



General Meeting of Council

MINUTES

Meeting held in the Central Highlands Regional Council Chambers, Emerald Office

Tuesday 12 July 2016

Commenced at 2.00pm

CENTRAL HIGHLANDS REGIONAL COUNCIL

GENERAL MEETING OF COUNCIL

TUESDAY 12 JULY 2016

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MINUTES – GENERAL MEETING
HELD AT 2.00PM TUESDAY 12 JULY 2016 IN THE CENTRAL HIGHLANDS REGIONAL COUNCIL
CHAMBERS, EMERALD OFFICE

PRESENT

Councillors

Councillor (Crs) K. Hayes (Mayor), G. Godwin-Smith (Deputy Mayor)
Councillors (Crs) P. Bell AM, C. Brimblecombe, M. Daniels, D. Lacey, A. McIndoe, G. Nixon and C. Rolfe

Officers

Chief Executive Officer S. Mason, General Manager Communities B. Duke, General Manager Corporate Services J. Bradshaw, General Manager Infrastructure and Utilities G. Joubert, General Manager Commercial Services M. Webster, Acting Executive Manager Governance A. Grant, Coordinator Communications A. Ferris, Minute Secretary M. Wills

APOLOGIES

Nil

LEAVE OF ABSENCE

Resolution:

Cr Godwin-Smith moved and seconded by Cr McIndoe “That a leave of absence be granted for Cr Brimblecombe for the meeting on 15 August 2016.”

2016 / 07 / 12 / 001

Carried (9-0)

Resolution:

Cr Brimblecombe moved and seconded by Cr Daniels “That a leave of absence be granted for Cr Rolfe for the meeting on 26 and 27 July 2016.”

2016 / 07 / 12 / 002

Carried (9-0)

Opening Prayer

Reverend Jim Pearson (Emerald Uniting Church) delivered the opening prayer.

CONFIRMATION OF MINUTES OF PREVIOUS MEETING

General Council Meeting: 28 June 2016

Resolution:

Cr Bell moved and seconded by Cr Godwin-Smith “That the minutes of the previous General Meeting held on 28 June 2016 be confirmed.”

2016 / 07 / 12 / 003

Carried (9-0)

Special Budget Meeting: 5 July 2016

Resolution:

Cr Brimblecombe moved and seconded by Cr Godwin-Smith “That the minutes of the previous Special Budget Meeting held on 5 July 2016 be confirmed.”

2016 / 07 / 12 / 004

Carried (9-0)

Business Arising Out Of Minutes

Nil

Outstanding Meeting Actions

Cr Rolfe requested for the Executive Management Team to review and update the outstanding meeting actions.

Conflict of Interest, Personal Gifts and Benefits

Nil

COMMITTEE RECOMMENDATIONS / NOTES

Minutes of Meeting - Finance and Infrastructure Standing Committee: 14 June 2016

Resolution:

Cr Godwin-Smith moved and seconded by Cr Rolfe “That the minutes of the Finance and Infrastructure Standing Committee Meeting held on 14 June 2016 be endorsed.”

2016 / 07 / 12 / 005

Carried (9-0)

Minutes of Meeting - Leadership and Governance Standing Committee Meeting: 15 June 2016

Resolution:

Cr Lacey moved and seconded by Cr McIndoe “That the minutes of the Leadership and Governance Standing Committee Meeting held on 15 June 2016 be endorsed.”

2016 / 07 / 12 / 006

Carried (9-0)

Minutes of Meeting - Communities Standing Committee Meeting: 28 June 2016

Resolution:

Cr Brimblecombe moved and seconded by Cr Daniels “That the minutes of the Communities Standing Committee Meeting held on 28 June 2016 be endorsed.”

2016 / 07 / 12 / 007

Carried (9-0)

COMMUNITIES' SECTION

Rescinding of Non-Resident Workforce Accommodation Policy

Executive summary:

A review was undertaken of the Council’s Policy Statement on Non-Resident Workforce Accommodation, which was adopted by Council on 13 February 2013. The policy establishes guidelines for the regulation of non-resident workforce accommodation across the Central Highlands area. The policy ensures that proposals are appropriately located, designed and serviced to mitigate adverse impacts on the local community, amenity, aesthetics, character or infrastructure and to maximise community benefit.

This policy is now effectively redundant as the provisions for non-resident workforce accommodation are now incorporated into the Central Highlands Regional Council Planning Scheme 2016. Due to the legislative hierarchy, the Central Highlands Regional Council Planning Scheme 2016 overrides Council’s policy. As a consequence, Council’s Policy Statement on Non-Resident Workforce Accommodation should be rescinded to avoid confusion for the development industry and community as to which document prevails.

Resolution:

Cr Nixon moved and seconded by Cr Lacey “That Central Highlands Regional Council:

1. Rescind the Council Policy Statement - Non-Resident Workforce Accommodation Policy on the basis that provisions contained in the policy are superseded by provisions contained in the new Central Highlands Regional Council Planning Scheme 2016; and
2. Adjust the delegation schedule to confirm that all applications for Non-Resident Workers Accommodation are to be decided by the elected Council, with no delegations applicable to this form of development.”

2016 / 07 / 12 / 008

Carried (9-0)

Rescinding of Amenity and Aesthetics: Oversized Sheds Policy

Executive summary:

A review was undertaken of Council Policy No.00010 - Amenity and Aesthetics: Oversized Sheds. This policy was adopted by Council on 1 July 2015. The current policy applies to all sheds and associated structures proposed to exceed 200 square metres in gross floor area or 8.5 metres in height in certain urban residential and rural residential areas. The policy provides for an amenity and aesthetics assessment to be undertaken.

This policy is now effectively redundant as the provisions for oversized sheds are now incorporated into the Dwelling House Code within Central Highlands Regional Council Planning Scheme 2016. Due to the legislative hierarchy, the Central Highlands Regional Council Planning Scheme 2016 overrides Council's policy. As a consequence, Council's Policy No.00010 - Amenity and Aesthetics: Oversized Sheds should be rescinded to avoid confusion for the development industry and community as to which document prevails.

Resolution:

Cr Brimblecombe moved and seconded by Cr Daniels “That Central Highlands Regional Council rescind Council Policy No.00010- Amenity and Aesthetics; Oversized Sheds on the basis that the provisions contained in the policy are superseded by the Dwelling House Code provisions in the new Central Highlands Regional Council Planning Scheme 2016.”

2016 / 07 / 12 / 009

Carried (9-0)

Attendance

Manager Finance S. Fogg attended the meeting at 2.18pm

CORPORATE SERVICES' SECTION


Rates and Charges Collection Policy

Executive summary:

The Local Government Regulation 2012 (the Regulation) provides guidance on how Council may undertake the recovery of overdue rates and charges. Whilst a policy is not required by this legislation, this policy sets out the basis and process that Council will undertake in the collection of overdue rates and charges.

Resolution:

Cr Bell moved and seconded by Cr Nixon “That Central Highlands Regional Council adopt the Rates and Charges Collection Policy subject to change.

	COUNCIL POLICY	
	Rates and Charges Collection Policy	
POLICY NUMBER: [automated #]	DEPARTMENT:	Corporate Services
EFFECTIVE DATE: 01 July 2016	UNIT:	Finance

1.0 Purpose and Scope

The purpose of this policy is to provide procedural direction to ensure prompt follow-up and timely collection of overdue rates and charges, in accordance with the parameters and requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*. This Policy Procedure replaces the previous Rates Recovery Policy.

2.0 Reference

- Revenue Policy
- Revenue Statement
- Local Government Act 2009
- Local Government Regulation 2012 (Finance, Plans and Reporting)
- Australian Competition and Consumer Commission Debt Collection Guidelines
- Information Privacy Act 2009

3.0 Definitions

CEO refers to Chief Executive Officer

Council refers to Central Highlands Regional Council

The Act shall mean the Local Government Act 2009 (as amended).

The Regulation shall mean the Local Government Regulation 2012 (as amended).

Rates and Charges are defined in the Local Government Regulation 2012 as including differential general rates, minimum general rate levies, separate rates and charges, special rates and charges, utility charges and accrued interest on outstanding balances.

Overdue Rates and Charges are defined in the Local Government Regulation 2012 (Section 132) as including the interest, if interest is payable, on the rates or charges and the costs, if the local government takes the ratepayer to court to recover rates or charges and the court orders the ratepayer to pay the council's costs.

4.0 Policy Statement

The management and recovery of outstanding revenue is an important aspect of Council's financial management function. Council requires payment of rates and charges within a specified time period and will pursue the collection of overdue rates and charges diligently. The non-payment of rates and charges by some ratepayers places an unfair burden on other ratepayers who meet their legal obligation in full.

When pursuing the collection of overdue rates and charges, Council will have due concern for any financial hardship faced by ratepayers. The Rates and Charges Collection Policy Procedure guides the administration process that will be used in the collection of overdue rates of charges. This may include payment arrangements and/or the selection of various recovery actions including the sale of land in accordance with legislative requirements.

This policy procedure is guided by the following principles:

- Transparency by making clear the obligations of ratepayers and the processes used by
- Council in assisting them to meet their financial obligations;
- Making the processes used to recover overdue rates and charges simple to administer and cost effective;
- Ensuring consistency and 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 economy.

5.0 Application

5.1 Recovery Action

5.1.1 Summary of Initial and Advanced Recovery Actions

The following actions will be used in the recovery of overdue rates and charges:

Debt Recovery Action	Timing of Action	Action Type	Required Response Time	Required response to action	Authority Level
Initial Recovery Action:					
Stage 1	14 days after expiration of the discount period	First Reminder Notice -issued by Council	14 days	Full payment or appropriate payment arrangement (refer paragraph 5.2)	Supervisor Rates or Coordinator Financial Accounting
Stage 2a	28 days after expiration of the discount period	Second Reminder Notice for debts under \$1,000 - issued by Debt Collection Agency or Council	14 days	Full payment or appropriate payment arrangement (refer paragraph 5.2)	Supervisor Rates or Coordinator Financial Accounting
Stage 2b		Demand Letter for debts over \$1,000 issued by Debt Collection Agency or Council			
Advanced Recovery Action:					
<i>Debt recovery stages 3 to 6 will only relate to debts over \$1,000 (refer paragraph 5.4):</i>					
Stage 3	42 days after expiration of the discount period	Statement of Claim issued and personally served - by Debt Collection Agency	28 days	Full payment or appropriate payment arrangement (refer paragraph 5.2)	Manager Finance
Stage 4	70 days after expiration of the discount period	Pre Judgement Warning Letter issued - by Debt Collection Agency	7 days	Full payment or appropriate payment arrangement (refer paragraph 5.2)	Manager Finance
Stage 5	77 days after expiration of the discount period	Judgement granted by the Court and Warning Letter issued - by debt collection agency	7 days	Full payment or appropriate payment arrangement (refer paragraph 5.2)	Manager Finance
Stage 6	84 days after expiration of the discount period	Enforcement Warrant Sale and Seizure of Property - by debt collection agency	subject to circumstances	Full payment or appropriate payment arrangement (refer paragraph 5.2)	Council
Stage 7	3 years of overdue rates and charges or 1 year for vacant land	Potential Sale of Land Letter	subject to circumstances	Full payment or appropriate payment arrangement (refer paragraph 5.2)	Council
Stage 8	3 years of overdue rates and charges or 1 year for vacant land	Notice of Sale of Land	subject to circumstances	Full payment	Council
Stage 9	3 years of overdue rates and charges or 1 year for vacant land	Sale of Land	in accordance with Local Government Regulation 2012	Full payment	Council

5.1.2 Deferment of Recovery Actions

The Recovery action stages listed above may be deferred for the following reasons:

- Deceased estates in probate;
- Bankruptcy liquidations;
- Receivership/Administration;
- Property sale where an unconditional contract has been signed;
- Approved hardship (refer paragraph 5.2(ii) and 5.2(iii)); and
- Special Circumstances (refer paragraph 5.2(ii) and 5.2(iii)).

5.2 Payment Arrangements

Council will not pursue or escalate recovery action against a property owner who has an agreed periodic payment arrangement, where the arrangement is current and the ratepayer adheres to the agreed repayment schedule.

In the event that a payment arrangement is not maintained within the agreed terms, the ratepayer will be offered an opportunity to make a revised payment arrangement. Failure to make and maintain an appropriate payment arrangement will result in an escalation of recovery actions.

Council reserves the right to renegotiate or cancel a payment commitment should circumstances change where the debt will not be paid within the required timeframe (refer paragraph 5.2 (i) to (iii)). Where a payment arrangement has defaulted on three (3) consecutive occasions, Council has the right to cancel the arrangement and escalate recovery actions. In these circumstances, Council will not initiate further recovery action without first advising the ratepayer concerned.

(i) Formal Payment Arrangements – normal terms and conditions: Applications for formal periodic payment arrangements must be in writing (Application to Pay Rates by Instalment Form) and are approved by the Supervisor Rates. The commitment must be made on the following terms:

- a) Debts less than \$2,500 - payments should be of a sufficient amount and regularity to clear the outstanding debt over a period of no longer than six (6) months; or
- b) Debts greater than \$2,500 - payments should be of a sufficient amount and regularity to clear the outstanding debt over a period of no longer than twelve (12) months.

(ii) Other Formal Payment Arrangements – outside of normal terms and conditions: Council may consider requests for arrangements which fall outside the terms outlined above in paragraph 5.2(i), in cases of genuine hardship and extenuating and special circumstances such as (e.g. long term illness or unemployment). These requests must be made in writing and are approved by the CEO. All reasonable offers for periodic payments in these situations will be considered and recommended for CEO approval, only when the repayment proposal is assessed by the Supervisor Rates as being financially sustainable, which means that the proposed repayment amount, although outside the normal terms and conditions as per paragraph 5.2(i), will be sufficient for the debt to be cleared within a reasonable timeframe.

(iii) Periodic Payments not representing a Formal Arrangement: Requests for arrangements that are assessed as being unsustainable as per paragraph 5.2(ii) will not be recommended to the CEO for approval. Instead, these property owners will be granted a three (3) month period whereby further debt recovery action will be suspended, to allow sufficient time for financial advice to be obtained in relation to their options. During this period reasonable attempts must be made by the property owner to make periodic payments to their rate accounts and failure to do so will result in an escalation of recovery actions. At the end of this three (3) month period the property owner must either pay the outstanding debt in full or enter in to a payment arrangement in

accordance with the terms and conditions outlined in paragraph 5.1(i) above. Failure to do either of these actions will result in an escalation of recovery actions.

5.3 Interest

In accordance with section 133 of the *Local Government regulation 2012*, Council will apply interest at a rate of 11% per annum, compounding daily or as practical, on all overdue rates and charges, from the date on which the rates and charges became overdue. Interest will still apply to debts under a payment arrangement as defined in paragraph 5.2 above.

5.4 Criteria for the Implementation of Legal Action

Council has set a threshold for the referral of debts for legal action of \$1,000. As per paragraph 5.1 above, debts equal to or greater than this threshold will initially be referred for legal debt recovery at 28 days after the expiration of the discount period, with the first stage in the legal process being the issue of a letter of demand (stage 2(b) action).

(i) Debts equal to or greater than \$1,000 – Legal debt recovery action will only be initiated where the balance of rates and charges is equal to or greater than \$1,000, and no approved payment arrangement, as per paragraph 5.2 above, is in place. All legal debt recovery action is administered by Council's approved external Debt Collection Agency and the relevant information in relation to the referred debt is supplied by Council to the Agency. Legal charges incurred are charged against the individual rate assessment and recovered in full by Council.

(ii) Debts less than \$1,000 - Debts under \$1,000 are not referred to the external Debt Collection Agency for legal recovery action. The recovery process for these debts is a two- step process as per stage 1 and 2(a) of the table at paragraph 5.1 above. The first step is the issuing of a reminder letter and then at action stage 2(a), Council instructs the external Debt Collection Agency to issue a second reminder letter. This does not represent a referral for legal action, it is merely a process for the management of these smaller debts and will not result in the further escalation of legal recovery action, while the debt remains under the \$1,000 threshold. However, legal action may be instigated in circumstances where the debts remain outstanding for a period of at least 12 months and an approved payment arrangement (as per paragraph 5.2) has not been entered into.

5.5 Criteria for Taking Action to Sell Land for Overdue Rates

In accordance with Chapter 4, Part 12, division 3, of the *Local Government Regulation 2012* Council has the ability to instigate sale proceedings where rates remain outstanding beyond set periods of time. These periods are usually one (1) year for vacant land and three (3) years for all other land. Refer table at paragraph 5.1(i), specifically stages 7, 8 and 9 of the debt recovery actions.

6.0 Policy Review

This policy procedure is nominated to be reviewed on: 30 June 2018

All policy procedures will be reviewed at least two yearly or when any of the following evaluations occur:

- Relevant legislation, regulations, standards and policies are amended or replaced; and
- Other circumstances as determined from time to time by the Chief Executive Officer / ELT / Managers."


Procurement Policy

Executive summary:

The Local Government Regulation 2012 (the Regulation) provides guidance on how Council should undertake its procurement of goods and services. The Regulation stipulates that Council must maintain a Procurement Policy and update this policy on an annual basis. The policy provides guidance on how Council will undertake procurement activities in accordance with sound contracting principles and in compliance with legislation.

Resolution:

Cr Godwin-Smith moved and seconded by Cr Brimblecombe “That Central Highlands Regional Council in accordance with Section 198 of the Local Government Regulation 2012 adopt the Procurement Policy. “

	COUNCIL POLICY	
	Procurement Policy	
POLICY NUMBER: [automated #]	DEPARTMENT:	Corporate Services
EFFECTIVE DATE: 01 July 2016	UNIT:	Finance

7.0 Purpose and Scope

The purpose of this policy is to ensure that Council undertakes all procurement processes in accordance with the legislated framework and specified principles.

The scope of this policy extends to all of Council’s departments, including business and commercial units. It will be adhered to by all staff, contractors and consultants in the carrying out of Council’s procurement processes and all associated activities. The scope of this policy *excludes* matters relating to the disposal of assets. These matters are incorporated in Council’s *Asset Disposal Policy*.

8.0 Reference

Local Government Act 2009 (as amended)
Local Government Regulation 2012 (as amended)
A New Tax System (Goods and Services Tax) Act 1999 (Cth) (as amended)
Competition and Consumer Act 2010 (Cth) (as amended)
Information Privacy Act 2009 (as amended)
Information Privacy Regulation 2009 (as amended)
Right to Information Act 2009 (as amended)
Right to Information Regulation 2009 (as amended)
Fair Trading Act 1989 (as amended)

Local Preference Policy
 Budget Policy
 Employee Code of Conduct
 Code of Conduct for Councillors Policy
 Asset Disposal Policy
 Audit Committee Charter 2016
 Information Privacy Policy Statement
 Records Management Policy
 Procurement Guidelines and Procurement Manual
 Personal Benefit and Gift Procedure
 CHRC CEO to Employee or Contractor Delegations (and subsequent updates)
 CHRC Council to CEO Delegations (and subsequent updates)

9.0 Definitions

Council refers to Central Highlands Regional Council.

GST shall mean Australia's Goods and Services Tax.

The Act shall mean the Local Government Act 2009 as amended.

The Regulation shall mean the Local Government Regulation 2012 as amended.

10.0 Policy Statement

Procurement activities of Council are activities that are, or relate to, both direct purchasing (for example, via corporate credit cards) and the making of contracts for the carrying out of work, or the supply of goods and/or services as defined in the Act and Regulation. Contracts are generally related to, but not limited to the following categories:

Building and Construction (both *minor* and *major* works)

Some examples of *minor* works procurement may include:

- Replacing a section of water infrastructure;
- Resurfacing a car park;
- Road pavement repairs;
- Repairing a footpath; or
- Carrying out tree lopping.

Some examples of *major* works procurement may include:

- Construction of a new Local Government administration centre;
- Design and construction of a new water treatment plant; or
- Construction of an aquatic centre.

Goods and/or General Services, may include:

- Stationery;
- Office furniture;
- Computer equipment;
- Cleaning services;
- Security services; or
- Lawn mowing.

Consultancy, may include:

- Legal services;
- Accounting services;
- Architectural or building design drafting;
- Engineering services;
- Community services; or
- Town planning services.

4.1 Sound Contracting Principles

Integrated with Council's broader system of financial management, all procurement activity shall be carried out in a manner which ensures regard for the *Sound Contracting* principles when entering into a contract for either the supply of goods and/or services.

The *Sound Contracting* principles are:

- (a) Value for money;

- (b) Open and effective competition;
- (c) Development of competitive local business and industry;
- (d) Environmental protection; and
- (e) Ethical behaviour and fair dealing.

These *Sound Contracting* principles have been further defined by Council as:

(a) Value for Money

All procurement activities must consider the whole-of-life cost consequences of the procurement arrangement. However, the value for money concept is *not restricted to price alone*. Value for Money assessment includes consideration of:

- Non-cost attributes such as fitness for purpose, service and support, quality, performance and productivity;
- Cost related factors including whole-of-life costs and transaction costs that are associated with acquisition, use, holding, maintenance and disposal;
- Initial and ongoing technical compliance costs; and
- Compliance with all related acts, regulations and legislative requirements at all times.

(b) Open and Effective Competition

All procurement activities are to be undertaken with the appropriate rigor and documentation to encourage and support supplier confidence through:

- Transparency of process and decision making in all procurement activities;
- Maintaining confidentiality of offers, security of information and commercial-in-confidence material; and
- Maintaining good quality documentation of all request for quotes and tenders and evaluations of offers and recommendations.

(c) Development of Competitive Local Business and Industry

Consideration must be given to the benefits of utilising local suppliers when undertaking procurement activities. These benefits include:

- Creation of new and/or maintenance of existing local employment opportunities;
- More responsive and readily available servicing and ongoing maintenance support;
- Closer and more convenient communications regarding progress, performance and measurement to enable effective and efficient contract administration and management;
- Encouragement for the relocation of established businesses from outside the region to physically enter, establish and maintain a physical ongoing presence in the region;
- Assisting local businesses to become sustainable and ongoing;
- Assisting local businesses to remain competitive;
- Support for economic growth within the local area; and
- Returning value-added benefits to Council and its ratepayers from the associated local commercial transactions.

For the purposes of application of this principle a *“local supplier”* is a supplier that:

- Is beneficially owned and operated by persons who are residents of the local government area of Council and pay rates; or
- Is a registered business or individual that has its principal place of business within the area of Council area; or otherwise
- Has a place of business within the Council area which solely or primarily employs persons who are residents or ratepayers of the Council.

Council’s preference for procurement through local suppliers is set out in the *“Local Preference Policy”* document.

(d) Environmental Protection

Consideration must be given to support and promote sustainable outcomes through ensuring the necessary balance between environmental, economic and social aspects to maintain a high quality environment as a source of competitive advantage such as:

- Prevention or minimisation of waste;
- Use of recycled products and recycling facilities;
- Conservation of energy in buildings and use of equipment;
- Control of order of quantities to avoid stock build-up, minimise storage requirements and reduce possible obsolescence;
- Where possible, specification of environmentally-friendly products in invitation to offer documents; and
- Use of environmentally-friendly products in the management of parks / recreational grounds and for weed control on roads and kerb sides.

(e) Ethical Behaviour and Fair Dealing

All procurement related activities are to be conducted honestly and in a manner that is fair to all parties, through a focus on:

- Identifying, declaring and seeking advice on any perceived and/or actual situation that may give rise to a conflict of interest by any Officer involved in the end-to-end procurement process, and ensuring perceived conflicts of interest are documented and recorded;
- Ensuring that all procurement activities are undertaken in accordance with all legal, statutory and internal budgetary obligations; and
- Providing ongoing procurement and contract training for all relevant staff prior to them exercising the financial delegation that commits Council to a contract for the provision of goods and/or services.

4.2 Financial Delegation and Authority

Under the Act, Council delegates to the Chief Executive Officer the power to enter into contracts on behalf of Council where they are in accordance with the Regulation, that:

- Expenditure has been provided for in Council's budget; or
- In the opinion of the Chief Executive Officer, such expenditure is required because of genuine emergency or hardship (the Act refers).

Staff and/or contractors may only incur expenditure on behalf of the Council as an Authorised Person if the officer has been granted a delegation by the Chief Executive Officer and such delegation is referenced in Council's *CEO to Employee or Contractor Delegations*, adopted 2015 (or as subsequently amended).

By authorising a requisition or purchase order, staff, consultants and contractors confirm that they have taken full notice of this policy and comply with all the requirements of this policy.

4.3 Reporting Requirements

The Regulation requires that Council:

- (a) Publish the relevant details of contractual arrangements worth **\$200,000.00 or more** (exclusive of GST) on council's website and display this information in a conspicuous place in Council's public office. This information is to be published or displayed for a period of at least twelve (12) months. The nominated place for display of this information is the public noticeboard in Council's Emerald office foyer.

An annual summary of this information will also be published in Council’s Annual Report. It is the responsibility of the incumbent (or person nominated as acting) in the role of *Coordinator Procurement* to maintain compliance with this requirement. The relevant details of a contractual arrangement includes the name of the person or organisation with whom Council are in contract with, the value of this contract and the purpose of this arrangement (such as a description of the goods and/or services).

(b) Keep a list of registers kept by Council and publish in the annual report. One of these registers will be the “*Tenders, Quotes & Contracts Register*” maintained by the Procurement team in the Finance Unit, Corporate Services Department. It is the responsibility of the incumbent (or person nominated as acting) in the role of *Coordinator Procurement* to maintain the information in this register.

(c) Include in the Annual Report, the number of invitations to change tenders during the financial year. This information is captured and reported from the “*Tenders, Quotes & Contracts Register*”.

4.4 Execution

Officers must not engage in the practice of “order splitting” to avoid the threshold requirements of this policy and associated legislative requirements. Council has adopted the “*Default Contracting Procedures*” as outlined in the Regulation.

Officers must keep records documenting their decision-making in accordance with the *Sound Contracting* principles in the carrying out of any direct purchasing, Request for Quotation and Expression of Interest/Request for Tender activities that comprise the procurement function. Record keeping obligations extend from the initial decision to invite offers through to the payment of invoices.

Procurement of goods and/or services will be undertaken in accordance with the following instructions and additional detail contained in Council’s Procurement Procedure and associated documents. All of these monetary limits are **exclusive of GST** and refer to contractual arrangement values in a financial year or over the proposed term of the contractual arrangement. For example:

- A contractual arrangement for the supply of a service over a five (5) year period that is expected to be worth \$80,000 (excluding GST) each year has a total expected value of \$400,000 (excluding GST).

Value of Purchasing or Contractual Arrangement	Execution (unless adopting a legislative exception)
SMALL SIZED CONTRACTS	
Up to the value of \$1,000.00 (excluding GST)	Seeking one (1) verbal or written quotation
\$1,000.00 and less than \$7,500.00 (excluding GST)	Seeking two (2) verbal or written quotations
\$7,500.00 and less than \$15,000.00 (excluding GST)	Seeking two (2) written quotations (Request for Quotation)
MEDIUM SIZED CONTRACTS	
\$15,000.00 and less than \$200,000.00 (excluding GST)	Seeking three (3) written quotations (Request for Quotation)
LARGE SIZED CONTRACTS	
\$200,000.00 (excluding GST) or more	Seeking three (3) written tenders (Request for Tender or Expression of Interest/Request for Tender)

Further detail in Council’s methods and tools used to approach the market and the legislative exceptions to first seeking tenders and quotes is detailed in the *Council Procurement Procedure* document.

11.0 Policy Review

This policy will be reviewed **annually** as required in the Regulation or when any of the following occurs:

- Relevant legislation, regulations, standards and policies are amended or replaced; and
- Other circumstances as determined from time to time by the Chief Executive Officer / Executive Leadership Team / Managers.”

2016 / 07 / 12 / 011

Carried (9-0)

Consultation - Annual Valuation Effective 30 June 2017

Executive summary:

The Department of Natural Resources and Mines maintains the property valuation database used by Council for rating purposes. From time to time, and generally on an annual basis, the Department will undertake a process to revise these valuations to ensure they remain current, taking into account market movements. There is a requirement under *the Land Valuation Act 2010* for the Department to consult Council in this process and to this end a formal request has been made for Council to provide its input into the decision making process. A revaluation was completed last financial year with the last valuation having an effective date of 30 June, 2016.

Resolution:

Cr Nixon moved and seconded by Cr Daniels “That Council advise the Valuer-General that it supports the completion of a valuation of land in the Central Highlands Regional Council Area with date of effect being June 30, 2017.”

2016 / 07 / 12 / 012

Carried (9-0)

Related Party Disclosures Policy

Executive summary:

From 1 July 2016 Council must disclose information about related parties in the annual financial statements. This information includes related party relationships, transactions, outstanding balances, and commitments.

Related parties include the Mayor, Councillors, Chief Executive Officer (CEO), General Managers, their close family members and any entities that they control, or jointly control or have significant influence over.

The Related Party Disclosures Policy sets out the guidelines for the identification and reporting of related party transactions for Council, including identifying those transactions that are considered Ordinary Citizen Transactions (OCT) that an ordinary citizen would undertake with Council and which are not required to be disclosed under this policy.

Resolution:

Cr Rolfe moved and seconded by Cr Brimblecombe “That Central Highlands Regional Council adopt the Related Party Disclosures Policy.”



COUNCIL POLICY

Related Party Disclosures Policy

POLICY NUMBER: [automated #]

DEPARTMENT: Corporate Services and Executive

EFFECTIVE DATE: 01 July 2016	UNIT: Management Finance and Governance
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1.0 Purpose and Scope

1.1 Purpose

This policy sets out the guidelines for the identification and reporting of related party transactions to meet financial reporting obligations.

From 1 July 2016, the Australian Accounting Standards Board has determined that AASB 124 Related Party Disclosures will apply to government entities, including local governments.

Related parties under this standard may differ to those listed on Council's Register of Interest which is required under Local Government Regulation 2012.

Local governments must disclose related party relationships, transactions and outstanding balances, including commitments, in the annual financial statements.

This information will be audited as part of the annual external audit by Queensland Audit Office.

1.2 Scope

Related parties include both related entities and related persons.

Entities controlled by Council, jointly controlled by Council, or over which Council has a significant influence, are related parties of Council.

Related parties also include the Mayor, Councillors, Chief Executive Officer (CEO), General Managers, their close family members and any entities that they control, or jointly control or have significant influence over.

Any transaction between council and these parties, whether monetary or not, may need to be identified and disclosed.

2.0 Reference

2.1 Related Laws

AASB 124 Related Party Disclosures
 AASB 128 Investments in Associates and Joint Ventures
 Local Government Act 2009
 Local Government Regulation 2012 (Finance, Plans and Reporting)
 Information Privacy Act 2009

2.2 Related Policies/documents

Appendix 1 – Related Party Declaration Form
 Appendix 2 – Fact Sheet: Related Party Disclosures for KMP
 Register of Interests
 Register of Local Laws and Subordinate Laws
 Register of Fees and Charges
 Workflow of System Register of Related Party Transactions
 Council's Employee Code of Conduct

3.0 Definitions

CEO refers to Chief Executive Officer

Council refers to Central Highlands Regional Council

The Act shall mean the Local Government Act 2009 (as amended).

The Regulation shall mean the Local Government Regulation 2012 (as amended).

Key Management Personnel (KMP) are persons having authority and responsibility for planning, directing and controlling the activities of council, directly or indirectly.

Related Party is a person or entity that is related to Council.

Related Party Transaction is a transfer of resources, services or obligations between Council and a related party, regardless of whether a price is charged.

Related Person is a person or close family member that has control or joint control of Council, has significant influence over Council, or is a member of the KMP of Council. May be different to those persons for whom a register of interests is kept under Local Government Regulation 2012.

Related Entity an entity is related if:

- it is controlled or jointly controlled by Council;
- it is or can be significantly influenced by Council;
- it is controlled or jointly controlled by a related person of Council;
- a related person of Council has significant influence over it or is a KMP of the entity
- the entity is a post-employment benefit plan for the benefit of employees of Council or entities related to Council.

Close Family Members are family members who may be expected to influence, or be influenced by, that person in their dealings with Council. Specifically:

- the person's children and spouse (or domestic partner);
- children of that person's spouse (or domestic partner);
- dependants of that person or that person's spouse (or domestic partner)

Ordinary Citizen Transactions (OCT) are transactions that an ordinary citizen would undertake with Council.

4.0 Policy Statement

4.1 Identification and recording of related parties and related party relationships

Related parties for Key Management Personnel will initially be identified by self-assessment. Key Management Personnel of Council will make a regular declarations of related parties. A sample of such a declaration is included in Appendix 1 –Related Party Declaration.

Governance and Finance will provide information to assist KMP in making this declaration. A Fact Sheet for this purpose, which includes an example of the financial statement disclosure, is included in Appendix 2 –Fact Sheet – Related Party Disclosures for KMP. The risk inherent in the system of self- assessment will be monitored by Governance, including having regard for errors and omissions in KMP declarations. A determination of Council's related parties will be made in conjunction with the Governance and Finance sections.

Related party relationships will be confidentially recorded by the Finance team and all financial transactions between Council and these parties will be identified, captured and reported where required.

Initial identification and recording of non-financial transactions will be the responsibility of the Governance section. Key Management Personnel should notify the Executive Manager Governance of any non-financial transactions of which they become aware.

The process for the identification, validation and recording of related parties will be documented for external audit requirements.

4.2 Systems to Record Related Party Transactions

Both Finance and Governance are responsible for determining the terms and conditions of related party relationships and developing appropriate systems to monitor and report these transactions. This will include implementing an automated system within the accounting system to: record related party relationships in a Register format; capture all financial transactions between Council and these parties; and provide a reporting process for these relationships and transactions.

Non-financial transactions identified to or by Governance noted above will also be identified and recorded for reporting in Council's financial statements.

The process for the identification and recording of related party transactions will be documented for external audit requirements

4.3 Materiality Assessment and Disclosure

Prior to preparing the disclosure in Council's annual financial statements, related party transactions will be assessed for materiality in accordance with materiality guidelines provided under the Australian Accounting Standards. Assessing materiality requires judgement and should be done in consultation with the Audit Committee and External Auditor.

4.4 Identification of Ordinary Citizen Transactions

Ordinary Citizen Transactions (OCT) are those transactions that an ordinary citizen would undertake with Council and do not require disclosure under this policy.

Examples of OCT's that will not require disclosure are:

- Rates and utility charges
- Fees and charges included in Council's register of fees and charges
- Fines and Penalties included in Council's Register of Local Laws and Subordinate Local Laws
- Attendance of Council functions which are open to the general public
- Visiting Council facilities which are open to the general public

The OCT's listed above will not be excluded from non-disclosure under this policy if:

- the terms and conditions of the OCT are different to those offered to the general public
- they have a financial value, either individually or collectively, that is considered material.

4.5 Responsibility and Accountability for Declarations by KMP

Related party self-assessment declarations by KMP will be made initially in July 2016 and will then be required to be updated every six (6) months. Declarations will also be required within six weeks of the following events occurring:

- Local Government election
- Appointment of a new CEO or Member of the Executive Leadership Team
- Corporate Restructure
- KMP enters into a new relationship which would meet the definition of a "related party."

4.6 Privacy and Confidentiality

Related party declarations by KMP will be treated as confidential and access to this information will be closely restricted. Information will only be available to those staff members within Governance and Finance, who are assisting the KMP or providing information to satisfy external audit requirements. Staff members having access to this information will be made aware of Council's

Code of Conduct in relation to Privacy, the Information Privacy Act 2009 and section 200 of the Local Government Act 2009, which governs the use of information by local government employees.

5.0 Policy Review

This policy will be reviewed annually as required in the Regulation or when any of the following occurs:

- Relevant legislation, regulations, standards and policies are amended or replaced; and
- Other circumstances as determined from time to time by the Chief Executive Officer / Executive Leadership Team / Managers.”

2016 / 07 / 12 / 013

Carried (8-1)

GENERAL BUSINESS

(Verbal matters raised by Councillors either as a question, acknowledgement and or additional follow-up by officers)

Cr Godwin-Smith

- Provided an overview of the Finance and Infrastructure Standing Committee meeting that was held earlier today.

Cr Daniels

- Acknowledged NAIDOC Week;
- Requested that Council send a thank you letter to Mr Johnno Malone for the artwork that was presented to the Mayor at the Flag Raising on Monday 4 July 2016; and
- Thank you to Ms Andrea Ferris and the communications team for the great work with the Central Highlands Regional Council E News. She has had a lot of positive feedback from community members.

Cr Nixon

- Thanked Council for the opportunity to attend the Australian Local Government Association – National General Assembly conference in Canberra; and
- Thanked Mr Scott Mason for arranging a meeting with the local contractors from the Springsure region on 11 July 2016.

Cr Rolfe

- Thanked Mrs Sandra Hobbs, General Manager of the Central Highlands Development Corporation for disseminating conference notes for the recent Developing Northern Australia Conference that was held in Darwin.

Cr Bell

- Raised for consideration to provide hot spots for free WiFi in the central business district areas and areas where tourists frequent;
- Australian Local Government Association State of the Regions report has been placed in Councillors meeting room.

Attendance

General Manager Communities B. Duke and Manager Finance S. Fogg left the meeting at 3.19pm
Member for Gregory Mr Lachlan Millar attended the meeting at 3.19pm

Lachlan Millar

- Provided state of play update on the federal election;
- Major Projects – great opportunity for the Central Highlands with the Meat Processing Plant and the Intermodal Hub / Inland Port;
- Shadow Minister for Agriculture Mr Dale Last visited the region last week and inspected the proposed sites for the Meat Processing Plant and the Intermodal Hub / Inland Port;
- Central Highlands falls in the region for the Developing Northern Australia and that there is a funding component that we should tap into – regional Queensland to be well funded;
- Has advised that he will be inviting Senator Matt Canavan to the Central Highlands region next week; and
- Shadow Minister for the Department of Transport and Main Roads Mr Andrew Powell will be touring the Central Highlands and Isaac Region on 22 September 2016 inspecting a number of roads in the state network. This provides an opportunity for a long term commitment to road funding and planning for the Central Highlands.

CLOSURE OF MEETING

There being no further business, the Mayor closed the meeting at 3.32pm

CONFIRMED

MAYOR

DATE