

**LOCAL GOVERNMENT INSPECTORATE: GOLDEN PLAINS SHIRE COUNCIL EXAMINATION – FEBRUARY 2019**

*Response to Examination Report and Recommendations - Update as at 31 October 2019*

*Items highlighted in '  ' have been previously completed.*

| NO. | AREA                       | ACTIONS RECOMMENDED   | AGREED ACTIONS   | CURRENT ACTIONS / STATUS   | EVIDENCE  |
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| 1.  | <b>GOVERNANCE SCHEDULE</b> | <b>Recommendation 1:</b><br>The council develop a governance schedule to ensure key statutory requirements are met. | Accept the recommendation provided.<br><br>Governance and compliance schedule to be developed taking into consideration the example provided by the Local Government Inspectorate. The schedule to be endorsed at a future Full Management Team meeting. Ongoing management of the schedule to become a responsibility of the Corporate Governance Coordinator position. A copy of the schedule to be made readily available to relevant responsible officers. | <b>Action Status / Target Date:</b><br>ITEM PREVIOUSLY COMPLETED<br><br><b>Responsible Officer:</b><br>Corporate Governance Coordinator<br><br><b>Action to Date:</b><br>Item previously reported as completed - 1 August 2019 update. | <b>Evidence Provided:</b><br>As per update 1 August 2019. |
| 2.  | <b>POLICY FRAMEWORK</b>    | No actions recommended.   | Comments noted.  | <b>Action Status / Target Date:</b><br>ITEM PREVIOUSLY COMPLETED<br><br><b>Responsible Officer:</b><br>Corporate Governance Coordinator<br><br><b>Action to Date:</b><br>No actions recommended.                                       | <b>Evidence Provided:</b><br>Not applicable.              |

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| 3. | <b>SALE OF LAND</b>  | <p><b>Recommendation 1:</b><br/>Council must ensure that sale of land transactions are at all times transparent to the community, in accordance with the Local Government Best Practice Guideline for the Sale, Exchange and Transfer of Land.</p> | <p>Accept the recommendation provided.</p> <p>Council is more likely to consider the sale of land in the future and therefore, a best practice Council Policy will be developed and implemented.</p> <p>As an interim measure, internal instructions to be developed that reference to the Local Government Best Practice Guideline for the Sale, Exchange and Transfer of Land. A copy of the instructions and guide to be made readily available to relevant responsible officers.</p> | <p><b>Action Status / Target Date:</b><br/>ITEM NOW COMPLETED</p> <p><b>Responsible Officer:</b><br/>Corporate Governance Coordinator</p> <p><b>Action to Date:</b><br/>Item now completed. Internal instructions developed and included in the governance manual, along with a copy of the Local Government Best Practice Guideline for the Sale, Exchange and Transfer of Land.</p> <p>Sale or Exchange of Council Land Policy developed and to be presented to the Audit and Risk Committee and Council in November 2019.</p> | <p><b>Evidence Provided</b></p> <ol style="list-style-type: none"> <li>1. Sale or Exchange of Council Land Policy</li> </ol> <p><b>Evidence Previously Provided – 1 August 2019:</b></p> <ol style="list-style-type: none"> <li>2. Sale of Land Internal Instructions</li> </ol> |
| 4. | <b>CEO / SENIOR OFFICER CONTRACT &amp; PERFORMANCE REVIEWS</b> | <p><b>Recommendation 1:</b><br/>Council to ensure that the CEO performance review is conducted at the earliest convenience.</p>  | <p>Accept the recommendation provided.</p> <p>The CEO performance review was presented and approved at the February 2019 Council meeting for approval.</p>   | <p><b>Action Target Date:</b><br/>ITEM PREVIOUSLY COMPLETED</p> <p><b>Responsible Officer:</b><br/>Director Corporate Services</p> <p><b>Action to Date:</b><br/>Item previously reported as completed – 2 April 2019 update.</p>  | <p><b>Evidence Provided:</b><br/>As per update 2 April 2019.</p>   |

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| 5. | <b>CORPORATE CREDIT CARDS</b> | <b>Recommendation 1:</b><br>Council should ensure that as per section 6.8 of the Standard Operating Procedure, audits of procurement card usage are conducted randomly by the Finance Department, internal and/or external audit to further mitigate fraudulent activity and ensure that all procedural requirements are being met. | Accept the recommendation provided.<br><br>There are current processes and practices in place to ensure monthly credit cards are reviewed and approved by the relevant supervisor. This to be further strengthened by random audits which will be included as part of the Finance Department responsibility. This will include the development of a schedule of financial activities to ensure that audits are undertaken across all areas of council. | <b>Action Status / Target Date:</b><br>ITEM PREVIOUSLY COMPLETED<br><br><b>Responsible Officer:</b><br>Finance Manager<br><br><b>Action to Date:</b><br>Item previously reported as completed - 1 August 2019 update.                  | <b>Evidence Provided:</b><br>As per update 1 August 2019. |
| 6. | <b>INTEREST RETURNS</b>       | <b>Recommendation 1:</b><br>Council send out notification memo on the day the return period commences.  | Accept the recommendation provided.<br><br>Notification memos will be distributed on the day the return period commences and the governance schedule updated accordingly.  | <b>Action Status / Target Date:</b><br>ITEM PREVIOUSLY COMPLETED<br><br><b>Responsible Officer:</b><br>Corporate Governance Coordinator<br><br><b>Action to Date:</b><br>Item previously reported as completed - 1 August 2019 update. | <b>Evidence Provided:</b><br>As per update 1 August 2019. |

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|  |  | <p><b>Recommendation 2:</b><br/>Communication with relevant staff and councillors reinforces that returns are due within 40 days after 30 June and 31 December.</p> | <p>Accept the recommendation provided.</p> <p>Notification memo to be updated to include relevant timeframes for submission.</p>  | <p><b>Action to Date:</b><br/>ITEM PREVIOUSLY COMPLETED</p> <p><b>Responsible Officer:</b><br/>Corporate Governance Coordinator</p> <p><b>Action to Date:</b><br/>Item previously reported as completed - 1 August 2019 update.</p> | <p><b>Evidence Provided:</b><br/>As per update 1 August 2019.</p> |
|  |  | <p><b>Recommendation 3:</b><br/>That the responsible officer ensure that all submitted returns are reviewed for completeness but excluding content.</p>             | <p>Accept the recommendation provided.</p> <p>The newly appointed Corporate Governance Coordinator to take over responsibility for Register of Interest Returns to ensure centralised oversight. Corporate Governance Coordinator to facilitate training with support staff who assist with the administration.</p> | <p><b>Action to Date:</b><br/>ITEM PREVIOUSLY COMPLETED</p> <p><b>Responsible Officer:</b><br/>Corporate Governance Coordinator</p> <p><b>Action to Date:</b><br/>Item previously reported as completed - 1 August 2019 update.</p> | <p><b>Evidence Provided:</b><br/>As per update 1 August 2019.</p> |
|  |  | <p><b>Recommendation 4:</b><br/>For any non-compliant or non-submitted returns, relevant detail must be recorded in the register.</p>                               | <p>Accept the recommendation provided.</p> <p>Register to be update to include a new field for recording non-compliant or non-submitted returns.</p>  | <p><b>Action to Date:</b><br/>ITEM PREVIOUSLY COMPLETED</p> <p><b>Responsible Officer:</b><br/>Corporate Governance Coordinator</p> <p><b>Action to Date:</b><br/>Item previously reported as completed - 1 August 2019 update.</p> | <p><b>Evidence Provided:</b><br/>As per update 1 August 2019.</p> |

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| 7. | <b>AUDIT COMMITTEE</b>                       | <b>Recommendation 1:</b><br>Review date included on the charter or in the governance schedule to ensure the document is routinely reviewed in line with other policies and procedures. | Accept the recommendations provided.<br><br>The Audit and Risk Committee charter will be presented at the May 2019 Audit and Risk Committee meeting and in the future will be reviewed annually as part of the annual audit and risk plan. | <b>Action Target Date:</b><br>ITEM PREVIOUSLY COMPLETED<br><b>Responsible Officer:</b><br>Director Corporate Services<br><b>Action to Date:</b><br>Item previously reported as completed - 1 August 2019 update.  | <b>Evidence Provided:</b><br>As per update 1 August 2019.   |
| 8. | <b>SPECIAL COMMITTEES</b>                    | No actions recommended.  | Comments noted.  | <b>Action Target Date:</b><br>ITEM PREVIOUSLY COMPLETED<br><b>Responsible Officer:</b><br>Corporate Governance Coordinator<br><b>Action to Date:</b><br>No actions recommended.   | <b>Evidence Provided:</b><br>Not applicable.  |
| 9. | <b>COUNCILLOR EXPENSES AND REIMBURSEMENT</b> | <b>Recommendation 1:</b><br>Approval process to be formalised in the Councillor Reimbursement Policy and adhered to.   | Accept the recommendation provided.<br><br>Corporate Governance Coordinator to review the Councillor Reimbursement Policy and related forms.<br>Training to be facilitated for relevant staff in the Mayor and Councillors office.         | <b>Action Target Date:</b><br>ITEM NOW COMPLETED<br><b>Responsible Officer:</b><br>Corporate Governance Coordinator<br><b>Action to Date:</b><br>Item now completed. Councillor expenses Reimbursement Claim Form updated - June 2019.<br><br>Councillor Reimbursement Policy reviewed (renamed Councillor Entitlements & Reimbursement Policy) and to be presented to the Audit and Risk Committee and Council in November 2019. | <b>Evidence Provided:</b><br>1. Councillor Entitlements & Reimbursement Policy<br><br><b>Evidence Previously Provided – 1 August 2019:</b><br>1. Updated Councillor expenses Reimbursement Claim Form<br>2. Council Meeting Minutes - 25 June 2019 (resolution to Extend Review Due Date of Policy) |

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| 10. | <b>GOVERNMENT GRANTS</b> | <b>Recommendation 1:</b><br>Where any changes to the process are agreed upon, the process documented be updated accordingly.               | Accept the recommendation provided.<br><br>Standard Operating Procedure –for ‘Making Applications / Submissions for Funding (SOP-7049) to be amended to include briefing of Council before specified grants are applied for. Recreation Team Leader has been tasked with updating SOP-7049 and taking to a future Full Management Team meeting for adoption. | <b>Action Target Date:</b><br>ITEM PREVIOUSLY COMPLETED<br><br><b>Responsible Officer:</b><br>Director Community Services<br><br><b>Action to Date:</b><br>Item previously reported as completed - 1 August 2019 update. | <b>Evidence Provided:</b><br>As per update 1 August 2019. |
| 11. | <b>COMMUNITY GRANTS</b>  | <b>Recommendation 1:</b><br>Ensure that all relevant information is available on the council website.                                      | Accept the recommendation provide.<br><br>All relevant information is now available on website.  | <b>Action Target Date:</b><br>ITEM PREVIOUSLY COMPLETED<br><br><b>Responsible Officer:</b><br>Director Community Services<br><br><b>Action to Date:</b><br>Item previously reported as completed - 1 August 2019 update. | <b>Evidence Provided:</b><br>As per update 1 August 2019. |
|     |                          | <b>Recommendation 2:</b><br>A provision be included on the assessment form that allows for the assessors name and sign-off to be recorded. | Accept the recommendation provide.<br><br>The current process requires all awarding of grants to be by resolution of Council. This will be further strengthened by the new SmartyGrants software which has been configured to require assessors to identify themselves.  | <b>Action Target Date:</b><br>ITEM PREVIOUSLY COMPLETED<br><br><b>Responsible Officer:</b><br>Director Community Services<br><br><b>Action to Date:</b><br>Item previously reported as completed - 1 August 2019 update. | <b>Evidence Provided:</b><br>As per update 1 August 2019. |

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| 12. | <b>DELEGATIONS</b>         | <p><b>Recommendation 1:</b><br/>Council must ensure that wherever a review of a delegation take place, it is authorised via a resolution of council, and the instrument of delegation is executed accordingly. This can be included in the governance schedule.</p> | <p>Management confirm that all reviews of delegations have been correctly administered. Accept the recommendation provided to include the review of delegations in the governance schedule.</p>  | <p><b>Action Target Date:</b><br/>ITEM PREVIOUSLY COMPLETED</p> <p><b>Responsible Officer:</b><br/>Corporate Governance Coordinator</p> <p><b>Action to Date:</b><br/>Item previously reported as completed - 2 April 2019 update.</p> | <p><b>Evidence Provided:</b><br/>As per update 2 April 2019.</p> |
|     |                            | <p><b>Recommendation 2:</b><br/>Council assess where there are legal and financial risk for the period in where the Instrument of Delegation were not executed.</p>   | <p>No action required. The incorrect (incomplete) version of the instrument of delegation in question was provided to the Local Government Inspectorate. The delegation was in fact correctly executed and a copy provided to the inspectorate on the 19 March 2019. There is no legal or financial risk to Council.</p> | <p><b>Action Target Date:</b><br/>ITEM PREVIOUSLY COMPLETED</p> <p><b>Responsible Officer:</b><br/>Corporate Governance Coordinator</p> <p><b>Action to Date:</b><br/>Item previously reported as completed - 2 April 2019 update.</p> | <p><b>Evidence Provided:</b><br/>As per update 2 April 2019.</p> |
| 13. | <b>AUTHORISED OFFICERS</b> | No actions recommended.   | Comments noted.  | <p><b>Action Target Date:</b><br/>ITEM PREVIOUSLY COMPLETED</p> <p><b>Responsible Officer:</b><br/>Corporate Governance Coordinator</p> <p><b>Action to Date:</b><br/>No actions recommended.</p>                                      | <p><b>Evidence Provided:</b><br/>Not applicable.</p>             |

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| 14. | <b>SYSTEMS/RECORD KEEPING</b> | <p><b>Recommendation 1:</b><br/>Council should develop an appropriate record keeping strategy to address the identified issues over an appropriate time period.</p> | <p>Accept the recommendation provided.<br/>The following Internal Procedures (IP) and Standard Operating Procedures (SOP) to be updated:</p> <ul style="list-style-type: none"> <li>• IP-334 - Records Management Policy</li> <li>• SOP-3048 – Mail Procedures</li> <li>• SOP-3059 – Records Creation and Capture</li> <li>• SOP-3060 – Records Storage, Security and Access</li> <li>• SOP-3061 – Records Transfer and Disposal</li> <li>• SOP-3083 – Archiving</li> </ul> <p>Once IP's and SOP's have been adopted by management, a process for changing processes will commence.<br/>This will include the development of a Digitisation Policy (and associated SOP's). Digitisation Strategy currently being developed.<br/>The Paperlite Project which manages the change has been developed and will be presented at the Full Management Team meeting in April 2019 for adoption before then being rolled out across the organisation.</p> | <p><b>Action Target Date:</b><br/>ITEM PREVIOUSLY COMPLETED</p> <p><b>Responsible Officer:</b><br/>ICT &amp; Digital Transformation Manager</p> <p><b>Action to Date:</b><br/>Item previously reported as completed - 1 August 2019 update.</p> | <p><b>Evidence Provided:</b><br/>As per update 1 August 2019.</p> |
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| <p>15.</p> | <p><b>PROCUREMENT</b></p> | <p><b>Recommendation 1:</b><br/>Council, as a matter of priority, develop a strategy to address the issues identified in the management of procurement.</p> | <p>Accept the recommendation provided.</p> <p>In order to implement the recommendations and have continuous improvement in place in the best interests of the community and other stakeholders, Council is in the process of developing an Improvement Plan.</p> <p>The Improvement Plan will aim to:</p> <ol style="list-style-type: none"> <li>1. address the seven (7) issues which are highlighted in the Report and action them; and</li> <li>2. develop a Procurement and Contract Management System which will support the underlying principles of:             <ol style="list-style-type: none"> <li>a. Best value for money</li> <li>b. Open and fair competition</li> <li>c. Accountability and management</li> <li>d. Risk management</li> <li>e. Probity and transparency.</li> </ol> </li> </ol> <p>The Procurement and Contract Management System will:</p> <ol style="list-style-type: none"> <li>1. have up to date policies, procedures, tender and</li> </ol> | <p><b>Action Target Date:</b><br/>ITEM NOW COMPLETED</p> <p><b>Responsible Officer:</b><br/>Manager Finance</p> <p><b>Action to Date:</b><br/>Agreed actions now completed. Refer to the Procurement Covering Report (October 2019) for detail.</p> | <p><b>Evidence Provided:</b></p> <ol style="list-style-type: none"> <li>1. Procurement Covering Report (October 2019)</li> <li>2. Attachments to Procurement Covering Report:             <ul style="list-style-type: none"> <li>- Procurement Policy;</li> <li>- Conditions of Contract for Panel of Suppliers;</li> <li>- General Conditions of Tendering;</li> <li>- Flow- Chart: Procurement Process;</li> <li>- Procurement Quick Reference Guide;</li> <li>- Evaluation Panel Report – Request for Quotation Process;</li> <li>- Evaluation Panel Report – For the Chief Executive Officers under his Instrument of Delegation;</li> <li>- Evaluation Panel Report – For Council Approval.</li> <li>- Instrument of Delegation Council to CEO 24 Sept 2019</li> </ul> </li> </ol> <p><b>Evidence Previously Provided – 1 August 2019:</b></p> <ol style="list-style-type: none"> <li>1. Procurement Covering Report (August 2019)</li> <li>2. Attachments to Procurement Covering Report:</li> </ol> |
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|  |  |  | <p>contract templates, a contract register, a compliance register, facts sheets and/or checklists;</p> <ol style="list-style-type: none"> <li>2. ensure compliance with legislation, policy requirements and best practice principles;</li> <li>3. be clear, simple and easy to use;</li> <li>4. be understood and applied by Council employees;</li> <li>5. support potential contractors engaged as a result of the procurement process;</li> <li>6. provide education and training across Council; and</li> <li>7. be monitored for record keeping, reporting, compliance and continuous improvement.</li> </ol> |  | <ul style="list-style-type: none"> <li>- Procurement Policy</li> <li>- Exemption Procedure - Procurement Policy</li> <li>- Procurement and Contract Management System</li> <li>- Procurement Checklist for Record Management</li> <li>- Procurement File Closure Checklist</li> <li>- Staff Survey – Development of PCM Framework</li> <li>- Terms of Reference Project Steering Group</li> <li>- Agenda for PSG Meeting – Template</li> <li>- Minutes of PSG Meeting – Template</li> <li>- Request for Exemption Form</li> <li>- Contract Register</li> <li>- Educational Guidance (Superintendent)</li> <li>- Formal Instruments of Agreement</li> <li>- Governance Framework for GPCC and Heart Projects</li> <li>- Instruments of Appointment</li> <li>- Letters of Engagement</li> <li>- Reporting Framework for the GPCC and Heart Projects</li> </ul> |
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|  |  | <p><b>Recommendation 2:</b><br/>Review systems and process relating to procurement to ensure they meet the requirements of the procurement policy, the Act and the process is fair and transparent.</p> | <p>Accept the recommendation provided.</p> <p>The review into Councils current practices and procedures has been undertaken with the aim of identifying the areas for improvement. Council has put an action plan in place to ensure that procurement documents including conflict of interest and confidentiality forms are complete, the evaluation process and documents are compliant, the sign off process and decision making are accountable, fair and transparent, panel members are aware of, and comply with, their roles and responsibilities.</p> | <p><b>Action Target Date:</b><br/>ITEM PREVIOUSLY COMPLETED / FURTHER UPDATE NOW PROVIDED</p> <p><b>Responsible Officer:</b><br/>Manager Finance</p> <p><b>Action to Date:</b><br/>Item previously reported as completed - 1 August 2019 update.</p> <p>Further update now provided – Refer to the Procurement Covering Report (October 2019) for detail.</p> | <p><b>Evidence Provided:</b><br/>As per above.</p> |
|  |  | <p><b>Recommendation 3:</b><br/>Relevant training should be provided for procurement staff to ensure they are fully aware of their roles and responsibilities.</p>                                      | <p>Accept the recommendation provided.</p> <p>Training of all staff will be provided to ensure clear understanding of staff responsibilities. Training for procurement staff on their responsibilities will also be provided.</p> <p>The education and training plan will be put in place to:</p> <ol style="list-style-type: none"> <li>a. identify the areas for improvement in order to</li> </ol>   | <p><b>Action Target Date:</b><br/>ITEM PREVIOUSLY COMPLETED / FURTHER UPDATE NOW PROVIDED</p> <p><b>Responsible Officer:</b><br/>Manager Finance</p> <p><b>Action to Date:</b><br/>Item previously reported as completed - 1 August 2019 update.</p>  | <p><b>Evidence Provided:</b><br/>As per above.</p> |

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|  |  |  | <p>provide training for the procurement staff about their roles and responsibilities;</p> <p>b. provide training for the Management team about their roles and responsibilities in leading and supporting Council's Procurement and Contract Management System; and provide training for all Council employees as part of their induction process with additional training provided to employees who require or use the procurement services.</p> | <p>Further update now provided – Refer to the Procurement Covering Report (October 2019) for detail.</p> |  |
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