

**LODDON SHIRE COUNCIL**

Notice of an Ordinary Meeting of the Loddon Shire Council to be held in the Council Chambers, Serpentine on Tuesday 16 December 2014 at 3pm.

**ORDER OF BUSINESS**

<b>1.</b>	<b>APOLOGIES .....</b>	<b>2</b>
<b>2.</b>	<b>PREVIOUS MINUTES .....</b>	<b>2</b>
2.1	CONFIRMATION OF MINUTES .....	2
2.2	REVIEW OF ACTION SHEET .....	2
<b>3.</b>	<b>COUNCILLORS' REPORTS .....</b>	<b>3</b>
3.1	MAYORAL REPORT .....	3
3.2	COUNCILLORS' REPORT .....	3
<b>4.</b>	<b>DECISION REPORTS .....</b>	<b>4</b>
4.1	REVIEW OF LEVELS OF AUTHORITY .....	4
4.2	AMENDMENT TO SECTION 86 COMMITTEE INSTRUMENT OF DELEGATION – WEDDERBURN TOURISM .....	6
4.3	INTERIM FINANCE REPORT FOR THE PERIOD ENDING 21 NOVEMBER 2014.....	8
4.4	NOVEMBER 2014 AUDIT COMMITTEE MEETING.....	9
4.5	LODDON KINDERGARTEN CLUSTER MANAGEMENT PROJECT REPORT .....	11
<b>5.</b>	<b>INFORMATION REPORTS .....</b>	<b>15</b>
5.1	COUNCIL'S STRATEGIC RISKS .....	15
5.2	VESTED BENEFIT INDEX- DEFINED BENEFITS .....	18
<b>6.</b>	<b>COMPLIANCE REPORTS.....</b>	<b>20</b>
6.1	DOCUMENTS FOR SIGNING AND SEALING.....	20
6.2	SECTION 86 COMMITTEE OF MANAGEMENT MEMBERSHIP DETAILS- MITIAMO MUNICIPAL RECREATION RESERVE.....	21
6.3	SECTION 86 COMMITTEE OF MANAGEMENT MEMBERSHIP DETAILS- DINGEE PROGRESS ASSOCIATION.....	23
6.4	AMENDMENT TO WEDDERBURN COMMUNITY CENTRE SECTION 86 COMMITTEE OF MANAGEMENT INSTRUMENT OF DELEGATION.....	25
<b>7.</b>	<b>GENERAL BUSINESS .....</b>	<b>26</b>
<b>8.</b>	<b>CONFIDENTIAL ITEMS .....</b>	<b>26</b>

**1. APOLOGIES**

Nil

**2. PREVIOUS MINUTES**

**2.1 CONFIRMATION OF MINUTES**

**SUMMARY**

Seeking approval of the unconfirmed minutes of the previous Council Forum and Meetings.

Author: John McLinden - Chief Executive Officer

Council Plan ref: Core business 8: Compliance

File No: 02/01/001

Attachment: Nil

**RECOMMENDATION**

*That Council confirm:*

1. *the minutes of the Council Briefing of 25 November 2014*
2. *the minutes of the Ordinary Council Meeting of 25 November 2014*
3. *The minutes of the Council Forum of 9 December 2014*

**2.2 REVIEW OF ACTION SHEET**

**SUMMARY**

Approval of Action Sheet.

Author: John McLinden - Chief Executive Officer

Council Plan ref: Core business 8: Compliance

File No: 02/01/001

Attachment: 2.2 Action Sheet

**RECOMMENDATION**

*That Council receive and note the Action Sheet.*

### **3. COUNCILLORS' REPORTS**

#### **3.1 MAYORAL REPORT**

##### **SUMMARY**

Approval of the Mayoral Report.

Author:	John McLinden, Chief Executive Officer
Council Plan ref:	Core business 1: Leadership
File No:	02/01/001
Attachment:	Nil

##### **RECOMMENDATION**

*That Council receive and note the Mayoral Report.*

#### **3.2 COUNCILLORS' REPORT**

##### **SUMMARY**

Approval of Councillors' Reports.

Author:	John McLinden, Chief Executive Officer
Council Plan ref:	Core business 1: Leadership
File No:	02/01/001
Attachment:	Nil

##### **RECOMMENDATION**

*That Council receive and note the Councillors' Report.*

## 4. **DECISION REPORTS**

### 4.1 **REVIEW OF LEVELS OF AUTHORITY**

#### **SUMMARY**

This report seeks Council adoption of the revised Levels of Authority document.

Author	Jude Holt, Director Corporate Services
Council Plan ref:	Core business 8: Compliance
File no:	18/01/001
Attachment:	Levels of Authority

#### **RECOMMENDATION**

*That Council adopts the revised Levels of Authority document.*

#### **PREVIOUS COUNCIL DISCUSSION**

Council adopted the latest version (version eight) of the Levels of Authority document at the August 2014 Ordinary Meeting.

#### **BACKGROUND**

The Levels of Authority provides staff with parameters around their ability to undertake certain functions. These include:

- purchasing and payment of goods, services, and works
- contact with the media
- employment related matters
- authorisation of the write off of debtors
- management of bank accounts
- authorisation for Section 181 sales
- authorisation of credit cards.

The document is updated annually to ensure that it remains relevant to Council's operations.

#### **ISSUES/DISCUSSION**

With Council's Manager Financial Services commencing Maternity Leave at the end of the calendar year, it has been determined that another manager to operate bank accounts would be prudent given that often current signatories are unavailable when they are required, and most bank transactions are time critical.

This draft version of the document proposes the addition of Manager Information in sections 6.2.1: authorisation of bulk payments, 6.2.2: payments from Council's bank accounts, and 6.3: accessing clients' bank accounts for payment of rates and other debtors.

#### **COSTS/BENEFITS**

There are no financial implications arising from the proposed changes to the document.

#### **RISK ANALYSIS**

Council's Risk Management Policy has been used to apply a risk based approach in assigning the various levels of authority in the document.

#### **CONSULTATION AND ENGAGEMENT**

Ordinarily a review of this document would include review at Management Executive Group, managers and leadership meeting, and Council Briefing; however, as the last review was finalised on 26 August

2014, and as this is only a minor change to assist in operations, the report is being provided directly to Council for consideration.

The relevant Council manager was consulted about the proposed change.

## 4.2 AMENDMENT TO SECTION 86 COMMITTEE INSTRUMENT OF DELEGATION – WEDDERBURN TOURISM

### **SUMMARY**

This report seeks Council's approval of an amended Section 86 Committee Instrument of Delegation for Wedderburn Tourism Committee of Management.

Author	Jude Holt, Director Corporate Services
Council Plan ref:	Strategic Platform 1: Build a network of strong communities
File no:	02/01/040
Attachment:	Wedderburn Tourism Committee of Management Instrument of Delegation

### **RECOMMENDATION**

*That Council approves the amended Section 86 Committee Instrument of Delegation for Wedderburn Tourism Committee of Management.*

### **PREVIOUS COUNCIL DISCUSSION**

Council adopted the Section 86 Committee of Management Policy on 28 January 2014. That policy outlines the ground for which Council will create, manage and disband Section 86 committees of management.

One of the criteria for creation of a committee is where no incorporated entity is undertaking the same function of a Section 86 committee; conversely one of the criteria for disbandment is where an incorporated entity is undertaking the same function.

Council wrote to every committee outlining the new policy, and asking any incorporated entity that was also a Section 86 committee to decide on which status they would like to maintain. Wedderburn Tourism was one of those committees.

### **BACKGROUND**

Wedderburn Tourism's preferred option was to remain a Section 86 committee and disband their incorporated status, which would ordinarily be a simple process. However, one of the functions of Wedderburn Tourism is to operate from Hard Hill Tourist Reserve, a crown land reserve managed by a community committee, and for which Council has no legal right or responsibility.

Council referred to the Department of Primary Industry's (DEPI's) Committee of Management Responsibilities and Good Practice Guidelines which stated:

*"Committees are also responsible for ensuring that users of the reserve have a current insurance policy that covers the user for legal liabilities for personal injury and/or property damage caused by the user's activities on the reserve. The requirement for property insurance and public liability insurance for people and organisations external to the committee is often passed on by the committee by making it a condition of a tenancy arrangement that regular and casual users of reserves are required to have their own public liability insurance cover and that such people or organisations take out insurance to cover any facilities they may occupy."*

Therefore, Council wrote to the Hard Hill Tourist Reserve Committee of Management seeking permission for Wedderburn Tourism as a Section 86 committee (not an incorporated entity) to continue operating from Hard Hill Tourist Reserve, and advising that a Certificate of Currency for Council's insurance would be supplied if they provided that permission.

A representative from the Hard Hill Tourist Reserve Committee of Management verbally provided permission to Council on 18 November 2014.

### **ISSUES/DISCUSSION**

While the issue of Hard Hill Tourist Reserve was being dealt with, Wedderburn Tourism wrote to Council concerned that not all of their activities were included on the latest instrument of Delegation for the committee. This has now been resolved, and the Instrument of Delegation being provided with this report covers all activities currently being undertaken by the committee.

Should Council accept this Instrument of Delegation for Wedderburn Tourism, the committee will pursue deregistration of their current incorporated status.

### **COSTS/BENEFITS**

There are no direct costs associated with this report.

### **RISK ANALYSIS**

Having an update to date and complete Instrument of Delegation provides Council with full disclosure of the committee's intended activities, so that Council can decide whether or not it will take on the risk of the committee's activities.

### **CONSULTATION AND ENGAGEMENT**

Consultation between the committee and Council staff has been undertaken to ensure that the draft Instrument of Delegation includes all necessary changes.

### 4.3 INTERIM FINANCE REPORT FOR THE PERIOD ENDING 21 NOVEMBER 2014

#### **SUMMARY**

This report provides Council with financial information for the period ending 21 November 2014.

Author	Deanne Caserta, Manager Financial Services
Council Plan ref:	Strategic enabler: Sound financial management protocols
File no:	08/06/001
Attachment:	Interim Finance Report for Period Ending 21 November 2014

#### **RECOMMENDATION**

*That Council:*

1. *receives and notes the 'Finance Report for the period ending 21 November 2014'*
2. *approves budget revisions included in the report for internal reporting purposes only.*

#### **PREVIOUS COUNCIL DISCUSSION**

Council is provided with Finance Reports on a monthly basis.

#### **BACKGROUND**

This report has been produced before the end of the month, due to the earlier Council Meeting date.

The Finance Report for the period ended 21 November 2014 includes standard monthly information about budget variations, cash, investments, interest, debtors and creditors, and provides a comparison of year-to-date actual results to year-to-date budget (by dollars and percentage) and total revised budget (by percentage).

The information is in the format provided in the 2014/15 Budget, and includes operating results, capital expenditure and funding sources.

#### **ISSUES/DISCUSSION**

This month a capital and major projects variance report has been included as per the new reporting regime. This gives explanation notes for capital expenditure and some major projects included as operating expenditure and is designed to provide Council with progress information on these works.

#### **COSTS/BENEFITS**

The benefit to Council and the community is that accurate and regular financial reporting is being disclosed.

Provision of financial reports on at least a quarterly basis is a requirement of the Local Government Act.

#### **RISK ANALYSIS**

The provision of regular and accurate finance reports to Council minimises the risk of Council not delivering projects within the approved budget.

#### **CONSULTATION AND ENGAGEMENT**

There has been considerable consultation internally with respective managers in understanding their budget responsibilities and keeping within budgetary constraints.

External engagement with the community was undertaken during the submission period of the budget, and regular reporting provides a mechanism of monitoring the financial outcomes of Council against that expectation.



#### 4.4 NOVEMBER 2014 AUDIT COMMITTEE MEETING

##### **SUMMARY**

This report provides Council with an overview of the Audit Committee meeting held in November 2014.

Author	Jude Holt, Director Corporate Services
Council Plan ref:	Strategic enabler: Effective and efficient operating systems and procedures
File no:	06/02/003
Attachment:	Review of local laws report Management Letter for the year ended 30 June 2014 Local Government Performance Reporting Framework first quarter trial data Timetable for 2015

##### **RECOMMENDATION**

*That Council:*

1. *receives and notes the:*
  - a) *November 2014 Audit Committee Meeting Report*
  - b) *Timetable for 2015*
  - c) *Local Government Performance Reporting Framework first quarter trial data*
2. *endorses the performance improvement recommendations documented in the Audit Report – Review of local laws and Management Letter for the year ended 30 June 2014*
3. *Endorses the amendment to the audit program which places priority on contract management processes.*

##### **PREVIOUS COUNCIL DISCUSSION**

Council was provided with a summary of the August 2014 Audit Committee Meeting at the Ordinary Meeting held on 23 September 2014.

##### **BACKGROUND**

The Audit Committee was created under Section 139 of the Local Government Act 1989, which states that "Council must establish an audit committee".

The committee is made up of four independent community members, and Cr Gavan Holt, as Council's representative. Council's Chief Executive Officer and Director Corporate Services attend the meetings in an advisory capacity.

The primary objective of the Audit Committee is to assist Council in the effective conduct of its responsibilities for:

- the enhancement of the credibility and objectivity of internal and external financial reporting
- effective management of financial and other risks and the protection of Council assets
- compliance with laws and regulations as well as use of best practice guidelines
- the effectiveness of the internal audit function
- the provision of an effective means of communication between the external auditor, internal audit, management and the Council
- facilitating the organisation's ethical development
- maintaining a reliable system of internal controls.

In order to provide a structured approach and ensure that the committee addresses each of its responsibilities, an annual calendar of actions and an internal audit review program are established each year, and these guide the activities of the committee.

### **ISSUES/DISCUSSION**

Items included on the meeting agenda for November 2014 were:

- the audit report for the review of local laws
- presentation of the Management Letter for the year ended 30 June 2014, which outlines issues raised by the external auditor during the audit of the financial, standard, and performance statements
- a further review of the audit program for the coming two year period which now places priority on contract management process which will be audited in December 2014
- presentation of the results of the first quarter trial of the new Local Government Performance Reporting Framework
- presentation of Council's Vision by the Chief Executive Officer
- presentation and endorsement of the timetable for 2015 with officers identified for presentations to the committee over the course of the year
- staff presentation by Manager Environmental Health about her role and programs managed by her under various Acts of Parliament.

Other items on the agenda included the following standing items:

1. Fraud Report
2. Major Lawsuits
3. Monthly Finance Report
4. Risk Management Report.

The committee was also provided with an overview of the Outstanding Action List which showed that Council had 36 outstanding actions to be completed, with 12 added to the list from the Review of Project Management Report, and 9 completed during the period.

### **COSTS/BENEFITS**

There are costs associated with the audit committee and internal audit function.

However, in most cases, actions resulting from audit reviews do not bear any new costs as they are undertaken by current staff.

The benefits that the internal audit function provides Council are:

- business improvement relating to the audit review areas
- standard policy and procedure documents which are developed through the action list
- improvement in knowledge management that will assist with succession planning over time
- a reduction in risk in areas relating to audit reviews.

### **RISK ANALYSIS**

The internal audit program has been created and is annually updated on a risk basis, ensuring that Council's program addresses the areas of highest risk or greatest concern to audit committee members and Council officers.

### **CONSULTATION AND ENGAGEMENT**

Nil.

#### 4.5 LODDON KINDERGARTEN CLUSTER MANAGEMENT PROJECT REPORT

##### **SUMMARY**

This report is to provide Council with an overview of the Loddon Kindergarten Cluster Management Project and the identified opportunities to support the short and long term sustainability Loddon kindergartens. The report will also provide details on the opportunity to introduce an occasional care program to supplement the early years services currently offered.

Author	Wendy Gladman, Director Community Wellbeing
Council Plan ref:	Strategic Platform 1: Build a network of strong communities
File no:	12/09/003
Attachment:	Attachment 1: Model overview Attachment 2: Occasional Care income and expenditure scenarios

##### **RECOMMENDATION**

*That Council adopt the recommended models and associated actions identified during the Kindergarten Cluster Management Project:*

1. *Implement a new fees policy – maximising all available government subsidies*
2. *Establishment of a Kindergarten Cluster Management reference group and the development of a Kindergarten Cluster Management guide*
3. *Maximise the use of kindergarten facilities by:*
  - *exploring innovative opportunities to meet local needs*
  - *introducing an occasional care program to ‘wrap around’ the existing kindergarten program*
  - *exploring partnerships with schools where there is geographical proximity*
4. *Maximise our staffing by developing strategies to support staff to become more independent in their professional support and development*
5. *Explore cross council collaboration opportunities by:*
  - *initiating discussions with neighbouring councils on interest in participating in a sub-regional early years sustainability partnership*
  - *identifying potential service delivery, governance and capital arrangements that could form part of future council partnerships.*

##### **PREVIOUS COUNCIL DISCUSSION**

The Loddon Kindergarten Cluster Management (KCM) report was presented at the Council briefing on Tuesday 25 November 2014.

##### **BACKGROUND**

A project, funded by Department Education and Early Childhood Development (DEECD) and facilitated by the Municipal Association of Victoria (MAV), has supported a review of the Loddon kindergarten cluster management with particular focus on service sustainability, governance and staffing. This review, in relation to sustainability and maximum use of facilities, also enabled an investigation into potential child care options.

A KCM environmental scan analysed local, state and national policy and Council’s operational and governance arrangements, benchmarked against 13 other rural council KCMs. It found that kindergarten is recognised as the second critical universal platform before a child reaches school and provides an

important part of the fabric of the community. Current State and National governments have placed more emphasis than ever before on quality kindergarten education, and have placed more responsibility on service providers to meet national laws and standards.

Local Government cluster management provides a stable governance arrangement for kindergarten provision that supports staff and parent committees through policy, environmental and economic change. Loddon cluster kindergartens overall have achieved high ratings under the new National Quality Framework (NQF).

The environmental scan also determined that the current governance arrangements are well planned and appropriate policies are in place. Parent committees are dedicated in their efforts to meet fundraising targets and staff are highly qualified and committed.

Conversely, the scan also found that some financial efficiency may be found, some governance arrangements could be conducted more effectively and staff professional support and professional development is limited. The report identifies some future opportunities to work collaboratively with parent committees, neighbouring councils and schools. The report also noted that childcare has been identified as a high need in the municipality.

The project paid attention to the short and long term sustainability of Loddon kindergarten cluster operations and provided solutions, and associated recommended actions that are broader than just kindergarten provision alone.

Loddon Shire operated kindergartens provide an opportunity for Council to ensure all local children and their families can be professionally supported through to school entry.

### **ISSUES/DISCUSSION**

From the environmental scan, and aligning with the project focus of sustainability, governance and staffing the following key opportunities were identified:

#### Service Sustainability

Whilst the short term sustainability of the kindergartens is not under threat, future models should be developed to ensure:

- that maximum income can be obtained through fees
- utilisation of the full benefits available to families through the Commonwealth
- facility use is planned for maximum use
- partnerships with schools are explored where there is geographical proximity
- options for flexible early childhood programs are examined to meet current and future needs of local families
- maximising regulatory opportunities to develop flexible models that are more sustainable
- that the energy of the local community is maximised in the development of sustainable and flexible models
- that collaborative arrangements across councils delivering early years services can be explored and maximised.

#### Governance

Whilst governance arrangements are of a high quality, future governance models should be developed to ensure:

- that roles and responsibilities of committees and Council are standardised, clear, developed in partnership and well documented
- that communication between Council and committees is strengthened

- that the role of the Early Years Team Leader is streamlined to reflect the key roles of Council as cluster manager.

### Staffing

The high quality of staff and their long term employment with Council indicates that there is a solid workforce framework to build on. Future workforce models should focus on:

- maintaining the high level of professional commitment by teachers and staff
- streamlining administrative procedures between kindergarten staff and Council
- strengthening focus on professional development to meet NQF and professional networking opportunities
- strengthening focus on self-directed learning, staff taking responsibility for their own professional development and provision of access to online / external training
- developing strategies that match future workforce arrangements with sustainable models developed under 'Service Sustainability'.

The KCM project identified five models as a pathway to support kindergarten sustainability and include strategies for harnessing the strength of the current system alongside introducing new sustainability measures.

The five models identify new directions for Council's consideration to ensure the KCM service is financially viable in the short and long term, forms part of Council's basic service system, and contributes to the strengthening and building of the Loddon early years community.

#### Model 1: New fees policy

- provide immediate financial relief to council and parent committees
- maximising Government income and standardising fee setting and collection

#### Model 2: KCM governance guide and reference group

- develop clearer and more streamlined roles and responsibilities for Council, parent committees and kindergarten staff
- develop new collaborative partnerships

#### Model 3: Maximise our facilities

- innovate to meet local needs and capitalise on new partnerships
- delivery of an occasional care program to 'wrap around' existing kindergarten programs

#### Model 4: Maximise our staffing

- invigorate our staff to reach their full potential
- enable staff to become more independent in their professional support and development

#### Model 5: Cross Council Collaboration

- further proof our sustainability outlook for the future
- identify longer term strategies to maximise partnerships with schools and neighbouring councils around infrastructure and collective management and/or governance arrangements.

The attached model overview provides additional information on the models and the actions required to achieve these outcomes.

The proposed timeline for the implementation of the five models is:

Model	2014	2015	2016	2017
New Fees Policy				
KCM guide and reference group				
Maximise our facilities				
Maximise our staffing				
Cross council collaboration				

**COSTS/BENEFITS**

Costs to implement the models has been kept to a minimum, with models 1, 3, 4 and 5 not requiring any additional resources. The establishment of the KCM reference group and development of the KCM guide underpins the effective implementation of all models. The support of an external consultant will provide mentoring facilitation, supporting the early years team to undertake the establishment of a KCM reference group and the development of the KCM governance guide. This would require a budget allocation of \$6,000.

A more sustainable early years service system overall is one where the kindergarten services provided by Council are linked to other community provided programs such as toy libraries and playgroups and maximise the use of the facilities through the provision of wrap around occasional care. Such a combination can make a municipality more attractive to families to live and work in – increasing economic and social health, population and overall popularity.

**RISK ANALYSIS**

A number of changes to current systems and operations will be required if Council approves the adoption and implementation of the five models. These changes must be managed positively to ensure that implementation of the actions is not delayed and that parents, committees and staff are well supported during the changes that will occur.

Although every attempt will be made when implementing an occasional care program, to ensure that the service provided meets the needs of parents and secures usage, some initial delay in operating the service at maximum or close to maximum capacity may result in a higher than preferred hourly fee to parents, or an initial cost to council – which if the service becomes well established, may be recouped over time. Regular budget monitoring and quarterly service and fee reviews will assist in offsetting the impact of both of these risks.

**CONSULTATION AND ENGAGEMENT**

Extensive consultation with the early years community and early years professionals occurred in the development of the Municipal Early Years Plan which has supported the determination of child care as a high priority.

In the preparation of the Kindergarten Cluster Management Report the MAV consulted with:

- Director Community Wellbeing
- Early Years Coordinator
- Kindergarten teaching staff
- Kindergarten parent committees
- Neighbouring council early years coordination/management staff
- DEECD

## 5. **INFORMATION REPORTS**

### 5.1 **COUNCIL'S STRATEGIC RISKS**

#### **SUMMARY**

This report provides Council with an update on actions for Council's strategic risks.

Author	Carol Canfield, Manager Organisational Development
Council Plan ref:	Core business 8: Compliance
File no:	08/07/006
Attachment:	Nil

#### **RECOMMENDATION**

*That Council receives and notes the Council's Strategic Risks Report.*

#### **PREVIOUS COUNCIL DISCUSSION**

At the May 2014 Council Forum Council was asked to identify its strategic risks. Strategic risks are risks that can affect an organisation's ability to achieve its business objectives. Three strategic risks were identified.

#### **BACKGROUND**

The Local Government Performance Reporting Framework has a requirement on Council to report its strategic business risks, their likelihood and consequence and risk minimisation strategies. A report will be provided to the November and May Audit Committee meetings. Council will then be provided with a Strategic Risks Report in December and June each year.

The November Audit Committee meeting was provided with a risk report that includes the strategic risks of Council.

#### **ISSUES/DISCUSSION**

The three strategic risks that were identified by Council have been input into Council's Risk Management program and Corrective Action Requests (CAR's) and control measures have been identified for each of the risks.

CAR's are specific actions identified to eliminate, prevent, reduce or mitigate risks the causes of the problem thus preventing its reoccurrence. Control measures, which are also designed to eliminate, prevent, reduce or mitigate risks, are embedded in Council's activities. They can take many forms including equipment, processes, operating or maintenance procedures, and personnel and their actions.

**RISK 56: Reliance on ageing volunteers - could lead to a reduction in numbers and a requirement for Council to take over these roles. This risk has been assessed as a MEDIUM Risk.**

Three CAR's have been identified to address this risk. They are:

CAR	Officer	Status	Due Date
Volunteer section on the new website	IT Assistant	Work in Progress	01/12/14
Development of a Recreation Strategy, including addressing the volunteer shortage issue and strategies for succession.	Manager Community and Recreation	Work in Progress	01/01/15
Development of governance guidelines	Director Corporate Services	Work in Progress	01/01/15



to support S86 Committees		and ongoing	
---------------------------	--	-------------	--

This risk has two Control Measures in place being:

Control Measure	Description
Communication	<ul style="list-style-type: none"> <li>Promote Communication</li> <li>Ongoing recruitment drive for new volunteers</li> </ul>

**RISK 57: Council’s workforce is ageing – could lead to a reduction in long term knowledge due to retirement and resignations. This risk has been assessed as a HIGH risk.**

Three CAR’s have been identified to address this risk. They are:

CAR	Officer	Status	Due Date
Development of a Knowledge Management Strategy	Director Corporate Services	Work in Progress	1/07/2015
Development of a Workforce Strategy	Manager Organisational Development	Not yet Started	01/07/15
Development of a compliance framework which includes monitoring compliance in all aspects of the organisation	Director Corporate Services	Work in Progress	01/07/15

This risk also has five Control Measures in place being:

Control Measure	Description
Physical	<ul style="list-style-type: none"> <li>Staff health and welfare program</li> </ul>
Software Program	<ul style="list-style-type: none"> <li>Use of Merit Customer Relationship Management system in full</li> <li>Use of compliance software to document internal tasks and manage legislative tasks</li> </ul>
Procedural	<ul style="list-style-type: none"> <li>Use of InfoVision to record all correspondence</li> <li>Compliance program procedure</li> </ul>

**RISK 58: A natural disaster event – could affect Council's ability to deliver services and projects. This risk has been assessed as a HIGH risk.**

Two CAR’s have been identified to address this risk. They are:

CAR	Officer	Status	Due Date
Development of an IT Disaster Plan	Manager Information	Not yet started	01/01/15
Finalise and adopt the Business Continuity Plan	Manager Organisational Development	<b>Complete</b>	01/10/14

This risk has three Control Measures in place being:

Control Measure	Description
Departmental Strategy Document	<ul style="list-style-type: none"> <li>Business Continuity Plan</li> <li>Road Management Plan contains plans to address impacts of a Force Majeure</li> <li>Integrated Municipal Emergency Management Plan</li> </ul>

In summary detail of the strategic risks are as follows:

Risk Level	November 2014	CAR’s identified	Closed CAR’s	Open CAR’s	Control Measures
Very High	0	0	0	0	0
High	2	5	1	4	7
Medium	1	3	0	3	2
Low	0	0	0	0	0



<b>Total Strategic Risks Identified</b>	<b>3</b>	<b>8</b>	<b>1</b>	<b>7</b>	<b>9</b>
---	----------	----------	----------	----------	----------

**COSTS/BENEFITS**

The benefit of Council identifying strategic risks is that actions and controls can be developed to mitigate the risks which may prohibit Council from achieving its objectives.

**RISK ANALYSIS**

Council's risk management framework seeks to minimise risks as much as possible.

**CONSULTATION AND ENGAGEMENT**

A brainstorming session was held with the Council Forum on 27 May 2014 to identify Council's current strategic risks.

## 5.2 VESTED BENEFIT INDEX- DEFINED BENEFITS

### **SUMMARY**

This report provides Council with an update on the Vested Benefit Index for the Defined Benefit Superannuation Fund.

Author	Carol Canfield, Manager Organisational Development
Council Plan ref:	Core business 6: Financial stability
File no:	06/03/002
Attachment:	Nil

### **RECOMMENDATION**

*That Council receives and notes the Vested Benefit Index - Defined Benefits Report.*

### **PREVIOUS COUNCIL DISCUSSION**

An overview of the Unfunded Superannuation Liability was provided to the Council Forum on 11 March 2014. This included an explanation of the Vested Benefit Index.

### **BACKGROUND**

The Australian Prudential Regulation Authority (APRA) has introduced a prudential standard (SPS 160) to determine the funding requirement of a defined benefit (DB) arrangement. Under this standard:

- the Vested Benefits Index (VBI) is the measure to determine whether there is an unfunded liability; and
- any unfunded liability that arises must be paid within three years.

The VBI measures the market value of assets in the DB fund against the vested benefits that the DB members would have been entitled to if they had all resigned on a particular day.

Each quarter the VBI will be calculated, and must be greater than:

September	97%
December	97%
March	97%
June	100%

If the VBI is above these percentages there will not be a funding shortfall. If it is less there is a funding shortfall. If the VBI is below the relevant threshold, a restoration plan is required to return the VBI to 100% within the next three years.

Full actuarial reviews will be undertaken every 3 years but the VBI will be measured quarterly.

### **ISSUES/DISCUSSION**

The triennial actuarial review of the fund as at 30 June 2014 is currently underway and is expected to be finalised no later than December this year.

Council has received notification that the quarterly VBI for the DB plan as at 30 June 2014 is 103.4%. The 30 September VBI calculations have also been completed and the VBI is estimated at 102.6%.

The above VBI's represent an improvement on the VBI of 100.7% at the last actual review at 30 June 2013.

As the VBI is above the percentages required for a call on the fund, no action is required at this stage.

Since September 2014 the investment market has been volatile which may impact the funding recommendations that the Fund Actuary makes. They are closely monitoring the markets and will be in

contact with Council as the actuarial investigation progresses and will advise of any funding recommendations made by the Fund Actuary.

**COSTS/BENEFITS**

There are no direct costs relating to this report.

The benefit of updating Council on the progress of the Local Authorities Superannuation Fund (Defined Benefit Plan) VBI is that Council will be prepared for any calls on the fund.

**RISK ANALYSIS**

Council's risk is minimised by the funding strategy of having an Unfunded Superannuation Liability Reserve which is cash backed and considered annually during the budget process.

**CONSULTATION AND ENGAGEMENT**

Nil

**6. COMPLIANCE REPORTS**

**6.1 DOCUMENTS FOR SIGNING AND SEALING**

**SUMMARY**

This report provides Council with a list of documents signed and sealed during the month.

Author:	John McLinden - Chief Executive Officer
Council Plan ref:	Core business 8: Compliance
File No:	02/01/001
Attachment:	Nil

**RECOMMENDATION**

*That Council:*

- 1. receive and note the 'Document for Signing and Sealing' report*
- 2. endorse the use of the seal on the documents listed*

**PREVIOUS COUNCIL DISCUSSION**

Nil

**BACKGROUND**

N/A

**ISSUES/DISCUSSION**

Transfer of Land from Loddon Shire Council to Hocking, Nickols Road, Tandarra

**6.2 SECTION 86 COMMITTEE OF MANAGEMENT MEMBERSHIP DETAILS- MITIAMO MUNICIPAL RECREATION RESERVE**

**SUMMARY**

This report seeks Council's approval of the membership of Mitiamo Municipal Recreation Reserve Section 86 Committee of Management.

Author	Jude Holt, Director Corporate Services
Council Plan ref:	Strategic Platform 1: Build a network of strong communities
File no:	02/01/030
Attachment:	Nil

**RECOMMENDATION**

*That Council appoints the names provided in this report as members of the Mitiamo Municipal Recreation Reserve Section 86 committee of management, effective immediately.*

**PREVIOUS COUNCIL DISCUSSION**

Council approved the current list of committee members for Mitiamo Municipal Recreation Reserve Committee of Management on 22 April 2013.

**BACKGROUND**

Current Section 86 committee instruments of delegations include Clause 3.6 which outlines the requirement for nomination and appointment of committee members, which is as follows:

***Members and Office Bearers of the Committee***

*At the Annual General Meeting each year nominations shall be called for proposed members of the committee. The committee must then elect from its proposed members the following office bearers:*

- *President, who shall be Chairperson of the Committee*
- *Secretary*
- *Treasurer.*

*The full list of proposed members must be forwarded to Council for formal appointment at an Ordinary Meeting of Council, in accordance with section 86(2). Until this formal appointment by Council occurs, the previous committee members will continue to hold office.*

Clause 3.3 Membership of the committee outlines Council's preferred composition of the committee specific to each delegation, and states that Council seeks to provide broad representation to the committees.

For community based committees, that is at least 6 community representatives.

For organisation based committees, each delegation has a list of organisations that are required to provide representatives for the committee.

**ISSUES/DISCUSSION**

Mitiamo Municipal Recreation Reserve is a community based committees with representation of at least 6 community representatives . The following is a list of nominated representatives for the committee which meets the minimum requirement:

<b>Name</b>	<b>Position</b>
Trevor Mitchell	President
Wayne Thomas	Vice President

Sue Thomas	Secretary
Peter Meighan	Treasurer
Caroline Whitfield	Committee Member
Geoff Thomas	Committee Member
Henry Anderson	Committee Member
Ian Anderson	Committee Member
Ian Marlow	Committee Member
John Forbes	Committee Member
Ken Hynes	Committee Member
Nick Marlow	Committee Member

The Council representative for this committee is Cr Cheryl McKinnon .

**COSTS/BENEFITS**

The benefit of this report is that Council has an up to date and accurate record of current committee members to ensure that contact can be made, particularly where Council is requesting committees to comply with reporting requirements under the legislation.

**RISK ANALYSIS**

Section 86 Committees act for and on behalf of Council which creates a risk for Council should they ever act outside their delegated authority.

Under Section 86(2) of the Act, "Council may appoint members to a special committee and may at any time remove a member from a special committee".

Council's appointment of committee members, not only satisfies the legislation, but also provides Council with the opportunity to sight the list of committee members before formally appointing them as they are the people that will be operating the committees, and in effect, acting for and on behalf of Council over the course of the year.

**CONSULTATION AND ENGAGEMENT**

Nil

### 6.3 SECTION 86 COMMITTEE OF MANAGEMENT MEMBERSHIP DETAILS- DINGEE PROGRESS ASSOCIATION

#### **SUMMARY**

This report seeks Council's approval of the membership of Dingee Progress Association Section 86 Committee of Management.

Author	Jude Holt, Director Corporate Services
Council Plan ref:	Strategic Platform 1: Build a network of strong communities
File no:	02/01/017
Attachment:	Nil

#### **RECOMMENDATION**

*That Council appoints the names provided in this report as members of the Dingee Progress Association Section 86 committee of management, effective immediately.*

#### **PREVIOUS COUNCIL DISCUSSION**

Council approved the current list of committee members for Dingee Progress Association Committee of Management on 28 October 2013.

#### **BACKGROUND**

Current Section 86 committee instruments of delegations include Clause 3.6 which outlines the requirement for nomination and appointment of committee members, which is as follows:

##### ***Members and Office Bearers of the Committee***

*At the Annual General Meeting each year nominations shall be called for proposed members of the committee. The committee must then elect from its proposed members the following office bearers:*

- *President, who shall be Chairperson of the Committee*
- *Secretary*
- *Treasurer.*

*The full list of proposed members must be forwarded to Council for formal appointment at an Ordinary Meeting of Council, in accordance with section 86(2). Until this formal appointment by Council occurs, the previous committee members will continue to hold office.*

Clause 3.3 Membership of the committee outlines Council's preferred composition of the committee specific to each delegation, and states that Council seeks to provide broad representation to the committees.

For community based committees, that is at least 6 community representatives.

For organisation based committees, each delegation has a list of organisations that are required to provide representatives for the committee.

#### **ISSUES/DISCUSSION**

Dingee Progress Association is a community based committees with representation of at least 6 community representatives . The following is a list of nominated representatives for the committee which meets the minimum requirement:

<b>Name</b>	<b>Position/Community group</b>
Robert Plant	President
Paul Condliffe	Vice President

Wendy McCormick	Secretary
Pam Plant	Treasurer
Sharon Martin	Assistant Secretary
Frank Winzar	Committee Member
Gary Brown	Committee Member
Jean Hellsten	Committee Member
John Martin	Committee Member
Julie Beck	Committee Member
Kevin Jackman	Committee Member
Lindsay Fall	Committee Member
Lorna Falls	Committee Member
Margaret Gledhill	Committee Member

The Council representative for this committee is Cr Cheryl McKinnon .

**COSTS/BENEFITS**

The benefit of this report is that Council has an up to date and accurate record of current committee members to ensure that contact can be made, particularly where Council is requesting committees to comply with reporting requirements under the legislation.

**RISK ANALYSIS**

Section 86 Committees act for and on behalf of Council which creates a risk for Council should they ever act outside their delegated authority.

Under Section 86(2) of the Act, "Council may appoint members to a special committee and may at any time remove a member from a special committee".

Council's appointment of committee members, not only satisfies the legislation, but also provides Council with the opportunity to sight the list of committee members before formally appointing them as they are the people that will be operating the committees, and in effect, acting for and on behalf of Council over the course of the year.

**CONSULTATION AND ENGAGEMENT**

Nil



## 6.4 AMENDMENT TO WEDDERBURN COMMUNITY CENTRE SECTION 86 COMMITTEE OF MANAGEMENT INSTRUMENT OF DELEGATION

### **SUMMARY**

This report seeks Council's approval to amend the Instrument of Delegation for the Wedderburn Community Centre Section 86 Committee of Management.

Author	Jude Holt, Director Corporate Services
Council Plan ref:	Strategic Platform 1: Build a network of strong communities
File no:	02/01/036
Attachment:	Amended Instrument of Delegation for Wedderburn Community Centre

### **RECOMMENDATION**

*That Council approves the amended Instrument of Delegation for the Wedderburn Community Centre Section 86 Committee of Management.*

### **PREVIOUS COUNCIL DISCUSSION**

Nil

### **BACKGROUND**

The Wedderburn Community Centre Committee of Management has written to Council requesting amendments to its Instrument of Delegation.

The amendments include:

- an increase in the number of representatives from each member group from one to two
- the ability to vote by proxy when a member group is not able to provide a representative to the meeting
- tidying up of wording throughout the document to make it more user friendly to community committees.

### **ISSUES/DISCUSSION**

The feedback provided by the committee has provided an opportunity to improve the document generally, particularly where wording was very "local government" centric and not that obvious to community members.

The main change from an operational perspective for this committee is the increase in the number of representatives from one to two, and the ability to vote by proxy. The committee has expressed concern around some members' inability to attend meetings, sometimes at very short notice, and they believe the increase in membership and proxy will overcome this shortcoming.

### **COSTS/BENEFITS**

There are no direct costs related to this report.

### **RISK ANALYSIS**

As Section 86 committees act for and on behalf of Council, it is important they have an Instrument of Delegation that best reflects their needs provided that these needs do not increase the risk to Council. In this instance, they do not.

### **CONSULTATION AND ENGAGEMENT**

Extensive consultation has been undertaken with a representative of the committee.

**7. GENERAL BUSINESS**

**8. CONFIDENTIAL ITEMS**

Closing of Meeting to the Public

**RECOMMENDATION**

*That the meeting be closed to the public.*

**NEXT MEETING**

The next Ordinary Meeting of Council will be held on 27 January at Serpentine commencing at 3pm.