



# YARRIAMBIACK

*Shire Council*

ACTION PLAN – INSPECTORATE REPORT

Municipal Office

RECOMMENDATIONS	COUNCIL ACTIONS	TIMEFRAME AND RESPONSIBLE OFFICERS
<b>Asset Management</b>		
<b>4.1 Private works</b>		
<p>a) Private works must cease</p> <p>b) Draft and implement a policy in relation to work carried out outside of normal operational scope</p> <p>c) Guidance to staff about why such works are inappropriate.</p>	<ul style="list-style-type: none"> <li>• As per the report, Staff have been advised that private works are to cease and no longer be provided. This has been further reiterated in All Staff memos in August, September and October, 2019.</li> <li>• A clear policy will be developed in relation to scope of works that occur outside of normal operations.</li> <li>• An updated Gifts, Benefits and Hospitality Policy was adopted at Councils September 2019 Ordinary Council meeting and has a declare all basis which staff have been consulted on.</li> <li>• A new Staff Code of Conduct has been developed and was distributed at the November All Staff meeting which further details staff responsibilities about carrying out works, conflict of interest and misconduct.</li> <li>• Staff training will continue to be provided on adopted and newly created policies, procedures and general governance as per the consultation mechanisms in the EB.</li> </ul>	<p><i>Completed</i></p> <p><i>Infrastructure department in consultation with finance. Dec, 2020. External Works Policy.</i></p> <p><i>Completed.</i></p> <p><i>Completed</i></p> <p><i>Ongoing – with Governance and Probity training in Aug.</i></p>
<b>4.2 Sale of consumables or resources from Council Depot</b>		
<p>a) Council to create and enforce guidelines on the sale of consumables.</p> <p>b) Council to ensure tight controls are in place to ensure any sales undertaken do not prove anti-competitive for local businesses.</p>	<ul style="list-style-type: none"> <li>• Council has core business functions and any functions outside of that core business will need to be provided in line with a clear justification of purpose and guidelines as per an External Works Policy.</li> </ul>	<p><i>Infrastructure department in consultation with finance. Dec, 2020. External Works Policy.</i></p>

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<b>Asset Management</b>		
<b>4.3 Staff usage of Council equipment</b>		
a) The practice of allowing depot employees to utilise plant and equipment for personal use or private works should cease immediately.	<ul style="list-style-type: none"> <li>All Council staff have been advised via meetings and memo that plant and equipment can not be used for personal or private use.</li> </ul>	<i>Completed</i>
b) Make it mandatory for all depot staff to be familiar with the policies and have each depot staff member sign off to confirm reading and understanding on a regular basis.	<ul style="list-style-type: none"> <li>This has been reiterated in All Staff memos distributed in August, September and October 2019.</li> </ul>	<i>Completed</i>
c) Council should provide training and guidance on why such use of public resources after hours is not appropriate.	<ul style="list-style-type: none"> <li>A new Staff Code of Conduct has been developed and includes staff usage of Council equipment.</li> <li>Good Governance training was undertaken by All Staff in June 2019 and will be followed up with a refresher in August 2020 which also will include Probity related training.</li> </ul>	<i>Completed</i>  <i>Ongoing – with additional Governance and Probity training in Aug 2020.</i>
<b>4.4 Council leasing private assets from staff.</b>		
a) Review and update procurement policy as appropriate.	<ul style="list-style-type: none"> <li>The updated Procurement Policy was adopted by Council at the May 2019 Ordinary meeting.</li> </ul>	<i>Completed</i>
b) Ensure all risk mitigation is in place prior to hiring assets from staff.	<ul style="list-style-type: none"> <li>Any consideration of leasing private assets from staff would be subject to a rigorous procurement process.</li> <li>The updated policy provides provision for aggregate spend over a two year period to be monitored.</li> </ul>	
<b>4.5 Unauthorised sale of plant and equipment</b>		
a) Develop and implement a policy for recording of assets, their purchase, locations, status and disposal and provide this policy to the Inspectorate.	<ul style="list-style-type: none"> <li>Council accepts that record keeping and management of assets has been poor.</li> </ul>	<i>Infrastructure department in consultation with finance. Aug, 2020. Asset acquisition, utilisation and Disposal Policy.</i>

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<b>Asset Management</b>		
<b>4.5 Unauthorised sale of plant and equipment</b>		
b) Undertake a thorough reconciliation of all council equipment and other assets and record in a register that is updated each time plant and equipment is purchased or sold.	• Investment in resources to provide improved asset management will be made and a policy will be developed to reflect improved practices developed including the disposal of plant, equipment, land and any other assets.	<i>Seek FAST funding from Local Government Victoria to assist with the reconciliation of all assets.</i>
c) The asset register must be updated regularly and access to the register restricted to appropriate staff.	• Current asset management systems including plant assist and Assetfinda will be better utilised and other council methods such as the use of QR codes/barcodes on all plant will be investigated. These systems will also allow restricted asset and provide an audit trail when changes are made.	<i>Utilise a staff member for the specific roll out of Assetfinda register update and maintenance.</i>
<b>4.6 Sale of land</b>		
a) Develop a sale of land policy and formally document the sale of land process to assist with adherence to the Act, promote uniformity across the organisation, and mitigate key person risk.	• Whilst Council has a relatively low number of land sale transactions, the need for a policy and procedure to reflect the sale of land is crucial to ensure the requirements of the Act are met.	<i>Infrastructure department in consultation with finance. Aug, 2020. Asset acquisition, utilisation and Disposal Policy. Aug, 2020.</i>
b) Maintain all relevant sale of land correspondence and documentation on file.	• A number of other local Councils have policies in place already and these will be utilised by Yarriambiack Shire and incorporate it in to the sale and disposal of asset policy.	
c) Maintain a written record of all key decision making rationale.		
<b>4.7 Planning for capital expenditure</b>		
a) A full program of works should be adopted for the capital works in the annual budget.	• As per the report, the practice of a non complete capital works program adopted in budget has been discontinued.  • All budgets will adopt a full capital works program and any material changes to the capital program throughout the year will be a decision of Council.	<i>Completed</i>

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<b>Financial Management</b>		
<b>5.1 Procurement</b>		
a) Council update its procurement policy in accordance with legislation and adhere to it.	• Council adopted an update Procurement Policy at the May 2019 Ordinary Council meeting and has employed a full time Procurement Officer as at September 2019.	<i>Completed</i>
b) Procurement staff should use the Local Government Victoria best practice procurement guidelines to assist in developing their processes.	• The updated policy is in accordance with best practice.	
c) Delivery of training and education to all procurement staff and evaluation panel members.	• Council has purchased and rolled out four modules of online Procurement Training to the seven Councillors and key staff.	<i>Completed</i>
	• A contract manual has been developed and templates are being created to ensure compliance with the Policy.	<i>Corporate Department. Contract Manual to be adopted and implemented by June 30, 2020.</i>
<b>5.2 Recovery of outstanding rates</b>		
a) Council should develop a policy to govern the management and recovery of outstanding rates.	• Council is committed to recovering outstanding debts and a policy will be developed alongside a clear plan for recovery.	<i>Corporate Department. Rates Policy to incorporate financial hardship, new properties and rate recovery to be adopted by April 2020.</i>
b) Take immediate action to recover outstanding rates or where appropriate, write off any unrecoverable debts.	• Monthly reporting to Council as currently occurs will also include key indicators of performance and collection success.	
<b>5.3 Corporate credit cards</b>		
a) Council must adhere to its own policy on credit card use.	• As per a number of internal audit recommendations, a finance procedure manual is being developed and this will incorporate the procedure that accompanies the credit card policy will be developed.	<i>Completed</i>

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<b>Financial Management</b>		
<b>5.4 Community Grants programs</b>		
a) Develop and document the process, clearly outlining who has responsibility for the assessment/ evaluation of applications, who is to prepare the report to Council and who is to sign off on the report prior to going to Council.	• A Community Grants policy and Community Grant Guidelines were adopted by Council at the August 2019 Ordinary Council Meeting and were used in the most recent round of community SHARE grants.	<i>Completed</i>
b) Written assessments to be made for each application, outlining the reasons for approval or decline and why applications did not receive their full allocation.	• The guidelines provide clarity around separation of duties and roles.	
c) Councillors to receive full report for both recommended and not recommended applications		
d) Councillors should be removed from the evaluation process.		
<b>5.5 Government Grants</b>		
a) Adopt a Grant Management Policy	• A Grant Management Policy and Grant	<i>Completed</i>
b) Create a comprehensive grants register	Management Guidelines were adopted by Council	
c) Council to act on the recommendations of its internal audit consultant.	at the August 2019 Ordinary Council Meeting.	
	• A Grant register has been developed but requires additional training of staff to ensure it captures all grants received.	<i>Ongoing quarterly.</i>
<b>Human Resources Management</b>		
<b>6.1 CEO/Senior Officer contract and performance reviews</b>		
a) Review all senior officer contracts with immediate effect in accordance with relevant legislation.	• Council acknowledges that the current Senior Officer Contracts are not in accordance with relevant legislation and will transition them to the expected industry standard at renewal opportunities. This will be reflected in the contract terms, remuneration and performance indicators.	<i>To be rectified at end of current contracts.</i>
b) Align all future senior officer contracts with legislative requirements and industry standards.		

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<b>Human Resources Management</b>		
<b>6.2 Secondary employment</b>		
a) Develop and implement a secondary employment policy to ensure accountability and transparency.	<ul style="list-style-type: none"> <li>• The guidelines around secondary employment are incorporated in to the Human Resources Policy.</li> <li>• The need to declare secondary employment is contained within the new Staff Code of Conduct and recent Good Governance Training provided information and advice to staff about the need to declare secondary employment.</li> <li>• Staff self declare and are provided with an acknowledgement letter approving or declining the secondary employment request.</li> </ul>	<i>Completed</i>
<b>General Governance</b>		
<b>7.1 Governance schedule</b>		
a) Develop a whole of organisation governance schedule that captures each of the council's statutory obligations and that clearly details the responsible staff member and function to be carried out.	<ul style="list-style-type: none"> <li>• Council purchased RelianSys in June 2019 and is currently rolling out the six modules including Compliance provides detailed obligations contained in relevant Acts and assigns responsibilities for each of the statutory obligations which are escalated should they not be undertaken. Dashboards allow for accountability.</li> </ul>	<i>Corporate Department. Partially Completed – fully completed by June 30, 2020.</i>
b) Information on progress against governance schedule milestone provided to management and council.	<ul style="list-style-type: none"> <li>• A governance schedule can then be produced and provided to Council to demonstrate progress and compliance, which will occur six monthly.</li> </ul>	
<b>7.2 Policy Framework</b>		
a) Ensure updated policies are in place for key operational issues.	<ul style="list-style-type: none"> <li>• Another of the modules in RelianSys is Monitor which schedules, reminds, tracks and centralises critical information in one place.</li> </ul>	<i>Corporate Department. Partially Completed – fully completed by June 30, 2020.</i>
b) Policy review should form part of the governance schedule	<ul style="list-style-type: none"> <li>• This also allows for assigning responsibilities and tracking progress on the dashboard.</li> </ul>	
c) Senior management and council need to be accountable for the policy review process.	<ul style="list-style-type: none"> <li>• This will form part of the governance schedule which will be reported on six monthly to Council.</li> </ul>	

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<b>General Governance</b>		
<b>7.3 Record Keeping</b>		
<p>a) Records are to be kept in accordance with the Public Records Act.</p> <p>b) All records should be converted to electronic format.</p> <p>c) Training should be provided to all staff on record storage and their responsibilities under the Public Records Act as a high priority.</p>	<ul style="list-style-type: none"> <li>• Council acknowledges that the Record Keeping across the organisation is poor and requires significant investment and improvement to comply with the Public Records Act.</li> <li>• Council has partnered with five other rural councils in a Rural Council Transformation Program that includes the acquisition of a Finance, Payroll and Records Management System. A Business Case for the project is being finalised and Procurement is intended to take place in 2020.</li> <li>• Training will be an important part of this process and budgeting in the 20/21 HR Training budget will include Records Management training.</li> </ul>	<p><i>An external cost on converting permanent records to digital will be obtained and a staged approach over several budget cycles taken to digitalise.</i></p> <p><i>Records Management to be procured and implemented in 2020 through the RCTF.</i></p> <p><i>Training to be scheduled in 2020 once Records Management System is identified through Procurement.</i></p>
<b>7.4 Audit Committee</b>		
<p>a) Conduct and immediate review of the charter, reference Audit Committees – A Guide to good practice for local government and the July 2014 gap analysis in conjunction with publically available charters of similar councils.</p> <p>b) Restructure the expiry dates of each of the independent members.</p> <p>c) Develop a set of performance objectives for the committee and have them conduct an annual self-assessment against the objectives.</p> <p>d) Ensure that at all times the quota and membership of independent members are in accordance with the requirements set out in the charter.</p>	<ul style="list-style-type: none"> <li>• As per the investigative report, Council currently has a well functioning Audit and Risk Committee.</li> <li>• A new Audit Charter was adopted by Council at its July 2019 Ordinary Meeting and incorporates risk management, staggered expiry dates and annual self assessment requirements.</li> <li>• The charter was developed with the good practice guide and audit recommendations.</li> </ul>	<p><i>Completed</i></p>



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<b>General Governance</b>		
<b>7.5 Special committees</b>		
a) Immediate review of committee instruments of delegations to ensure compliance with the Act.	• Council has requested legal advice in relation to the two S86 housing committees to look at a transfer of these assets to community management.	<i>Community Development Department – March 2020.</i>
b) Review of interest return exemptions for current committee members.		
c) Appropriate and effective management oversight of special committees to ensure financial accountability and compliance with legislation.	<ul style="list-style-type: none"> <li>• In the interim all four Committees of Management will be reviewed to ensure appropriate delegations and oversight.</li> <li>• Council is currently recruiting a Sport and Recreation Officer who will also be responsible for pools and to provide improved governance and oversight and support to community of management pool committees.</li> </ul>	<i>Recruitment underway.</i>
<b>7.6 Delegations</b>		
a) Ensure that all delegations made by council are reviewed within the period of 12 months after a general election in accordance with section 98 (6) of the Act.	• The delegations are currently up to date and are also included as a module with Authorisations in the RelianSys suite of software Council has purchased and implemented utilising Maddocks updates and templates.	<i>Designated in Reliasys – completed.</i>
b) Ensure that all staff holding a delegated authority are trained in regard to their obligations under the delegations.		

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<b>General Governance</b>		
<b>7.7 Local Laws</b>		
a) Develop a process whereby local laws reviews commence at least 12 months prior to their expiry date and are adopted before the local law sunset dates.	• A new Meeting Local Law was adopted by Council at the September 2019 Ordinary meeting and gazetted on October 3, 2019 and is now in operation.	<i>Completed</i>
b) Include the local laws review as part of the governance schedule.	• Meeting and Community Local Laws are incorporated in the Governance schedule in Reliansys.	<i>To be incorporated as the next module is rolled out.</i>
c) Publish all local laws on the Council website.	• Consideration in the 20/21 Budget for an improved website will be made. The current website is outdated, no longer fit for purpose and difficult to keep up to date due to onerous back end functionality.	<i>Budget for a new website proposed in 20/21 Council Budget.</i>