Executive Committee Meeting

SUMMARY MINUTES

19 April 2017
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Terms of Reference for the Executive Committee  
(Endorsed July 2016)

On behalf of State Council, and in accordance with any policies, directions or limitations set by State Council, undertake the following functions:

- Determine key directions in relation to the establishment and/or development of new and current business opportunities that result in the delivery of outputs which enhance the financial and operational capacity of Members and the Association.

- Adoption of business plans for the Association’s service delivery units that deliver the key objectives within the Association’s Strategic Plan, with regular monitoring of outcomes against agreed performance indicators.

- Oversee the financial management of the Association, including the recommendation of a draft annual Governance Budget to State Council, long term financial planning, monitoring/assessment of financial reports, approving and/or recommending budgetary reallocations to State Council, committing or reallocating reserve funds for special purposes, and auditing and presentation of the Association’s annual accounts.

- Internal audit including monitoring/assessing compliance against financial and asset management and internal control policies.

- Oversee the delivery of business development, business management, human resource management and information management and corporate services.

- Establish a risk governance structure which ensures that management has implemented sound risk management policies and procedures across the Association, and which is regularly reviewed.

- Establish risk management and internal control performance indicators that are regularly evaluated through internal and external audit processes.

- Regularly report to State Council on the key activities and major decisions of the Committee.

- Review and provide feedback on interim submissions, either in or out of session, to be put forward to government or other agencies.

- Act as the primary policy and advocacy support to the President and the Association.

- Determination of acceptable Annual General Meeting motions.

- Manage the Chief Executive Officer Performance Review process on behalf of State Council.
Minutes

Meeting of the Executive Committee held in the LGIS Boardroom, Level 3, ONE70 Railway Parade, West Leederville on Wednesday, 19 April 2017 commenced at 1.00pm.

Meeting Chair

Due to the WALGA President being an apology for this meeting, the Deputy President, Mayor Tracey Roberts opened the meeting. As Mayor Roberts was attending the meeting via teleconference, she requested a State Councillor attending the meeting in person to nominate to Chair the meeting.

Moved: Cr Doug Thompson
Carried: President Cr Karen Chappel

Mayor Henry Zelones to Chair the meeting.  CARRIED

1. Attendance, Apologies & Announcements

Attendance:

Members

Mayor Tracey Roberts  WALGA Deputy President (Teleconference)
Cr Doug Thompson  State Councillor
President Cr Karen Chappel  State Councillor
Mayor Henry Zelones  State Councillor
President Cr Stephen Strange  State Councillor (Teleconference)
Ms Joanne Abbiss  External Member

WALGA Staff

Mr Wayne Scheggia  Acting Chief Executive Officer
Mr Zac Donovan  EM Finance & Marketing
Mr Tony Brown  EM Governance & Organisational Services
Mr Mark Batty  EM Environment & Waste
Mr Ian Duncan  EM Infrastructure
Ms Jo Burges  EM Planning & Community
Mr John Filipponde  EM Business Solutions
Mr Rick Murray  Financial Controller
Ms Ana Fernandez  EO Governance Organisational Services

Apologies

President Cr Lynne Craigie  WALGA President
Ms Ricky Burges  Chief Executive Officer
President Cr Wayne Sanford  State Councillor

Announcements

Nil

Declaration of Interests

Nil
1.2 Minutes of Previous Meeting

The minutes of the Previous Executive Committee meeting held on Wednesday, 15 February 2017, have been included as an attachment for Committee Members' confirmation.

RECOMMENDATION

Moved: President Cr Karen Chappel
Seconded: Mayor Tracey Roberts

That the Minutes of the Executive Committee meeting of Wednesday, 15 February 2017 be confirmed as a true and correct record of proceedings.

CARRIED

1.2.1 Business Arising

Nil
2. Finance Governance

**Objectives:**

- Oversee the financial management of the Association, including the recommendation of a draft annual Governance Budget to State Council, long term financial planning, monitoring/assessment of financial reports, approving and/or recommending budgetary reallocations to State Council, committing or reallocating reserve funds for special purposes, and auditing and presentation of the Association’s annual accounts.

- Internal audit including monitoring/assessing compliance against financial and asset management and internal control policies.

2.1 Year to Date Financials as At 31 March 2017

*By Zac Donovan, Executive Manager Finance and Marketing*

**BACKGROUND**

As at 31 March 2017, WALGA is ten months into its reporting year. Non-grant surplus is **$390,715** against the year to date budget surplus of **$144,251**. Projection for a year end surplus of **$73,145** remains unchanged at this point in the period.

Income received to date is **$14,211,469** which is two percentage point (2%) less than budget income of **$14,541,460**.

Expenditure to date is **$13,820,753** which is four percentage points (4%) less than budget expenditure of **$14,397,209**.

In regard to areas of activity, year to date results in consideration of both income and expenditure adjustments as to annual modelling is as follows:

- Executive: performing **$55,221** ahead of year to date expectation.
- Finance and Marketing: **$91,335** ahead of year to date.
- Business Solutions: **$23,340** ahead of year to date.
- Governance and Organisational Services: **$110,957** ahead of year to date.
- Planning and Community: **$49,443** in arrears of year to date.
- Environment and Waste: **$64,731** ahead of year to date.

**RECOMMENDATION**

Moved: Mayor Tracey Roberts  
Seconded: Cr Doug Thompson

That the Year to Date Financial Report at 31 March 2017 be noted. **CARRIED**
2.2 High Level Budget Planning – 2017-2018

By Zac Donovan, Executive Manager, Finance and Marketing

BACKGROUND

The 2017/18 WALGA Governance Budget is scheduled to be presented to the Executive Committee on 24 May 2017 and to the State Council on 7 June 2017.

As has been the practice for the past two financial years, the 2017/18 WALGA Budget will be developed from a high level strategic starting point. As such it will seek to provide a more comprehensive analysis of the organisation’s activities and identify budget impacts rather than planning on the assumption that all activity is to be continued.

From the high level strategic standpoint, the detailed management budget will be developed employing an incremental budget process. In this budget model all costs are held to a general inflator only with income adjusted for organic growth and productivity gains. All additional expense adjustments in excess of the general inflator or new recurrent expenditure will be considered separately relative to the starting balance. The incremental process has been adopted in view of the poor economic climate and significant emerging challenges to the Association’s operating position.

The intended result is a budget process that is more responsive to the actual needs and requirements of the organisation in achieving its objectives as compared to a process that responds primarily to external forecasts and lagging indicators which are generic to all business.

The objective of the high level process, and consequently this report, is to provide understanding as to the environment in which the detailed governance budget will be developed, rather than determine or finalise the retention, adjustment or otherwise of any specific budget component.

As part of this process all business units have been required to complete high level plans to review their areas of activity. Populated with historical and projected financial information and key performance indicators, these plans include:

- Overview of service including identification of the primary beneficiaries to which the activity is directed and the impact on Members of discontinuing the service
- Identification of any income streams generated directly by the activity to include a review and rationale of any pricing that is applied
- Outlook for the immediate budget period and summary of key action points.

A key part of the high level planning process has been the peer review of all activities by the Strategic Executive Team which has assisted to define key performance indicators and challenged assumptions and projections of all business units. The complete high level summaries for each business unit are attached to this report.

Consequently the following briefing will outline the budget timing as is being applied; outline the broader budget considerations and relevant economic indicators; summarise the key issues for each WALGA business unit identified in the high level plans; provide a draft capital budget; and the high level financial position from the information provided in the unit plans.

It is intended that this process will provide more comprehensive and relevant insight into the WALGA budget planning considerations and redress those areas identified for review.
1. **Budgetary Timetable**

The budget timetable is detailed in the following table with completed areas shaded. As is shown in the timetable, with the completion of the high level planning, will commence the bottom up budget process that will define line item detail.

<table>
<thead>
<tr>
<th>Budget Development Requirements</th>
<th>Initiation Dates</th>
<th>Completion Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Level Plans (distributed part populated by Finance unit)</td>
<td>19 January</td>
<td>17 February</td>
</tr>
<tr>
<td>Budget Timetable (SET confirmation)</td>
<td>20 February</td>
<td></td>
</tr>
<tr>
<td>SET Budget Workshop 1 – High Level Plan Presentations</td>
<td>2 March</td>
<td></td>
</tr>
<tr>
<td>Detail Budget – 1st submission - For Income adjustment</td>
<td>9 March</td>
<td>16 March</td>
</tr>
<tr>
<td>Business Cases - New Recurrent Items</td>
<td>10 March</td>
<td>27 March</td>
</tr>
<tr>
<td>Capital Expenditure Submissions (including Business cases)</td>
<td>10 March</td>
<td>24 March</td>
</tr>
<tr>
<td>Detail Budget provided to SET</td>
<td>10 April</td>
<td>11 April</td>
</tr>
<tr>
<td>SET Budget Workshop 2 – Development of Management Budget</td>
<td>12 April</td>
<td></td>
</tr>
<tr>
<td>Salary Budgets (confirmation to CEO of SET Budget Workshop decision)</td>
<td>19 April</td>
<td></td>
</tr>
<tr>
<td>Executive Committee – High Level Plan Summary</td>
<td>19 April</td>
<td></td>
</tr>
<tr>
<td>Salary Budgets approved by CEO returned to EMs (Finance)</td>
<td>20 April</td>
<td>26 April</td>
</tr>
<tr>
<td>SET Budget Workshop 3 – Revision</td>
<td>27 April</td>
<td></td>
</tr>
<tr>
<td>Executive Committee - Governance Budget Presentation</td>
<td>24 May</td>
<td></td>
</tr>
<tr>
<td>State Council - Governance Budget Presentation</td>
<td>8 June</td>
<td></td>
</tr>
</tbody>
</table>

The table details the planning process and progress. As is shown, the Executive team has undertaken review of high level plans including associated key performance indicators and 12-monthly projections as part of the high level planning process.

In addition to the summary in the following, work has commenced on defining income adjustments and developing new business projects to contribute to the incremental development of the management budget.

An incremental process, in which all costs are held to a cost of goods inflator only, has been adopted in recognition of the economic climate. The addition of salary budgets and adjustments and direction on high level considerations from this meeting will enable the refinement of the management budget in the third Executive workshop on April 27 in preparation for presentation to the Executive Committee on May 24.
2. **Budget Objectives**

The development of the WALGA budget for 2017/18 prefers a conservative approach in making projections and assumptions. The objectives of the process are to:

- **Deliver a Balanced Budget**
  Within the context of setting out the parameters for the 2017/18 year to deliver sound financial management in view of the organisation’s strategic objectives, the budget process specifically seeks to deliver a balanced budget with any variation to be a small surplus.

- **Continue High Level Business Planning**
  As per the previous two financial years’ planning, the process will again include a high level review of all business units to capture the relevance and impact of all activity and provide a total view of the organisation’s operations and priorities. It is from this vantage point that it is proposed to best consider the organisation’s financial planning for 2017/18.

- **Consolidate Operating Position**
  Budget planning needs to be cognisant of the economic context. However this is heightened for 2017/18 planning with converging economic circumstances in WA with the potential to adversely impact Association income streams. Consequently it is prudent for the Association to recognise the emerging threats to operations when considering the addition of recurrent costs and prefer a position of consolidation. The potential implications of the economic downturn coupled with a change in State Government and record high State debt are explored later in the WALGA Financial Environment section.

- **Incremental Budget Development**
  In recognition of the challenging economic environment, an incremental budget process is implemented for 2017/18. As part of the incremental process, business units provide income projections based on all other factors remaining equal. That is based on nil new business capacity and all expenses adjusted only to a general inflator for cost of goods. Income growth is therefore attributable only to general inflationary increases with productivity gains required to accommodate any expansion in capacity.

- **Member Engagement Operational Focus**
  The Members’ First initiative is central to whole of operations at WALGA and consequently has an impact on the budget process. Indeed success with Members’ First will assist to redress some of the economic challenges confronting the organisation. Members’ First also has a direct impact on the operating and capital budgets in accommodating the Engagement Strategy and CRM components.
3. WALGA Financial Environment

The WALGA management budget is developed in consideration of the general economic environment and the identification of factors directly significant to the Association’s operations.

Following are key indicators considered as most relevant to the Association:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2014-15</th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Australia economy growth (WA Treasury)</td>
<td>2.25</td>
<td>1.9</td>
<td>0.5</td>
<td>1.5</td>
</tr>
<tr>
<td>RBA cash rate</td>
<td>2.0(a)</td>
<td>1.75 (a)</td>
<td>1.5 (b)</td>
<td>1.5 (b)</td>
</tr>
<tr>
<td>Employment growth (WA seasonally adjusted)</td>
<td>2.25</td>
<td>0.2</td>
<td>-1.25</td>
<td>0.25</td>
</tr>
<tr>
<td>Unemployment growth (WA seasonally adjusted)</td>
<td>5.25</td>
<td>6.0</td>
<td>6.5</td>
<td>6.5</td>
</tr>
<tr>
<td>Perth CPI</td>
<td>2.25</td>
<td>1.0</td>
<td>1.0</td>
<td>1.75</td>
</tr>
<tr>
<td>Wage Price Index (WA)</td>
<td>2.75</td>
<td>1.9</td>
<td>1.5</td>
<td>1.75</td>
</tr>
<tr>
<td>Public Sector Wage Price Index (WA)</td>
<td>4.2</td>
<td>3.3</td>
<td>1.5 (c)</td>
<td>1.5 (c)</td>
</tr>
<tr>
<td>Hay Job Evaluation System (WA Average)</td>
<td>3.5</td>
<td>2.75</td>
<td>2.5</td>
<td>2.3</td>
</tr>
</tbody>
</table>

(a) Cash rate as at June of the financial year.
(c) Forecasts consistent with revised Public Sector Wages Policy.

The economic environment as depicted by these lagging and forecast indicators provides a basis for the Association to recommend appropriate inflators to significant items such as salaries, Membership fees and cost of recurrent expenses along with contributing to determination of fee for services adjustments.

Economic Commentary

To assist in the understanding of the economic climate in which the WALGA budget is to be considered, the Association’s Economist has provided the following commentary.

The Western Australian economy recently recorded its slowest rate of economic growth in 13 years, with Gross State Product increasing by just 1.9% in the 2015-16 financial year. In the 2016-17 Pre-Election Financial Projections Statement, WA Treasury stated:

• Conditions have weakened since the budget, and are likely to weaken further in the year ahead. The WA economy is now predicted to grow by just 0.5% in 2016-17, down from the 1.25% rate of growth expected at the time of the Budget.
• The downgrade to Treasury’s growth expectations reflects a more rapid fall in business investment than previously expected, as major LNG projects reach completion. It also reflects ongoing weakness in dwelling investment, and more subdued consumer spending. Labour
market conditions have also weakened in recent times, with employment expected to fall modestly over the remainder of the year.

- The weaker economic environment means that price pressures are likely to be contained, with the CPI expected to be below the Reserve Bank’s target band for the next two years.
- Conditions in the WA economy are expected to bottom out in 2016-17, with a modest improvement in growth expected in the following years as the domestic economy begins to recover, and net exports continue to grow strongly.
- The State’s financial position also remains weak and has deteriorated across the forward estimates. The 2016-17 Pre-Election Financial Projections Statement show a record deficit of $3 billion is expected in the 2016-17 financial year with the budget not expected to return to surplus in the foreseeable future.
- The poorer budget position reflects a downward revision to Western Australia’s expected GST grants, the financial impact of recent Government decisions (including the agreement with the Commonwealth on the National Disability Insurance Scheme), and the inclusion in of a number of spending risks that previously weren’t taken into account.
- Ongoing deficits will inevitably put upward pressure on taxes on the community, and also mean that the new WA Government will need to re-examine spending on services and infrastructure – which may have flow on effects to other sectors in terms of cost shifting or program cuts.
- Net debt is now expected to rise to $41bn in 2019-20. Treasury has used some of its strongest language to date in describing the debt challenge confronting the State Government, emphasising how poor the State’s financial position is.

In addition the RBA cut the ‘cash rate’ to a record low of 1.5% in August 2016, amidst concerns about the health of the Chinese economy, and lower than expected inflation. The cash rate has been on hold since then. Most commentators now expect that the cash rate will remain unchanged throughout 2017, with the next movement likely to be an increase.

**Labour Market and Prices**

The WA Treasury is expecting low wages growth and inflation with the Wage Price Index forecast to increase from 1.5% in 2016-17 to 1.75% for 2017/18 and the Perth CPI annual movement expected to increase from 1.0% in 2016-17 to 1.75% in 2017/18.

The WA unemployment rate is expected to remain constant at 6.5% in 2017/18 from an average 6.5% in 2016-17 and 6.0% in 2015-16. While the Public Sector Wage Price Index (as depicted in the following chart) is forecast at 1.5% for the 2016/17 financial year which is a decline from 1.9% recorded across the 2015/16 year.

In addition to plotting the change to the Public Sector Wage Price index for the past four years, the following chart also depicts results for the overall WA Wage Price Index and Perth CPI both 1.75% while the Hay Evaluation System historically used by WALGA as a guide to salary changes is at 2.3%. It should be recognised that the Hay system is most closely aligned to the specific positions employed by the Association as compared to whole of industry indicators.

However given the potential challenges facing the organisation and the need to take a more conservative approach to recurrent spending, it is proposed that a salary adjustment recognise that the Hay system recommendation is the most appropriate for the Association however that the 2017/18 salary inflator instead prefer to align with the Public Sector WA WPI of 1.5% and be limited to those employees within the Hay operational band adopted for staff.
(a) Source: Refer Key Indicators Table.
4. **Budget Development Process**

As previously mentioned, a top down process has been adopted for the development of the WALGA budget. In essence this process sets out first to consider the viability and relevance of the organisation’s various activities.

It is from this point that general economic factors are considered and the detailed or bottom up line item budget is produced. Starting with a top down approach helps ensure that activities remain in keeping with the organisation’s role of working for the Local Government sector. Taking only a bottom up approach – that is require business units achieve only their financial parameters – does not necessarily ensure that all activities remain relevant.

To this end, the top down process required all business units to complete high level plans to provide an overview of service, including identification of the primary beneficiaries to which the activity is directed and the impact on Members of discontinuing the service; identify any income streams generated directly by the activity to include a review and rationale of any pricing that is applied; and present an outlook for the immediate budget period and summary of key action points.

The high level plans were also populated with historical and projected financial information to present emerging trends but also were required to include key performance indicators to help ensure that the areas of activity were delivering outcomes as per the organisational objectives along with meeting budget parameters. The plans were reviewed by the Strategic Executive team and are included as attachments and summarised in the following section.

The next stage of the budget development process will be to proceed to the detailed budget phase in which business units will address line item allocations within the parameters of the high level budget position. It is at this stage that additional prioritisation may be required including determination as to the consideration of new business cases and indicative special project applications.

As mentioned previously the detailed budget is being developed with an incremental process by which income is adjusted in response only to inflation movement and productivity gains. Adjustments to costs in addition to the general inflator will be considered with business case proposals for all new recurrent expenditure. The incremental process has been adopted in recognition of the income risks from the economic environment, as detailed earlier, and the need for the organisation to consolidate its operational position.
5. High-Level Planning - Summary Issues

The following table summarises the priority issues relevant to each business unit as identified in the high level plans as having potential to impact on budget planning. Complete summaries are included as an attachment.

<table>
<thead>
<tr>
<th>Business Unit Priority Considerations</th>
<th>Income '000</th>
<th>Costs '000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016/17</td>
<td>2017/18</td>
</tr>
<tr>
<td><strong>Executive</strong></td>
<td></td>
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<tr>
<td>• New State Government relationships</td>
<td>$2,317</td>
<td>$2,356</td>
</tr>
<tr>
<td>• State/Local Government Partnership Agreement</td>
<td></td>
<td></td>
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<tr>
<td>• Members First initiative</td>
<td></td>
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<tr>
<td><strong>Marketing and Finance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Engagement Strategy component of Members First</td>
<td>$5,300</td>
<td>$5,048</td>
</tr>
<tr>
<td>• Sector promotional campaign supported with periodic issues-based campaigns</td>
<td></td>
<td></td>
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<tr>
<td>• Continued business unit marketing plans</td>
<td></td>
<td></td>
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<tr>
<td>• Develop acquisition funding strategy for LGHT</td>
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<tr>
<td>• Review and update internal financial process to involve direct business unit presentations</td>
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<td></td>
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<tr>
<td>• Support LGIS communications activity</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Governance and Organisational Services</strong></td>
<td>$2,541</td>
<td>$2,602</td>
</tr>
<tr>
<td>• Strengthen relationships with DLGC and other regulatory agencies</td>
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<td></td>
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<tr>
<td>• Develop best practice resources for Members via Governance Manuals</td>
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<tr>
<td>• Enhance Regional Cooperation work to align with Members First engagement initiatives</td>
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<tr>
<td>• Implement Remuneration Survey to sector</td>
<td></td>
<td></td>
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<tr>
<td>• Develop Mayors/Presidents training courses</td>
<td></td>
<td></td>
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<tr>
<td>• Retain Registered Training Organisation status</td>
<td></td>
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<tr>
<td>• Continue to review recruitment services</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Business Solutions</strong></td>
<td>$6,166</td>
<td>$6,214</td>
</tr>
<tr>
<td>• Consolidation of inefficient supply arrangements in Category Portfolio Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Implement integrated marketing and communication plan and review</td>
<td></td>
<td></td>
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<tr>
<td>• Enhanced engagement with the sector of Procurement Systems and Improvement Services</td>
<td></td>
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<tr>
<td>• Implement CRM component of Members First for use across organisation</td>
<td></td>
<td></td>
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<tr>
<td>• Develop and implement WALGA Information Management Plan and Business Technology Plan</td>
<td></td>
<td></td>
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<tr>
<td><strong>Infrastructure</strong></td>
<td>$2,976</td>
<td>$3,030</td>
</tr>
<tr>
<td>• Complete negotiation of State road funding agreement – commence from July 2018</td>
<td></td>
<td></td>
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<tr>
<td>• Finalise WANDRRA improvements for recovery of internal day labour costs</td>
<td></td>
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<tr>
<td>• Model Policy for Approving Restricted Vehicle access and on Charges for Impact of Large Freight</td>
<td></td>
<td></td>
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<tr>
<td>• Implement RoadWise action plan</td>
<td></td>
<td></td>
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<tr>
<td><strong>Environment and Waste</strong></td>
<td>$413</td>
<td>$417</td>
</tr>
<tr>
<td>• Implement MWAC strategic plan</td>
<td></td>
<td></td>
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<tr>
<td>• Expand development and adoption of Environmental Planning Tool</td>
<td></td>
<td></td>
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<tr>
<td>• Key advocacy issues in container deposit scheme and rural landfill environmental standard</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Planning and Community Development</strong></td>
<td>$64</td>
<td>$84</td>
</tr>
<tr>
<td>• Respond to emerging policy issues of new State Government</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Greater Local Government adoption of Emergency Management services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Advocacy on ESL review and implications</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
6. Preliminary Top Down Budget Impacts

The top down budget development process establishes the broad guidelines from which the detailed line item budget can be completed. An essential component of this process is defining the quantum of adjustments to key areas of revenue and expense. That is to define the implication of key strategic decisions from the high level process that will need to be considered as part of the detailed budget development. As such the items listed should not be misinterpreted as the only adjustments that will occur as part of the overall budget process but rather those that emerged from the strategic high level planning.

The adjustments recommended for key areas of operation and accompanying rationale as detailed as follows:

**Significant Cost Adjustments**
The adjustments recommended as part of the top down budget planning process for key cost areas, and accompanying rationale, as detailed as follows:

- **Members’ First Engagement**
The Members’ First initiative was developed to ensure the Association was most effectively engaged with Members in particular the senior leadership group of Local Government Chief Executive Officers, Mayors and Presidents and Elected Members. Components of Members’ First have recurrent expenditure requirements. These include an additional $207,024 allocated to staff and program costs for implementation of the Engagement Strategy and capital expenditure of $175,000 for the implementation of a whole of organisation CRM system and associated licencing costs dependent on the system eventually selected.

- **Salaries Adjustment**
As a labour-intensive operation with a representative governance structure, salaries and allowances are a significant component of the Association’s operating costs. As such the costs associated with salaries and allowances are aligned with the organisation’s principal role of working for Local Government as most immediately realised for all Member Councils in their annual fee. Consequently the inflator that is applied to salaries and allowances requires consideration of a number of indicators, as identified previously, as well retaining relevance and consistency in practice. Of the indicators most appropriate to consider for salaries and allowances are the Hay Job Evaluation System Perth average (2.3%) and the Wage Price Index for Public Sector WA (1.5%). Both these measures are lag indicators as they correspond to the 12 month change at the previous November and September respectively. The Hay indicator aligns with the position evaluation and allocation system employed at WALGA while the WPI Public Sector WA provides some validation of the sector most aligned with WALGA and an employee base with similar skills and requirements.

In consideration of the two most relevant indicators – at 2.3% and 1.5% respectively – and the financial environment, it is recommended that the lower of the two inflators (1.5%) be applied for 2017/18 to salaries within the Hay bands at an additional cost of $120,000.

- **MWAC Salary Support**
Mid way through 2016/17, Strategic Partnership Funding from the State Government was withdrawn. At that time to support the program to year end, the Executive Committee recommended to State Council to apply $78,000 from the increased Special Projects budget. However the loss of the $135,000 State Government grant has left a $60,000 gap in salary support for MWAC. Should the decision be to continue the structure of the Environment and Waste unit as is proposed in the high level planning, the additional $60,000 in wages will need to be supported by the Association.

- **Emergency Management Salaries**
During 2016/17 the Emergency Management business unit was allocated increased staff resources with salary and overheads costs totalling $189,424 that is in addition to the initial annual budget allocation.
• **Discontinuation of Councils Online**
The Councils Online project has now been completed and associated costs no longer captured in Category Portfolio Management. The expense saving is $127,320 for Business Solutions. There is also a corresponding loss of income of $137,400.

• **Facilities and Administration Costs**
There is a preliminary increase of costs of $65,817 in Facilities and Administration, comprising a number of incremental increases, the most significant in quantum being increased rent and occupancy costs ($42,980) and workers compensation insurance premiums ($13,000).

• **Special Projects Allocation**
The allocation to Special Projects has been set in the high level budget at a conservative $100,000. The responsible practice has been for the Special Projects budget to be funded from non-recurrent income so as to avoid possibly unsustainable revenue being allocated to commence recurrent costs. Largely it has been the practice to match the non-recurrent income from the insurance experience account distribution to the Special Projects budget. Experience has been that the mean distribution from this account has been $250,000 with more recent years experiencing mid-year windfall adjustments in excess of 100%. In consideration of the recent experience in this income tempered with the uncertainty as to insurance income generally, it is proposed that an allocation of $100,000 be the preferred initial budget position for 2017/18.

• **Annual General Membership Income**
As per the previous two financial years, it is proposed that the Annual General Membership be aligned with the general salary inflator, for 2017/18 of 1.5%. As mentioned, this supports the recommendation to apply a mid-point of the wages variables as a reasonable position while still recognising that WALGA is a largely labour-intensive operation. The 1.5% proposed increase to the general membership fee for 2017/18 will provide realise an additional $33,500 across all Member Local Governments bringing total membership receipts to $2,269,000 which represents 13% of total revenue.

7. **High Level Budget Summary**
The budget summary from the top down projections that will provide the basis of business unit targets for detailed budget development is provided in the following.

As is demonstrated the executive discussion will commence at a deficit budget position ($157,000) which excludes the costs of accommodating any recurrent business cases that may be presented as part of the detailed governance budget planning.

The focus of the detailed budget planning process will be to achieve the objective of a zero bottom line governance budget.
### WALGA Executive Committee Meeting

Minutes

April 2017

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<td>Surplus/(Deficit)</td>
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<td>2,200</td>
<td>92</td>
<td>166</td>
<td>156</td>
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<tr>
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<td>5,300</td>
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<td>5,638</td>
<td>5,797</td>
<td>6,110</td>
<td>(318)</td>
<td>(497)</td>
<td>(1,061)</td>
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<tr>
<td>Corporate Services</td>
<td>693</td>
<td>594</td>
<td>606</td>
<td>(2,265)</td>
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<td>2,958</td>
<td>3,091</td>
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<td>Business Solutions</td>
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<td>1,836</td>
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<td>4,095</td>
<td>(1,112)</td>
<td>(1,495)</td>
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<tr>
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<td>64</td>
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<td>377</td>
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### Amounts in $000

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</tr>
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1. Preliminary Capital Budget

The preliminary draft capital budget is as follows.

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<tr>
<th>Asset Classification</th>
<th>2017/18 Budget</th>
<th>Supporting Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT Equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Desktop/ Laptop Replacements</td>
<td>$55,000</td>
<td>Hardware refresh and replacement</td>
</tr>
<tr>
<td>Server Room</td>
<td>$10,000</td>
<td>Replacement of hardware</td>
</tr>
<tr>
<td>Telephone Equipment</td>
<td>$5,000</td>
<td>Replacement of equipment</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$70,000</strong></td>
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<tr>
<td>Software</td>
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<tr>
<td>CRM Implementation</td>
<td>$75,000</td>
<td>New system for whole of organisation</td>
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<td><strong>TOTAL</strong></td>
<td><strong>$75,000</strong></td>
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</tr>
<tr>
<td>Intangibles</td>
<td></td>
<td></td>
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<tr>
<td>Website Development</td>
<td>$20,000</td>
<td>Business unit requested enhancements</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$20,000</strong></td>
<td></td>
</tr>
<tr>
<td>Leasehold Improvements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automate fire door on 1st floor</td>
<td>$12,500</td>
<td>Improved access to facilities for disabled</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$12,500</strong></td>
<td></td>
</tr>
<tr>
<td>Office Equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior Executive Meeting Booth</td>
<td>$5,000</td>
<td>Office refit redress for senior executive</td>
</tr>
<tr>
<td>Stand-up Desks</td>
<td>$10,488</td>
<td>Additional implementation</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$13,488</strong></td>
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</tr>
<tr>
<td>Artwork</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisitions</td>
<td>$5,000</td>
<td>Office artwork</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$5,000</strong></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ALL ASSETS</strong></td>
<td><strong>$197,988</strong></td>
<td></td>
</tr>
</tbody>
</table>

**RECOMMENDATION**

Moved: Cr Doug Thompson  
Seconded: President Cr Karen Chappel

1. That the High Level Budget Planning – 2017-2018 be noted.
2. That the Executive Committee note the financial risk to WALGA’s income stream and prepare an options paper to address these risks in a report for the next meeting.

CARRIED
2.3 Financial Condition and Planning Policy

By Ricky Burges, Chief Executive Officer

BACKGROUND

Embedded in the Financial Management Policies and Principles adopted in State Council Resolution 0023.ASM.2/2005, the Financial Condition Policy in the table below requires period compliance reporting as part of the governance reporting process to the Finance and Services Committee and thereby State Council. Accordingly the following table in enclosed for consideration.

COMMENT

Financial Condition Policies

With respect to the actual, on-going financial condition of the Association, the CEO may not cause or allow the development of fiscal jeopardy or loss of allocation integrity. Accordingly, the CEO may not engage in the following:

<table>
<thead>
<tr>
<th>Financial Condition Policy</th>
<th>March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Expend more funds than have been included in the total Budget for the fiscal year without prior approval</td>
<td>Complying</td>
</tr>
<tr>
<td>2. Indebt the Association to an amount greater than can be repaid by certain other unencumbered revenues within 90 days</td>
<td>Complying</td>
</tr>
<tr>
<td>3. Use any surplus without the approval of the Finance and Services Committee</td>
<td>Complying</td>
</tr>
<tr>
<td>4. Allow the current ratio between current assets and short-term liabilities to drop below 1:1</td>
<td>Complying currently 1.78</td>
</tr>
<tr>
<td>5. Allow tax payments or other government-ordered payments or filings to be overdue or incorrectly filed</td>
<td>Complying</td>
</tr>
<tr>
<td>6. Allow any new program activity without an appropriate business case</td>
<td>Complying</td>
</tr>
<tr>
<td>7. Allow employees not to be paid all leave entitlements in a timely and appropriate manner</td>
<td>Complying</td>
</tr>
<tr>
<td>8. Allow actual year to date disbursements to deviate materially from State Council priorities as defined in the Strategic and Business Plans</td>
<td>Complying</td>
</tr>
<tr>
<td>9. Permit grant funded programs from being fully funded by the responsible funding body. No contributions (in-kind financial or other) are to be provided by the Association to grant funded programs unless such contribution is endorsed by the Finance and Services Committee.</td>
<td>Complying</td>
</tr>
<tr>
<td>10.</td>
<td>Allow staff leave entitlements to not be matched to a Leave Entitlements Reserve.</td>
</tr>
<tr>
<td>11.</td>
<td>Fail to accumulate interest that has accrued in ‘cash backed’ reserves within the reserve, so as to not keep the fund aligned to inflationary movements (with the exception of the leave entitlement reserve)</td>
</tr>
<tr>
<td>12.</td>
<td>Permit overhead recovery from operational programs (Non Grant and Grant) to be neither inequitable nor non-transparent. Accordingly, the CEO is to: a. Recover Corporate Services staff costs, (Finance, Administration and IT) from all programs to the level of 200% of total costs after allowing for recovery from the Local Government House Trust and the ROADS Foundation; b. Recover Human Resources staff costs associated with providing global corporate services from all programs on an equitable shared basis; and c. Recover Corporate Overheads from user departments on a user pays basis, based on actual usage patterns where they exist.</td>
</tr>
<tr>
<td>13.</td>
<td>Net-off contributions to grant programs and charges to grant programs against each other. All transactions are to be transparent and reported in full.</td>
</tr>
</tbody>
</table>

Budgeting for any fiscal period or the remaining part of any fiscal period shall not deviate materially from the priorities set by State Council (in the Strategic Plan), risk financial jeopardy, or fail to show a generally acceptable level of foresight. Accordingly, the CEO may not cause or allow financial planning that:

<table>
<thead>
<tr>
<th>Financial Planning Policy</th>
<th>March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Contains too little information to enable accurate projection of revenues and expenses</td>
<td>Complying</td>
</tr>
<tr>
<td>2. Does not separate capital and operational items</td>
<td>Complying</td>
</tr>
<tr>
<td>3. Does not have cash flow and subsequent audit trails</td>
<td>Complying</td>
</tr>
<tr>
<td>4. Does not show disclosure of planning assumptions</td>
<td>Complying</td>
</tr>
<tr>
<td>5. Does not cash-back reserve funds</td>
<td>Complying</td>
</tr>
<tr>
<td>6. Plans the expenditure in any fiscal year of operating funds that exceed conservatively projected revenue to be received in that period</td>
<td>Complying</td>
</tr>
<tr>
<td>7. Plans for capitalised or prepaid expenses other than those arising on a recurring basis in the normal course of business</td>
<td>Complying</td>
</tr>
<tr>
<td>8. Does not consider the Association’s longer term financial and strategic planning</td>
<td>Complying</td>
</tr>
</tbody>
</table>
9. Does not embed sufficient diversification in non-subscription revenue for cross funding of core Association activities. By diversification, we mean:
   a. Investment in reserves to an appropriate quantum;
   b. Investment in income generating capital; and
   c. Expenditure on current and non-recurrent activities.

RECOMMENDATION

Moved: President Cr Karen Chappel
Seconded: President Cr Stephen Strange

That the Financial Planning and Conditions Policies report for the year ending 31 March 2017 be received.

CARRIED
3. Business Development and Management

Objectives:

- **Determine key directions in relation to the establishment and/or development of new and current business opportunities that result in the delivery of outputs which enhance the financial and operational capacity of Members and the Association.**

- **Adoption of business plans for the Association’s service delivery units that deliver the key objectives within the Association’s Strategic Plan, with regular monitoring of outcomes against agreed performance indicators.**

- **Oversee the delivery of business development, business management, human resource management and information management and corporate services.**

3.1 Procurement Services – Key Activity Update

By John Filippone, Executive Manager Business Solutions

**BACKGROUND**

Significant work continues to be progressed since the last update in February 2017 with respect to the key deliverables of the Business Solutions team at WALGA.

A number of Preferred Supplier Arrangements (PSA) have been progressed and either awarded or under evaluation. The planning stages for other PSA are well underway with the expectation of strong activity and new panel arrangements in the second half of this year. All of this whilst maintaining good procurement practices in the delivery of the Preferred Supplier Program and other procurement services. Strong sector engagement in the development and management of the panel arrangements and procurement services, continues to be a key focus of the team.

With respect to our other procurement services, the team continues to demonstrate a strong focus on procurement support of the Local Government sector and the Category Management function through capacity building, access to standardised templates and relevant tools, enhanced procurement systems, the delivery of tender and contract management services, and improved procurement reports and analytics. Consideration is also given to emerging developments and practices in procurement to ensure that elements such as sustainable procurement are captured in the procurement processes. The work being undertaken on initiatives such as sustainable procurement are then shared for the benefit of our Members.

Key findings of the various Procurement Improvement activities such as the Procurement Reviews, Capacity Building Workshops and procurement advisory services include:

- A range of maturity levels across the sector with a significant number of Members having limited procurement expertise leading to a more decentralised model and transactional approach to procurement activity. This does not align well with a more strategic approach being adopted by the more mature procurement professionals, nor is it consistent with the more strategic focus of corporate business plans being embraced by Councils.

- Poor procurement practices being adopted by Members in particular by smaller regional Shires that have limited resources, capacity and capability to deliver good procurement outcomes. This is generally demonstrated through poor procurement planning, tendering and subsequently through the evaluation process.

- Adoption by a number of Members in practices that is not compliant with the Regulations and in particular with Anti-Avoidance and exemption provisions of the legislation.
Limited understanding by a number of Members of the contract management requirements of their contracts. This has the potential of leading to contract management failure, including scope creep, cost and time blowouts and Council exposure to financial and reputational risk.

The Business Solutions team is constantly seeking to address these issues through forums such as the Procurement Network and IT Managers Advisory Group, through the range of newsletters and articles, and through the training and capacity building workshops that are conducted.

The many activities and recent achievements of the team are outlined below.

**COMMENT**

**Procurement Systems and Improvement Services**

- Customised Capacity building workshops for Local Governments include procurement training, but incorporate the Local Government’s policies, processes and also case studies relating to their specific area. Workshops are currently being delivered to the City of Wanneroo with the final workshop scheduled for May 2017. In February, other workshops were conducted for the Shires of Moora and Perenjori. These workshops were well attended with representatives from surrounding Shires also present.

- Procurement Reviews look at the procurement function from an organisation wide perspective, examining the structuring and resourcing of a Local Government’s procurement activities, determining their effectiveness, adequate procurement systems and contract management practices. The review delivers findings and recommendations (through an Implementation Roadmap) to help the LG optimise its compliance and value outcomes from its procurement practices.

**Recently completed:**

  - City of Mandurah – engaged to undertake a strategic and operational review to identify procurement strategies and align these to corporate strategies. The work will also help implement a range of improvement initiatives across its procurement program. The first phase of this work has been completed and the recommended strategies are being adopted by the Executive.

  Work is well underway on the second phase of the review, to enhance the City’s procurement framework, and to support the realisation of a centre-led procurement model that demonstrates alignment to the City’s procurement strategies. This includes giving consideration to the practices, and the systems that can be adopted to support the delivery of good procurement and contract management outcomes for the City of Mandurah.

- Progressively reviewing all procurement templates and guidelines. To date the following are underway or completed:
  - Procurement Business Case (completed)
  - Procurement Plan (completed)
  - Tender Management Services Guidelines (completed)
  - Delegations Schedule (completed)
  - Summary Recommendation Report (under development)
  - Contract Summary (under development)
  - Contract Management Plan (under development)
  - Contract Management Guidelines (under development)

- Reconciliation of Supplier Reports - This is an initiative to verify that the quarterly report data we receive from suppliers is accurate and reliable. To reconcile this data, we requested the
assistance of 71 Local Governments and 24 Councils responded by the end of January. Work is underway to assess the data.

- A review of the WALGA standard contracts (terms and conditions for the Panel and Member contracts) is well underway. A number of Local Governments have expressed an interest in this piece of work and have provided feedback on the various drafts. A new standard Panel Contract for Goods and Services and a new standard Member contract have been completed. The Goods and Services Member contract will also have specific schedules related to Waste Management, ICT, and Temporary Personnel services. The new standard contracts will be made available to our Members progressively as they are completed.

- Local Governments have indicated an interest in gaining access to more tools and resources to assist them to procure sustainably. Specific initiatives include purchasing from Aboriginal based businesses, Disability enterprises and regionally based suppliers. A working group that includes Local Government representatives has been established with multi-disciplinary expertise to support the development of the required resources for Local Government use. A consultant has been engaged to assist with the in developing the new tools and this is expected to be completed by June 2017.

### Network Forums and Groups

- A meeting of the National Procurement Network (NPN) was held in February in Melbourne with attendees from Queensland, NSW, Victoria, SA, Tasmania, Northern Territory and WA. Key issues for discussion included the national Microsoft and Waste contracts that WA is developing on behalf of other states, as well as the potential for additional national contracts. A new initiative to establish a shared platform to host local government systems was showcased by MAV. Elements of the project will be considered on whether it has application in the WA context.

- The local Procurement Network engages in discussions on procurement processes and strategies. The revamped Network and webinar service continues to be a success with the last meeting in Armadale involving almost 40 attendees. A presentation by James McGovern focussed on anti-avoidance provisions in the Regulations which was well received. The next Forum is scheduled for June and will be hosted by the City of Canning.

- The IT Managers Advisory Group met in February and discussed a range of common IT issues across the sector. The Group has also been briefed on the proposed National Microsoft Agreement and has indicated a strong keenness to participate in the new Arrangement.

### Preferred Supplier Arrangements

This update only incorporates those key PSA that have either recently been completed, or are in the process of being developed and will shortly go to market. It is not intended as an indication of the full list of PSA activity.

- **Town Planning**: This contract has been refreshed and the new contract awarded with at the end of March with 26 suppliers. A launch of the new contract is scheduled for late May 2017 with town planning practitioners from across the sector attending.

- **Energy Services**: A major procurement is currently being evaluated. The process is designed to integrate and build further sustainable energy infrastructure services, including street lighting services, LED, and sustainable generation. The new PSA should be available by mid-year with the new contract being launched at the Local Government Convention in August.

- **Library Van Services**: A new PSA covering inter-library loans will be developed, effective from 1 July 2017 when the State Library’s interim arrangement for inter-library loans expires. The Procurement Plan is being finalised and it is anticipated that the RFT will be issued shortly.

- **Business Systems Software**: This PSA will cover various back-end software products to facilitate the running of councils and its activities. The RFT has closed and is currently under evaluation by a panel that includes Local Government representatives. The new contract should commence from June 2017.

- **Engineering Services Panel**: The panel has been reviewed with support from a Client Reference Group consisting of LG members (3 metro, 2 regional). As a result, there will be a
significant expansion of current services – from 7 to 20 categories. It will include broader service coverage for categories such as surveying, structural, project management, arborist, and a specific category for management of WANDRRA. The RFT has closed and is under evaluation. It will be the first to utilise the new standard Panel Contract for Goods and Services. It is anticipated that the new panel arrangement will be available from around mid-year.

- **Waste Management Services:** The current WALGA PSA has been extended for a further 12 months to ensure continuity of service for the sector whilst an NPN contract is developed. Documentation is being reviewed by participating NPN Members, and this will form the next generation of Waste preferred supply for WALGA.

- **Microsoft:** A national Microsoft arrangement is under consideration and a proposal from Microsoft is expected shortly. It has the potential to include all Local Governments nationwide under one licensing agreement, with the prospective to reduce costs. A strong commitment has been received from Microsoft to deliver an arrangement that is very advantageous to the sector.

- **Fuel and Oil Products:** The next iteration of the national fuel contract is under development and the services of a fuel supply specialist has been engaged to assist with the development phase of the contract. Early indications are that the new arrangement should deliver further and significant savings to the Local Government sector.

- **Temporary Personnel:** The development of the new Temporary Personnel PSA is well underway with a Client Reference Group established and a Procurement Plan being finalised. It is anticipated that the RFT will be issued by end of May and the new contract commencing by around September of 2017.

### Tender and Contract Management Services

By end of March, 79 tender processes have been completed or currently underway for 24 Local Governments, 19 of which are regional. Current processes include:

- Napier Road intersection for the Shire of Broome;
- Lime quarry services for the Shire of Denmark;
- Cleaning services for Bremer Bay, Shire of Jerramungup
- Redevelopment of the Bencubbin Sporting Complex Stage 2, Shire of Mt Marshall
- Youth Services Building, Shire of Menzies; and
- WANDRRA activity for roadworks, SWEK.

### RECOMMENDATION

Moved: President Cr Karen Chappel  
Seconded: Ms Joanne Abbiss

That the Procurement Services Activity Update be received.

**CARRIED**
### 3.2 Procurement Compliance Report

*By John Filippone, Executive Manager Business Solutions*

**BACKGROUND**

At the meeting of the Finance and Services Committee on 26 May 2010, the following resolution was carried:

*That:*

1. the Procurement Process Map and Compliance Report be endorsed;
2. the CEO provide a Procurement Compliance Report to each meeting of the Finance and Services Committee; and
3. delegated authority be extended to the CEO for the award of Preferred Supply Contracts in the category areas listed in the WALGA Procurement Plan and others as deemed necessary, following the completion of satisfactory and compliant procurement processes, including all risk assessment and due diligence work.

Please note that references in this section relating to:

- ‘Finance and Services Committee’, are now referred to as ‘Executive Committee’;
- ‘Preferred Supply Contracts’, are now referred to as ‘Preferred Supplier Arrangements’; and
- ‘the current WALGA Procurement Handbook’, is now referred to as ‘WALGA Procurement Toolkit’.

**COMMENT**

In the interests of providing the Executive Committee with assurance over the extent of compliance and probity within the Association’s procurement processes, the Chief Executive Officer is required to provide a regular Procurement Compliance Report to the Committee as follows:

*“With respect to the procurement processes and procedures utilised by WALGA in the establishment, management and renewal of Preferred Supply Contracts, the CEO may not engage in the following:*

<table>
<thead>
<tr>
<th>Procurement Compliance Report</th>
<th>As at April 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Permit any breach of the governing principles relating to the establishment and maintenance of Preferred Supply Contracts. These principles are as follows:</td>
<td>Complying</td>
</tr>
<tr>
<td>- Demonstrated Member demand (as supported through a research consultation and procurement plan);</td>
<td></td>
</tr>
<tr>
<td>- Ethical behaviour at all stages of the procurement and contract management process;</td>
<td></td>
</tr>
<tr>
<td>- Ensuring a sufficient commercial return to WALGA, but not at the expense of Member benefits;</td>
<td></td>
</tr>
<tr>
<td>- Ensuring competitive neutrality;</td>
<td></td>
</tr>
</tbody>
</table>
- Procurement process is procedurally fair; and
- Partiality & objectivity by all staff involved in the procurement process.

2. Depart from the procurement processes and procedures as specified in the Association’s Procurement Process Map and the current WALGA Procurement Handbook.
   Complying

3. Fail to undertake due diligence and risk assessment on successful respondents that are to be recommended for inclusion on a Preferred Supply Contract.
   Complying

4. Permit the establishment of a Preferred Supply Contract that does not clearly add value to the operations of Local Government.
   Complying

5. Permit the reputation of WALGA and/or the sector to be damaged through WALGA’s procurement or contract management processes.
   Complying

6. Fail to regularly report to the Finance and Services Committee on compliance with the WALGA Procurement Policy and on any other relevant issues relating to a Preferred Supply Contract.”
   Complying

**RECOMMENDATION**

Moved: Cr Doug Thompson  
Seconded: Mayor Henry Zelones

That the Procurement Compliance Report for April 2017 be received.  

CARRIED
3.3 Procurement Plan – Update

By John Filippone, Executive Manager Business Solutions

BACKGROUND

The following information is required for the Executive Committee’s consideration:

1. The Procurement Plan be received;
2. the annual Procurement Plan be a standing item on the agenda for the Executive Committee;
3. Delegated authority be extended to the WALGA CEO to call for tenders when deemed necessary; and
4. A process/policy be developed for presentation at the next meeting which provides for acceptance of tenders by the Chief Executive Officer acting under the delegated authority of the Executive Committee.

COMMENT

In response to the Committee’s resolution, the Secretariat has included the 2016/17 Procurement Plan as a standing item. The updated Procurement Plan is below.

The Plan identifies the Preferred Supply Contracts that are due for renewal during the calendar year (earmarked as “existing contracts”) as well as the new business development opportunities that will be pursued (earmarked as “new contracts”). Within the Procurement Plan, each project includes a brief summary and an estimate (where determined) of market size in terms of turnover. Also included are some project ideas which are yet to be prioritised and included in the Procurement Plan. This Plan is subject to regular updating and variation as required.

RECOMMENDATION

Moved: Mayor Tracey Roberts
Seconded: President Cr Stephen Strange

That the 2017/18 Procurement Plan as at March 2017 be noted.  

CARRIED
### WALGA Preferred Supply
Forward Procurement Plan
04/04/17 (subject to change)

<table>
<thead>
<tr>
<th>WALGA Preferred Supply Contract</th>
<th>Priority</th>
<th>Contract Expiry Date</th>
<th>Extension Available</th>
<th>Optional Extension Date</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Management Services</td>
<td>High</td>
<td>15/09/18</td>
<td>Yes</td>
<td>15/09/20</td>
<td>Panel is being well used.</td>
</tr>
<tr>
<td>Engineering Consultancy Services</td>
<td>Medium</td>
<td>31/05/17</td>
<td>Yes</td>
<td>31/05/18</td>
<td>New contract arrangement under evaluation. Anticipate award of new PSA in June 2017.</td>
</tr>
<tr>
<td>Landscape Infrastructure</td>
<td>Low</td>
<td>01/09/17</td>
<td>Yes</td>
<td>01/09/18</td>
<td>Contract arrangement currently under review. Will consider combining with a new Parks and Garden PSA.</td>
</tr>
<tr>
<td>Parking Infrastructure and Related Services</td>
<td>Low</td>
<td>30/06/17</td>
<td>Yes</td>
<td>30/06/19</td>
<td>Contract Review completed and PSA will be terminated at contract term in July 2017 due to nil use by the sector.</td>
</tr>
<tr>
<td>Playground Goods and Services</td>
<td>Low</td>
<td>30/09/17</td>
<td>Yes</td>
<td>30/09/19</td>
<td>Contract arrangement currently under review. Will consider combining with a new Parkes and Garden PSA.</td>
</tr>
<tr>
<td>Road Building &amp; Related Services</td>
<td>Low</td>
<td>28/09/19</td>
<td>No</td>
<td></td>
<td>Current PSA in place until Feb 2019.</td>
</tr>
<tr>
<td>Signage – Road Traffic &amp; Other</td>
<td>Low</td>
<td>01/12/19</td>
<td>Yes</td>
<td>01/12/21</td>
<td>New PSA in place with 10 Suppliers.</td>
</tr>
<tr>
<td>Parks &amp; Gardens - new PSA</td>
<td>Low</td>
<td></td>
<td></td>
<td></td>
<td>New PSA under development. Consultation with Client reference group commenced. May incorporate Playground Goods and Services and Landscape Infrastructure PSAs</td>
</tr>
</tbody>
</table>

### Priority Status
- **High**
- **Medium**
- **Low**
- **Review**
## Fleet and Related Consumables

<table>
<thead>
<tr>
<th></th>
<th>Date</th>
<th>Status</th>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant and Equipment</td>
<td>30/09/18</td>
<td>Yes</td>
<td>30/09/20</td>
<td>Transitioned to a National Contract (NPN) in January with little impact on members. PSA continues to be well used.</td>
</tr>
<tr>
<td>Motor Vehicle Special Offers</td>
<td>30/04/17</td>
<td></td>
<td></td>
<td>Marketing alliance agreement/MOU with 3 manufacturers, continuation will be decided following a review with each manufacturer prior to expiry. Indications are that there is a strong appetite to continue with a potential expansion of the range of vehicles on offer with enhanced LG discount, particularly within the dual cab space. Potential to add manufacturers. Initial Mitsubishi figures appear very positive.</td>
</tr>
<tr>
<td>Fuel (bulk), Fuel Cards, and Oils and Lubricants</td>
<td>30/09/17</td>
<td>No</td>
<td></td>
<td>An NPN PSA expiring in September 2017, forward plan is to re-establish the PSA. Market Engagement and Planning underway with NPN counterparts including Business Case.</td>
</tr>
</tbody>
</table>
### Waste Management

<table>
<thead>
<tr>
<th>Category</th>
<th>Date</th>
<th>Approval</th>
<th>Start Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waste Collection Goods and Services</td>
<td>19/03/18</td>
<td>Yes</td>
<td>19/03/22</td>
<td>Key Contract extended for a further 12 months. Business Case being developed around the next generation of the contract, with the potential outcomes of a transition to an NPN arrangement, a review of the category inclusions, market representation and rebate structure. Interstate engagement ongoing with extremely positive response in particular from Local Buy (Queensland).</td>
</tr>
<tr>
<td>Household Hazardous Waste</td>
<td>30/06/17</td>
<td>No</td>
<td></td>
<td>Program funded by the Waste Authority. Monitor closely with the WALGA Waste Team.</td>
</tr>
</tbody>
</table>

### Consumables

<table>
<thead>
<tr>
<th>Category</th>
<th>Date</th>
<th>Approval</th>
<th>Start Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workwear &amp; Personal Protective Apparel</td>
<td>30/09/19</td>
<td>Yes</td>
<td>30/09/21</td>
<td>Recently transitioned to a National PSA with no impact on members.</td>
</tr>
<tr>
<td>Office and Workplace Interior Design, Fit-out and Furniture</td>
<td>19/06/17</td>
<td>Yes</td>
<td>19/06/18</td>
<td>Demonstrating continual growth however slight. Member feedback currently being sought to feed into the next iteration of this contract. A new procurement process will likely be required within the next 12 months. Contract Review and Business Case to be developed.</td>
</tr>
<tr>
<td>Office and Workplace Supplies</td>
<td>07/03/18</td>
<td>No</td>
<td></td>
<td>PSA extended into final 12 month term. Well performing PSA. Procurement Business Case for new PSA to be developed.</td>
</tr>
</tbody>
</table>
## ICT

| Software Applications/Licensing (inc Council Business Systems) | 30/06/17 | No | Extension offer has been issued to the three (3) categories, now extended until 30 June 2017. PSA for Business Software currently under evaluation. New PSA will replace existing panel in June 2017. |
| Security Systems and Services | 22/08/17 | Yes | 22/08/18 | New category "CCTV Systems to meet the State CCTV Strategy" has been awarded in 2016. Exercised initial one (1) year extension option, with one (1) x one (1) year extension option remaining. |
## Energy & Utilities

<table>
<thead>
<tr>
<th>Service</th>
<th>Start Date</th>
<th>Status</th>
<th>End Date</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contestable Energy</td>
<td>30/06/17</td>
<td>Yes</td>
<td>30/06/19</td>
<td>The Energy PSA is on-track to commence on 1 July 2017. The launch of this contract will coincide with the Convention in early August.</td>
</tr>
<tr>
<td>LED Luminaires</td>
<td>30/06/17</td>
<td>No</td>
<td></td>
<td>Integration into new Energy Services Contract.</td>
</tr>
<tr>
<td>Sustainable Energy Infrastructure</td>
<td>31/08/18</td>
<td>No</td>
<td></td>
<td>The Energy PSA is on-track to commence on 1 July 2017. The launch of this contract will coincide with the Convention in early August.</td>
</tr>
</tbody>
</table>

## Services

<table>
<thead>
<tr>
<th>Service</th>
<th>Start Date</th>
<th>Status</th>
<th>End Date</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Services</td>
<td>31/05/17</td>
<td>Yes</td>
<td>31/05/19</td>
<td>Tender may be released during 2018, subject to regulatory change with jurisdiction of Auditor General. External Audit services may cease, internal audit services may be included in a potential new Professional Services PSA.</td>
</tr>
<tr>
<td>Marketing and Communication Services</td>
<td>30/06/17</td>
<td>Yes</td>
<td>30/06/19</td>
<td>Contract review and variation completed. Extension to July 2017. Tender anticipated to renew contract in 2017/18.</td>
</tr>
<tr>
<td>Debt Management Services</td>
<td>18/07/17</td>
<td>No</td>
<td></td>
<td>Contract will be extend beyond term during development, aim to be at market late 2017 and award early 2018.</td>
</tr>
<tr>
<td>Fuel Tax Rebate Consultancy</td>
<td>30/06/17</td>
<td>Rolling Contract</td>
<td></td>
<td>Contract to be included in the Financial Services PSA - to be awarded in late 2017</td>
</tr>
<tr>
<td>Legal Services</td>
<td>30/06/17</td>
<td>No</td>
<td></td>
<td>Going back to market in late 2017 for full refresh. Contract will be extended beyond term to allow further time to develop the new contract which will accommodate broader range of services and regional / local firms.</td>
</tr>
<tr>
<td>Occupational Safety and Health Legal Services</td>
<td>04/09/17</td>
<td>Yes</td>
<td>04/09/19</td>
<td>Aligned to the Legal Services contract - will be combined into the revised contract and extended in alignment with the new LS Contract.</td>
</tr>
<tr>
<td>Operating Lease and Finance Solutions</td>
<td>27/04/17</td>
<td>No</td>
<td></td>
<td>New Financial Services PSA currently under development - aiming to be at market shortly and awarded by December 2017. Will extend current contract beyond term to allow for the development of the new contract.</td>
</tr>
<tr>
<td>Temporary Personnel Services</td>
<td>30/06/17</td>
<td>Yes</td>
<td>30/06/18</td>
<td>Aiming to be at Market by June 2017 with a view of awarding the contract around October 2017.</td>
</tr>
<tr>
<td>Heritage Advisory Services</td>
<td>31/05/17</td>
<td>Yes</td>
<td>14/05/18</td>
<td>Contract review complete and one year extension and variation signed. Intend to rebuild this as a category of a new Architectural Services or Professional Services contract.</td>
</tr>
<tr>
<td>Town Planning Consultancy Services</td>
<td>31/03/20</td>
<td>Yes</td>
<td>31/03/22</td>
<td>A new contract was awarded on 1 April with a launch being planned for 22 April.</td>
</tr>
</tbody>
</table>
4. Governance & Organisational Services

Objective: To provide a broad focused Governance Training and Human Resource Management Service for external and internal clients which provide contemporary solutions to their governance, recruitment, performance management, training and development, industrial relations and other human resource management needs.

4.1 Training, Employee Relations & Recruitment Status Report

By Tony Brown, Executive Manager Governance & Organisational Services

BACKGROUND

The following report on activities within the Governance & Organisational Services team pertaining to Training, Employee Relations and Recruitment is provided for the information of committee members.

TRAINING

WALGA Training: Attendances (2016/17)

The 2016/17 financial year (as at 31/03/17) recorded a total of 2,277 registrations; an increase of approx. 3% for the same period in 2015/16.

- 48% of participants attended training at a Local Government's premises (regional and metro).
- 28% of participants attended training at WALGA, West Leederville.
- 24% undertook training via eLearning
eLearning participation continues to increase with a total of 551 participants completing online learning opportunities with WALGA Training in 2016/17 (as at 31/03/17).

Training by Participant

- Training Course Participants - 28% Elected Members and 48% Officers and 24% eLearning.
- eLearning participants made up of 82% Officers and 18% Elected Members.

Training for Country Councillors

- **Country Local Government Fund** (Grant Agreement 3 years to 30 June 2017)

Phase 4 of the CLGF training program for Regional Councillors (2016/17), delivered in partnership with DLGC is currently underway.

Scheduled WALGA training has been delivered and hosted at Local Governments as follows:

- **Avon Midland Zone**
  Toodyay, Gingin, Dandaragan – 5 days
• Central Country Zone
  Narrogin, Beverley – 6 days
• Gascoyne Zone
  Carnarvon – 3 days
• Goldfields Esperance Zone
  Esperance, Kalgoorlie, Wiluna – 5 days
• Great Eastern Zone
  Dowerin, Kellerberrin – 6 days
• Great Southern Zone
  Albany – 5 days
  Katanning – 1 day
• Murchison Zone
  Mt Magnet, Meekatharra – 3 days
• Northern Zone
• Geraldton, Mingenew – 5 days
• Pilbara Zone
  Karratha – 2 days
• South West Zone
  Busselton, Bunbury – 5 days

Outstanding training scheduled for delivery in Phase 4:
• Gascoyne Zone
  Shark Bay – 2 days
• Goldfields Esperance Zone
  Kalgoorlie – 2 days
• Great Eastern Zone
  Kellerberrin – 2 days
• Great Southern Zone
  Albany – 1 day
  Katanning – 4 days
• Kimberley Zone
  Broome – 4 days
• Northern Zone
  Geraldton – 2 days
• Peel Zone
• Murray, Serpentine-Jarrahdale – 4 days
• Pilbara Zone
  Port Hedland – 2 days
• South West Zone
  Bunbury – 1 day
EMPLOYEE RELATIONS

Industrial Cases

The following figures reflect the number of cases dealt with on behalf of member Councils in the State and Federal Industrial Commissions since 2006.

During the 2016-17 financial year to date, the Employee Relations unit has had an involvement in 39 formal industrial matters. 33 of those matters have been finalised and 6 matters currently remain ‘on foot’.

The formal industrial claims were predominantly unfair dismissal claims in the Fair Work Commission but there was a wide variety of different types of claims.

One matter appears likely to be taken to an arbitrated hearing in May 2017.

Employee Relations Support

The volume of employee relations advice that is provided to subscribers by WALGA Employee Relations service by email, telephone and face to face continues to increase.

WALGA has actively assisted a number of Local Governments to handle ongoing matters that involve considerable complexity and lengthy historical backgrounds that can often involve more time and preparation than formal industrial claims.

Enterprise Agreements

The Association has been engaged as to assist 6 Local Governments in their enterprise agreement bargaining processes thus far during the 2016-17 financial year. A number of other Local Governments have also expressed an interest in engaging WALGA to assist them with upcoming
enterprise agreement bargaining processes. The Employee Relations unit is also lending support to a number of other Local Governments to help assess their current agreements for compliance, ambiguities and opportunities and to help tailor enterprise agreement document drafts to their specific strategic needs.

**Local Government Industry Award**

At the May 2015 State Council meeting, State Council resolved to note the four year review of the Local Government Industry Award 2010 (LGIA). WALGA is currently continuing to advocate before the Fair Work Commission (FWC) on behalf of the Local Government sector in Western Australia in relation to the 4 year review modern award process.

The FWC has handed down a number of determinations that have had a direct impact on the LGIA throughout the 4 year review modern award process. A number of these changes have been brought about by determinations on ‘common issues’ that relate to all modern awards not just the LGIA.

These determinations have brought about the following changes to the LGIA:

- Insertion of a clause providing dispute resolution training and overtime from midday Saturday;
- Insertion of a clause clarifying that the definition of ‘Recreations Centres’ in the LGIA is to include golf courses;
- Insertion and amendment of a number of clauses relating to annual leave including dealing with excessive leave accruals (from both an employer and employee perspective), taking annual leave in advance and cashing out of annual leave; and
- Insertion of a new clause relating to time off instead of payment for overtime and a schedule facilitating an agreement between an employer and employee.

It is foreshadowed that further changes to the LGIA will likely be brought about through further determinations made by the FWC primarily on ‘common issues’ in the 4 year review modern award process. Consultation with the Local Government Sector regarding the approach WALGA should take throughout the continuing review process will be ongoing.

**RECRUITMENT**

The Recruitment Service provides a number of professional placements in a variety of roles within the sector coupled with a significant number of Chief Executive Officer and Senior Executive positions.

WALGA Recruitment have placed a Governance Coordinator at the Town of Cottesloe on a short term basis. The candidate has been short listed for the full time position which interviews to be held in April.

We have recently tendered for and are awaiting outcomes on the following:

- Chief Executive Officer, Shire of Ashburton (Council meeting 26th April)
- Chief Executive Officer, City of Belmont
- Director Community Development, Shire of Broome

We were unsuccessful in securing the recruitment and selection of the new Chief Executive Officer at the Shire of Murchison.

Further the service is currently processing a number of 457 temporary work skilled and permanent resident visas for Local Governments.
RECOMMENDATION

Moved: Ms Joanne Abbiss
Seconded: President Cr Karen Chappel

That the Training, Employee Relations & Recruitment Status Report for April 2017 be received.

CARRIED
4.2 Associate Member Activity Schedule

By Tony Brown, Executive Manager Governance & Organisational Services

BACKGROUND

In November 2015, the then Finance and Services Committee considered an item on Membership Options for Non-Local Governments and consideration of Associate Membership criteria.

The following Committee recommendation was endorsed by State Council at the 2 December 2016 meeting.

1. **Associate Membership not be made available to commercial organisations.**
2. **That existing commercial Associate Members be advised, in due course, that their Associate Membership will not be renewed in 2016-17.**
3. **Applications for Associate Membership be available to the following categories of organisations:**
   i. Organisations constituted by Local Governments such as Regional Councils, Voluntary Regional Councils and Alliances;
   ii. Not-for-profit organisations that can demonstrate a link or relationship with the Local Government sector; and,
   iii. Government agencies, including Government Trading Entities.
4. **That the CEO be granted delegated authority to approve applications for Associate Membership received from the following categories of organisations:**
   i. Organisations constituted by Local Governments such as Regional Councils, Voluntary Regional Councils and Alliances;
   ii. Not-for-profit organisations that can demonstrate a link or relationship with the Local Government sector; and,
   iii. Government agencies, including Government Trading Entities.

CEO report to the next meeting of the Finance and Services committee on the use of the delegation.

5. **That applications for Associate Membership received from organisations not catered for by Recommendations 3 and 4 be referred to the Finance and Services Committee.**
6. **That the CEO report Associate Member access to the Preferred Supplier Program to the Finance and Services Committee on a bi-annual basis.**
7. **The subscription and fee-for-service charges for Associate Members be reviewed during the 2016-17 WALGA Budget process.**

Item 6 of the resolution requires a report to the Executive Committee twice per annum on access to the Preferred Supplier program by Associate Members.

A report is prepared for the April and November meetings each year.
COMMENTS

The following is a schedule of activity of Associate Members in the use of the Preferred Supplier Arrangements (PSA) for the 2016/17 financial year as at 31 March 2017.

<table>
<thead>
<tr>
<th>Associate Member Activity</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aqwest - Bunbury Water Corporation</td>
<td>$671,874</td>
</tr>
<tr>
<td>Bunbury Harvey Regional Council</td>
<td>$15,884</td>
</tr>
<tr>
<td>Busselton Water</td>
<td>$282,121</td>
</tr>
<tr>
<td>Eastern Metropolitan Regional Council</td>
<td>$1,749,056</td>
</tr>
<tr>
<td>Mindarie Regional Council</td>
<td>$445,811</td>
</tr>
<tr>
<td>Northern Agricultural Catchments Council</td>
<td>$2155</td>
</tr>
<tr>
<td>Pilbara Regional Council</td>
<td>$1081</td>
</tr>
<tr>
<td>Rivers Regional Council</td>
<td>$1281</td>
</tr>
<tr>
<td>South West Catchments Council</td>
<td>$1531</td>
</tr>
<tr>
<td>Southern Metropolitan Regional Council</td>
<td>$215,205</td>
</tr>
<tr>
<td>Tamala Park Regional Council</td>
<td>$7945</td>
</tr>
<tr>
<td>WA Local Government Super Plan</td>
<td>$11,474</td>
</tr>
<tr>
<td>Western Metropolitan Regional Council</td>
<td>$12,683</td>
</tr>
<tr>
<td>Wheatbelt Natural Resource Management</td>
<td>$1787</td>
</tr>
<tr>
<td>Western Power</td>
<td>$1890</td>
</tr>
</tbody>
</table>

**Total Spend** | **$3,421,778**

**Rebate** | **$43,662.15**

Number of PSAs Used by Associate Members FY2016/17 = **29 from a possible 46 PSA**

Total Rebate does not include any percentage of the rebate collected on Legal Services, Advertising & Media Services, Audit Services, & Used Oil PSA which are based on a flat annual levy /rather than a rebate

RECOMMENDATION

Moved: Cr Doug Thompson
Seconded: Ms Joanne Abbiss

That the Associate Member Activity Schedule be received.

CARRIED
4.3 Discussion Paper: Excessive Force (State Council: Annual General Meeting)

By Tony Brown, Executive Manager Governance & Organisational Services

BACKGROUND

The following resolution from the 2016 WALGA Annual General Meeting was noted by State Council and referred to the Governance and Organisational Services Policy Team:

That WALGA, recognising that a significant role of Local Government is to lobby and advocate to higher levels of government on matters of concern to local constituents, advocate to the State Government for a discussion paper to be prepared on the issues associated with use of force by members of the public when such force is effected in the course of defending family and property from intruders.

This item was put forward to the AGM by the Shire of Bridgetown Greenbushes. The following is the supporting comment that the Council provided in the AGM agenda;

It is accepted that some Local Governments will query the merits of the subject matter of this Motion being on the WALGA AGM agenda. This was an argument debated by the Shire of Bridgetown-Greenbushes councillors when the Motion was proposed. However it is our belief that the subject matter is appropriate for consideration by Local Governments and at the WALGA AGM as it falls under the “advocacy” role that the Local Government sector plays. There are many issues outside the direct control of Local Government that are of interest to the sector and that the sector, either individually or collectively, seeks to have input into.

The issue of decriminalising the use of excessive force in the defence of family and property has been raised at the local community level, including at many community forums throughout the State.

How are members of the public expected to lobby for Government to consider and review this issue? Individually approaching Members of Parliament is unlikely to generate momentum for this issue to be added to the ever-increasing list of judicial reviews, statutory reviews, etc. Alternatively individual members of the public could band together to instigate petitions to the government on this issue. History however would question the effectiveness of such an approach. By raising the issue at the WALGA AGM and hopefully having the Motion carried would add weight to the issue with the decision being reflective of an overall community wish for this issue to be discussed.

The Motion is not seeking an immediate change to the criminal code or other related legislation. Such a Motion would be presumptuous and would ignore the processes required to effect legislative change. The Motion instead seeks the development of a discussion paper in order to allow widespread debate, from the community level to the judicial level, on the issues concerning the use of force by property owners when defending family and property.

There have, in recent years, been some well publicised incidents of property owners being charged for causing injury to intruders in the course of defending family and property.

The motion deliberately uses the term “excessive force” as that is the term often used when persons are charged after causing injury to intruders in the course of defending family and property. Even if a property owner uses “appropriate” force the reality is that if injury or death is caused to the intruder the judicial determination would be that the force used in defending family or property was excessive in the circumstances.
The Motion isn’t condoning the use of excessive force – it is simply seeking some discussion on the issue as it is an issue of concern to the broader community.

COMMENT

The Association currently does not have a policy position on “excessive force”. This item would not normally be seen as Local Government business; however the WALGA AGM passed the motion on the position of requesting the Association to “Advocate to the State Government for a discussion paper to be prepared on the issues associated with use of force by members of the public when such force is effected in the course of defending family and property from intruders”. State Council then referred the item to the Policy Team for consideration.

The item was considered by the Governance & Organisational Services Policy Team. The Policy Team recommended that no further action be carried out on this matter as it is not considered a Local Government matter, rather a police issue.

As this item relates to an AGM item, the Policy Team believe it is more appropriate to make the recommendation through the Executive Committee. By placing the item to the Executive Committee, the committee make recommendations to State Council that are endorsed or amended.

RECOMMENDATION

Moved: President Cr Stephen Strange
Seconded: Mayor Tracey Roberts

That the Executive Committee recommend that:
1. State Council note the substance of the AGM motion and after due consideration by the policy team that no action be taken as it is not considered a Local Government matter.
2. The AGM motion be referred to the Minister for Police for information.

CARRIED
5. Policy Items

Objectives:

- To review and provide feedback on interim submissions relating to policy issues for feedback to Government
- To act as primary policy and advocacy support to the President and the Association.

5.1 WAANDRA Funding Update

It was noted that a formal outcome has not been reached on an exemption of the current exclusion of day labour by Local Governments from the WAANDRA funding. There is concern for the lack of action from the Government.

An update to be provided at the May State Council Meeting.

6. Next Meeting

The next meeting of the Executive Committee meeting will be held on Wednesday, 24 May 2017 in Boardroom B, ONE70 Railway Parade, Leederville commencing at 1.00pm.

7. Closure

There being no further business the Chair declared the meeting closed at 2.26pm.