for public open space and car parking Contracts Register that discloses all contracts above 		✓
3.5 Chief Executive Officer Key Performance Indicators (KPIs) be Published			
<ul style="list-style-type: none"> It is a requirement of the Act that CEO performance reviews are conducted annually. The Model Standards for CEO recruitment and selection, performance review and termination require that a local government must review the performance of the CEO against contractual performance criteria. Additional performance criteria can be used for performance review by agreement between both parties. 	<ul style="list-style-type: none"> To provide for minimum transparency, it is proposed to mandate that the KPIs agreed as performance metrics for CEOs: <ul style="list-style-type: none"> Be published in council meeting minutes as soon as they are agreed prior to (before the start of the annual period) The KPIs and the results be published in the minutes of the performance review meeting (at the end of the period) The CEO has a right to provide written comments to be published alongside the KPIs and results to provide context as may be appropriate (for instance, the impact of events in that year that may have influenced the results against KPIs). 	<p>Limited Exemptions It is proposed that a provision is included to allow councils to seek the Inspector's approval not to publish a specific CEO KPI, if there is a clear public interest reason for doing so.</p>	-
<p>WALGA Response Conditionally support the reporting of CEO KPIs consistent with the strategic direction and operational function of the LG, subject to exemptions for publishing KPIs of a confidential nature.</p> <p>Do not support the results of performance reviews being published.</p>			-

Theme 4: Stronger Local Democracy and Community Engagement

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
4.1 Community and Stakeholder Engagement Charters			
<ul style="list-style-type: none"> There is currently no requirement for local governments to have a specific engagement charter or policy. Many local governments have introduced charters or policies for how they will engage with their community. Other Australian States have introduced a specific requirement for engagement charters. 	<ul style="list-style-type: none"> It is proposed to introduce a requirement for local governments to prepare a community and stakeholder engagement charter which sets out how local government will communicate processes and decisions with their community. A model Charter would be published to assist local governments who wish to adopt a standard form. 	No major changes. Work to develop and refine detail is ongoing.	✓
4.2 Ratepayer Satisfaction Surveys (Band 1 and 2 local governments only)			
<ul style="list-style-type: none"> Many local governments already commission independent surveying consultants to hold a satisfaction survey of residents/ratepayers. These surveys provide valuable data on the performance of local governments. 	<ul style="list-style-type: none"> It is proposed to introduce a requirement that every four years, all local governments in bands 1 and 2 hold an independently managed ratepayer satisfaction survey. Results would be required to be reported publicly at a council meeting and published on the local government's website. All local governments would be required to publish a response to the results. 	Standardised Questions Based on requests from ratepayers, it is proposed that some standard questions be pre-defined in Regulation to allow for the comparison of results between local governments.	✓
WALGA Response Support the conduct of community, rather than ratepayer, satisfaction surveys.			✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
4.3 Introduction of Preferential Voting			
<ul style="list-style-type: none"> The current voting method for local government elections is first-past-the-post. The existing first-past-the-post does not allow for electors to express more than one preference. The candidate with the most votes wins, even if that candidate does not have a majority. Preferential voting better captures the precise intentions of voters and as a result may be regarded as a fairer and more representative system. Voters have more specific choice. 	<ul style="list-style-type: none"> Preferential voting is proposed to be adopted as the method to replace the current first past the post system in local government elections. In preferential voting, voters number candidates in order of their preferences. Preferential voting is used in State and Commonwealth elections in Western Australia and other states. This provides voters with more choice and control over who they elect. All other states use a form of preferential voting for local government. 	<p>Optional Preferential Voting Optional preferential voting is proposed, to ensure that electors may lodge a valid vote without numbering all candidates, if they wish to vote in that way.</p>	-
<p>WALGA Response Oppose preferential voting in favour of first past the post. However, if FPTP is not retained, then optional preferential voting is preferred.</p>			-
4.4 Public Vote to Elect the Mayor and President			
<ul style="list-style-type: none"> The Act currently allows local governments to have the Presiding Member (the Mayor or President) elected either: <ul style="list-style-type: none"> by the electors of the district through a public vote; or by the council as a resolution at a council meeting. 	<ul style="list-style-type: none"> Mayors and Presidents of all local governments perform an important public leadership role within their local communities. Band 1 and 2 local governments generally have larger councils than those in bands 3 and 4. Accordingly, it is proposed that the Mayor or President for all band 1 and 2 councils is to be elected through a vote of the electors of the district. Councils in bands 3 and 4 would retain the current system. A number of Band 1 and Band 2 councils have already moved towards Public Vote to Elect the Mayor and President in recent years, including City of Stirling and City of Rockingham. 	No major changes. Work to develop and refine detail is ongoing. Transitional arrangements are under consideration.	x
<p>WALGA Response Oppose this proposal and support retaining the current provision, that the election of Mayors/Presidents be at the discretion of each Local Government.</p>			x

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
4.5 Tiered Limits on the Number of Councillors			
<ul style="list-style-type: none"> The number of councillors (between 5 and 15 councillors) is decided by each local government, reviewed by the Local Government Advisory Board and approved by the Minister. The Panel Report recommended electoral reforms to improve representativeness. 	<ul style="list-style-type: none"> It is proposed to limit the number of councillors based on the population of the entire local government. Some smaller local governments have already been moving to have smaller councils to reduce costs for ratepayers. The Local Government Panel Report proposed for a population of: <ul style="list-style-type: none"> up to 5,000 – five councillors (including the President) between 5,000 and 75,000 – five to nine councillors (including the Mayor/President) above 75,000 – nine to fifteen councillors (including Mayor). 	<p>Change for Smaller Local Governments Based on requests from impacted councils, it is proposed to adjust this to allow local governments with a population of up to 5,000 people to decide to have 5, 6 or 7 councillors.</p>	✓
4.6 No Wards for Small Councils (Band 3 and 4 Councils only)			
<ul style="list-style-type: none"> A local government can make an application to be divided into wards with councillors elected to those wards. Only about 10% of band 3 and 4 local governments currently have wards. 	<ul style="list-style-type: none"> It is proposed that the use of wards for councils in bands 3 and 4 is abolished. Wards increase the complexity of elections, as this requires multiple versions of ballot papers to be prepared for a local government's election. In smaller local governments, the population of wards can be very small. These wards often have councillors elected unopposed or elect a councillor with a very small number of votes. Some local governments have ward councillors elected with less than 50 votes. There has been a trend in smaller local governments looking to reduce the use of wards, with only 10 councils in bands 3 and 4 still having wards. 	<p>No major changes. Work to develop and refine detail is ongoing. Transitional arrangements are under consideration.</p>	✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
4.7 Electoral Reform – Clear Lease Requirements for Candidate and Voter Eligibility			
<ul style="list-style-type: none"> • A person with a lease in a local government district is eligible to nominate as a candidate in that district. • A person with a lease in a local government district is eligible to apply to vote in that district. • The City of Perth Inquiry Report identified a number of instances where dubious lease arrangements put to question the validity of candidates in local government elections, and subsequently their legitimacy as councillors. 	<ul style="list-style-type: none"> • Reforms are proposed to prevent the use of “sham leases” in council elections. Sham leases are where a person creates a lease only to be able to vote or run as a candidate for council. • The City of Perth Inquiry Report identified sham leases as an issue. • Electoral rules are proposed to be strengthened: <ul style="list-style-type: none"> ○ A minimum lease period of 12 months will be required for anyone to register a person to vote or run for council ○ Home-based businesses will not be eligible to register a person to vote or run for council because any residents are already the eligible voter(s) for that address ○ Clarifying the minimum criteria for leases eligible to register a person to vote or run for council. • The reforms would include minimum lease periods to qualify as a registered business (minimum of 12 months), and the exclusion of home-based businesses (where the resident is already eligible) and very small sub-leases. • The basis of eligibility for each candidate (e.g., type of property and suburb of property) is proposed to be published, including in the candidate pack for electors. 	<p>Further work is being progressed to ensure the integrity of enrolment on the owner and occupier rolls for local government elections, including:</p> <ul style="list-style-type: none"> • further definition to minimum lease requirements to exclude sham leases (while ensuring legitimate businesses are represented); • guidance to standardise evidence requirements for claiming eligibility based on a property lease or ownership; and • minor amendments to clarify and standardise disclosure and decision-making related to electoral gifts. 	✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
4.8 Reform of Candidate Profiles			
<ul style="list-style-type: none"> Candidate profiles can only be 800 characters, including spaces. This is equivalent to approximately 150 words. 	<ul style="list-style-type: none"> Further work will be undertaken to evaluate how longer candidate profiles could be accommodated. Longer candidate profiles would provide more information to electors, potentially through publishing profiles online. It is important to have sufficient information available to assist electors to make informed decisions when casting their vote. 	<p>No major change to the proposal, though candidate profiles are likely to be published online, rather than on ballot papers.</p>	✓
4.9 Other Minor Electoral Reforms			
<ul style="list-style-type: none"> Other minor reforms are proposed to improve local government elections. 	<ul style="list-style-type: none"> Reforms are proposed to include: <ul style="list-style-type: none"> The introduction of standard processes for vote re-counts if there is a very small margin between candidates (e.g., where there is a margin of fewer than 10 votes a recount will always be required) The introduction of more specific rules concerning local government council candidates' use of electoral rolls. 	<p>Recounts It is proposed to provide candidates, or their nominated scrutineers, with a specific avenue to request a recount immediately at the counting of votes, if a set percentage margin in the count is within a limit to be prescribed in regulations.</p> <p>Filling Extraordinary Vacancies Following Elections Based on input from the sector, it is proposed to create a new power to allow vacancies on councils arising up to twelve months after an election to be filled by the next highest-polling candidate.</p> <p>Election Timeframes It is necessary to extend timeframes for elections in the Act to account for slower postal services.</p>	✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
		<p>Electronic/Online Voting It is proposed to amend the Act to allow for the future implementation of electronic voting in elections (when the technology is deemed suitable). Regulations would then need to be developed.</p> <p>Extended Leave from Meetings Based on advocacy from the sector, it is proposed to provide a right for elected representatives to take up to six months' leave if they become a parent or guardian. Similarly, they may take up to six months of medical leave with a medical certificate.</p>	✓

Theme 5: Clear Roles and Responsibilities

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
5.1 Introduce Principles in the Act			
<ul style="list-style-type: none"> The Act does not currently outline specific principles. The Act contains a short “Content and Intent” section only. The Panel Report recommended greater articulation of principles 	<ul style="list-style-type: none"> It is proposed to include new principles in the Act, including: <ul style="list-style-type: none"> The recognition of Aboriginal Western Australians Tiering of local governments (with bands being as assigned by the Salaries and Allowances Tribunal) Community Engagement Financial Management. 	No major changes. Work to develop details and refine exact phrasing/wording is ongoing.	✓
5.2 Greater Role Clarity			
<ul style="list-style-type: none"> The Act provides for the role of council, councillor, mayor or president and CEO. The role of the council is to: <ul style="list-style-type: none"> govern the local government’s affairs be responsible for the performance of the local government’s functions. 	<ul style="list-style-type: none"> The Local Government Act Review Panel recommended that roles and responsibilities of elected members and senior staff be better defined in law. It is proposed that these roles and responsibilities are further defined in the legislation. These proposed roles will be open to further consultation and input. These roles would be further strengthened through Council Communications Agreements (see item 5.3). 	See below	✓
	<p>5.2.1 - Mayor or President Role</p> <ul style="list-style-type: none"> It is proposed to amend the Act to specify the roles and responsibilities of the Mayor or President. While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the Mayor or President is responsible for: <ul style="list-style-type: none"> Representing and speaking on behalf of the whole council and the local government, at all times being consistent with the resolutions of council 	<p>Minor changes in wording to provide that the presiding member is to exemplify respectful conduct.</p> <p>Work to develop details and refine exact phrasing/wording is ongoing.</p>	✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
	<ul style="list-style-type: none"> ○ Facilitating the democratic decision-making of council by presiding at council meetings in accordance with the Act ○ Developing and maintaining professional working relationships between councillors and the CEO ○ Performing civic and ceremonial duties on behalf of the local government ○ Working effectively with the CEO and councillors in overseeing the delivery of the services, operations, initiatives and functions of the local government. 		✓
	<p>5.2.2 – Council Role</p> <ul style="list-style-type: none"> ● It is proposed to amend the Act to specify the roles and responsibilities of the Council, which is the entity consisting of all of the councillors and led by the Mayor or President. ● While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the Council is responsible for: <ul style="list-style-type: none"> ○ Making significant decisions and determining policies through democratic deliberation at council meetings ○ Ensuring the local government is adequately resourced to deliver the local government's operations, services and functions – including all functions that support informed decision-making by council ○ Providing a safe working environment for the CEO ○ Providing strategic direction to the CEO ○ Monitoring and reviewing the performance of the local government. 	No major changes. Work to develop details and refine exact phrasing/wording is ongoing.	✓
	<p>5.2.3 – Elected Member (Councillor) Role</p> <ul style="list-style-type: none"> ● It is proposed to amend the Act to specify the roles and responsibilities of all elected councillors. 	No major changes. Work to develop details and refine exact phrasing/wording is ongoing.	✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
	<ul style="list-style-type: none"> ● While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that every elected councillor is responsible for: <ul style="list-style-type: none"> ○ Considering and representing, fairly and without bias, the current and future interests of all people who live, work and visit the district (including councillors elected for a particular ward) ○ Positively and fairly contributing and applying their knowledge, skill, and judgement to the democratic decision-making process of council ○ Applying relevant law and policy in contributing to the decision-making of the council ○ Engaging in the effective planning and review of the local government's resources, and the performance of its operations, services, and functions ○ Communicating the decisions and resolutions of council to stakeholders and the public ○ Developing and maintaining professional working relationships with all other councillors and the CEO ○ Maintaining and developing their knowledge and skills relevant to local government ○ Facilitating public engagement with local government. ● It is proposed that elected members should not be able to use their title (e.g., "Councillor", "Mayor", or "President") and associated resources of their office (such as email address) unless they are performing their role in their official capacity. 		✓
	<p>5.2.4 – CEO Role</p> <ul style="list-style-type: none"> ● The Act requires local governments to employ a CEO to run the local government administration and implement the decisions of council. 	No major changes. Work to develop details and refine exact phrasing/wording is ongoing.	-


CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
	<ul style="list-style-type: none"> ● To provide greater clarity, it is proposed to amend the Act to specify the roles and responsibilities of all local government CEOs. ● While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the CEO of a local government is responsible for: <ul style="list-style-type: none"> ○ Coordinating the professional advice and assistance necessary for all elected members to enable the council to perform its decision-making functions ○ Facilitating the implementation of council decisions ○ Ensuring functions and decisions lawfully delegated by council are managed prudently on behalf of the council ○ Managing the effective delivery of the services, operations, initiatives and functions of the local government determined by the council ○ Providing timely and accurate information and advice to all councillors in line with the Council Communications Agreement (see item 5.3) ○ Overseeing the compliance of the operations of the local government with State and Commonwealth legislation on behalf of the council ○ Implementing and maintaining systems to enable effective planning, management, and reporting on behalf of the council. 		✓
WALGA Response: Item 5.2.4 Supported, subject to including reference that the CEO is responsible for the recruitment and performance management of all staff as indicated in the current Act and Regulations.			-
5.3 Council Communication Agreements			
<ul style="list-style-type: none"> ● The Act provides that council and committee members can have access to any information held by the local government that is relevant to the performance of the member's functions. 	<ul style="list-style-type: none"> ● In State Government, there are written Communication Agreements between Ministers and agencies that set standards for how information and advice will be provided. 		✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
<ul style="list-style-type: none"> The availability of information is sometimes a source of conflict within local governments. 	<ul style="list-style-type: none"> It is proposed that local governments will need to have Council Communications Agreements between the council and the CEO. These Council Communication Agreements would clearly specify the information that is to be provided to councillors, how it will be provided, and the timeframes for when it will be provided. A template would be published by DLGSC. This default template will come into force if a council and CEO do not make a specific alternative agreement within a certain timeframe following any election. 	<p>Default Agreement</p> <p>The default agreement (to be developed in consultation with the sector) will start at the commencement of election caretaker periods. The CEO and an absolute majority of council must agree for an arrangement other than the default to apply. The agreement will specify how information should be requested and received. Provisions about the information elected members can access would be unchanged.</p>	✓
5.4 Local Governments May Pay Superannuation Contributions for Elected Members			
<ul style="list-style-type: none"> Elected members are eligible to receive sitting fees or an annual allowance. Superannuation is not paid to elected members. However, councillors can currently divert part of their allowances to a superannuation fund. Councils should be reflective and representative of the people living within the district. Local governments should be empowered to remove any barriers to the participation of gender and age diverse people on councils. 	<ul style="list-style-type: none"> It is proposed that local governments should be able to decide, through a vote of council, to pay superannuation contributions for elected members. These contributions would be additional to existing allowances. Superannuation is widely recognised as an important entitlement to provide long term financial security. Other states have already moved to allow councils to make superannuation contributions for councillors. Allowing council to provide superannuation is an important part of encouraging equality for people represented on council – particularly for women and younger people. Providing superannuation to councillors recognises that the commitment to elected office can reduce a person's opportunity to undertake employment and earn superannuation contributions. 	<p>Councils to Determine Whether to Pay Additional Superannuation Allowance</p> <p>No change, confirming councils will be able to decide whether to pay superannuation. This is based on the model recently introduced in New South Wales.</p>	✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
5.5 Local Governments May Establish Education Allowances			
<ul style="list-style-type: none"> Local government elected members must complete mandatory training. There is no specific allowance for undertaking further education. 	<ul style="list-style-type: none"> Local governments will have the option of contributing to the education expenses for councillors, up to a defined maximum value, for tuition costs for further education that is directly related to their role on council. Councils will be able to decide on a policy for education expenses, up to a maximum yearly value for each councillor. Councils may also decide not to make this entitlement available to elected members. Any allowance would only be able to be used for tuition fees for courses, such as training programs, diplomas and university studies, which relate to local government. Where it is made available, this allowance will help councillors further develop skills to assist with making informed decisions on important questions before council and provide professional development opportunities for councillors. 	No major changes. Work to develop and refine detail is ongoing.	✓
5.6 Standardised Election Caretaker period			
<ul style="list-style-type: none"> There is currently no requirement for a formal caretaker period, with individual councils operating under their own policies and procedures. This is commonly a point of public confusion. 	<ul style="list-style-type: none"> A State-wide caretaker period for local governments is proposed. All local governments across the State would have the same clearly defined election period, during which: <ul style="list-style-type: none"> Councils do not make major decisions with criteria to be developed defining 'major' Incumbent councillors who nominate for re-election are not to represent the local government, act on behalf of the council, or use local government resources to support campaign activities. There are consistent election conduct rules for all candidates. 	<p>Limited Exemptions</p> <p>It is proposed to include minor exemptions to allow councils to make specific decisions essential to ongoing operation of the local government during the caretaker period.</p>	✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
5.7 Remove WALGA from the Act			
<ul style="list-style-type: none"> The Western Australian Local Government Association (WALGA) is constituted under the Act The Local Government Panel Report and the Select Committee Report included this recommendation. 	<ul style="list-style-type: none"> The Local Government Panel Report recommended that WALGA not be constituted under the Act. Separating WALGA out of the Act will provide clarity that WALGA is not a State Government entity. 	No major changes. Work to develop and refine detail is ongoing.	-
WALGA Response: Supported, subject to WALGA undertaking further due diligence on the broader implications on the proposal and subsequent consultation with the sector. Any proposed reforms should ensure that the LGA retain statutory provisions for LGIS and PSP Program, and no disadvantage to WALGA's capacity to provide services and represent the sector.			-
5.8 CEO Recruitment			
<ul style="list-style-type: none"> Recent amendments introduced provisions to standardise CEO recruitment. The recruitment of a CEO is a very important decision by a local government. 	<ul style="list-style-type: none"> It is proposed that DLGSC establishes a panel of approved members to perform the role of the independent person on CEO recruitment panels. Councils will be able to select an independent person from the approved list. Councils will still be able to appoint people outside of the panel with the approval of the Inspector. 	No major changes. Work to develop and refine detail is ongoing.	✓
WALGA Response: Supported on the proviso that no cost is associated with the use of the approved panel.			✓


Theme 6: Improved Financial Management and Reporting

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
6.1 Model Financial Statements and Tiered Financial Reporting			
<ul style="list-style-type: none"> The financial statements published in the Annual Report are the main financial reporting currently published by local governments. Reporting obligations are the same for large (Stirling, Perth, Fremantle) and small (Sandstone, Wiluna, Dalwallinu) local governments, even though they vary significantly in complexity. The Office of the Auditor General has said that some existing reporting requirements are unnecessary or onerous - for instance, information that is not relevant to certain local governments, or that is a duplicate of other published information. 	<ul style="list-style-type: none"> The Minister strongly believes in transparency and accountability in local government. The public rightly expects the highest standards of integrity, good governance and prudent financial management in local government. It is critically important that clear information about the financial position of local governments is openly available to ratepayers. Financial information also supports community decision-making about local government services and projects. Local governments differ significantly in the complexity of their operations. Smaller local governments generally have much less operating complexity than larger local governments. The Office of the Auditor General has identified opportunities to improve financial reporting, make statements clearer and reduce unnecessary complexity. Recognising the difference in the complexity between smaller and larger local governments, it is proposed that financial reporting requirements should be tiered—meaning that larger local governments will have greater financial reporting requirements than smaller local governments. It is proposed to establish standard templates for Annual Financial Statements for band 1 and 2 councils and simpler, clearer financial statements for bands 3 and 4. 	<p>No significant changes.</p> <p>Work on the Model Financial Statements is ongoing. It is expected that the new Model Financial Statements will be in place for the 2022-23 financial year.</p>	

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
	<ul style="list-style-type: none"> Online Registers, updated quarterly (see item 3.4), would provide faster and greater transparency than current annual reports. Standard templates will be published for use by local governments. Simpler Strategic and Financial Planning (item 6.2) would also improve the budgeting process. 		✓
6.2 Simplify Strategic and Financial Planning			
<ul style="list-style-type: none"> Requirements for plans are outlined in the Local Government Financial Management and Administration Regulations. There is also the Integrated Planning and Reporting (IPR) framework. While many councils successfully apply IPR to their budgeting and reporting, IPR may seem complicated or difficult, especially for smaller local governments. 	<ul style="list-style-type: none"> Clear information about the finances of local government enables informed public and ratepayer engagement and input to decision-making. The framework for financial planning should be based around information being clear, transparent and easy for all ratepayers and members of the public to understand. In order to provide more consistency and clarity across the State, it is proposed that greater use of templates is introduced to make planning and reporting clearer and simpler, providing greater transparency for ratepayers. Local governments would be required to adopt a standard set of plans, and there will be templates published by DLGSC for use or adaptation by local governments. It is proposed that the plans that are required are: <ul style="list-style-type: none"> Simplified Council Plans that replace existing Strategic Community Plans and set high-level objectives with a new plan required at least every eight years. These will be short-form plans with a template available from DLGSC Simplified Asset Management Plans to consistently forecast costs of maintaining the local government's assets. 	<p>Borrowing Against Freehold Land A further amendment is proposed to allow a local government to borrow against the freehold (private/zoned) land it owns. Otherwise, no major changes. Work to develop and refine detail is ongoing.</p>	✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
	<ul style="list-style-type: none"> ○ A new plan will be required at least every 10 years, though local governments should update the plan regularly if the local government gains or disposes of major assets (e.g., land, buildings or roads). A template will be provided, and methods of valuations will be simplified to reduce red tape ○ Simplified Long Term Financial Plans will outline any long-term financial management and sustainability issues, and any investments and debts. A template will be provided, and these plans will be required to be reviewed in detail at least every four years ○ A new Rates and Revenue Policy (see item 6.3) that identifies the approximate value of rates that will need to be collected in future years (referencing the Asset Management Plan and Long-Term Financial Plan) providing a forecast to ratepayers (updated at least every four years) ○ The use of simple, one-page Service Proposals and Project Proposals that outline what proposed services or initiatives will cost, to be made available through council meetings. These will become Service Plans and Project Plans added to the yearly budget if approved by council. This provides clear transparency for what the functions and initiatives of the local government cost to deliver. Templates will be available for use by local governments. 		✓
6.3 Rates and Revenue Policy			
<ul style="list-style-type: none"> ● Local governments are not required to have a rates and revenue policy. 	<ul style="list-style-type: none"> ● The Rates and Revenue Policy is proposed to increase transparency for ratepayers by linking rates to basic operating costs and the minimum costs for maintaining essential infrastructure. 	No major changes. Work to develop and refine detail is ongoing.	✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
<ul style="list-style-type: none"> Some councils defer rate rises, resulting in the eventual need to drastically raise rates to cover unavoidable costs, especially for the repair of infrastructure. 	<ul style="list-style-type: none"> A Rates and Revenue Policy would be required to provide ratepayers with a forecast of future costs of providing local government services. The Policy would need to reflect the Asset Management Plan and the Long-Term Financial Plan (see item 6.2), providing a forecast of what rates would need to be, to cover unavoidable costs. A template would be published for use or adaptation by all local governments. The Local Government Panel Report included this recommendation. 		✓
6.4 Monthly Reporting of Credit Card Statements			
<ul style="list-style-type: none"> No legislative requirement. Disclosure requirements brought in by individual councils have shown significant reduction of expenditure of funds. 	<ul style="list-style-type: none"> The statements of a local government's credit cards used by local government employees will be required to be tabled at council meetings on a monthly basis. This provides oversight of incidental local government spending. 	No major changes. Work to develop and refine detail is ongoing.	✓
6.5 Amended Financial Ratios			
<ul style="list-style-type: none"> Local governments are required to report seven ratios in their annual financial statements. These are reported on the MyCouncil website. These ratios are intended to provide an indication of the financial health of every local government. 	<ul style="list-style-type: none"> Financial ratios will be reviewed in detail, building on work already underway by DLGSC. The methods of calculating ratios and indicators will be reviewed to ensure that the results are accurate and useful. 	Further work on this is ongoing.	✓

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
6.6 Audit Committees			
<ul style="list-style-type: none"> Local governments must establish an Audit Committee that has three or more persons, with the majority to be council members. The Audit Committee is to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under the Act. The Panel Report identified that Audit Committees should be expanded, including to provide improved risk management. 	<ul style="list-style-type: none"> To ensure independent oversight, it is proposed the Chair of any Audit Committee be required to be an independent person who is not on council or an employee of the local government. Audit Committees would also need to consider proactive risk management. To reduce costs it is proposed that local governments should be able to establish shared Regional Audit Committees. The Committees would be able to include council members but would be required to include a majority of independent members and an independent chairperson. 	<p>No Requirement for Majority of Independent Members (only Independent Chair) Recognising the practical difficulty in recruiting independent people expressed by several local governments, the requirement for Audit Committees to have a majority of independent members will not be progressed. However, the requirement for an independent chairperson remains.</p> <p>Local Governments May Renumerate Independent Committee Members The Act will be amended to allow local governments to pay fees to committee members within Salaries and Allowances Tribunal limits.</p>	
<p>WALGA Response:</p> <ul style="list-style-type: none"> Support the role of the OAG as the responsible entity for independent oversight of LG audits. Support Audit Committees with an Elected Member majority (YES) Support proposal to establish shared regional Audit Committees Support the appointment of an independent member as Audit Committee Chair to remain at the discretion of each LG Support the payment of meeting fees or defined reimbursements to independent Audit Committee Members. (YES) 			<p style="text-align: center;">-</p>

CURRENT PROVISIONS	ORIGINAL PROPOSAL	AMENDED PROPOSAL	WALGA
6.7 Building Upgrade Finance			
<ul style="list-style-type: none"> The local government sector has sought reforms that would enable local governments to provide loans to property owners to finance building improvements. This is not currently provided for under the Act. The Local Government Panel Report included this recommendation. 	<ul style="list-style-type: none"> Reforms would allow local governments to provide loans to third parties for specific building improvements - such as cladding, heritage and green energy fixtures. This would allow local governments to lend funds to improve buildings within their district. Limits and checks and balances would be established to ensure that financial risks are proactively managed. 	<p>Clarification – Lending Terms No major changes, but it should be clarified that financial institutions may provide the principal funds for the loan. Local governments would then collect repayments via rates notices (and pass on funds to any external lender) and would be able to foreclose on the land to recover debts using existing <i>Local Government Act 1995</i> provisions in the event of default by the borrower. Work to develop and refine detail is ongoing.</p>	✓
6.8 Cost of Waste Service to be Specified on Rates Notices			
<ul style="list-style-type: none"> No requirement for separation of waste charges on rates notice. Disclosure will increase ratepayer awareness of waste costs. The Review Panel Report included this recommendation. 	<ul style="list-style-type: none"> It is proposed that waste charges are required to be separately shown on rate notices (for all properties which receive a waste service). This would provide transparency and awareness of costs for ratepayers. 	<p>No major changes. Work to develop and refine detail is ongoing.</p>	✓