



UNCONFIRMED MINUTES

**BUDGET MEETING OF
BARCOO SHIRE COUNCIL
HELD WEDNESDAY
30 JULY 2013
COUNCIL CHAMBERS
JUNDAH**

Payment of Rates by Instalments

Council has no specific policy on payment of rates by installment and any applications received are considered on merit and within the terms of the Section 63 of the Local Government (Finance, Plans and Reporting) Regulation 2010.

Time in which rates or charges must be paid

In accordance with Section 132 of the Local Government Regulation 2012, Council must decide the date by which, or time within which, a rate or charge must be paid.

Council has set the time in which rates and charges must be paid at thirty (30) clear days after the date of issue of the rate notice.

C. Principles used for the recovery of rates and charges

Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers. It will be guided by the principles of:

- transparency by making clear the obligations of ratepayers and the processes used by Council in
- assisting them meet their financial obligations;
- making the processes used to recover outstanding rates and charges clear, simple to administer and cost effective;
- capacity to pay in determining appropriate arrangements for different sectors of the community;
- Equity by having regard to providing the same treatment for ratepayers with similar circumstances; and
- Flexibility by responding where necessary to changes in the local

With regard to financial hardship, Council shall actively pursue the collection of outstanding rates and charges.

Council shall use the following as a referral guide for the recovery of rates and charges:

Standard Performance:

- 1st Notice issued within 21 days of end of discount period;
- 2nd Notice issued subsequent to the first notice having regard for any correspondence and or contact (after 30 days and before 60 days for the issue of the second notice)
- Clients will be given the opportunity to initiate an instalment plan satisfactory to both parties and that reduce the balance substantially to avoid an escalation of balances subsequent to new levies
- Where there has been no movement on an account or an instalment plan has defaulted, Council may with the issue of third and final notice refer the debt to a debt recovery agent, (elected through quotation or tender).
- Generally an account will not be referred to the collection agent, unless it is \$500.00 or greater in value.
- All debts referred to a recovery agent, shall be subject to their terms and conditions of payment.
- Payment plans will be considered even though Council has referred the debt to a collection agent.
- Where the collection agent is unable to trace the interested parties, the account shall be referred back to Council and standard reminder notices will be forwarded periodically.

Further Action:

- Where the collection agent has returned no result, Council may make a resolution, to proceed with legal action against the interested parties. Properties in default of payment for three (3) or more years may initiate action under Section 132 of the Local Government Regulation 2012 – Notice of intention to sell land for overdue rates or charges.

Exceptional Circumstances - Drought Relief or Natural Disaster

Council may at its discretion grant some relief to rural ratepayers who are financially stressed by drought or have been affected by a natural disaster. The relief may be in the form of an extension to the period during which Council will permit discount to be deducted from rates. This period shall be extended to the end of the period covered by the rate levy. This concession may be available only to primary producers who can provide objective evidence of financial difficulty arising from drought or natural disaster. The Department of Primary Industries shall be the determining body for the process of declaration of drought.

D. Concessions for rates and charges

In considering the application of concessions, Council will be guided by the principles of:

- equity by having regard to the different levels of capacity to pay within the local community
- the same treatment for ratepayers with similar circumstances
- transparency by making clear the requirements necessary to receive concessions
- flexibility to allow Council to respond to local economic issues.

Consideration may be given by Council to granting a class concession in the event all or part of the local government area is declared a natural disaster area by the State Government.

REBATES AND CONCESSIONS

Discount

In accordance with Section 130 of the *Local Government Regulation 2012*, a discount of **10%** is allowed on specified rates and charges if paid in full by the date determined on the rate notice. If Council is satisfied that a person liable to pay a rate has been prevented, by circumstances beyond the person’s control, from paying the rate in time to benefit from a discount under section 130 of the *Local Government) Regulation 2012*, may still allow the discount following written application by the ratepayer.

Pensioner Remissions

Pensioner’s who make application in the prescribed manner and are eligible, will be granted a **50%** remission on all rates and charges.

Remissions will only apply to categories 1, 2 and 3.

This provision does not apply to any other persons except pensioners.

Maximum remission \$750.00 per year.

Prescribed pensioner means a pensioner:

1. who holds a current Pensioner Concession Card, issued by Centrelink or Department of Veterans' Affairs. The Card must be produced by the applicant when making the application for remission; and
2. who either solely or jointly has the legal responsibility for the payment of the rate levy in respect of the parcel of rateable land; and
3. whose principle place of residence is the parcel of rateable land in respect of which they have the legal responsibility for the payment of the rate levy. Council may grant a rebate of rates and charges for land occupied only by pensioners only if the land owner agrees to pass the benefit of the rebate on to the pensioners.

OPERATING CAPABILITIES, BORROWINGS, DEPRECIATION AND PROVISIONS

CONTRACT AND PRIVATE WORK

Contract and / or private work undertaken by the Council will be charged at rates not less favourable than commercial rates applicable at the time and as determined by Council from time to time.

BORROWINGS

Borrowings are as per Council's adopted Debt and Borrowings Policy

DEPRECIATION AND NON CASH EXPENSES

Council's non-cash expenses including depreciation are to be fully funded.

DEVELOPER COSTS

Council is currently implementing a Priority Infrastructure Plan (PIP) which deals with development contribution and Council requirements.

GOODS AND SERVICES TAX

Goods and Services Tax (GST) is charged on any Council rates or charges, fees, services or materials where applicable and according to law.

EXEMPT LANDS

The lands mentioned in Section 93 of the *Local Government Regulation 2012*, are exempt lands within the Barcoo Shire.

CODE OF COMPETITIVE CONDUCT

Council will not officially apply the Code of Competitive Conduct as defined by Section 19 of the *Local Government Regulation 2012*, however Council will apply full cost pricing to all activities undertaken by Council and shall continue to analyze and monitor all council activities to ensure overheads and oncosts are distributed equitably, competitive neutrality is observed and Community Service Obligations are identified and met.

FEES AND CHARGES SCHEDULE

FEES AND CHARGES 2013-2014

INTRODUCTION:

All fees and charges included in Council's Schedule of Fees and Charges have been identified as either Regulatory (R) or Commercial (C).

Regulatory Fees and Charges includes the statutory legal source of power under which Council has fixed the fee or charge, including the reference applicable under Section 98 of the Local Government Act 2009.

- (a) An application for, or the issue of, a licence, permit or other authority under a local Government act
- (b) Recording a change of ownership
- (c) Giving information kept under a local government act
- (d) Seizing animals under a local government act
- (e) The performance of another responsibility imposed on the local government under the Building Act or the Plumbing and Drainage Act.

The regulatory and commercial fees identified in the Schedule of Fees and Charges have been reviewed by Council.

Barcoo Shire Council requires the payment of fees and charges so that some or all of the cost incurred by it in assessing and processing development applications and for the provision of services is recovered.

This schedule sets out fees and charges in force as at 1st July 2013.

Adoption of the Revenue Statement 2013-2014

Resolution No.: 2013.08.03


That Council adopt the Revenue Statement 2013/2014 prepared in accordance with Section 172 of the Local Government Regulation 2012 and more specifically:-

- (a) Pursuant to Section 80 of the Local Government Regulation 2012, Barcoo Shire Council will make and levy a differential general rate for the financial year ending 30 June 2014 as set out in the Revenue Statement.*
- (b) Pursuant to the Local Government Regulation 2012, section 80 Minimum General Rate, Barcoo Shire Council will make a minimum differential rate for the financial year ending 30 June 2014 for each category of Differential General Rate as set out in the Revenue Statement.*
- (c) Pursuant to Section 94 of the Local Government Act 2009, Council will make and levy a special charge for the provision Pest Animal Control for the rural land rated under category four (4) in Council differential rates scheme, having an area of 1000 ha.*
- (d) Pursuant to Section 94 of the Local Government Act 2009, Council will make and levy a special charge for the provision of recovering rural electrification loans to rural land owners who enter into contract with Ergon Energy.*
- (e) Pursuant to Section 92 of the Local Government Act 2009, Council will make and levy Utility Charges as set out in the Revenue Statement.*
- (f) Pursuant to Section 133 of the Local Government Regulation 2012, Council will charge interest of overdue rates at the rate of eleven percent calculated on a daily balance and charged at the end of the month on a compounding daily interest.*
- (g) Pursuant to Section 118 of the Local Government Regulation 2012, all rates and charges levied by Council must be paid within thirty clear days after the notice is issued.*
- (h) Pursuant to Section 130 of the Local Government Regulation 2012, Council will allow a ten percent discount on all Specified Rates & Charges, if payment is paid in full by the date determined on the rates notice.*
- (i) Pursuant to Section 119 of the Local Government act 2009, Concessions, Council will allow rating concessions in the manner described in the Revenue Statement.*

MOVED: Cr P Batt

SECONDED: Cr I Groves

CARRIED 4/0

	Draft		
	DEBT AND BORROWING POLICY		
Draft <input type="checkbox"/>	Final <input checked="" type="checkbox"/>	Version:	1
File ref:		/ Section	ADMINISTRATION AND FINANCE
Date Adopted:	30 th July 2013	Review Date:	July, 2013
Author:	Mark O'Brien	Position:	Executive Officer

Purpose

The purpose of this policy is to ensure the sound management of Council’s existing and future debt.

Legislative Reference

Section 192 of the Local Government Regulation 2012 states, that a Local Government must develop a policy about its Debts. Furthermore, Council’s borrowing activities are governed by the Statutory Bodies Financial Arrangements Act 1982 and Section 104 of the Local Government Act 2009.

Policy

This borrowing policy applies for the 2013/2014 financial year and the next nine financial years. This policy will be prepared annually and amended as and when required to meet the prevailing circumstances of Council.

Borrowing Purposes

The appropriate mix of debt to internal funding used is intended to provide the lowest long term level of rates which does not over-commit the future and which provides adequate flexibility of funding in the short term. The total debt will depend on the future outlook for growth in the Shire. The term of the debt will relate to the life of the asset created but will not exceed 20 years for any individual asset.

a) Existing Loans

Council will, within budgetary limits, continue to reduce the level of debt by continuing repayments as per adopted schedules set by Council’s lending institute. Council will endeavour where appropriate offset surplus cash flow funds.

b) New Loans

In order to provide a better service to ratepayers, Council will restrict the purpose of loans for asset acquisition and expenditure of a capital nature only. The service that will be provided will benefit present and future generations therefore it is the opinion of Council that the cost should be shared between present and future generations.

Indicative Borrowings:

Current year 2013/14 **\$1,000,000** - For the purpose of developing and leasing a viable Service/Business Centre in the Town of Jundah

Future Years	
2014/15	Nil
2015/16	Nil
2016/17	Nil
2017/18	Nil
2018/19	Nil
2019/20	Nil
2020/21	Nil
2021/22	Nil
2022/23	Nil

DELEGATION: Nil

Adoption of the Debt and Borrowing Policy 2013-2014
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Resolution No.: 2013.08.04

That Council adopts the 2013/2014 Debt and Borrowing Policy in accordance with and pursuant to Section 192 of the Local Government Regulation 2012.

MOVED: Cr I Groves

SECONDED: Cr M Pratt

CARRIED 4/0



INVESTMENT POLICY

Draft	<input type="checkbox"/> Final <input checked="" type="checkbox"/>	Version:	23.2013.01
File ref:		Policy Section	ADMINISTRATION AND FINANCE
Date Adopted:	30 th July, 2013	Review Date:	5 th July 2013
Author:	Robert O'Brien	Review Officer:	Chief Executive Officer

1. Intent

To provide Council with a contemporary investment policy based on an assessment of counterparty, market and liquidity risk within the legislative framework of the Statutory Bodies Financial Arrangements Act (1982) and Statutory Bodies Financial Arrangements Regulation 2007.

2. Objectives

The objectives of this policy are:

- To invest Council funds not immediately required for financial commitments
- To maximise earnings from authorised investments of cash reserves after assessing counterparty, market and liquidity risks
- To actively manage the net debt position with core surplus funds
- To ensure that appropriate records are kept and that adequate internal controls are in place to safeguard public monies.

3. Background

Investment of Council's funds is to be in accordance with Council's power of investment under the Statutory Bodies Financial Arrangement (SBFA) Act 1982 and the SBFA Regulations 2007.

Terms of Investments

Council's investment portfolio should be realizable, without penalty, in a reasonable time frame. The term to maturity of Council's investments must not exceed one year.

Types of Investments

Category 1 (as per the SBFA) - relates to investments for a fixed time of not more than 1 year. Authorised investments comprise (Reference: s44 (1) of SBFA) of:

- Deposits with a financial institution
- Investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution
- other investment arrangements secured by investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution
- investments with QIC Cash Fund, QTC Capital Guaranteed Cash Fund, QTC Debt Offset Facility, QTC Fixed Rate Deposit (up to 12 months), QTC Working Capital Facility (QIC means Queensland Investment Corporation)(QTC means Queensland Treasury Corporation)

- an investment arrangement with a rating prescribed under a regulation that specifically refers back to this paragraph
- Other investment arrangements prescribed under a regulation that specifically refers back to this paragraph.

Subsection (2) of s 44 states that the investment must be at call or for a fixed time of not more than 1 year.

4. Guidelines

Placement of Investment Funds

Council has a number of duties when investing funds. These are outlined in s 47 and s 48 of the SBFA.

S 47 (1) A statutory body must use its best efforts to invest its funds -

- a) at the most advantageous interest rate available to it at the time of the investment for an investment of the proposed type; and
- b) in a way it considers is most appropriate in all the circumstances

S 47 (2) The statutory body must keep records that show it has invested in the way most appropriate in all the circumstances. The other duty related to record keeping. S 48 states that:

"A security, safe custody acknowledgment or other document evidencing title accepted, guaranteed or issued for an investment arrangement must be held by the statutory body or in another way approved by the Treasurer".

This is Council's current practice and will be continued as part of the investment procedures.

There are three areas of funds placement available to Council

- a) Direct Council Investment – investment;
- b) Funds Management – outsourcing of investment;
- c) Debt Reduction Strategies.

(a) Council's Direct Investment

Not less than three (3) quotations shall be obtained from authorized institutions whenever an investment is proposed. The best quote on the day will be successful after allowing for administrative and banking costs, as well as having regard to the limits set below.

Investments held with QTC cash fund will be benchmarked against other investments or quoted investment rates at the end of each calendar month to ensure Council is receiving the most advantageous rate given the risk/return trade-off.

The term to maturity of any Council's direct investments may range from "At Call" to one (1) year.

(b) Investments with Funds Managers

The overall term of any managed funds should be appropriate to Council's investment objectives and adhere to the market risk (volatility) restrictions as determined by regulation. Council funds with a time horizon of 0–180 days should be invested in a cash fund, whilst funds which are available for 6-12 months or more may be invested in approved cashplus funds providing they have a bank bill performance benchmark.

When placing investments, consideration will be given to the relationship between credit rating and interest rate. The amount invested with financial institutions (banks, credit unions, building societies) or managed funds should not exceed the following percentages of average funds invested at any time.

Investments in government secured or issued arrangements including investments with Queensland Investment Corporation (QIC) or Queensland Treasury Corporation (QTC) shall be invested as per the % for Rating A1+ Short Term Rating below.

Long Term Rating (Standard & Poors)	Short Term Rating (Standard & Poors)	Maximum Percentage of Total Investments
AAA to AA	A1+	100%
A+ to A	A1	50%
BBB+ to BBB	A2	25%
BB+ to D	-	Nil

Investments in **non-financial** institutions are restricted to short term investments rated A-1 by S&P or the Moody's equivalent short term rating.

To further diversify risk, no more than one-third of Council's investments will be held with one financial or non-financial institution (except QTC).

If any of the funds/securities held are downgraded such that they no longer fall within Council's investment policy guidelines, they will be divested within 28 days (s52) or as soon as is practicable.

Council shall keep a current list of long term paper ratings for both the cash and bond funds (the managed funds must maintain a minimum AA rating) and the financial institutions. The ratings shall be updated on a minimum three (3) monthly basis.

The Short Term Rating Order 0-365 days (as defined by S&P Australian Ratings) is –

A1+	Extremely strong degree of safety regarding timely payment
A1	A strong degree of safety for timely payment
A2	A satisfactory capacity for timely payment

Long Term Rating Order is –

AAA to AAA-	An extremely strong capacity to repay
AA+ to AA-	A very strong capacity to repay
A+ to A-	A strong capacity to repay
BBB+ to BBB	An adequate capacity to repay

When deciding whether to make an investment, Council gives consideration to whether the interest rate offered represents fair compensation (fair value) for the level of credit risk involved. Fair value for Council is determined by referencing the Bank Bill Swap Rate (BBSW) and applying consideration for the credit risk margin for various financial institutions.

For example, if the BBSW is 5% and the credit risk margin is 0.25% for Bank XYZ, the quoted rate from this bank must be at least 5.25% or better. The BBSW is provided on a (business) daily basis via QTC's Internet site.

All term deposits/bank bill investments will be benchmarked to ensure that they meet the BBSW as a minimum. This might require seeking further investment quotations on the day of the investment to ensure the benchmark is achieved where possible.

Council will be provided with a monthly Executive Financial Performance Report detailing the investments held by institution, term of investment, interest rate and credit ratings.

(c) Debt Reduction Strategies

Debt reduction strategies that could be adopted by Council include: -

- (i) Principal repayment;
- (ii) Prepayment of debt service payments;
- (iii) QTC debt offset facility; and
- (iv) Treasury Function.

(i) Principal repayment

A principal repayment provides an immediate reduction in the principal outstanding on Council's debt. Benefits are obtained from the reduced interest and administration costs which are calculated on the daily balance of the market value outstanding. A principal repayment may be made when it is appropriate to reduce the level of debt given Council's target capital structure.

Consideration though must be given to Council's ability to re-borrow repaid debt if needed to meet future requirements.

(ii) Prepayment of Debt Service Payments

A prepaid debt service payment provides an immediate reduction in the principal outstanding on Council's debt. Benefits are obtained from the reduced interest and administration costs which are calculated on the daily balance of the market value outstanding. In contrast to a principal repayment where Council is required to continue to pay upcoming debt service payments, Council is not required to pay the allocated normal debt service payments.

A prepayment of debt service payments may be made when it is appropriate to reduce the level of debt given Council's target capital structure. This option may also be used to increase flexibility with respect to the timing of loan repayments.

The economic effect of the prepayment will be equivalent to a principal repayment, and will depend on where Council sits in its target capital structure range. As the prepayment can be carried forward indefinitely, Council's future cash flow flexibility may increase as it does not need to make the forthcoming debt service payment.

(iii) QTC Debt Offset Facility

A deposit in a Debt Offset Facility may yield a "return" equivalent to the cost of the debt that it is offsetting (if it is 100% of that debt). For example, assume an organisation has debt of \$1 million and a \$1 million debt offset deposit. If market interest rates are 10%, net interest expense will be zero as the interest earned on the debt offset deposit (\$100,000) will fully offset the interest expense on the debt (\$100,000). Therefore, the interest cost on the debt will be fully hedged against any movements in market interest rates.

A deposit in this type of facility can be interpreted as either an interest rate protection decision which removes the mismatch between short-term interest earned and the interest charged on medium-to-long term debt or as an investment in a high yielding investment vehicle. Deposits are not capital guaranteed, and usually have entry and exit fees attached which make it unsuitable for high transaction purposes or for short-term investment horizons.

A Debt Offset Facility deposit is only appropriate when Council has debt outstanding to offset the funds against.

An investment in a Debt Offset Facility may be suitable if it is inappropriate for Council to reduce its debt level given its target capital structure (because capital structures are usually evaluated on a gross debt rather than net debt basis) and it is seeking to minimise interest rate risk. An investment in a Debt Offset Facility may also be appropriate if Council is seeking to maximise returns on surplus funds required in the future and it views interest rates as falling.

(iv) Treasury Function

Council may approve the use of reserve cash funds that are available in the short term to finance projects that have traditionally been funded from QTC borrowing.

The margin between the internal borrowing and the return the cash funds would have received in the commercial markets will be a direct cost saving to Council. The use of this internal treasury function will be subject to the "internal borrowing" being authorised as part of Council's borrowing policy that is adopted annually with the budget.

Internal Controls

Council is at all times to have in place appropriate controls to prevent the fraudulent use of public monies. The following controls detail the minimum that is required:

- A person is to be identified as the responsible officer for the investment function.
- All investments are to be authorised by the Chief Executive Officer, or in that person's absence, the Manager of Corporate Services.

- Confirmation advices from the Financial Institution are to be attached to the Investment Authorisation Form as evidence that the investment is in the name of Barcoo Shire Council.
- A person, other than the responsible officer, is to perform the bank reconciliation at the end of each month (alternatively, the reconciliation needs to be reviewed by another officer).

5. Requirements

Council is at all times to comply with legislation applicable to the investment function within Local Governments. Council will utilise its category 1 investment powers to earn interest revenue on its operating funds to supplement Council's other sources of revenue.

Further, Council will maintain appropriate internal controls to prevent the fraudulent use of public monies. The procedure for the investment of Council funds is to be documented and followed at all times.

Adoption of the Investment Policy 2013-2014

Resolution No.: 2013.07.05

That Council adopts the 2013/2014 Investment Policy in accordance with and pursuant to Section 191 of the Local Government Regulation 2012.

MOVED: Cr M Pratt

SECONDED: Cr P Batt

CARRIED 4/0

Adoption of the Revenue and Expenditure Report for 2013-2014

Resolution No.: 2013.07.06

That Council adopts the 2013/2014 Revenue and Expenditure report in accordance with and pursuant to Section 169 of the Local Government Regulation 2012.

MOVED: Cr P Batt

SECONDED: Cr I Groves

CARRIED 4/0

Adoption of the Income Statement for 2013-2014

Resolution No.: 2013.07.07

That Council adopts the 2013/2014 Income Statement in accordance with and pursuant to Section 169 of the Local Government Regulation 2012.

MOVED: Cr M Pratt

SECONDED: Cr P Batt

CARRIED 4/0

Adoption of the Balance Sheet for 2013-2014

Resolution No.: 2013.07.08

That Council adopts the 2013/2014 Balance Sheet in accordance with and pursuant to Section 169 of the Local Government Regulation 2012.

MOVED: Cr I Groves

SECONDED: Cr M Pratt

CARRIED 4/0

Adoption of the Statement of Cash Flows for 2013-2014

Resolution No.: 2013.07.09

That Council adopts the 2013/2014 Statement of Cash Flows in accordance with and pursuant to Section 169 of the Local Government Regulation 2012.

MOVED: Cr I Groves

SECONDED: Cr P Batt

CARRIED 4/0

Adoption of the Statement of Change of Equity for 2013-2014

Resolution No.: 2013.07.10

That Council adopts the 2013/2014 Statement of Change of Equity in accordance with and pursuant to Section 169 of the Local Government Regulation 2012.

MOVED: Cr P Batt

SECONDED: Cr M Pratt

CARRIED 4/0

Adoption of the Capital Works Plan for 2013-2014

Resolution No.: 2013.07.11

That Council adopts the 2013/2014 Capital Works Plan in accordance with and pursuant to Section 169 of the Local Government Regulation 2012.

MOVED: Cr I Groves

SECONDED: Cr M Pratt

CARRIED 4/0

Adoption of the Plant Replacement Program for 2013-2014

Resolution No.: 2013.07.12

That Council adopts the 2013/2014 Plant Replacement Program in accordance with and pursuant to Section 169 of the Local Government Regulation 2012.

MOVED: Cr M Pratt

SECONDED: Cr P Batt

CARRIED 4/0

Adoption of the 10 Year Forecasting Model for 2013-2014

Resolution No.: 2013.07.13

That Council adopts the 2013/2014 10 Year Forecasting Model in accordance with and pursuant to Section 169 of the Local Government Regulation 2012.

MOVED: Cr M Pratt

SECONDED: Cr P Batt

CARRIED 4/0

ATTENDANCE

David Charlton, Acting Corporate Services Manager left the meeting at 10.29 pm.

ATTENDANCE

David Charlton returned to the meeting at 10.35 am.

ADJOURNMENT

The Meeting adjourned for morning tea, time being 10.35 am.

RESUMPTION

The Meeting resumed, time being 11.10 am.

MEETING DETAILS: General Meeting, 26 June 2013
CLASSIFICATION: OPEN
AUTHOR: Conrad Martens (Contractor)

Item No. | CORPORATE STRUCTURE REPORT

OFFICER'S RECOMMENDATION

That Council resolves as follows:

- 1) That the proposed corporate structure depicted in Attachment 2 be adopted.*
- 2) That the timing of the implementation of the adopted corporate structure be determined by the CEO.*

BUDGET & RESOURCE IMPLICATIONS

No additional funding required.

BACKGROUND

The purpose of this report is to seek Council adoption of a proposed organisational structure.

Legislation

196 Appointing other local government employees

(1) A local government must, by resolution, adopt an organisational structure that is appropriate to the performance of the local government's responsibilities.

Attachment 1 depicts the corporate structure under which the organisation was operating up to June 2012. It comprised simply two divisions, Works and Corporate Services, operating under the direction of the Chief Executive Officer. Since about June 2012 the position of Works Manager was vacated and the duties were performed by the then Works Supervisor and the Technical and Asset Administrator assisted by the Chief Executive Officer.

While the organisation still operates with the same organisational structure, it has continued to change to respond to evolving community expectations, Council's strategic priorities, and the agendas of respective State and Federal governments. Over the last five years in particular, the organisation has been heavily impacted by State and Federal government budget cuts and also the reform agenda, including changes to:

- Local Government Act 2009
- Information Privacy Act 2009
- Right to Information Act 2009
- Public Sector Ethics Act 2009
- Public Interest Disclosure Act 2010
- Work Health and Safety Act 2011

Section 196(1) of the LGA09 requires each local government to adopt an organisational structure that is appropriate to the performance of its responsibilities. The size, structure and number of positions within a council will vary depending on its size, revenue base, and operational responsibilities.

In late 2012 the CEO, Manager Corporate Services, Works Supervisor and Technical and Asset Administrator were involved in developing up the new structure to support the future needs of the Council. A structure was conceived to drive organisational improvement in the following areas:

- Effectiveness – ensuring internal structure and activities are aligned to Council’s external priority outcomes (strategic direction).
- Capacity – ensuring the organisation is equipped to respond to emerging challenges with a strategic focus on new works and flood maintenance, and also organisational governance, leadership and culture.

The best option was to affect a permanent change to the structure, splitting the Works division to focus on:

- 1) Operational Works & Maintenance –TMR construction, TMR maintenance, flood damage, private works, Council rural roads maintenance, planning and coordination
- 2) Strategic Works & Asset Management – capital works program, flood damage coordination, support services, asset management like fleet and plant and depots, and town works and services

Focussing Corporate Services division on financial management:

- 3) Corporate Services– organisational services, financial services, community development, human resources services, and information management.

The CEO is a strong advocate for governance and financial management, and community growth, and given the proposed structure of the organisation and its external environment, he will continue to manage:

- Strategic planning and agenda setting
- Resource allocation, e.g. budgeting, corporate structure, programs/projects, contract services
- Performance management, e.g. annual reviews, annual reporting etc.
- Organisational integrity, e.g. internal controls, values and culture, integrity and ethical standards

The structural review and proposed split of Works & Maintenance Services and Asset & Technical Services was advertised in the Internal Newsletter of 28 November 2012. There was no adverse feedback from staff.

Timing

It is proposed that the implementation of the adopted corporate structure will be managed by the CEO, taking into account the priorities of the Council and the importance of involving staff in change management.

Conclusion

The proposed organisational structure identified in Attachment 2 to this report incorporates an appropriate, pro-active response to emerging opportunities and issues for the organisation.

LINK TO CORPORATE PLAN

To have ethical, open, fair and responsible governance

LINK TO OPERATIONAL PLAN

Maintain an effective organisational structure

CONSULTATION (Internal/External)

Stakeholder Consulted	Organisational Unit	Is the stakeholder satisfied with content of Report and Recommendations (Yes/No)
Bob O'Brien	Chief Executive Officer	Yes
Bill Pitman	Works	Yes
Steve Sigler	Technical & Asset	Yes
Vacant	Corporate Services	N/A

POLICY IMPLICATIONS

Not applicable.

RISK ASSESSMENT

Not applicable.

Report Prepared by: Conrad Martens (Contractor) Date: 13 June 2013	Report Authorised by: ROBERT O'BRIEN Chief Executive Officer
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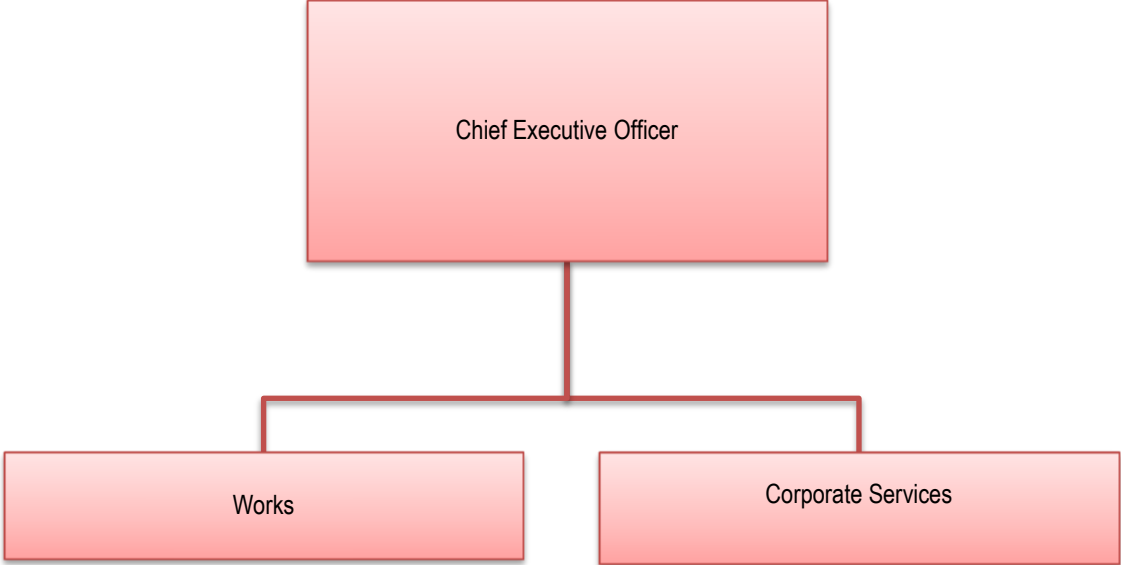
ATTACHMENTS

- Attachment 1 Current Corporate Structure
- Attachment 2 Proposed Corporate Structure

REFERENCE DOCUMENT

Not applicable.

Attachment 1 – Current Corporate Structure



Attachment 2 – Proposed Corporate Structure



Adoption of the Corporate Structure Report for 2013-2014

Resolution No.: 2013.07.14

- 1) *That the proposed corporate structure depicted in Attachment 2 be adopted*
- 2) *That the timing of the implementation of the adopted corporate structure be determined by the CEO*

In accordance with and pursuant to Section 169 of the Local Government Regulation 2012.

MOVED: Cr I Groves

SECONDED: Cr M Pratt

CARRIED 4/0

Adoption of the Fees and Charges for 2013-2014

Resolution No.: 2013.07.15

That Council adopts the 2013/2014 Fees and Charges in accordance with and pursuant to Section 169 of the Local Government Regulation 2012.

MOVED: Cr I Groves

SECONDED: Cr M Pratt

CARRIED 4/0

1. CONCLUSION

There being no further business the Mayor declared the Meeting closed at 6.10 pm.

These minutes were confirmed by Council at the General Meeting held on the Tuesday 30 July 2013 at 11.41 am.

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MAYOR

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DATE