

2017

ORDINARY BUSINESS PAPER

CAMPBELLTOWN CITY COUNCIL



8 August



1 August 2017

You are hereby notified that the next Ordinary Council Meeting will be held at the Civic Centre, Campbelltown on Tuesday 8 August 2017 at 6.30pm.

Lindy Deitz
General Manager

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1. ACKNOWLEDGEMENT OF LAND

I would like to acknowledge the Traditional Custodians, the Dharawal people, whose Lands we are now meeting on. I would like to pay my respects to the Dharawal Elders, past and present and all other Aboriginal people who are here today.

2. APOLOGIES

Nil at time of print.

3. CONFIRMATION OF MINUTES

3.1 Minutes of the Ordinary Meeting of Council held 25 July 2017

Officer's Recommendation

That the Minutes of the Ordinary Meeting of Council held 25 July 2017, copies of which have been circulated to each Councillor, be taken as read and confirmed.

Report

That the Minutes of the Ordinary Meeting of Council held 25 July 2017 are presented to Council for confirmation.

Attachments

1. Minutes of the Ordinary Meeting of Council held 25 July 2017 (contained within this report)

CAMPBELLTOWN CITY COUNCIL

Minutes Summary

Ordinary Council Meeting held at 6.30pm on Tuesday, 25 July 2017.

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Minutes of the Ordinary Meeting of the Campbelltown City Council held on 25 July 2017

Present

- Councillor M Chivers
- Councillor M Chowdhury
- Councillor B Gilholme
- Councillor G Greiss
- Councillor K Hunt
- Councillor P Lake
- Councillor R Manoto
- Councillor B Moroney
- Councillor W Morrison
- Councillor M Oates
- Councillor B Thompson

In the absence of the Mayor, the Deputy Mayor, Councillor Oates chaired the meeting.

1. ACKNOWLEDGEMENT OF LAND

An Acknowledgement of Land was presented by the Chairperson Councillor Oates.

Council Prayer

The Council Prayer was presented by the Acting General Manager.

2. APOLOGIES

It was **Moved** Councillor Gilholme, **Seconded** Councillor Greiss:

That the apologies from Councillor G Brticevic, Councillor D Lound, Councillor R George and Councillor T Rowell be received and accepted.

191 The Motion on being Put was **CARRIED**.

3. CONFIRMATION OF MINUTES

3.1 Minutes of the Ordinary Meeting of Council held 11 July 2017

It was **Moved** Councillor Lake, **Seconded** Councillor Thompson:

That the Minutes of the Ordinary Meeting held 11 July 2017 copies of which have been circulated to each Councillor, be taken as read and confirmed.

192 The Motion on being Put was **CARRIED**.

4. DECLARATIONS OF INTEREST

Declarations of Interest were made in respect of the following items:

Pecuniary Interests - Nil

Non Pecuniary – Significant Interests - Nil

Non Pecuniary – Less than Significant Interests

Councillor Hunt - Item 8.1 - Demolition of existing dwelling and ancillary structures, construction of four dwellings and subdivision into four Torrens Title allotments - No. 8 Figtree, Crescent, Glen Alpine - Councillor Hunt advised that she has a long standing relationship with a nearby resident and that she will leave the Chamber and not take part in debate nor vote on the matter.

Other Disclosures - Nil

5. MAYORAL MINUTE

Nil

6. PETITIONS

Nil

7. CORRESPONDENCE

7.1 Member for Campbelltown - Greg Warren MP

It was **Moved** Councillor Thompson, **Seconded** Councillor Chowdhury:

That the letters be received and the information be noted.

193 The Motion on being Put was **CARRIED**.

8. REPORTS FROM OFFICERS

Having declared an interest in regard to Item 8.1, Councillor Hunt left the Chamber and did not take part in debate nor vote on this item.

Meeting Note: Mr Mair and Mr Stevens addressed the meeting in regards to Item 8.1.

8.1 Demolition of existing dwelling and ancillary structures, construction of four dwellings and subdivision into four Torrens Title allotments - No. 8 Figtree Crescent, Glen Alpine

It was **Moved** Councillor Manoto, **Seconded** Councillor Greiss:

That development application 943/2016/DA-RS for the demolition of an existing dwelling and ancillary structures, removal of 24 trees, construction of four dwellings and subdivision into four Torrens Title allotments at No. 8 Figtree Crescent, Glen Alpine, be refused for the following reasons:

- the proposal will result in the reduction of the limited and valuable resource of large-lot low-density residential living within the Campbelltown Local Government Area and is therefore inconsistent with the aim of the Campbelltown Local Environment Plan 2015 to ensure that diverse housing opportunities are provided across the Campbelltown Local Government Area
- the proposal is inconsistent with the Restrictions On The Use Of Land, created pursuant to Section 88B of the Conveyancing Act, 1919, to prevent the further subdivision of the subject land without the authority of the person/persons empowered to release vary or modify that restriction
- the proposed development will have an adverse impact on the safety of the public moving within the adjacent road related area
- the availability of public transport in the area is considered limited and not adequate in responding to the increased transport needs resulting from such a high density form of development
- the development will result in the construction of dwellings of a size that directly conflict with the built form objectives under which the suburb of Glen Alpine was originally developed
- the development contradicts the expected and desired character and amenity that is associated with large-lot low-density residential living, and is considered to pose an irretrievable risk to the long-term preservation of the underlying and defining character of the suburb of Glen Alpine
- the development is not in the public interest.

A Division was recorded in regard to the Resolution for Item 8.1 with those voting for the Motion being Councillors M Oates, M Chowdhury, R Manoto, B Gilholme, M Chivers, P Lake, B Moroney, W Morrison, B Thompson and G Greiss.

Voting against the Resolution were Nil.

194 The Motion on being Put was **CARRIED**.

At the conclusion of the discussion regarding Item 8.1, Councillor Hunt returned to the Chamber for the remainder of the meeting.

Meeting Note: Ms Steppacher, Mr Ocokolijich and Mr Vella addressed the meeting in regards to Item 8.2.

8.2 Construction of a telecommunications facility - Lot 7 Narellan Road, Narellan - south western corner - Western Sydney University

It was **Moved** Councillor Morrison, **Seconded** Councillor Hunt:

That the proposed development be approved subject to the recommended conditions of consent as outlined in attachment 1.

A Division was recorded in regard to the Resolution for Item 8.2 with those voting for the Motion being Councillors M Oates, M Chowdhury, K Hunt, R Manoto, B Gilholme, M Chivers, B Moroney, W Morrison and G Greiss.

Voting against the Resolution were Councillors P Lake and B Thompson.

195 The Motion on being Put was **CARRIED**.

8.3 Wheelchair Accessible Picnic Tables

It was **Moved** Councillor Gilholme, **Seconded** Councillor Chowdhury:

That a more detailed report be presented on the feasibility of wheelchair accessible picnic tables, and to provide an update of the various parks across the City that have these tables installed as part of the assets renewal program.

196 The Motion on being Put was **CARRIED**.

8.4 Ingleburn Horticultural Society 90th Anniversary

It was **Moved** Councillor Thompson, **Seconded** Councillor Manoto:

That Council write to the Ingleburn Horticultural Society and Garden Club to confirm the agreed support for the Society's 90th year celebrations.

197 The Motion on being Put was **CARRIED**.

8.5 Performance Audits

It was **Moved** Councillor Thompson, **Seconded** Councillor Gilholme:

That the information be noted.

198 The Motion on being Put was **CARRIED**.

8.6 Revised Policy - Media

It was **Moved** Councillor Lake, **Seconded** Councillor Chivers:

1. That the revised Media Policy as attached be adopted.
2. That the policy review date be set at 30 September 2020.

199 The Motion on being Put was **CARRIED**.

8.7 Proposed Renaming of Racecourse Avenue to Beersheba Parade

It was **Moved** Councillor Morrison, **Seconded** Councillor Hunt:

1. That Council approve the proposal to rename the section of Racecourse Avenue in Menangle Park (between Menangle Road and the entrance to the racecourse), to Beersheba Parade.
2. That Council publicly exhibit the proposal for a period of 28 days by placing advertisements in local newspapers, and also notifies the authorities prescribed by the Roads Regulation 2008 and the land owners and residents directly affected by the proposed renaming.
3. That should no objections to the proposal be received during the exhibition period, Council publish notice of the renaming of this section of road in the NSW Government Gazette.

200 The Motion on being Put was **CARRIED**.

8.8 Reports and Letters Requested

It was **Moved** Councillor Moroney, **Seconded** Councillor Manoto:

That the information be noted.

201 The Motion on being Put was **CARRIED**.

9. QUESTIONS WITH NOTICE

Nil

10. RESCISSION MOTION

Nil

11. NOTICE OF MOTION

Nil

12. URGENT GENERAL BUSINESS

Nil

13. PRESENTATIONS BY COUNCILLORS

1. Councillor Greiss presented the General Manager with a flag and letter he had received from the Lion's Club.
2. Councillor Greiss advised that he received a copy of the Business First magazine, and there is an interview with the Director City Growth and Economy, Jeff Lawrence from Campbelltown City Council. Councillor Greiss noted that it is good to see that Campbelltown is being featured in magazines and the positive publicity of our community.
3. Councillor Lake congratulated Josh Cotter on his recent engagement noting that the video had over 60,000 views and was great promotion for the Rosemeadow Park.

Confidentiality Recommendation

It was **Moved** Councillor Lake, **Seconded** Councillor Hunt:

That the Council in accordance with Section 10A of the *Local Government Act 1993*, resolve to exclude the public from the meeting during discussions on the items in the Confidential Agenda, due to the confidential nature of the business and the Council's opinion that the public proceedings of the Committee would be prejudicial to the public interest.

202 The Motion on being Put was **CARRIED**.

The Ordinary Meeting of Council was adjourned at 7.52pm and reconvened as a meeting of the Confidential Committee at 7.53pm.

14. CONFIDENTIAL REPORTS FROM OFFICERS

14.1 Directors of Companies

It was **Moved** Councillor Lake, **Seconded** Councillor Thompson:

That the information be noted.

CARRIED

Motion

It was **Moved** Councillor Lake, **Seconded** Councillor Moroney:

That the Council in accordance with Section 10 of the *Local Government Act 1993*, move to re-open the meeting to the public.

203 The Motion on being Put was **CARRIED**.

At the conclusion of the meeting of the Confidential Committee the Open Council Meeting was reconvened at 7.54pm.

Motion

It was **Moved** Councillor Chivers, **Seconded** Councillor Morrison:

That the reports of the Confidential Committee and the recommendations contained therein be adopted.

204 The Motion on being Put was **CARRIED**.

There being no further business the meeting closed at 7.55pm.

Confirmed by Council on

..... General Manager Chairperson

4. DECLARATIONS OF INTEREST

Pecuniary Interests

Non Pecuniary – Significant Interests

Non Pecuniary – Less than Significant Interests

Other Disclosures

5. MAYORAL MINUTE

Nil

6. PETITIONS

Nil

7. CORRESPONDENCE

7.1 Wollondilly Shire Council - Protection of the Koala Habitat in Appin

Officer's Recommendation

1. That the letter be received and the information be noted.
 2. That Council write to Wollondilly Council confirming its support in protecting the koala habitat on Appin Road during future upgrades.
-

Seeking Council support in making sure the protection of Koala habitats during future upgrades of Appin Road.

Attachments

1. Letter from Wollondilly Shire Council - Protection of the Koala Habitat in Appin (contained within this report)



Frank McKay Building 62-64 Menangle Street Picton NSW 2571 DX: 26052 Picton
All Correspondence to PO Box 21 Picton NSW 2571
Telephone: 02 4677 1100 Fax: 02 4677 2339
Email: council@wollondilly.nsw.gov.au Web: www.wollondilly.nsw.gov.au
ABN: 93 723 245 808

RURAL LIVING

Our Reference: TRIM 1891#16 MN

The General Manager
Campbelltown City Council
PO Box 57
Campbelltown NSW 2560

JUL10'17 07:58:13 RCVD

3 July 2017

Dear Ms Deitz,

A handwritten signature in dark ink, appearing to read 'Lindy', is written over the name 'Ms Deitz'.

PROTECTION OF KOALA HABITAT IN APPIN

The protection and management of koala populations and their associated habitat within the Wollondilly Local Government Area is of high importance to Council and the local community it represents.

Appin has been identified as a significant area for koala activity, with recent sightings reported by staff as well as residents who have called Council's Koala Hotline.

At its Ordinary Meeting of 19 June 2017, Wollondilly Shire Council passed the following resolution in relation to this matter:

That Council write to both the Federal and State Governments and Local Members requesting that protection of the koala habitat be a top priority with upgrades to Appin Road.

Further, that Council write to both Campbelltown and Wollongong Councils requesting their support on this issue.

In accordance with the above resolution, Council is seeking your support in making sure the protecting the koala habitat during future upgrades to Appin Road.

If you have any questions regarding this letter please contact Council's Manager Infrastructure, Mike Nelson on phone (02) 4677 9580 or via email mike.nelson@wollondilly.nsw.gov.au

Yours faithfully,

A handwritten signature in dark ink, appearing to read 'Luke Johnson', is written above the printed name.

Luke Johnson
GENERAL MANAGER

8. REPORTS FROM OFFICERS

8.1 Request for Leave - Councillor Brticevic

Officer's Recommendation

That Councillor George Brticevic be granted a leave of absence from Council for the meeting of 8 August 2017.

Report

Councillor Brticevic has requested a leave of absence.

Councillor Brticevic will be absent for the meeting of the 8 August.

Under Section 234 of the *Local Government Act 1993* and clause 235A of the Local Government Regulations 2005 leave of absence can be granted to a Councillor with Council approval.

In accordance with the relevant legislation and regulations outlined above and having regard to the purpose for which this leave is requested, it is recommended that the application by Councillor Brticevic be approved.

Attachments

Nil

8.2 Request for Leave - Councillor Rowell

Officer's Recommendation

That Councillor Ted Rowell be granted a leave of absence from Council incorporating all Council meetings from Tuesday 8 August to Tuesday 12 December 2017.

Report

Councillor Rowell has requested a leave of absence.

Councillor Rowell intends to be absent from Council from Tuesday 8 August to Tuesday 12 December 2017 inclusive. It should also be noted that Councillor Rowell may return from leave early and if this is the case notice will be provided to the General Manager.

Under Section 234 of the *Local Government Act 1993* and clause 235A of the Local Government Regulations 2005 leave of absence can be granted to a Councillor with Council approval.

In accordance with the relevant legislation and regulations outlined above and having regard to the purpose for which this leave is requested, it is recommended that the application by Councillor Rowell be approved.

Attachments

Nil

8.3 Audit, Risk and Improvement Committee Update

Reporting Officer

Internal Auditor
General Manager

Community Strategic Plan

Objective	Strategy
3 Outcome Three: A Thriving, Attractive City	3.8 - Provide strong governance for all Council activities

Officer's Recommendation

1. That Council adopt the Audit, Risk and Improvement Committee meeting minutes of 27 June 2017.
2. That Council notes the information contained in the Annual Performance Report for Internal Audit and the Audit, Risk and Improvement Committee for the year ended 30 June 2017.
3. That Council endorse the extension of the tenure of the independent chair and inaugural independent member of the Audit, Risk and Improvement Committee for a further two year period ending 10 September 2019.

Purpose

To provide an update on Internal Audit and Audit, Risk and Improvement committee activities for the year ended 30 June 2017, including the outcomes from the 27 June 2017 Audit, Risk and Improvement Committee meeting.

History

Council approved the establishment of an Audit Committee consisting of two independent members, the Mayor, the Deputy Mayor and the Chairperson or a member of the Corporate Governance Committee in October 2010.

In October 2016 the Committee was renamed the Audit, Risk and Improvement Committee to reflect the proposed amendments to the *Local Government Act 1993*.

The Committee's membership was also re-established comprising three independent members and the Mayor or mayoral delegate.

The Audit, Risk and Improvement Committee meets at least four times per year in accordance with its Charter and at the meeting held in June each year, considers an Annual report on the performance of the committee and internal audit section during the year.

Report

Audit, Risk and Improvement Committee Meeting minutes – 27 June 2017

Detailed in the attached meeting minutes are the recommendations of the Audit, Risk and Improvement Committee for June 2017. Council officers have reviewed the recommendations which are now presented for the consideration of Council.

Annual Performance Report on Internal Audit and the Audit, Risk and Improvement Committee – year ended 30 June 2017.

The Audit, Risk and Improvement Committee is required to provide a report to Council on its activities each year. The attached report covers both Internal Audit and the Audit, Risk and Improvement Committee's activities for the year ended 30 June 2017.

The report outlines some of Internal Audit and the Committee's key achievements during the year including; development and implementation of a probity assurance framework, review of Council's framework for encouraging ethical conduct, recruitment of an additional independent member of the committee, and ongoing improvement of the internal audit function in accordance with the quality assurance and improvement program.

The Annual Report covers:

- Audit, Risk and Improvement Committee meetings and attendance
- Cost of internal audit activities,
- Performance against the approved internal audit plan, and
- Audit, Risk and Improvement Committee coverage per roles and responsibilities in the Charter.

Extension of Tenure of original two independent members of the Audit, Risk and Improvement Committee.

The independent members of Council's inaugural Audit Committee were appointed to their roles in 2011, and their current appointment is due to expire on 10 September 2017. In accordance with the Audit, Risk and Improvement Committee charter and Council delegations, the General Manager has approved a further two year extension to the independent members tenure ending 10 September 2019.

Attachments

1. Minutes of the Audit, Risk and Improvement Committee meeting held on 27 June 2017 (contained within this report)
2. Internal Audit Strategic Plan 2017 - 2020 (contained within this report)
3. Audit, Risk and Improvement Committee and Internal Audit Annual Report for year ended 30 June 2017 (contained within this report)

Minutes of the Audit, Risk and Improvement Committee**Held Tuesday 27 June 2017 at Campbelltown City Council**

Meeting Commenced: 4.05pm

1. Acknowledgement of Land**2. Apologies**

Attendance: Bruce Hanrahan – Independent Chairperson
Councillor Warren Morrison
Robert Rofe - Independent Member
Jim Mitchell - Independent Member

Also in Attendance: Lindy Deitz - General Manager
Michael Sewell - Director City Governance
Deborah Goodyer - Internal Auditor
Warren Kear - Risk Management Coordinator
Roland Mann - Work Health and Safety Specialist
Nathan Carter – Director Financial Audit, Audit Office of New South Wales
Roopal Rachna - Audit Leader, Audit Office of New South Wales
Corinne Mears - Executive Manager Corporate Services and Governance
Cathy Gavin - Finance and Tax Accountant
Kellie Greig - Executive Support

Committee's Recommendation:

That the above apologies be accepted

CARRIED**3. Declarations of Interest****4.0 Minutes of the Previous Meeting****4.1 Minutes to the Audit, Risk and improvement Committee meeting held 28 March 2017****Reporting Officer**Internal Auditor
General Manager**Officer's Recommendation**

That the minutes of the previous Audit Risk and Improvement Committee meeting adopted by Council at its meeting held 9 May 2017 be recorded as accurate.

Purpose

To confirm the minutes of the 28 March 2017 Audit, Risk and improvement Committee meeting.

Report

The minutes of the previous Audit, Risk and improvement Committee meeting held on 28 March 2017 were circulated to all members post meeting and are attached for your information.

Committee's Recommendation:

That the minutes of the previous Audit Risk and Improvement Committee meeting adopted by Council at its meeting held 9 May 2017 be recorded as accurate.

CARRIED**5. Reports****5.1 Internal Audit Progress (Completion of Plan and Other Activities)****Reporting Officer**

Internal Auditor

Officer's Recommendation

That the Committee note the information contained in the Report on Internal Audit Progress (including completion of Plan and other audit activities).

Purpose

To provide an update to the Audit, Risk and Improvement Committee on internal audit activities including the current status of work undertaken in accordance with the approved Strategic Audit Plan 2016-2017 and Budget Vs. Actual Audit days.

History

The Audit, Risk and Improvement Committee approved the rolling 2016-2019 Strategic Audit Plan in June 2016. Work commenced on the annual audit plan for 2016-2017 in July 2016. Other activities traditionally undertaken by the internal auditor include assistance with compliance audits, adhoc advice on policy, risk and probity, and special audit reviews, project groups or investigation requests.

Report

The attached report outlines the status of individual audits approved as part of the Strategic Audit Plan together with an outline of adhoc internal audit activity.

The scheduled audit of Implementation of Contract Management recommendations for improvement has been finalised and is submitted to the Committee.

The annual audit plan for 2016-2017 also included reviews of Recruitment and Selection, and follow up on implementation of recommendations for improvement in Business Continuity planning. Fieldwork on these activities has been deferred as outlined in the Draft Internal Audit Strategic Plan for 2017-2020.

The work on restructure projects and activities is ongoing and will be progressively reported.

Internal audit has also advised on a number of probity matters and coordinated work on implementation of the Probity Assurance Framework for application to an increasing number of complex projects or initiatives across Council.

Committee's Recommendation:

That the Committee note the information contained in the Report on Internal Audit Progress (including completion of Plan and other audit activities).

CARRIED**5.2 Follow up of Internal Audit recommendations****Reporting Officer**

Internal Auditor
General Manager

Officer's Recommendation

That the Committee notes the information contained in the Report on Follow Up of Implementation of Internal Audit recommendations and considers approval of extension of target implementation dates as requested.

Purpose

To report on progress towards implementing the recommendations from previous internal audits.

History

Internal audits are conducted in accordance with the approved Internal Audit Plan each year. The findings from each internal audit are reported to the Audit Committee in the form of a report detailing the individual issues identified, their implications, recommendations for improvement, management agreed actions with target dates for implementation, and the staff member assigned responsibility for implementation.

Report

The attached report on Follow Up is management's update on implementation of recommendations made in internal audits performed to date.

It includes a summary table of audits with outstanding actions showing the total number of recommendations made, those fully implemented, partially implemented and outstanding. Detailed schedules of progress on outstanding recommendations are included providing reason(s) for any non-implementation within agreed timeframes, as well as requests for revision of the target dates.

This report includes detailed progress towards implementation of recommendations made in audits reported to the Audit, Risk and Improvement Committee meetings up to and including March 2017:

- Policy Management & Gap Analysis (February 2016)
- Grant Application Governance Arrangements (February 2016)
- Contract Management (April 2016)
- Child Protection (December 2016)
- Planning Reform Fund Compliance and certification 2015-16 (August 2016)

- Accounts Receivable and Debt Recovery (March 2017),
- Section 149 Certificate –Quality Assurance & Data Integrity (March 2017), and
- Ethical Conduct and Culture – Stage 1 The Framework (March 2017)

Implementation of recommendations from the Policy Management and Grant Application Governance audits is intended to be completed between June and September 2017.

The progress on implementation of recommendations for improvement in contract management is substantial as detailed in the separate follow up report.

Formal follow up activities to monitor implementation of audit recommendations which exceed the due dates is undertaken as required.

Alternate systems for monitoring implementation of recommendations for improvement are currently being explored via a project group for acquisition of integrated corporate software, including potential functionality for corporate planning, risk management, audit and project management. Members were advised that Council's IM&T section are driving this corporate project with respect to collating the scope and specifications for the potential system. Expected timeframes are to issue an expression of interest to potential suppliers in the second quarter of the financial year.

In the meantime, excel spreadsheet functionality is being utilised to allow reporting by audit project, responsible officer, category of risk or original target implementation date.

Members of the Committee questioned timeframes and extent of implementation of specific action items including:

- Finalisation of the Grant management procedure expected by the end of August 2017
- formation of a project control group in relation to development of the Contract Governance Framework did not proceed as a specialist project officer has been utilised.
- Substantial work has been undertaken on the section 149 Certificate action plan by an external consultant reviewing several development and planning activities at Council. Work is expected to be completed by 30 September 2017.

Committee's Recommendations:

That the Committee notes the information contained in the Report on Follow Up of Implementation of Internal Audit recommendations and considers approval of extension of target implementation dates as requested.

CARRIED

5.3 Internal Audit Report on Implementation of Contract Management Recommendations for Improvement

Reporting Officer

Internal Auditor
General Manager

Officer's Recommendation

That the Committee notes the information contained in the Internal Audit Report on Implementation of Contract Management Recommendations for Improvement.

Purpose

The Internal Audit Report details findings and recommendations from the Review of Implementation of Contract Management Recommendations for Improvement, which was undertaken in accordance with the 2016-2017 approved Internal Audit Plan.

History

The 2016-2017 Internal Audit Plan was approved at the June 2016 Audit, Risk and Improvement Committee meeting and included the follow up audit of Implementation of Contract Management Recommendations for Improvement.

Report

Attached is the Internal Audit Report outlining the findings from the review.

The objective of the review of Implementation of Contract Management Recommendations for Improvement was to assess the extent and adequacy of progress towards implementation of the management agreed action plan with respect to:

- Evidence of actions completed
- Completion in accordance with agreed/approved timeframes
- Consistency with other relevant Council policies, Authorised Statements and Procedures, and
- Adequacy of the actions undertaken to address the issues and risks identified in the Internal Audit Report on Contract Management 2015 – 2016

The review indicated that substantial progress has been made towards implementation of the recommendations for improvement, and procurement and contracts officers have designed a robust framework for governance of Contract Management.

At the time of review, the framework documentation was considered to be approximately 60% complete and in process of being trialled. Council's current contract management system is being investigated for capacity and functionality, and implementation including training is expected prior to the end of 2017.

The overall rating applied to this review is that Moderate exposure remains regardless of there being no areas identified for improvement at the time of review.

The management agreed action plan for implementing all the recommendations from the Internal Audit of Contract Management will continue to be monitored and reported to the Committee until completed. Remaining actions expected to be completed by December this year.

Committee's Recommendation:

That the Committee notes the information contained in the Internal Audit Report on Implementation of Contract Management Recommendations for Improvement.

CARRIED

5.4 Internal Audit Report on RMS Drives Access System Compliance 2016-2017**Reporting Officer**

Internal Auditor
General Manager

Officer's Recommendation

That the Committee notes the information contained in the Internal Audit Report on RMS Drives Access System Compliance 2016-2017

Purpose

The Internal Audit Report details findings from the audit of RMS Drives Access System Compliance which was undertaken in accordance with NSW Roads and Maritime Services requirements for annual compliance certification for the year ended 30 June 2017.

History

The certification and compliance audit on Councils compliance with the RMS Drives System Terms of Access Agreement has previously been undertaken since 2013-14 by Internal Audit in accordance with the audit program prescribed by RMS.

Report

Attached is the Internal Audit Report outlining the findings from the Review of RMS Drives Access System Compliance for the year ended 30 June 2017.

The audit has been undertaken to form an opinion as to whether, in all material respects, the Council has complied with its obligations under the agreement.

The review indicated that effective control procedures were operating in relation to Council meeting its obligations under the DRIVES Terms of Access Agreement.

Committee's Recommendation:

That the Committee notes the information contained in the Internal Audit Report on RMS Drives Access System Compliance 2016-2017.

CARRIED**5.5 Update on Enterprise Risk Management****Reporting Officer**

Risk Coordinator
City Governance

Officer's Recommendation

That the committee note the information in this report on Enterprise Risk Management.

Purpose

To provide an update on Enterprise Risk Management activities and developments as they pertain to the governance of Council.

History

The Enterprise Risk Management function was established within Council's Governance and Risk section towards the end of 2015, and a framework has been progressively developed since that time.

A risk register is being established and is reported to the Committee periodically.

ReportStrategic Risk Register

Following the last update to the Audit, Risk and Improvement Committee, Council is now implementing the actions identified in the Strategic Risk Register. As part of the monitoring program, feedback has been sought from Council Executive on the status of each action plan. Results on the progress of implemented actions and any changes to the register will be presented at future committee meetings as required.

Operational Risk Profiling

Following on from the work completed on the Strategic Risk Register, Council has now commenced a project to identify and profile various operational risks within the organisation.

An Operational Risk Profiling Tool (Attachment 1) has been developed and distributed to all Managers within Council for completion. In addition, the Risk Management Coordinator has met with each Manager to discuss risks that relate to their particular area of operation. Managers have been requested to provide all risk data to the Risk Management Coordinator for analysis.

Once analysis of the data is completed, a number of workshops will be scheduled in the first quarter of 2017/2018 financial year to analyse and assess each risk to determine if current controls are adequate or if further risk treatments and actions are required.

Upon the completion of each workshop, Managers will be given a Risk Action Plan for the coming financial year which will be monitored as part of normal business reporting requirements. In the future with the acquisition of integrated business planning and risk management software, Managers will report on their risk action as part of an overall corporate integrated planning and reporting strategy.

Committee's Recommendation:**CARRIED****5.6 Risk Management Report on Emergency Planning in Council Facilities – Compliance Audit****Reporting Officer**

Risk Coordinator
City Governance

Officer's Recommendation

That the committee note the information in this report on Emergency Management at Council Facilities – Compliance Audit.

Purpose

The Risk Management Audit Report on Emergency Planning in Council Facilities details findings and recommendations as a result of a review of Council's emergency planning arrangements in accordance with the 2016/2017 Work Health & Safety (WHS) audit program.

Report

Attached is the Risk Management Audit Report outlining the findings from the review undertaken to assess Council's planning arrangements for responding to emergencies in Council controlled workplaces. The audit specifically addressed:

- the adequacy of key processes and controls around emergency planning in facilities, including Council's corporate documents including Policies, Authorised Statements and procedures
- compliance and implementation of corporate documents, records and training against:
 - *Section 19.3 of NSW WHS Act 2011*
 - *Section 43 of NSW WHS Regulation 2011*
 - *AS3745:2010 – Emergency planning in facilities*
 - *Section 3.11 of the National self-insurer OHS management system audit tool*

The audit found that the documented policies and procedures that relate to emergency planning could be significantly improved and at the current time do not meet the basic requirements of the legislation, regulations and standards. In addition the continuous oversight of emergency planning by management had lapsed for a number years.

Better practices were demonstrated in worker induction training and emergency evacuation diagrams.

The overall rating given to this audit is that there is a High exposure. Of the 14 recommendations, 6 were considered to place Council in a higher than acceptable area of exposure.

An action plan for implementing all recommendations has been endorsed by the Emergency Planning Committee.

Warren Kear provided an overview of the above. Queries were raised regarding action plans proposed to address reduction of risk exposure in relation to findings and the Committee were advised that a lot of these have been actioned. The action plan is attached to this report and Council's Executive are looking at resources to support with a greater emphasis on consultation and training.

Committee's Recommendation:

That the committee note the information in this report on Emergency Management at Council Facilities – Compliance Audit.

CARRIED

5.7 Introduction to Business Excellence Function

Reporting Officer

Director City Governance
City Governance

Officer's Recommendation

That the Committee note the information regarding the new business excellence function to be established within Council

Purpose

To provide the Committee with an introduction to the Business Excellence function to be introduced into Council's structure.

History

In 2015 Council commissioned Morrison Low to undertake a review of the organisation in response to the Fit for the Future reforms. Along with the increased mandate of the Audit, Risk and Improvement Committee to review and assess operations for services for potential improvement, Council has determined to establish a business improvement function within City Governance Division.

Report

Forming part of the Morrison Low organisational review, one of the key recommendations was the development of a business improvement program owned by Corporate Services & Governance that includes:

- Developing and implementing a project management framework
- Undertaking a program of service reviews
- Developing business case methodology for prioritising projects and new resources

Council is committed to continuous improvement, efficiencies and innovation. As such a dedicated team in business excellence has been approved in the organisational review. This team will lead service reviews to identify adequate resources, systems and technologies are in place to deliver the service aspirations of our community effectively, are best value and equitable across the local government area, while supporting Council's strategic corporate plans.

The Business Excellence function will develop a comprehensive project framework and guidelines in implementing service reviews including the key components of resourcing, stakeholder engagement, service identification and review, evaluation and reporting and change implementation.

Michael Sewell provided some history in relation to this item advising external consultants had reviewed Council's structure and recommended that a business improvement, business excellence and service review function be resourced.

General discussion was had in relation to the importance of the coordination of activities by Business Excellence, Internal Audit and External Audit.

Committee's Recommendation:

That the Committee note the information regarding the new business excellence function to be established within Council.

CARRIED**5.8 Update on City Governance Matters****Reporting Officer**

Director City Governance
City Governance

Officer's Recommendation

That the information be noted.

Purpose

To update the members of the Audit Risk and Improvement Committee in regard to Probity and Project Management.

History

Council has an extensive property portfolio which will require activation in response to the Fit for the Future proposal presented to the Office of Local Government in a response to the findings of IPART in relation to Council's original submission. The opportunities that will arise may require a number of partnerships in various areas throughout the Local Government Area. As a consequence, the Director of City Governance appointed Stephen Horne of CBI Consulting to develop a probity framework that will assist Council in assessing all projects that require a probity framework to be implemented.

Project management has continued to be a weakness throughout the organisation. The Executive have considered a number of options in regard to addressing this issue and currently roles and responsibilities are being established to ensure the strengthening of project management within the organisation.

Report**Probity**

The Director of City Governance recommended to the Executive the engagement of Stephen Horne from CBI Consulting to develop a framework and training throughout the organisation. The Executive have adopted a Probity Assurance Authorised Statement and a Probity Assurance Procedure to be implemented throughout Council.

Training is currently being conducted for interested stakeholders that will be involved in major projects requiring the implementation of a probity framework. The training will assist staff in assessing their projects requiring probity by the checklist that is an element of the framework.

Discussions will take place with the Office of Local Government in ensuring that Council has in place the appropriate probity and governance framework in dealing with a number of projects that may involve significant partnerships.

Project Management

Project Management is currently being considered by the Executive in assessing the appropriate division and roles and responsibilities of a Project Management office. Members of the Executive team attended a two-day training course that was conducted by the University of Sydney in Project Management. This was an extensive course with a range of topics including integration management, scope management, time management, cost management, risk management, quality management, procurement management, human resources management, communications and stakeholder management, and professional responsibilities.

This training has provided a platform and insight for the Executive to implement a structure that will improve the quality of project management within the organisation. Previously project management of large construction projects have been outsourced to various project management organisations. While Council have had some project management involvement with these projects, currently we continue to outsource major initiatives to ensure successful completion that is cost-effective and timely.

Council has a number of projects of a less significant nature, especially relating to information management and technology that have had a project management framework implemented and followed. This is consistent with the implementation of a number of initiatives relating to technology both from an infrastructure and software perspective.

Michael Sewell provided an overview of the reasons behind initiating work on the probity and project management frameworks. The adoption of probity within Council is well underway as outlined above. The project management had predominantly been outsourced and an opportunity has been seen to strengthen management and start this process within Council. Management have undertaken a two day workshop and now need to identify a project management team and the area of responsibility.

Committee's Recommendation:

That the information be noted.

Carried**5.9 Draft Strategic Internal Audit Plan 2017-2020****Reporting Officer**

Internal Auditor
General Manager

Officer's Recommendation

That the Draft Strategic Internal Audit Plan 2017-2020 be approved.

Purpose

The draft Strategic Internal Audit Plan 2017-2020 outlines the planned focus for the internal audit function over the next three years and includes a rolling program of audits to be conducted over the period.

History

The Audit, Risk and Improvement Committee approved the 2016-2017 Strategic Internal Audit Plan at its June 2016 meeting. The plan incorporated a three year rolling program of audits and was redeveloped to incorporate changes in Internal Audit methodology, and the risks and priorities impacting Council since the previous plan was developed.

The assessment of changes in risks and priorities included reference to Council's strategic risk register and operational risk profiling tool, risk identification meetings held with the Executive, completion of risk assessments across the audit universe, identification of other assurance processes scheduled and the consideration of local government risks and trends.

Report

The draft Strategic Internal Audit Plan 2017-2020 is a three year rolling plan that has been revised after consultation with management and Council's Risk Management Coordinator.

Given that Council has been experiencing significant change relating to organisational restructure and local government reform over the past 18 months, the plan has been amended to reflect a focus on assurance over risk areas associated with change management.

The following audits have been scheduled for the first year of the Plan as a result of this process:

- Recruitment and selection
- Ethical Conduct and culture – Stage 2 Framework for Managing Misconduct
- Payment of Expenses and Provision of Facilities to Councillors
- Council Facilities Security Program
- Follow up Reviews of Business Continuity planning and Emergency planning
- Fraud and Corruption Prevention Assessment, and
- Time and Attendance.

The Plan proposes the Fraud and Corruption Prevention Assessment towards the latter half of the audit year in order to provide assurance to Council on the Fraud and Corruption Prevention Framework which is currently being established.

Further, the plan also includes a focus on monitoring progress towards implementation of recommendations from past audits as well as moving into phase two of looking at elements of our framework for promoting ethical behaviours and culture.

The number of audits for 2017 -18 has increased and external assistance will be utilised where most relevant. This may be in relation to an assessment of Council's developing fraud and corruption control framework, and the review of Council's Security arrangements.

The second and third years of the Plan have also been amended to reflect the rescheduling and to accommodate any risks or areas of priority or broader coverage of Council's operations which have been raised through consultation.

Committee's Recommendation:

That the Draft Strategic Internal Audit Plan 2017-2020 be approved.

CARRIED**5.10 Draft Audit, Risk and Improvement Committee and Internal Audit Annual Report 2016-2017**

Reporting Officer

Internal Auditor
General Manager

Officer's Recommendation

That the Committee approves:

1. The draft Audit Committee and Internal Audit Annual Report for the year ended 30 June 2017.
 2. That the Independent Chair of the Audit Committee be delegated to approve the final Audit, Risk and Improvement Committee and Internal Audit Annual Report for submission to Council.
-

Purpose

To provide the Audit, Risk and Improvement Committee with the draft Annual Report on the activities of Internal Audit and the Committee during the year to facilitate reporting to Council annually as required by the Audit, Risk and Improvement Committee Charter.

History

The Audit, Risk and Improvement Committee's Charter requires that by the first meeting after 30 June each year, Internal Audit, via the General Manager, will provide a performance report of:

- the performance of Internal Audit for the financial year, and
- the approved Internal Audit Plan of work for the previous year showing the current status of each audit.

The Charter requires this performance report to be included with the Committee's annual report to Council.

The Internal Audit function must also comply with the International Standards for the Professional Practice of Internal Auditing (Institute of Internal Audit), and periodically assess Internal Audit performance against the standards.

Report

The attached report is the Draft Audit Risk and Improvement Committee and Internal Audit Annual Report required by the Audit, Risk and Improvement Committee Charter. This report covers the activities of Internal Audit and the Committee for the year ended 30 June 2017. The report outlines some of the key achievements during the year, including internal audit reports completed and reviewed by the Committee, and updating of the three year rolling Strategic Audit Plan.

It also covers:

- Audit, Risk and Improvement Committee attendance
- cost of internal audit related activities
- performance against approved Audit Plan, and
- Audit, Risk and Improvement Committee coverage against roles and responsibilities in the Charter.

Minor amendments to the report will be required to incorporate 'actual' audit days and costs for the year ended 30 June 2017.

It is proposed that the final Annual report be submitted to the Independent Chair of the Audit, Risk and Improvement Committee for review and approval, with the changes being reported to the next Audit, Risk and Improvement Committee meeting.

In relation to the performance evaluation of the committee, this remains solely in reference to coverage of the key responsibilities of the committee rather than to effectiveness. A proposal was put forward that the Committee considers an effectiveness survey to be part of the evaluation for the 2017-18 year.

The Committee agreed that a survey of members, committee attendees and senior management of Council be circulated in March 2018, and incorporated into the Committee performance evaluation for the 2017 – 18 year.

The Committee noted that the external quality assurance assessment will be due at the end of 2017 – 18 and has been provided for in the annual audit plan for 2018/19.

Committee's Recommendation:

That the Committee approves:

1. The draft Audit Committee and Internal Audit Annual for the year ended 30 June 2017.
2. That the Independent Chair of the Audit Committee be delegated to approve the final Audit, Risk and Improvement Committee and Internal Audit Annual Report for submission to Council.

CARRIED

5.11 Draft revisions to the Internal Audit Charter

Reporting Officer

Internal Auditor
General Manager

Officer's Recommendation

That the Committee approve the revisions to Council's Internal Audit Charter.

Purpose

This report provides a revision of the Internal Audit Charter to reflect minor changes relating to changes to the Audit, Risk and Improvement Committee Charter with respect to the roles and responsibilities of the Committee and internal audit function.

History

Internal Audit was established within Council in October 2010 and since that time the roles and responsibilities of the Internal Auditor and the Audit Committee have evolved with Council's changing organisational structure and governance, risk and assurance activities. As a result, amendments to the Internal Audit Charter have been required from time to time.

Report

The revised draft of the Internal Audit Charter provides for minor changes relating to changes to the Audit, Risk and Improvement Committee Charter with respect to the roles and responsibilities of the Committee and internal audit function.

Committee's Recommendation:

That the Committee approve the revisions to Council's Internal Audit Charter.

CARRIED**5.12 Update on External Audit Activities****Reporting Officer**

Director City Governance
City Governance

Officer's Recommendation

That the Committee note the information on external audit activity at 30 June 2017.

Purpose

To provide the Committee with an update on external audit activity as at 30 June 2017.

History

Campbelltown City Council has been assessed and selected as an in house audit commencing 2016-17 based on a number of factors including size and complexity and a recommendation from the Office of Local Government. The Auditor General has indicated that they see Council as a benchmark Council to commence the new audit regime with.

Council received the Client Service Plan and terms of engagement for the financial year ending 30 June 2017 which included the audit approach, audit timetable and audit fees.

The Audit Office NSW proposes to undertake sector wide performance audits which assess whether selected activities or services are carried out efficiently, effectively and economically.

Report

During March and April 2017 the Audit Office of New South Wales commenced the planning phase of the audit of Councils financial statements where preliminary information gathering was undertaken. Some of the activities included in this planning phase included:

- Initial scoping of existing policies and procedures;
 - Provision of details regarding bank accounts, interest bearing deposits and borrowings to facilitate the financial institution audit confirmation request process;
 - Testing of prior year end balances and opening balances in current financial year;
 - Commencement of substantive testing of income and expenditure transactions;
 - Provision of information relating to existing contracts
-

During the planning visit, the Audit Office was also extensively briefed on Councils fixed asset management, including the fair valuation process, depreciation methodology and financial reporting.

The anticipated audit timetable in the Client Service Plan indicated the following dates:

- 10 July – commencement of the interim phase of Councils financial statements audit;
- 15 August – commencement of the final phase of Councils financial statements audit;
- 8 September – audit clearance meeting
- September – draft financial statements presented to Audit Risk and Improvement Committee;
- October – Council submits audited financial statements to Office of Local Government;
- October – Council presents the audited financial statements to Council

Council received the Interim Management Letter for 2017 on 19 June 2017 including several recommendations for improvement. The Executive Manager Corporate Services & Governance has agreed on a suitable action plan to address these matters.

The Committee discussed that the Audit Office will monitor implementation of the recommendations for improvement made in the interim management letter, and Council will similarly track these actions through regular reporting to the Committee.

Committee's Recommendation:

That the Committee note the information external audit activity at 30 June 2017.

CARRIED

6.0 General Business

Council's Internal Auditor has drafted a forward meeting plan and will distribute to all for perusal and comments.

Next meeting to be held on Tuesday 26 September 2017.

Meeting closed 5.05pm



Strategic Internal Audit Plan 2017-2020



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CAMPBELLTOWN CITY COUNCIL Strategic Internal Audit Plan 2017-2020

1. Introduction

This Strategic Internal Audit Plan (the Plan) describes in broad terms the role of internal audit in addressing the assurance requirements of Council.

The Plan outlines the strategy and proposed audit coverage to be provided by internal audit for the 2017-2020 period.

The Plan has been developed recognising the need for internal audit to:

- add real value by contributing to the effectiveness of Council
- focus effort on higher risk strategic and operational areas to help reduce Council's risk exposures
- achieve coverage across a range of operations and identify opportunities for efficiencies, including cost savings and improved service delivery
- invest effort to further strengthen the business framework and resilience of Council through:
 - Policy and procedure review
 - Fraud and corruption prevention
 - Education of management and staff in governance related matters
- incorporate areas of specific concern to senior management and key operational staff into the work program
- maintain independence and objectivity
- outsource specialised areas in order to balance the need to complete the Internal Audit work program and undertake other priority projects concurrently
- utilise and coordinate with projects undertaken by other sections of Council, and
- achieve its responsibilities as documented in the Internal Audit Charter.

The Internal Audit Plan has been prepared with reference to other Council planning documentation including the Community Strategic Plan, Delivery Program, Enterprise Risk Management Plan and draft Business Excellence framework.

2. Roles and Purpose of Internal Audit

As outlined in the Internal Audit Charter, internal audit is an independent and objective assurance activity designed to add value and improve the organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to the evaluation and improvement of the effectiveness of risk management, control, and governance processes.

In the conduct of its activities, internal audit will play an active role in:

- developing and maintaining a culture of accountability and integrity
- facilitating the integration of risk management into day-to-day business activities and processes, and
- promoting a culture of cost-consciousness, self-assessment and adherence to high ethical standards.

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3. Development of the Strategic Internal Audit Plan

A three-year Strategic Internal Audit Plan has been developed to provide a structured, long-term approach to internal audit activities to ensure that internal audit provides the assurance required across a range of Council activities.

This document sets out the intended audit coverage and the factors that have been considered in developing the Plan for 2017-2020.

In line with best practice, the three-year Plan aims to address the risks and priorities identified at Council and to provide an assessment of the controls in place to mitigate those risks.

To ensure the Plan remains current and relevant, it is reviewed annually. This review is to ensure the audits listed in the three-year Plan address the current risks and priorities at Council and to continue to update the rolling schedule of audits. Changes to the Plan may also be required more frequently. The annual review of the Plan will be submitted to the Audit, Risk and Improvement Committee for approval each year.

In the current climate of change at Council and in Local Government generally, significant updates to the Plan have been undertaken for the past several years. Most recently updates have involved consideration of the evolving organisational structure and have allowed increased flexibility to address emerging risks. This approach continues in the current year and ensures that risk and priority areas included on the program of audits remain relevant.

The revision of the current plan has also been undertaken in accordance with Council's developing Risk Register with respect to the identified strategic risks and draft operational risks forming the foundation for internal audit planning. Consultation at Division or Section level was also undertaken to identify any further risk areas which could be incorporated into the Plan.

Basic assurance mapping of internal and external assurance activities against risks associated with Council corporate systems and operational areas was undertaken to further inform the Plan.

Key amendments have been to schedule several reviews of implementation of recommendations for improvement across the three year plan, to amend the approach to assurance in the 2016-2017 year in accordance with restructure and reform activities, and to include additional areas to cover the third year of the Plan.

Based on discussions with key staff regarding their assessment of risks, changes to audits include:

- Follow up assurance reviews for Business Continuity and Emergency Management
- Incorporating testing of Ethical Conduct and Culture in routine audits where relevant
- Learning and Development;
- Workers' Compensation Claims Management Audit;

The priorities identified have been used as a basis for developing and updating the three-year Plan. Priority ratings have been applied to each audit based on the number of times the auditable area was identified as a potential risk to Council. Priority ratings have been applied to each audit included in the audit program outlined in Section 9.

Priority rating 1 is applied where that audit topic was identified through multiple sources as an extreme to high risk during audit planning. For example, it may have been raised by multiple managers and directors and/or identified as a common industry risk. Alternatively, **Priority rating 3** is applied where the audit topic, although raised as a potential risk to be audited, was raised by fewer sources or with lower priority than those rated as Priority 1.

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4. External and Internal Environment

The Plan has been developed in an environment where there are a number of external and internal factors that pose significant challenges to Council. These include the:

- impact of a number of significant recent and/or future changes to legislation including the proposed amendments to the *Local Government Act 1993* and changes to the *Environmental Planning and Assessment Act 1979*.
- Local Government reform including Council's Fit for the Future improvement plan and associated strategic initiatives
- on-going refinement of the Integrated Planning and Reporting (IPR) framework introduced in recent years which drives Council's strategic and operational planning process
- loss of corporate knowledge through retirement and resignation of long serving and senior staff
- the need to reinforce sound financial management and on-going monitoring of budgets
- increasing costs of maintaining infrastructure in a satisfactory condition
- impact of a special rate variation resulting in significant additional works to be undertaken by Council
- increasing security and privacy exposures to Council's information, in part as a result of enhanced legislative requirements (i.e. *Government Information (Public Access) Act 2009* and changes to the *Privacy Act 1988*)
- increasing demands to manage the environment in a sustainable manner with limited resources
- cost shifting as Council continues to fill gaps in funding for services and assets previously managed by other levels of government
- continuing need to reinforce Council's Code of Conduct and its Statement of Business Ethics
- socio-economic issues arising from population growth, high levels of youth unemployment, education standards, affordability of housing, mortgage stress and ageing population
- a proactive approach to communications promoting Council initiatives.

The Plan takes into account the continuing complex and evolving control and operational environment for Council and local government as a whole, as well as changing trends and developments in audit methodology.

5. Coverage

The level of coverage has been set based on the number of man days available to internal audit. Internal Audit time will be spent establishing and managing a program to follow up on audits completed in previous years to ensure recommendations have been implemented as intended. Further time will also be spent on other activities as outlined in section 3.

A contingency of 20% has been built into the plan to account for unplanned audit and investigation activity which is unable to be estimated. In addition most audits identify a number of issues each of which may require additional audit examination to determine the extent of the issue and recommended solutions.

External resources may be utilised in some instances to undertake scheduled audits with internal audit performing an oversight and quality assurance role.

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There is limited overlap with the external audit process. Internal audit communicates with Council's external auditors as required, with relevant issues discussed with directors or informally as the need arises.

6. Internal Audit Approach and Assurance Mapping

The three-year audit program has been developed after considering the risks and priorities identified through the process discussed in section three of this Plan. The audit program is developed on the following basis:

- Audit assurance to include a cross section of audit types such as operational, strategic, compliance and internal control/systems audits
- the various locations and sections within Council to provide appropriate coverage
- the audits over the three year period are intended to address the range of risks and priorities identified through this audit planning process
- systems and processes considered low risk will not routinely be included in audit plans
- Follow up activities will be undertaken to ensure previous audit recommendations have been implemented as required.

7. Reporting

On completion of each internal audit engagement, a report will be issued detailing the objective and scope of the audit, resulting issues based on the outcomes and an agreed action plan including remedial action to be taken, implementation timetable and responsible officer.

All audit reports will also be tabled for discussion at the Audit, Risk and Improvement Committee meetings throughout the year.

At each Committee meeting a Report on Follow up of Internal Audit Recommendations will be provided summarising implementation statistics and providing status updates for recommendations which remain outstanding from previous audit reports.

8. Resourcing

Internal Audit has one full-time staff member which provides an annual capacity of 180 audit days after excluding time for annual leave, public holidays, management meetings, professional development and other similar activities.

Internal audit will spend a percentage of available audit time on the audit of specific operational areas. The remaining time will be devoted to probity advice, ad-hoc reviews and other activities as outlined in section 3 of this plan. A small contingency has been built in to allow for one off activities that may arise from time to time, and increased scopes on planned audits.

The Plan also incorporates limited use of external contractors to assist with specialised audits when budget funds are available. (Proposed one limited assurance review per annum based on agreement by Executive)

9. Analysis of previous planning

In light of the developing Risk register at Council and the period of significant change which has occurred at Council over the past 18 months, it was considered prudent to make significant amendments to the plan for the current year, and thereafter.

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There are consequently some changes to the strategic plan for 2017-2020 with respect to the previous three year plan.

Based on discussions with key staff regarding their assessment of risks, additional audits include:

- Fraud and Corruption Prevention Assessment;
- Follow up of Implementation of Emergency Management Recommendations for improvement
- Compliance Services review of inspection programs
- Follow up Review of Implementation of Development Applications process recommendations
- Management of Design phase in Capital works projects, and
- Cultural Services Review.

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10. Broad Audit Scopes

The table below outlines the planned audits for the 2017-2020 period and the broad scope of each audit. The table also indicates the available audit days, the level of perceived risk and planned timing for the audits.

AUDITABLE AREAS	2017-18 AUDIT DAYS	2018-19 AUDIT DAYS	2019-20 AUDIT DAYS	PRIORITY RATING	QUARTER	BROAD INTERNAL AUDIT SCOPE
Audits 2017-2018						
Recruitment & Selection	15			1	1 st	Review of recruitment and selection policies and procedures including: <ul style="list-style-type: none"> • testing a sample of restructure recruitment actions, and • assessing whether processes promote ethical behaviours and appointment of candidates who are a good fit for the desired ethical culture at Council.
Ethical Conduct and Culture – Stage 2: Framework for managing misconduct	10			2	1 st 2 nd	Coordinate review and redevelopment of Council's framework for Managing Misconduct, including: PIDs, corrupt conduct, customer complaints and grievances.
Payment of Expenses and Provision of Facilities to Councillors	5			2	2 nd	Review of compliance with legislative requirements and Councils policy for Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors.
Council Facilities Security Program	20			1	3 rd	Review of strategy, system and governance of Security Review of arrangements for appropriate security of Council facilities and venues against Council policy and objectives, regulatory requirements, and applicable industry standards.
Follow up reviews of recommendations contained in external	10			1	3 rd	Follow up reviews to monitor progress and obtain evidence of implementation of recommended actions from external reports on:

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AUDITABLE AREAS	2017-18 AUDIT DAYS	2018-19 AUDIT DAYS	2019-20 AUDIT DAYS	PRIORITY RATING	QUARTER	BROAD INTERNAL AUDIT SCOPE
risk management reports: <ul style="list-style-type: none"> Business Continuity Planning and Emergency Management 						<ul style="list-style-type: none"> Business Continuity Planning (BCP), and Emergency Management compliance.
Time & attendance	20			1	4 th	Review of time and attendance systems and process including overtime, flexi time and leave. Data analytics to detect and investigate anomalies.
Fraud and Corruption Prevention. ¹	10			1	4 th	Review Council's approach to preventing, detecting and responding to the risks of fraud and corruption - ensure an organisation wide framework is established in accordance with best-practice prevention programs and standards, and operating effectively at all levels.
Audits 2018-2019						
Compliance services – Inspection programs		20		1	1 st	Review of processes and systems for pool safety barrier and food/health inspections for controls to address risks to: <ul style="list-style-type: none"> personal safety and well-being of staff working in a regulatory and enforcement environment. Council reputation with respect to food poisoning, legionella, misconduct allegations or residential swimming pool drownings.

¹ Audit to be outsourced to independent consultant. Time above is indicative of planning, monitoring and review of the outsourced firm

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AUDITABLE AREAS	2017-18 AUDIT DAYS	2018-19 AUDIT DAYS	2019-20 AUDIT DAYS	PRIORITY RATING	QUARTER	BROAD INTERNAL AUDIT SCOPE
Financial management and Budgeting ²		10		2	2 nd	Review of systems and procedures in place for budgeting and financial management.
Follow up Review of Management of Development Applications		20		1	3 rd	Follow up review of implementation of Development Applications Audit recommendations for improvement as agreed in January 2014 report.
Workforce Management		20		1	4 th	Review of the workforce management framework to ensure adequate people resources are available to deliver on Council's objectives and operational delivery programs. Testing to include succession planning, and integration with financial budgets and IPR process.
Coordination of external QA review of Internal Audit		10			TBD	Facilitate External Quality Assurance review of the Internal Audit function (every 5 years per the IIA Standards)
Audits 2018-2019						
Learning and Development			15	1	1 st	Review of systems and procedures in place for delivering adequate and relevant training and professional development services to council staff including a focus on addressing training competencies attached to individual roles.
Management of Design phase in Capital works projects			20	2	2 nd	Review of systems and procedures in place for design phase of Capital Works projects to ensure fit for purpose, quality outcomes.
Workers' Compensation Claims Management			20	2	3 rd	A review of the efficiency and effectiveness of workers' compensation claims management processes.

² Audit to be outsourced to independent consultant. Time above is indicative of planning, monitoring and review of the outsourced firm

**CAMPBELLTOWN CITY COUNCIL
Strategic Internal Audit Plan 2017-2020**

AUDITABLE AREAS	2017-18 AUDIT DAYS	2018-19 AUDIT DAYS	2019-20 AUDIT DAYS	PRIORITY RATING	QUARTER	BROAD INTERNAL AUDIT SCOPE
Cultural Services review			15	2	4 th	A review of systems and procedures for delivery of culture services programs and arts collections.
Planning proposal process ³			10	1	4 th	Review of compliance and controls around council planning proposal process. Review to include testing of controls in place to ensure proposals are prepared in accordance with Section 55 of the <i>Environmental Planning & Assessment Act 1979</i> and relevant Department of Planning guidelines.
Total Audit Days	80	80	80			

³ Audit to be outsourced to independent consultant. Time above is indicative of planning, monitoring and review of the outsourced firm

CAMPBELLTOWN CITY COUNCIL Strategic Internal Audit Plan 2017-2020

11. Other Activities

Internal audit will be involved in a range of other activities in addition to the specific audit areas that form part of the approved plan.

Involvement in these is an important aspect of the broader audit process and will assist in bringing longer term improvements to Council. An outline of other major activities is detailed below.

In previous years, Internal Audit has been requested to verify results of compliance reviews undertaken by Council officers. These include annual audit reports on Planning Reform Fund returns, and Access to RMS Drives. Approximately 15 days has been allocated to this task each year.

Formal follow up reviews of audits conducted under previous audit programs have been scheduled, however Internal Audit also undertakes a program of monitoring, and reporting on implementation of audit recommendations in accordance with the scheduled ARIC meetings..

Given the limited resources of the Internal Audit function and a shift away from extensive compliance based and financial audits, it is considered prudent to establish a program of continuous monitoring of financial processes using IDEA data analytics. Consultation with external audit will be undertaken to ensure limited duplication of efforts.

Over past year the internal auditor has facilitated the development of a probity framework and acted as internal probity advisor on a number of tenders, and projects assessed as having higher than usual probity risks associated with them. Given the potential increase in such matters 15 days have been allocated to this task each year.

Internal audit coordinates preparation of agenda papers for each Audit, Risk and Improvement Committee meeting and will liaise with Committee members on any issues as they arise.

Internal audit staff will participate in various internal and external training courses and professional development activities This will include an appropriate level of Continuous Professional Development (CPD) hours to maintain qualifications.

IA also participates in and liaises with professional bodies and networks including the Local Government Internal Auditor Network, the Corruption Prevention Network Council, the regional CPA chapter and the Institute of Internal Auditors. Involvement with these bodies assists in identifying any emerging issues in audit, corporate governance, and corruption prevention, and in sourcing resources for specialist activities.

Ad-hoc reviews will be conducted as and when required. These reviews will cover any issues/concerns raised by management throughout the year. Internal Audit may also be required to assist with investigations at the request of the General Manager. Approximately 40 days has been allocated to this per year.

In accordance with the *International Standards for the Professional Practice of Internal Auditing*, a Quality Assurance and Improvement Program has been developed that incorporates both ongoing activities, internal assessments of internal audit approximately every two years and an external review every five years.

QA Activities to be carried out during the three year rolling plan will be to:

**CAMPBELLTOWN CITY COUNCIL
Strategic Internal Audit Plan 2017-2020**

- maintain the QA&IP
- conduct an internal self-assessment of Internal Audit at the end of June 2018, and investigate options for external review. (Provision has been made in the Plan for facilitation of the external review).
- review the Audit, Risk and Improvement Committee Charter and Internal Audit Charter and present to the Committee for consideration.
- Establish Internal Audit policy and procedures.

Internal Audit Policy and Procedures for the planning, conduct and reporting of internal audit activity will continue to be developed and reviewed periodically.

In addition, internal audit may be required to consider from an internal control perspective any significant changes to other Council policies and procedures.

To keep up to date with Council legislative requirement and best practice, internal audit will devote some time to the review relevant authoritative publications. This may include new and amended legislation and other regulatory requirements, best practice guidance and other external reports produced by authoritative bodies.

A range of other administrative matters will be ongoing and attended to as required.



**Audit, Risk and Improvement
Committee and Internal Audit
Annual Performance Report to
Council
Year Ended 30 June 2017**

June 2017

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2 Background

The Division of Local Government issued *Internal Audit Guidelines* under Section 23A of the *Local Government Act 1993* in September 2010. In accordance with these guidelines, Council approved the establishment of an Audit Committee at its October 2010 meeting. The committee's principle function is to provide independent advice and assistance to Council on matters related to risk management, control, governance and statutory compliance.

In accordance with proposed amendments to Governance in Local Government, the Committee has been re-established as the Audit, Risk and Improvement Committee and has evolved with responsibilities to monitor:

- compliance,
- risk management,
- fraud control,
- financial management,
- governance,
- implementation of the strategic plan, delivery program and strategies,
- service reviews,
- collection of performance measurement data by the council,
- any other matters prescribed by the regulations.

The Committee's long-term strategy is to assist with improving corporate governance by monitoring the development of the governance frameworks including the Enterprise Risk Management framework. This framework is intended to assist with the development of risk registers that consider all types of risk facing Council and to therefore allow a more strategic approach to the management of risks.

The development of this framework has progressed significantly, with the establishment of a strategic risk register and operational risk profiling commenced. This work, together with some integration with the internal audit framework and quality assurance and improvement program, have further enhanced Council's ability to build the efficiency and effectiveness of the internal audit function.

3 Audit, Risk and Improvement Committee

3.1 Membership

The Audit, Risk and Improvement Committee currently consists of four voting and three non-voting members. The voting members are three independent members (including the Chairperson), the Mayoral delegate.

Non-voting attendees are the General Manager, Director City Governance and the Internal Auditor.

To enhance its ability to provide good governance and independently review Council activities, best practice guidance recommends that the Audit, Risk and Improvement Committee should comprise a majority of independent members.

Accordingly the Committee charter was revised during 2016-2017 to reflect this structure and to coincide with Council elections held in September 2016.

Further revisions to the Charter will be attended to as necessary once legislative changes are finalised.

3.2 Attendance

In accordance with the Audit, Risk and Improvement Committee Charter, the Committee is to meet a minimum of three times per year with the need for any additional meetings to be decided by the Chair of the Committee in consultation with the General Manager. At the commencement of the 2016 – 17 audit year, the Committee requested that the audited financial statements for the year be presented to the Committee for their review prior to being submitted to Council. As such, a special Committee meeting has been scheduled in addition to the three ordinary meetings.

Attendance at the three meetings held during the year was as follows:

- 13 December 2016
- 27 March 2017, and
- 27 June 2017.

Meeting Participants	No. of Meetings attended
Independent Chairperson	3
Independent member 1	2
Independent member 2	2
Mayoral Delegate	3
General Manager	3
Director City Governance	3
Internal Auditor	3
External Auditor	2

3.3 Evaluation of Audit, Risk and Improvement Committee Performance

Audit, Risk and Improvement Committee performance for the 2016 – 2017 year has been assessed solely against the roles and responsibilities outlined in the previous Committee Charter with respect to key areas of risk management, governance, internal controls and external accountability.

Results of this evaluation are provided in the following table.

Per Audit Committee Charter	Coverage
Risk Management	
Review whether management has in place a current and comprehensive risk management framework, and associated procedures for effective identification and management of business and financial risks, including fraud	The Committee has reviewed reports on development of the formal framework for enterprise risk management, establishment of the Strategic risk register, and the process and tools for operational risk profiling.
Review whether a sound and effective approach has been followed in developing strategic risk management plans for major projects or undertakings	The Committee has received reports on the application of the risk management framework, and planning and assessment tools to areas such as Probity assurance (generally and with respect to specific projects), contract management systems, emergency management planning and ethical conduct and culture review.
Review the impact of the risk management framework on its control environment and insurance arrangements	Considered in strategic planning process and Internal Audit collaboration with the Risk Coordinator with respect to operational matters. Any relevant matters are included in update reports to the Committee from Internal Audit

Per Audit Committee Charter	Coverage
	and Risk Management.
Review whether a sound and effective approach has been followed in establishing business continuity planning arrangements, including whether plans have been tested periodically.	Internal Audit Progress reports over the past 6 months have outlined results of review of an external desktop exercise in assessing Council's business continuity plans. The proposed Internal Audit plan for 2017 -18 includes a follow up review of the report to assess implementation of recommendations for improvement.
Control Framework	
Review if Management has adequate internal controls in place, including over external parties such as contractors.	Considered and reported to the Committee as part of risk-based strategic planning and audit project planning. Specifically considered during the year with respect to Child Protection and Implementation of Contract Management recommendations for Improvement.
Review if Management has in place relevant authorised statements, policies and procedures, and these are periodically reviewed and updated.	Reported to Committee as part of Follow up on implementation of recommendations for improvement across all reviews but specifically in relation to the Policy Management review completed for the 2015 – 16 year. Reports on Ethical Conduct and Culture, and Section 149 Certificate processing included review and assessment of corporate guidance documents.
Review if Management has taken steps to embed a culture which is committed to ethical and lawful behaviour through reinforcement of the Code of Conduct.	A strategy to embed review of ethical conduct and culture in all relevant internal audit activities has commenced with the review of the ethical conduct and culture framework. Following on from this review, recommendations for improvement will be monitored by the Committee including a project for developing a framework for managing misconduct.
Review if appropriate processes are in place to assess whether policies and procedures are complied with.	Considered and reported to the Committee in relation to each audit.
Review if appropriate policies and procedures are in place for the management and exercise of delegations.	Reviewed during strategic planning process and considered and deficiencies reported with respect to each audit, including; Section 149 Certificate processing, child protection, ethical conduct and culture, and emergency planning at Council facilities. Additionally, review of implementation of the Contract Management Governance framework includes assessment of delegations and roles and responsibilities within policies and procedures.
External Accountability	
Note the completion of the annual financial statements and that they are supported by appropriate management sign-off on the statements and on the adequacy of internal controls.	Included in external audit report on financial statements. The forward meeting plan for 2017 -18 includes scheduling a special Committee meeting to review the financial statements for 2016 – 17.
Review the external audit opinion, including whether appropriate action has been taken in Response to audit recommendations and	Any external audit issues are reported to the Committee via the external audit update.

Per Audit Committee Charter	Coverage
adjustments.	
To consider contentious financial reporting matters raised at the Committee meetings in conjunction with Council's management and external auditors.	Matters relating to financial reporting and related external audit matters are reported in an ongoing manner through the External audit update or verbal reports via the Director City Governance.
Satisfy itself there are appropriate mechanisms in place to review and implement relevant State Government reports and recommendations.	Any relevant matters are considered and referred/advised by Council's Governance and Risk Section, other relevant operational sections and external networking bodies such as the Local Government Internal Audit Network, Corruption Prevention Network Council, and Institute of Internal Auditors.
Satisfy itself there is a performance management framework linked to organisational objectives and outcomes.	Report on Ethical Conduct and Culture specifically reviewed these elements of the performance management framework and recommendations for improvement have been made.
Legislative Compliance	
Determine whether management has appropriately considered legal compliance matters as part of its operations.	Considered in strategic planning process and with each audit, but especially the follow up of implementation of Policy management recommendations and reviews March 2016.
Review the effectiveness of the system for monitoring compliance with relevant laws, regulations and associated government policies.	Considered in strategic planning process and with each audit, but especially the Policy management review reported in March 2016.
Internal Audit	
Act as a forum for communication between the Council, General Manager, senior management, internal audit and external audit.	Ongoing via regular discussions between key stakeholders and reports to the Committee.
Review the internal audit coverage and Internal Audit Plan, including ensuring the Plan has considered Council's risk framework, and approval of the Plan.	Reports on Progress of Internal Audit Plan and annual approval of the Strategic Internal Audit Plan.
Consider the adequacy of internal audit resources to carry out its responsibilities, including completion of the approved Internal Audit Plan.	Committee considers reports on Progress of Internal Audit Plan, Strategic Audit Plan and Annual Report on Internal Audit, Risk and Improvement Committee and Internal Audit.
Review all audit reports and consider issues identified in audit reports and action taken on issues raised, including identification and implementation	Reports on all internal audit, risk management and other governance related projects are reported to the Committee as they are finalised, including recommendations and related action plans.
Monitor the implementation of internal audit recommendations by management.	Committee receives Progress reports on Implementation of recommendations for improvement as well as dedicated reports on internal audit scrutiny over implementation of specific action plans. For example; Implementation of Contract Management recommendations for improvement. Internal Audit reports on any contentious issues relating to implementation through either of these avenues.
Periodically review the Internal Audit Charter to	Report on revision of Internal Audit charter

Per Audit Committee Charter	Coverage
ensure appropriate authority, access and reporting arrangements are in place.	submitted to June 2017 meeting. Further revision will be undertaken against amended LG Act and Internal Audit Guidelines as required.
External Audit	
Act as a forum between the Council, General Manager, senior management, internal audit and external audit.	Ongoing per regular Committee agenda items.
Review all external audit plans and reports in respect of planned or completed financial statements external audits, monitor the implementation of audit recommendations by management.	External audit update reports.
Consider significant issues raised in relevant external audit reports and better practice guides, and ensure appropriate action is taken.	External audit update reports including any correspondence received from NSW Audit Office.
Members responsibilities.	
<p>Members of the Committee are expected to:</p> <ul style="list-style-type: none"> Understand the relevant legislative and regulatory requirements appropriate to Campbelltown City Council. Contribute the time needed to study and understand the papers provided. Apply good analytical skills, objectivity and good judgement. Express opinions frankly and ask questions as deemed necessary. 	<p>Ongoing – Committee members have attended training and inductions regarding their roles and responsibilities as members of the Committee.</p> <p>All members pursue additional clarity and information as required prior to attendance at meetings, and robust discussions routinely take place.</p>

As discussed at the March 2017 Committee meeting, future annual performance reporting will provide an expanded assessment against the review functions outlined in the revised Committee Charter, being:

- compliance,
- risk management,
- fraud control,
- financial management,
- governance,
- implementation of the strategic plan, delivery program and strategies,
- service reviews,
- collection of performance measurement data by the council,

It is further proposed that an annual review of the Committee's *effectiveness* be undertaken, and this would typically be undertaken via self-assessment survey.

A survey will be developed for self-assessment for the coming year, to be distributed at the March 2018 meeting and collated for inclusion in the 2017 – 18 Annual

4 Internal Audit Activities

4.1 Performance to financial budget

The following provides a comparison of the cost of internal audit related activities for the current and prior financial year.

Description	Current Year	Prior Year
Cost of Internal Audit function (excludes training and consultant budget rolled over)	\$140,171	\$136,236
Audit, Risk and Improvement Committee costs	\$8,100	\$5,000

The increase in Committee costs is related to recruitment of an additional independent committee member, increase in member fees, and costs associated with printing of Committee business papers.

4.2 Performance against Internal Audit Plan 2016-2017

At the time of reporting, the scheduled reviews for the 2016 -17 year have been completed with the exception of Recruitment and Selection review which has been deferred due to lack of resourcing and vacancies in the People and Performance section. The Business Continuity Planning review was similarly deferred due to timing issues with restructure and other audit activities.

The internal audits scheduled during the year and their status as at 30 June 2017 are as follows:

Audit Name	Status	Budget days	Actual days
Recruitment & Selection	Planning in progress, review deferred to 2017 - 18	20	1
Ethical Conduct and organisational culture Stage 1 – Ethical Framework gap analysis (co-sourced)	Complete	20	18.5
Section 149 certificate Quality assurance and data integrity. ¹ (outsourced)	Complete	10	13
Business Continuity Planning Assurance	Deferred to 2017 - 18	10	1
Restructure Assurance (Change Management, IT Network share)	Ongoing	10	2
Project Management working group assurance activities.	Complete	5	6.5
Contract Management project assurance review	Complete	5	5
		80	47

4.3 Other Internal Audit Projects and Activities

The following special requests /adhoc projects have also been completed by Internal Audit during the year:

Description of Special request Project	Qtr	Audit days.
Confidential Investigation of Inappropriate Workplace Behaviour including; Review of systems, policies and procedures.(Inv#3)	1	20
Probity Assurance Framework	ongoing	9
HVAC Negotiations Probity advice	1-2	4.5
Probity Advice – Centre of Excellence	ongoing	5
Other Probity advice	ongoing	25.5
Integrated Corporate Software	ongoing	2
Coordinate confidential investigation of misconduct by external consultant (inv#4)	4	3.5
		69.5

The following **Other Activities** have also been performed or undertaken by Internal Audit:

Other Internal Audit Activities	Audit Days
Strategic Planning	9.5
Follow up of Implementation of recommendations	10
Adhoc advice & review	6
Performance reporting & Audit Committee	35
Training, Professional Development & networking	14.5
Quality Assurance & Improvement Program	13
Administration & internal meetings	15.5
	103.50

4.4 Strategic Planning

The 2016-2019 Strategic Internal Audit Plan was amended using a risk based consultation process with the Council Executive team, managers and other key personnel. Reference was made to insights by the Risk Management Coordinator and consideration was also given to industry risks, Council delivery program objectives, restructure issues and Fit For the Future strategies.

The Plan was approved at the Audit, Risk and Improvement Committee meeting in June 2016. Given that Council continued to experience substantial change over the past 12 months, the Plan reflected coverage of areas of potential high risk gaps in coverage by other assurance and compliance activities being undertaken throughout Council.

The fluidity and adaptability of the plan allowed Internal Audit scrutiny and value-add where required, and has been an effective approach to allocating internal audit resources.

4.5 Quality Assurance and Improvement Program

In order to ensure compliance with the *Internal Audit Guidelines* (DLG) September 2010, and the requirements of the *International standards for the Professional Practice of Internal Audit*, a Quality Assurance and Improvement Program has been established.

To facilitate development of a best practice internal audit function within Council the program for 2016 – 17 included:

- **refinement of internal audit procedures and tools** to provide assurance that audit projects are conducted effectively and deliver quality outcomes in accordance with the IIA standards on an audit-by-audit basis.
- **Discussion with peer Council auditors** with respect to establishing periodic peer review of internal audit activities for conformance with standards and guidelines in internal audit projects.
- **External assessment** of the internal audit function – exploring options for independent certified quality assurance assessor to validate the periodic self- assessment through a peer Council arrangement. Time has been scheduled in the Strategic Plan for undertaking this review in 2018 – 19.

The annual self-assessment was completed for the 2015-2016 year and is due for completion at the end of 2017 - 18.

5 Acknowledgments and Appreciation

The Committee looks forward to the opportunity to continue to provide input to Council's governance and audit processes over the coming 12 months.

8.4 Walkway Closure between Tarbert Place and Bannockburn Avenue, St Andrews

Reporting Officer

Executive Manager Strategic Property
City Governance

Community Strategic Plan

Objective	Strategy
1 Outcome One: A Vibrant, Liveable City	1.2 - Create safe, well maintained, activated and accessible public spaces

Officer's Recommendation

1. That the walkway between Tarbert Place and Bannockburn Avenue, St Andrews remain open.
2. That the four owners adjoining the subject walkway be notified of Councils decision.

Purpose

To seek a Council resolution concerning ongoing requests to close the walkway between Tarbert Place and Bannockburn Avenue where objections from adjoining owners have been received.

History

Council over the past 20 years has received a number of requests to close the walkway located between Tarbert Place and Bannockburn Avenue, St Andrews (subject walkway). A plan of the walkway is attached.

In accordance with Council policy where an objection to a walkway is received from any adjoining owner, closure of the walkway has not progressed. The current situation is one of ongoing, long term conflict between one adjoining owner (Resident A) and 2-3 others. Resident A who has sought the closure of the subject walkway on a number of occasions has requested that Council reconsider this request, even though objections to the proposed closure have been received from adjoining owners.

To support recommendations made, Council has completed research and actions for this matter, over and above its standard policy where walkway closure applications are received.

Report

To ensure all facts are available, it is considered that the history of the matter should be provided. The names of residents involved are excluded for reporting purposes.

Council's current policy on walkway closures is that all adjoining owners must indicate their support for a closure in writing to Council. Council may also consider any special circumstances. In the case where four owners adjoin a walkway, there must be at least two owners willing to purchase the land, one owner from each end of the walkway for Council to consider an application to close it.

It is noted from Council records that applications seeking closure of the subject walkway were submitted as far back as 1997 but there is no record as to why the closure did not proceed at that time.

Resident A - First closure request

In 2009 Council received another application from Resident A to have the subject walkway closed. In accordance with Council's walkway closure policy and procedures, letters were sent to the four adjoining owners advising the request had been received. An objection from Resident B was received. The adjoining owners were notified of the objection and in this respect the matter did not progress.

Resident A - Safety assessment request

In October 2012 Resident A contacted Council asking what options Council could undertake to make the walkway safer and deter anti-social behavior; given their previous request to close the walkway did not proceed. The matter of walkway lighting was identified as a possible deterrent.

Council wrote to Resident A advising that based on Council's experience with similar situations, providing isolated lights within walkways does not necessarily address the issue of anti-social behavior. The Council advice confirmed that the lights in some situations encourage usage of the area as a late night meeting place, or the light itself becomes the subject of ongoing vandalism and loss of privacy to local residents.

There is a light installed at the entrance to the walkway adjoining Resident A's property and there are bollards located within the walkway to reduce any vehicular/bike access.

Resident A - Second closure request

Another request was received in 2015 seeking closure of the walkway. Letters were again forwarded to the four adjoining owners. Resident B advised they wished the walkway to remain open and that they would always object to the closure. Due to the objection, letters were forwarded to the adjoining owners advising that the matter would not progress.

Later in 2015 correspondence was received from Resident A asking if there were any other avenues they could undertake to pursue the walkway closure. In December 2015 a meeting was held with Resident A to discuss options. The outcome of the meeting was that Resident A was to email Council asking that the closure continue, even though objections had been received. Resident A was advised that if an objection was received, the proposed walkway closure would not proceed and that a resident from either end of the walkway would be required to purchase a portion of the walkway land. Resident A was to discuss the matter with another adjoining owner and respond to Council. No further approaches were received by Council.

Resident A - Third closure request

In March 2017 another closure request was received from Resident A, sighting anti-social behaviour. Letters were sent to the other 3 adjoining owners advising that another closure request had been received. Resident B phoned Council asking why they kept receiving letters seeking their advice for a closure they do not support. Nothing was received in writing from Resident B. Resident C also phoned Council and forwarded correspondence indicating that they did not want the closure to proceed as they use the walkway, and had not seen any evidence of anti-social behaviour.

CCTV cameras were installed in the walkway, for a two week period, to determine the usage patterns. The four adjoining owners were notified of the installation. A random assessment of the camera footage determined that 19 persons used the walkway during the time the cameras were installed, including school children walking to and from school on a regular basis. Importantly, whilst the camera was installed it did not capture any evidence of anti-social behaviour.

Letters were again sent to the four adjoining owners advising that the matter would not proceed due to an objection being received. Again, consistent with Council's policy requirements no adjoining owner, apart from Resident A, has advised they wish to purchase a portion of the walkway land, hence the walkway cannot be consolidated into the adjoining lots.

Resident A - subsequent request

Resident A again contacted Council in May 2017 asking that the matter regarding the closure be brought to Councillor's attention so a resolution could be made as to whether their request for closure could proceed. Resident A states the following reasons for their continued requests to close the walkway:

- anti-social behaviour
- the light at the walkway entrance is frequently broken and they leave their own front light on, to provide safe passage for users
- items of property being stolen from the front of the residence
- bottles and rubbish being thrown onto their front and back yards
- personal vehicles have had tyres let down.

Council would not normally seek a Police report in respect of a potential walkway closure, until support for the closure is received from the adjoining owners, initial fees are paid and a trial closure is undertaken.

However in this instance, to ensure that all available information could be considered, Council wrote to Macquarie Fields Local Area Command seeking details of any incidences reported to police in the vicinity of the walkway. The police undertook searches and related enquiries dating back to 2009. They advise that no incidents specific to the walkway, or the immediate location had been reported.

Issues for Consideration

- if Council formally considers closure, in accordance with the walkway closure policy, at least one person from either end of the walkway must support the closure and indicate a willingness to purchase a portion of the walkway land. This has not occurred.
- the procedures involved with a walkway closure are on a cost recovery basis. The resident/s must pay any fees associated with a proposed closure before it can proceed. This can only occur if the bullet point directly above has been satisfied. It has not.
- whilst Resident D does not appear to have become involved in the matter, only one of the four adjoining owners wants the walkway closed and at least two others oppose this.

Conclusion

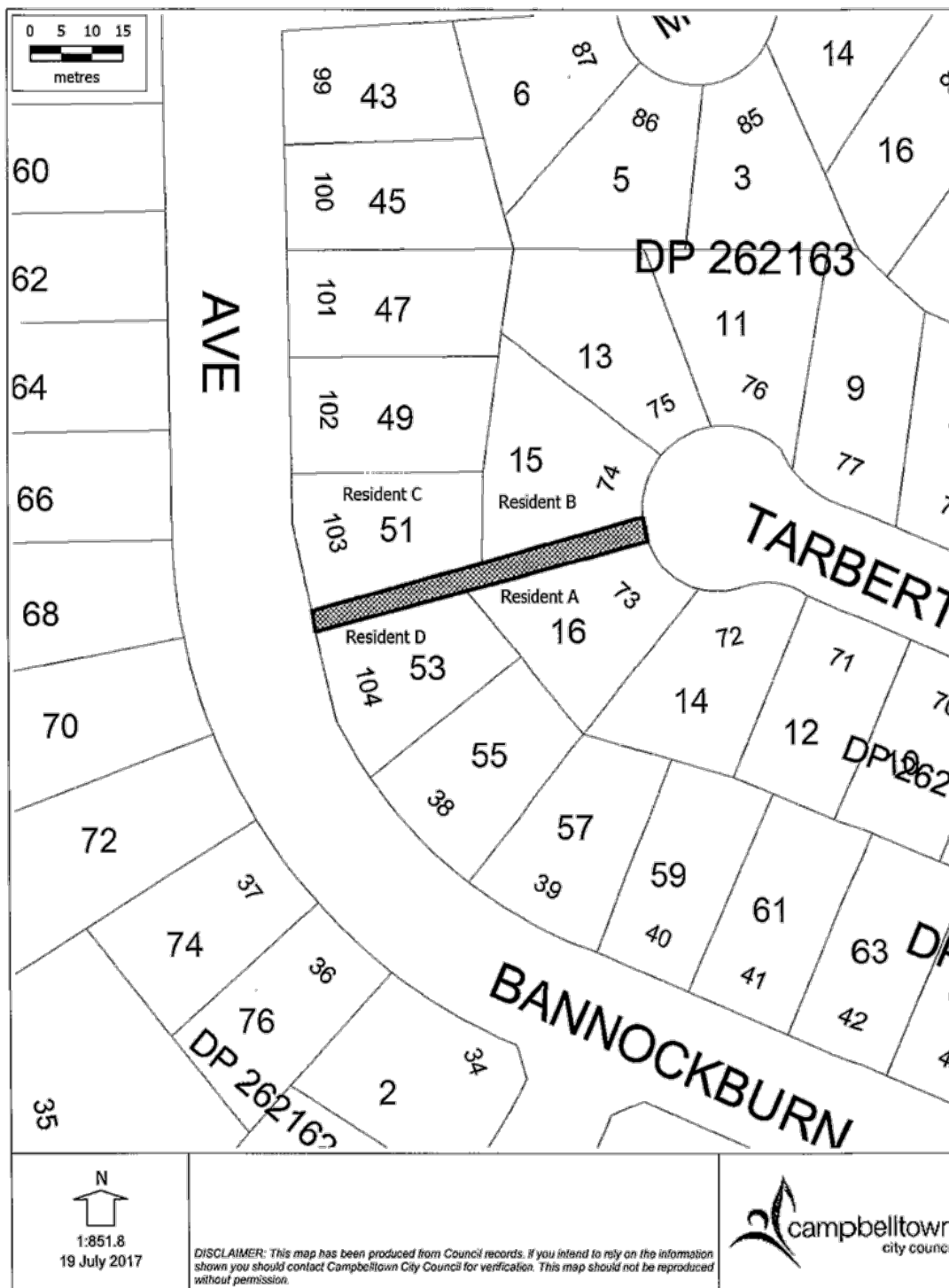
Taking into consideration:

- existing Council policy
- the objections received
- that none of the other directly impacted residents support the walkway closure
- that none of the other residents wish to purchase a portion of the walkway land
- that the walkway is used by adults and school children to walk to and from school
- the lack of anti-social behaviour noted from the CCTV footage.

It is recommended that the walkway remains open to the public.

Attachments

1. Location Plan - Walkway (contained within this report)



8.5 Investment and Revenue Report - June

Reporting Officer

Executive Manager Corporate Services and Governance
City Governance

Community Strategic Plan

Objective	Strategy
3 Outcome Three: A Thriving, Attractive City	3.7 - Public funds and assets are managed strategically, transparently and efficiently

Officer's Recommendation

That the information be noted.

Purpose

To provide a report outlining activity in Council's financial services portfolio for the month of June 2017.

Report

Investment Portfolio

Council's Investment Portfolio as at 30 June 2017 stood at approximately \$200m. Funds are currently being managed both by Council staff and Fund Managers and are in accordance with the *Local Government Act 1993*, *Local Government (General) Regulation 2005* and Council's Investment Policy.

All investments are placed with approved deposit taking institutions and no funds are placed with any unrated institutions. Any funds placed with institutions that have a BBB long term rating have maturity lengths in the short term of up to 12 months, effectively A-2 rated, in accordance with Council's investment policy.

As reported in the May investment report, Standard and Poors have downgraded the long term credit ratings of 23 financial institutions operating in Australia. Council staff are currently liaising with Council's financial advisor regarding any proposed changes to the investment policy in light of these downgrades.

The return on Council's investments is tracking above budget expectations with the supplemental income being received from the sale of Council land and continues to outperform the benchmark of the AusBond bank bill index.

The official cash rate has remained steady, with no movement since August 2016 at its present level of 1.50 per cent.

Regular liaison with Council's external financial advisor in assessing any new investment products offered assists in monitoring all of the risk factors to maximise Council's return on the investment portfolio.

Rates

Rates and Charges levied for the period ending 30 June 2017 totalled \$102,065,130 representing 100 per cent of the current budget estimate.

The rates and charges receipts collected to the end of June totalled \$101,066,496. In percentage terms 98.2 per cent of all rates and charges due to be paid have been collected, in comparative terms the amount collected in the same period last year was 97.8 per cent.

Debt recovery action during the month involved the issue of 21 Statements of Claim to ratepayers with two or more instalments outstanding and a combined balance exceeding \$500. Further recovery on accounts with previous action resulted in 18 Judgments and 31 Writs being served on defaulters that have not made suitable payment arrangements or failed on multiple occasions to maintain an agreed payment schedule.

Council staff continue to provide assistance to ratepayers experiencing difficulty in settling their accounts. This includes the monitoring of 312 ratepayers with a total arrears balance of \$513,627, who have made suitable payment arrangements.

Ratepayers who purchased property since the May instalment notices are issued with a Notice to new owner letter. During the month, 30 of these notices were sent to ratepayers advising them of the amount unpaid on their account and the amount levied in annual rates and charges.

Sundry Debtors

Debts outstanding to Council as at 30 June 2017 are \$1,906,612 reflecting an increase of \$175,708 since May 2017. During the month, 2191 invoices were raised totalling \$1,441,360. The majority of these are paid within a 30 day period. Those that are not paid within the 30 day period are reflected in the ageing report in attachment 3. Debts exceeding 90 days of age totalled \$267,369 as at 30 June 2017.

Debt recovery action is undertaken in accordance with Council's Sundry Debtors Recovery Procedures Policy and commences with the issue of a tax invoice. A person or entity may be issued any number of invoices during the calendar month for any business, services or activities provided by Council. At the conclusion of each calendar month, a statement of transactions is provided with details of all invoices due and how payments or credit notes have been apportioned. Once an invoice is paid, it no longer appears on any subsequent statement.

All debts that age by 90 days or more are charged a statement administration fee of \$5.50 per statement. Debtors are contacted by telephone, email or in writing to make suitable arrangements for payment of the overdue debt. Where a suitable arrangement is not achieved or not maintained as agreed, a seven day letter is issued referencing referral to Council's debt recovery agents.

Matters referred to Council's recovery agent are conducted in accordance with relevant legislation and the *Civil Procedures Act 2001*. Formal legal recovery commences with a letter of demand (or letter of intent) providing debtors with at least 14 days to respond. In the event that no response is received, instructions are given to proceed to Statement of Claim allowing a further 28 days to pay or defend the action. Failing this, the matter will automatically proceed to judgment and continue through the *Civil Procedures Act 2001* process.

All costs associated with formal legal recovery are payable by the debtor and staff continue to make every effort to assist debtors to resolve their outstanding debt before escalating it through the local court.

During the month, 11 accounts were issued a letter of demand on Council's letterhead, advising that if the account was not settled or an appropriate arrangement was not made, the account will escalate to formal legal action through Council's agent.

Council's agents were instructed to issue three letters of demand and a Statement of Liquidated Claim was issued for one account relating to unpaid health licence inspection fees.

Council officers continue to provide assistance to debtors experiencing difficulties in paying their accounts. Debtors are encouraged to clear their outstanding debts through regular payments where possible, to avoid any further recovery action.

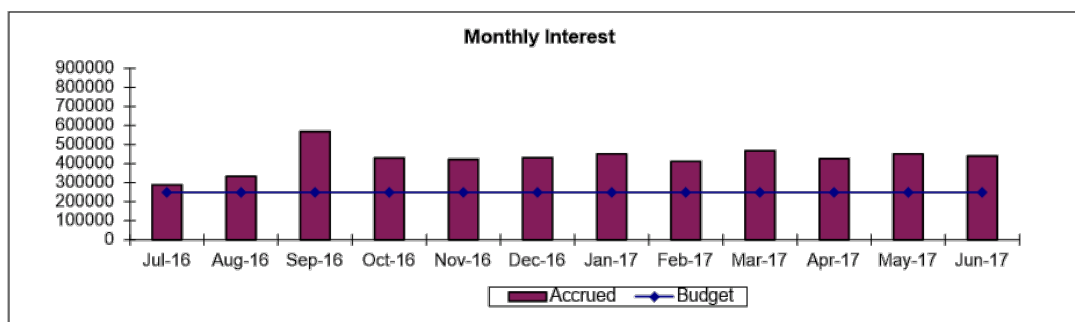
Attachments

1. Investment Report June 2017 (contained within this report)
2. Rates Summary (contained within this report)
3. Rates Statistics (contained within this report)
4. Debtors Summary (contained within this report)
5. Ageing Sundry Debtors (contained within this report)

CAMPBELLTOWN CITY COUNCIL INVESTMENT PORTFOLIO**June 2017**

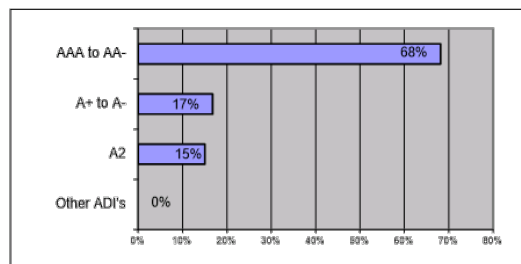
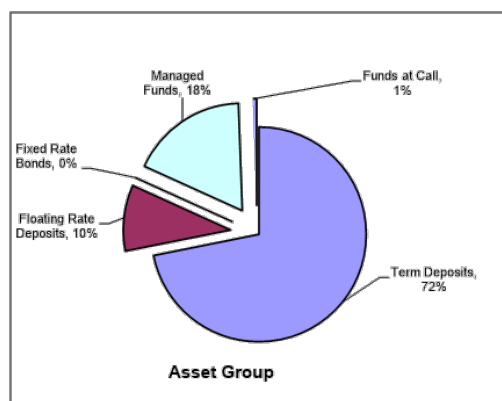
Benchmark AusBond Bank Bill Index
 Portfolio Balance \$201,324,317.03

Monthly Performance	Return (mth)	Return (pa)
AusBond Bank Bill Index	0.14%	1.72%
Portfolio - Direct Investments	0.23%	2.75%
<i>Performance to Benchmark</i>	<i>+</i> 0.08%	<i>+</i> 1.03%
Short Term Call Accounts	0.16%	1.95%
Managed Funds	0.22%	2.66%

**Year to Date Performance****Credit Exposure (S&P Long Term Rating)**

Rolling 12 Month Period
 2.82% Council Managed Funds
 1.80% Benchmark

Interest Budget to Actual
 Avg Original Budget to Period \$2,984,800
 Actual Accrued to Period \$5,115,445

**Portfolio Diversity**

			%
Funds at Call	\$ 1,152,664.37	AA-	1%
NSW Treasury	\$ 38,347,287.55	AA+	19%
National Australia Bank	\$ 40,139,510.75	AA-	20%
Westpac Bank	\$ 26,091,574.41	AA-	13%
Commonwealth Bank	\$ 25,075,359.25	AA-	12%
Bank Western Australia	\$ 6,445,373.75	AA-	3%
AMP Bank	\$ 5,000,000.00	A	2%
Suncorp Metway	\$ 23,753,885.60	A+	12%
ING Bank	\$ 5,000,000.00	A-	2%
Members Equity Bank	\$ 5,000,000.00	A2	2%
Rural Bank	\$ 4,026,369.86	A2	2%
Bank of Queensland	\$ 12,115,876.69	A2	6%
MyState Bank	\$ 5,068,722.74	A2	3%
Credit Union Aust	\$ 4,107,692.06	A2	2%
	\$ 201,324,317.03		100%

RATES SUMMARY

STATEMENT OF ALL OUTSTANDING RATES AND EXTRA CHARGES

RATE - CHARGE	NET ARREARS 1/7/2016	NET LEVY FOR YEAR	PENSION REBATES	EXTRA CHARGES	TOTAL RECEIVABLE	CASH COLLECTED	NET AMOUNT DUE	POSTPONED RATES & INTEREST	GROSS AMOUNT DUE
RESIDENTIAL	2,170,990.65	57,685,338.60	1,441,312.09	829,745.16	59,244,762.32	57,142,523.22	2,102,239.10	243,511.82	2,345,750.55
BUSINESS	257,345.68	17,996,959.23		67,478.23	18,321,783.14	18,006,597.29	315,185.85		315,185.85
BUSINESS - IND	0.00	0.00		0.00	0.00		0.00		0.00
FARMLAND	0.00	569,012.08	783.42	2,178.59	570,407.25	578,325.82	-7,918.57	138,590.68	130,672.11
MINING	0.00	24,186.96		0.00	24,186.96	24,186.96	0.00		0.00
SR - LOAN	67,957.99	113.44		699.56	68,770.99	8,479.62	60,291.37	8,437.20	0.00
SR - INFRASTRUCTURE	202,204.59	5,782,998.90		9,623.27	5,994,826.76	5,792,151.54	202,675.22	29,355.11	300,758.90
TOTAL	\$2,698,498.91	\$82,058,609.21	\$1,442,095.51	\$909,724.81	\$84,224,737.42	\$81,552,264.45	\$2,672,472.97	\$419,894.81	\$3,092,367.41
GARBAGE	658,148.44	18,960,032.77	837,877.60	38,358.84	18,818,662.45	18,193,340.19	625,322.26		625,322.26
STORMWATER	45,533.08	1,325,435.20		426.03	1,371,394.31	1,320,890.97	50,503.34		50,503.34
GRAND TOTAL	\$3,402,180.43	\$102,344,077.18	\$2,279,973.11	\$948,509.68	\$104,414,794.18	\$101,066,495.61	\$3,348,298.57	\$419,894.81	\$3,768,193.01

Total from Rates Financial Transaction Summary	2,256,514.24
Overpayments	-1,511,678.77
Difference	0.00

ANALYSIS OF RECOVERY ACTION

Rate accounts greater than 6 months less than 12 months in arrears	473,703.52
Rate accounts greater than 12 months less than 18 months in arrears	70,344.07
Rate accounts greater than 18 months in arrears	46,663.57
TOTAL rates and charges under instruction with Council's agents	\$590,711.16

RATES STATISTICS

No. of documents issued	July	August	September	October	November	December	January	February	March	April	May	June	Jul-16
Rate Notices	50,590	456		1,005			276						
Electronic - DoH	5,282												
Instalment Notices				43,817			44,122			43,923			
Electronic - DoH				5,517			5,436			5,317			
Missed Instalment Notices			7,341			6,692			6,475				
- Pensioners > \$15.00			650			592			628				
Notice to new owner	167	75	32	25	33	52	49	22	32	49	27	30	31
7-day Letters - Council issued			1,796			2,172			1,924				
- Pensioners > \$500.00			163			244			243				
7-day Letters - Agent issued			495				587						
Statement of Claim	198	27	16	205	20	9	242	14	31	208	19	21	22
Judgments	13	22	17	15	59	5	13	44	11	22	51	18	65
Writs	14	17	15	6	9	13	9	6	39	27	29	31	39
eRates	1,801	1,809	1,814	1,838	1,841	1,867	1,895	1,910	1,945	1,953	1,977	1,981	1,759
BPAView	49	197	398	503	589	803	866	928	1,028	1,080	1,106	1,119	
Arrangements	320	281	401	422	443	461	397	313	405	444	288	312	306

DEBTORS SUMMARY 1 June 2017 to 30 June 2017

DEBTOR TYPE/DESCRIPTION	ARREARS AT 31/05/2017	RAISED THIS PERIOD	RECEIVED THIS PERIOD	BALANCE AT 30/06/2017	% DEBT RATIO
Corporate Administration	447,514	175,702	342,287	280,928	29.49%
Abandoned Items	1,068	0	0	1,068	0.35%
Education and Care Services	18,710	0	0	18,710	0.98%
Community Bus	89	0	0	89	0.01%
Sportsground and Field Hire	163,010	189,932	158,917	194,026	5.46%
Government and other Grants	481,863	399,084	75,390	805,557	12.87%
Public Hall Hire	163,337	124,485	96,781	191,041	1.39%
Health Services	350	0	0	350	0.02%
Land and Building Rentals	41,872	172,914	170,072	44,714	5.63%
Healthy Lifestyles	4,254	63,303	42,349	25,208	0.15%
Library Fines and Costs	0	0	0	0	0.00%
Licence Fees	47,115	10,762	21,251	36,626	1.85%
Pool Hire	6,195	9,373	3,730	11,838	0.39%
Private Works	17,487	0	14,875	2,612	0.52%
Road and Footpath Restoration	79,362	3,609	75,999	6,973	28.17%
Shop and Office Rentals	26,245	49,062	49,069	26,237	2.17%
Various Sundry Items	232,654	243,132	176,144	299,642	6.42%
Waste Collection Services	38,459	0	38,789	-330	6.17%
	1,730,904	1,441,360	1,265,653	1,906,612	100%

AGEING OF SUNDRY DEBTOR ACCOUNTS - 30 June 2017

	Current Charges	Total 30 Days	Total 60 Days	Total 90+ Days	Balance Due
Corporate Administration	158,782	9,702	1,369	111,075	280,928
Abandoned Items	0	0	0	1,068	1,068
Education and Care Services	18,710	0	0	0	18,710
Community Bus	89	0	0	0	89
Sportsground and Field Hire	160,259	29,496	0	4,271	194,026
Government and other Grants	354,344	1,200	450,013	0	805,557
Public Hall Hire	87,523	41,617	14,920	46,981	191,041
Health Services	0	0	0	350	350
Land and Building Rentals	44,714	0	0	0	44,714
Healthy Lifestyles	24,721	220	0	267	25,208
Licence Fees	8,974	5,443	1,569	20,640	36,626
Pool Hire	9,836	239	160	1,603	11,838
Private Works	1,189	0	0	1,423	2,612
Road and Footpath Restoration	2,640	3,129	345	859	6,973
Shop and Office Rentals	21,837	2,200	2,200	0	26,237
Various Sundry Items	148,745	65,122	6,944	78,831	299,642
Waste Collection Services	-330	0	0	0	-330
	1,003,356	158,366	477,521	267,369	1,906,612
					<i>Previous Month 90+ days</i> 6,725 1,068 0 0 10,533 0 42,777 350 0 633 25,566 1,631 16,298 12,913 4,400 99,091 0 221,984

8.6 2016-2017 General Purpose Financial Reports and 2016-2017 Special Purpose Financial Reports

Reporting Officer

Executive Manager Corporate Services and Governance
City Governance

Community Strategic Plan

Objective	Strategy
3 Outcome Three: A Thriving, Attractive City	3.7 - Public funds and assets are managed strategically, transparently and efficiently

Officer's Recommendation

1. That the 2016-2017 General Purpose Financial Reports and the 2016-2017 Special Purpose Financial Reports be referred to audit.
2. That the Mayor, Deputy Mayor, General Manager and Responsible Accounting Officer sign the statements as required by Section 413(2) of the *Local Government Act 1993* after completion of the audit.
3. That the audited results of the financial year be presented to Council at the Annual General Meeting on 10 October 2017.

Purpose

To inform Council of its requirement to form an opinion relating to its General Purpose Financial Report and resolve to refer the accounts for audit as per Section 413(2c) of the *Local Government Act 1993*.

Report

In accordance with Section 413(1) of the *Local Government Act 1993*, Council must prepare financial reports for each year and must refer them for audit as soon as practicable after the end of that year. The 2015-2016 General Purpose Financial Reports and Special Purpose Financial Reports have been completed and arrangements have been made with Council's independent auditor, Audit Office of New South Wales, to complete the end of year audit.

Section 416 of the *Local Government Act 1993* stipulates that council's financial reports for the year must be prepared and audited within a four month period after the end of each financial year. Council is then required to conduct an Annual General Meeting to present the audited financial reports, together with the auditor's reports to the public. This must be done not more than five weeks after receipt of the auditor's reports. The Annual General Meeting is scheduled for 10 October 2017.

The actual operational result on an accruals basis (excludes capital expenditure) is a surplus exceeding \$107m after capital grants and contributions and a surplus of around \$73m before capital grants and contributions. This is a preliminary result pending any valuation changes to fixed assets and any final accrual adjustments, however is not expected to materially change. The major factors contributing to the operational result as compared to the previous financial year's actuals include the following:

- increase from growth in rates of \$4.5m from various strata developments, Willowdale and Bardia developments
- increase in interest income from investments of \$1.2m, attributable to the proceeds from the Menangle land sale part way through the financial year
- significant profit of \$57m on the Menangle land sale whereby the land was classified as land held for resale at its original cost of \$8m and the proceeds being \$65m
- increase in operational grants as a result of one additional advance payment of quarterly financial assistance grants
- increase in capital grants and contributions of \$6m due to further asset dedications
- increase of \$2.5m in contractor expenditure linked to grant funding
- increase of \$2.5m in other expenditures notably consultants, professional and hired personnel fees.

Depreciation of Council's fixed assets has reduced and will now stabilise to its present level of approximately \$21m as all asset classes are now valued in accordance with Australian Accounting Standard (AASB) 116 which has been implemented over the last several years. The change to Australian Accounting Standards requires assets to be re-valued at fair value using market based evidence where available and is undertaken by professionally qualified valuers. Assets with insignificant changes in fair value need only be re-valued every three to five years. The details of the original budget variations are reported in Note 16 to the General Purpose Financial Reports.

Council maintained a balanced budget throughout the 2016-2017 financial year with minor adjustments reported as part of the quarterly financial reviews. The actual funded result shows a surplus of approximately \$98,000 which is an excellent outcome in light of the current economic and financial environment. This result includes carry over works of some \$17m to be revoted in 2017-2018 which is consistent with the previous year. Of the revoted amount, material items are \$1.5m for floodplain management and drainage construction, \$2m for building infrastructure refurbishments and over \$2m for amenities and play equipment renewal. A report detailing the carry over works will be submitted late in August 2017.

A significant effort from all staff has been made to ensure the timely completion of end of year accounts, particularly when considering the increased resources required, to comply with the ongoing fair value accounting requirements and change in external audit regime.

The 2016-2017 Financial Reports have been prepared in accordance with the *Local Government Act 1993*, the regulations made thereunder, Australian Equivalents of the International Financial Reporting Standards and professional pronouncements, the Local Government Code of Accounting Practice and Financial Reporting and the Local Government Asset Accounting Manual. These statements are considered to fairly represent Council's financial position and operating result for the period.

Council is now required to refer the Financial Reports to the external auditor, Audit Office of New South Wales for audit. Council is also required to convene an Annual General Meeting within five weeks of receipt of the Auditor's Reports and as reported above, the Annual General Meeting has been set for 10 October 2017.

Attachments

Nil

8.7 Draft Grants, Sponsorship and Donations Policy

Reporting Officer

Executive Manager Corporate Services and Governance
City Governance

Community Strategic Plan

Objective	Strategy
3 Outcome Three: A Thriving, Attractive City	3.8 - Provide strong governance for all Council activities

Officer's Recommendation

1. That Council adopt the Draft Grants, Sponsorship and Donations Policy.
2. That Council rescind the following policies:
 - a. Council Sponsorship of Community Activities and Facilities Policy
 - b. Donations to Individuals, Community Organisation, Sport, Cultural and Arts Representatives Policy
 - c. Community Grants under Section 356 in the *Local Government Act 1993* Policy
 - d. Disaster Relief Donation Policy.

Purpose

Council is committed to building strong and resilient communities in Campbelltown and to maximising social wellbeing for all residents. One way of achieving this is to provide financial assistance in the form of grants, sponsorship and donations to individuals and groups to develop leadership skills, increase participation in community life and address identified local needs. The Grants, Sponsorship and Donations Policy provides the framework for delivering Council's Grants, Sponsorship and Donations Program to the community.

The draft policy has been developed with reference to best practice principles of grant making and grants administration as outlined by the Australian Institute of Grants Management and NSW Government. The policy describes the key elements and proposed improvements to Council's Grants and Donations Program to develop a more effective, coordinated and transparent suite of grants and donations programs that deliver positive outcomes for individuals and communities of Campbelltown.

The draft policy is presented to Council with this report for adoption.

History

Council currently has numerous separate policies which govern the administration of grants, sponsorship and donations including:

- Council Sponsorship of Community Activities and Facilities Policy
- Donations to Individuals, Community Organisation, Sport, Cultural and Arts Representatives Policy
- Community Grants under Section 356 in the *Local Government Act 1993* Policy
- Disaster Relief Donation Policy.

It is proposed that these individual documents be rescinded and replaced with the attached overarching Grants, Sponsorship and Donations Policy.

Report

Council has reviewed the current suite of grants, sponsorship and donations policies and procedures with the view to consolidating them into one overarching policy framework. This review was prompted by changes in legislation in August 2016 (Section 8 of the *Local Government Act 1993*), internal program delivery processes and changes in the structure of grant programs. The policy describes the key elements and proposed improvements to Council's Grants, Sponsorship and Donations framework to develop a more effective, coordinated and transparent suite of grants, sponsorship and donations programs that deliver positive outcomes for individuals and communities of Campbelltown.

Key units across Council have been consulted including Corporate Services and Governance; Community Life, Sport, Recreation and Leisure Facilities and Customer Service.

Grant programs

Council's Grants, Sponsorship and Donations programs are considered in accordance with one of the applicable categories:

1. Community Capacity Building Grants - Seed Grants and Project Grants
2. Quick Response Grants
3. Sustainable Environment Grants
4. Festivals and Events Sponsorship
5. Sporting Grants
6. Australian Representative (Sports, Arts, Culture, Academic) Donations
7. Community Facilities Fee Reductions
8. Disaster Relief Donations
9. ClubGrants.

Quadruple Bottom Line Considerations

The development of the new policy has included consideration of the quadruple bottom line. A summary of these considerations are outlined below.

Economic and Financial

All the suggested program changes will be absorbed into the existing Grants, Sponsorship and Donations budget.

Environmental and Sustainability

A new environmental and sustainability program has been included in the policy framework.

Social and Cultural

Raise awareness in the community about the available services and facilities.

Support community organisations, groups and volunteers to deliver coordinated services to the community.

Civic Leadership and Governance

Encourage the community to engage in Council initiatives and actions.

Provide information about Council's services, roles and decision making processes.


Deliver services that are customer focused.

Operate a well-developed governance system that demonstrates accountability, transparency and ethical conduct.

Actively advocate for federal and state government support, funding and services.

Attachments

1. Council Sponsorship of Community Activities and Facilities Policy (contained within this report)
2. Donations to Individuals, Community Organisations, Sport, Cultural and Arts Representatives Policy (contained within this report)
3. Community Grants section 356 Policy (contained within this report)
4. Disaster Relief Donations Policy (contained within this report)
5. Draft Grants, Sponsorship and Donations Policy (contained within this report)

 campbelltown city council		POLICY
Policy Title	Council's sponsorship of community activities and facilities	
Related Documentation	Corporate sponsorship of Council activities Donations to individuals, sports, cultural and arts Australian representatives	
Relevant Legislation/ Corporate Plan	Section 356 <i>Local Government Act 1993</i>	
Responsible Officer	Manager Governance and Administration	

Policy details may change prior to review date due to legislative changes, therefore this document is uncontrolled when printed.

Objectives

To provide encouragement and support to community based groups and organisations, based on the needs of such groups, by supplementing funds the groups raise for their own activities.

Policy Statement

This Policy provides guidelines and principles for the determination of sponsorship proposals.

Scope

This Policy applies to requests for sponsorship from community based groups and organisations.

Definitions

In kind - term to describe products or services provided in lieu of cash in exchange for sponsorship rights.

Sponsorship - the provision of a monetary, material or other benefit to an organisation generally without direct material benefit to the Council.

Sponsorship agreement - agreement signed by both parties outlining all aspects of the sponsorship, including benefits, communication and payment schedule.

Legislative context

Section 356 *Local Government Act 1993*

Principles**Eligible organisations**

- Any groups seeking funds should have a community focus that seeks to directly enhance the lifestyle of or provide a service to a broad selection of the Campbelltown community.
- Organisations that encourage participation and involvement from a broad section of the community of the City of Campbelltown.

Eligible activities

- Festivals, special events and activities that will enhance the lifestyle of residents and provide a service to the resident or business community of the City of Campbelltown.
- Activities that promote the City of Campbelltown to the wider community.
- Individuals, schools, clubs and associations seeking donations for events such as presentations, fundraising events and fetes are not eligible.

Criteria for assessment

Applications will be assessed on the basis of:

- the level of funds being sought and the amount of Council funds available for sponsorship purposes
- the total cost of the proposal, level of funding that has been obtained from other sources and the degree of self financing
- the level of planning and research that has been undertaken to ensure feasibility of the project
- the level of recognition that Council will receive in response to any sponsorship provided
- any sponsorship does not indicate a commitment for recurring sponsorship by Council.

Procedure

Requests will only be considered on written application to Council, which need to be received by Council with sufficient notice to allow consideration of the application.

- Any group that receives sponsorship will be required to submit to Council a written report on the use of funds provided and an assessment of the effectiveness of the event or program. This report is to be provided within six months of receipt of the funding
- No further sponsorship will be considered if the above requirement is not satisfied.

Sponsorship principles

All proposals for sponsorship will take into consideration the following principles which have been developed from the Independent Commission Against Corruption (ICAC) Guidelines for Sponsorship in the Public Sector:

- a sponsorship arrangement shall not impose or imply conditions that would limit, or appear to limit, Council's ability to carry out its functions fully and impartially
- there shall be no real or apparent conflict between the objectives and mission of Council and those recipients of sponsorship. Accordingly sponsorship will not be provided where an organisation has a legal or commercial dispute with Council
- care shall be taken to ensure sponsorship does not affect regulatory or inspectorial responsibilities of Council during the life of the sponsorship
- no employee of Council shall receive a personal benefit as a result of a sponsorship
- sponsorship benefits shall be documented
- sponsorship benefits shall be commensurate with the level of sponsorship.


Responsibility

The Manager Governance and Administration be responsible for ensuring that appropriations from Council's budget are in accordance with the principles of this Policy.

Effectiveness of this policy

The Policy will be reviewed in accordance with Council's adopted procedure for Policy Development and Review to ensure the criteria and general requirements comply with the legislative requirements and the ICAC Guidelines for Sponsorship in the Public Sector.

END OF POLICY STATEMENT

		POLICY
Policy Title	Donations to Individuals, Community Organisation, Sports, Cultural and Arts Representatives	
Relevant Legislation/ Corporate Plan	Section 356 Local Government Act 1993	
Responsible Officer	Manager Governance and Administration	

Policy details may change prior to review date due to legislative changes, therefore this document is uncontrolled when printed.

Objectives

To provide guidelines for the provision of financial assistance to residents of Campbelltown who are selected to represent Australia, either in the sports, cultural or the arts fields.

Policy Statement

This Policy aims to promote and enhance community well being by providing monetary funds through a consistent and equitable approach to the distribution of Council's donation budget, while endeavouring to ensure the local community needs can be addressed.

Scope

This Policy applies to requests for donations for money received by Council

Legislative Context

Section 356 of the Local Government Act (as amended)

Principles

Eligible Individuals

- An amateur athlete residing within the Campbelltown City area who has been selected either individually or as a member of a team by the representative National Association to represent his or her country and be entitled to wear the Australian Coat of Arms may be given a donation of \$500 towards meeting their expenses.
- An amateur musician, singer or artist residing in the Campbelltown City area who has been chosen to represent his or her country at some festival or event, or to study overseas to further their career, Council may donate the sum of \$500 towards meeting their expenses.

- That should any of the above be selected to represent Australia in a competition or tour more than once per calendar year, subsequent applications will be forwarded for individual consideration by the Sports Liaison Sub Committee and report to Council.
- Where any person has been chosen to represent his or her state, no contribution towards expenses will be considered.

Eligible Community Organisations

- Requests will only be considered on written applications to Council, which will need to be received with sufficient notice to allow consideration of the application.
- Documentary evidence from the selection body and the residential status of the applicants should be provided.
- Recipients receiving sponsorship will be required to submit to Council a written report on the use of the funds provided and advice of the outcome of the event or endeavour.


Responsibility

That the Manager Governance and Administration be responsible for ensuring that appropriations from Council's donation budget are in accordance with the principles of this Policy.

Effectiveness of this Policy

That the Policy will be reviewed on an annual basis to ensure the appropriate level of recognition.

END OF POLICY STATEMENT

 campbelltown city council		POLICY
Policy Title	Community Grants Under section 356 in the <i>Local Government Act 1993</i>	
Related Documentation	Policy - Allocation of Annual Subsidies Policy - Grants - Sports, Cultural and Arts Representatives	
Responsible Officer	Manager Community Resources and Development	

Policy details may change prior to review date due to legislative changes, therefore this document is uncontrolled when printed.

Objectives


1. To support community organisations to improve social outcomes for the city.
2. To provide encouragement and support based on the needs of such groups and organisations by:
 - i. Providing an initiating grant for groups that have demonstrated that their programs are essential to a perceived need in the community; or
 - ii. Supplementing funds that groups themselves raise for their own activities.

Policy Statement

1. That the group seeking funds should have a self-help focus; should propose a specific project that will directly enhance the lifestyle of or provide a service to residents of the City of Campbelltown; and should be managed by local resident/service user committees.
2. That the group must not be in receipt of more than \$50,000 in funding per annum; should not be controlled or funded by a larger organisation; and should not be able to access funding for the proposed project from other grant bodies.
3. That the group should have attempted to obtain funds from other sources, e.g. public fundraising, submissions to other levels of government (although ineligibility for funding from other levels of government should not necessarily imply ineligibility for Council subsidy). Groups who contribute towards a project will be given priority.
4. That the group should encourage participation from a broad section of the community, and be non-discriminatory in access to membership and to services provided.
5. Should not be a 'for profit' or government organisation.

6. That the group should in its submission to Council provide detailed information of its management structure, activities, annual budget and proposed use of any Council subsidy.
7. That in making allocations Council takes into account the necessity to give significant support to those programs, which contribute to wide community benefit as demonstrated by close alignment with Council's Community Strategic Plan 2012-2022.
8. That Council recognise further the need to encourage new community programs by the provision of 'seeding' funds during the initiation period of new groups.
9. That the group must advise Council of receipt of funds within 3 months.
10. That if funds are approved for the purchase of equipment, the equipment is to be identified and, should the organisation cease to exist in the manner for which the funds were originally allocated, the equipment is to become the property of Council.
11. That application for items of equipment should include at least two quotes.
12. That Council may distribute a total of \$20,000 annually in half yearly amounts. There is a maximum amount of \$500 for a seeding grant or \$5,000 for a project grant to be awarded to any one group. In awarding the grants Council will seek to balance the community needs.
13. That groups awarded a seeding grant will thereafter only be able to apply for a project grant.
14. That groups awarded a project grant are unable to apply for a further project grant within one calendar year of the date the grant was awarded. Unsuccessful applicants are entitled to apply for a grant in the subsequent year.
15. That the grants may be awarded at the Council's discretion and Council reserves the right not to allocate the half yearly or annual amounts stipulated in this policy.
16. That applications for grants be invited twice a year through an advertisement.
17. That Councillors be provided with the information to be supplied by the applicant as stated in this policy and a history of grants applied for by the group and the outcome, under this policy.
18. Applicants may not vary the purpose of the grant for which they have been funded without receiving write approval from Council.

END OF POLICY STATEMENT

 campbelltown city council		POLICY
Policy Title	Disaster Relief Donation Policy	
Related Documentation	Council's Sponsorship of Community Activities and Facilities Policy	
Relevant Legislation	<i>Local Government Act 1993</i>	
Responsible Officer	Manager Governance and Risk	

Policy details may change prior to review date due to legislative changes, therefore this document is uncontrolled when printed.

Objectives

This Policy has been developed to provide a framework to guide Council's decision to respond to humanitarian crises created by natural disasters by way of a financial or in-kind contribution to disaster stricken areas, locally, nationally and internationally.

The Policy ensures that Council's contribution to affected areas is made in a timely and efficient manner and that any donations given are accountable and transparent to the Campbelltown community.

Policy Statement

Campbelltown City Council acknowledges the needs of other communities, locally, nationally or internationally in times of humanitarian crises created by natural disaster.

Council may wish to respond to a natural disaster by making a donation to a charity or charities which provide humanitarian assistance to communities affected by a natural disaster.

The amount to be contributed will be determined by resolution of Council and will be limited to financial or in-kind aid, unless specifically requested by the relevant aid agency.

An early decision to donate either financial aid or in-kind aid is essential and most effective when made within the immediate stages following the disaster to assist with rescue efforts and minimize human loss.

Scope

This Policy applies to all natural disasters recognized by the State and Federal Government.

Contributions will be limited to financial and in-kind aid. Other fundraising events and activities will be dealt with outside of this policy.

Donations should generally be made to aid agencies recognized by:

- Emergency Management NSW for local disasters
- Department of Human Services (DHS) for national disasters
- Australian Agency for International Development (AusAid) or Australian Council for International Development (ACFID) for international disasters. The Australian Red Cross and Salvation Army are both members of ACFID.

Council is responsible for approving all disaster relief donations.

Definitions

Natural Disaster is the effect of a natural hazard, that is, flood, drought, fire, tsunami, hurricane, earthquake, or tornado, which leads to financial, environmental and/or human losses.

Humanitarian Crisis is an event or series of events which represents a critical threat to the health, safety, security or wellbeing of a community or other large group of people, usually over a wide area. Armed conflicts, epidemics, famine, natural disaster and other major emergencies may all involve or lead to a humanitarian crisis.

Event for the purpose of this policy, will describe a disaster that is so catastrophic that it overwhelms the normal social and material support systems of those affected.

Principles

Determining the Eligibility of a Natural Disaster/Humanitarian Crisis

Following the occurrence of a natural disaster/humanitarian crisis, a Councillor may submit a written request to the General Manager to make a donation to a Natural Disaster or humanitarian crisis. The General Manager will assess whether the event meets the criteria of this policy and where it is determined that the nature of the event meets the criteria, the request will be presented to the next Council Meeting as Notice of Motion for consideration.

Funding Resources

As natural disasters are not foreseeable, donations will be sourced from Council's Section 356 Contributions/Donations budget.

Financial Contribution

Financial contribution will be based on the severity of the disaster and at the discretion of Council and will generally provide for a contribution of up to \$20,000. The actual amount is to be decided by Council on a case by case basis.

In-kind Contribution

Donations of in-kind support will require the resolution of Council and for logistical purposes is best limited, but not restricted to disasters that occur within Metropolitan and Regional New South Wales.

In-kind support may include time, personal or organisational expertise, advice or other organisational resources.

Material aid

It is not generally recommended that material aid such as non perishable food items, clothing, medical supplies, etc. are donated as they are often found impractical or inappropriate for the climate and culture and do not meet the priority needs of those affected. Research shows that material aid, unless specifically requested, has proven costly in time, money and labour as it requires sorting, storing and transporting.

Criteria for donation

The following is to be considered when deciding on an appropriate donation:

- the scale of the disaster
- the capacity of other government agencies and organisations to respond to the disaster
- the need for ongoing support that is rebuilding disaster stricken areas once the initial crises has been dealt with
- the impact of any such crises on our immediate region and community
- the affected areas relationship to Campbelltown
- the affected areas connection to the cultural origin of residents of Campbelltown.

The preferred charity should be recognized by the Australian Government Aid program (AusAID) or Australian Council for International Development (ACFID), Australian Government Department of Human Services or LGNSW to ensure the aid agency's credibility.

Responsibility

The **General Manager** is responsible for undertaking an initial assessment against the policy, having regard to the nature of the event and the donation criteria, and where required submitting that assessment to the next Council Meeting for consideration in conjunction with the request.

Council is responsible for approving all donations by resolution of Council.

Communications and Marketing is responsible for providing a media release to the community informing them of Council's decision to provide financial or in-kind aid, ensuring that community confidence is maintained in the use of community contributions to relief aid, and the provision of regular updates to Council and the Community on additional support that can be offered once a recovery plan has been established.

Governance and Risk is responsible for coordinating the correspondence and contribution to the relief aid organisation and maintaining a register of relief aid donations.

Effectiveness of this Policy

This Policy will be reviewed in accordance with Council's adopted procedure for Policy Development and Review to ensure the criteria and general requirements comply with the relevant legislative requirements.

END OF POLICY STATEMENT

 campbelltown city council	POLICY
Policy Title	Grants, Sponsorship and Donations
Related Documentation	Grants, Sponsorship and Donations Program Guidelines
Relevant Legislation	<i>Local Government Act 1993</i>
Responsible Officer	Manager Governance and Risk

Policy details may change prior to review date due to legislative changes, therefore this document is uncontrolled when printed.

Objectives

Council is committed to building strong and resilient communities within the Campbelltown Local Government Area (LGA) and to maximising social wellbeing for all residents. One way of achieving these goals is to provide financial assistance in the form of grants, sponsorships and donations to individuals and groups to develop leadership skills, increase participation in community life and address identified social issues.

Policy Statement

Council grants, sponsorships and donations are provided to individuals who reside in the Local Government Area (LGA), or to community based groups, organisations and services that operate within the Campbelltown LGA and/or for the benefit of Campbelltown residents.

Council provides nine means for the allocation of grants, sponsorships and donations. These are a combination of closed round programs, for which applications are accepted once or twice per year and open programs which can be applied for at any time of the year.

These programs are:

1. Community Capacity Building Grants - Seed Grants and Project Grants
2. Quick Response Grants
3. Sustainable Environment Grants
4. Festivals and Events Sponsorship
5. Sporting Grants
6. Australian Representative (Sports, Arts, Culture, Academic) Donations
7. Community Facilities Fee Reductions
8. Disaster Relief Donations
9. ClubGrants

Council seeks to optimise the use of public funds through effective and efficient grant processes, and clear grant program objectives linked to the organisation's strategic goals.

This policy applies to all grants, sponsorships, donations and value-in-kind provisions to enhance social, cultural, economic and environmental outcomes.

Council may approve grants, sponsorships and donations outside this policy as it sees fit. The policy does not prevent Council giving occasional small gifts to organisations, providing support for civic functions or one-off events in accordance with the relevant legislation.

Scope

This policy applies to all grants, sponsorships and donations and value-in-kind provisions to enhance social, cultural, economic and environmental outcomes.

Definitions

Acquittal Reporting on the activities of a project as set out in the funding agreement. This could take the form of providing financial reports, written reports, evidence of activity performance and where funding was spent.

Auspice An agreement where an incorporated organisation agrees to apply for funding or resources on behalf of an applicant that is not incorporated. If the application is successful, the auspicing organisation then administers the resources on behalf of the applicant, and is legally responsible for ensuring that the terms of the agreement are met.

Charity Listed on the Australian Charities and Not-for-profit Commission (ACNC) website as a registered charity

Community Capacity Building

Aims to strengthen communities through building the capacity of and providing opportunities for people to actively engage with their community. Community capacity building involves the provision of community activities that contribute to people developing their own capacity and resilience to maintain and build on their own resources and to manage future challenges.

Council Campbelltown City Council

Donation Financial support by Council to an individual, team, organisation or school

Funding agreement

The Funding agreement is the formal document that outlines the terms, conditions and obligations of funding, service delivery, accountability for both the Council and the funded organisation.

Governance A clear process by which decisions can be made

Grant Funding for a specified purpose directed at achieving goals and objectives consistent with government policy.

In-kind Support provided a non-monetary form, such as goods or services or commodities.

Matched Contribution

A financial or in-kind contribution made to match an equal financial or in-kind contribution up to a certain value. Refer to specific information on what Council accepts as in-kind contributions under each grant program in the program guidelines document.

Not for Profit An organisation that does not operate for the profit, personal gain or other benefit of particular people.

Reduction A proportion of the hire fee for community centres, halls, buses, parks and sports fields approved to be deducted from the full applicable hire fee.

Legislative Context

Local Government Act 1993

Auditor General NSW: Performance Audit on Grants Administration in NSW

Australian Institute of Grants Management: Grant making Manifesto (2011)

Campbelltown City Council: Council's Community Strategic Plan

Campbelltown City Council: Code of Conduct Procedures

Campbelltown City Council: Conflicts of Interest Policy

Campbelltown City Council: Corporate Sponsorship (Outgoing) Policy

NSW Premier and Cabinet: Good Practice Guide to Grants Administration (2006)

NSW Family and Community Services: Community Builders Program Guideline (2012)

Principles**1. Grants, Sponsorships and Donations Principles**

1.1 Council seeks to enhance the use of public funds through effective and efficient grant processes. Clear grant program objectives are linked to Campbelltown City Council's strategic goals, outlined in Council's Community Strategic Plan. Council's grants, sponsorships and donations provide a coordinated and integrated approach to growing Campbelltown socially, culturally, economically and environmentally.

1.2 Grant making principles

The key principles that inform grant making by Council are:

a) Delivering Council's Community Strategic Plan

All grants, sponsorships and donations and in-kind value support are aligned with Council's Community Strategic Plan, and other social, economic and environmental policies and plans.

b) Partnerships and collaboration

Develop and maintain partnerships between Council and the community to achieve Council's strategic direction based on mutual respect and transparency.

c) Capacity building

Support community groups and organisations to function positively, develop skills and increase community participation.

d) Social inclusion

Social inclusion is the process whereby every person irrespective of age, disability, gender, religion, sexual preference or nationality who wishes to can access and participate fully in all aspects of an activity or service in the same way as any other member of the community.

Campbelltown is a diverse community comprising people from a range of different backgrounds where our distinct skills, characteristics and cultures are valued and used to build a healthy inclusive community. Our grants, sponsorships and donations process encourages direct resources to both emerging and specific needs of different groups.

e) Leveraging value

Council seeks to leverage community expertise, capacity, networks and resources to provide the best suite of grants programs to meet the needs of and maximise positive outcomes for the community and business. Council supports projects that represent good value for the level of cash or in-kind support requested. Through effective and efficient grant management processes, Council seeks to ensure costs for administration by the Council and grant applicants are minimised.

f) Good governance

Council is committed to demonstrating integrity, professionalism and transparency in our decision making and has strong governance structures in place to support this. Council will ensure that the grants, sponsorships and donations processes are transparent and fair. Applications are assessed objectively against the assessment criteria. All conflicts of interests are addressed and declared as part of this process.

g) Reflection and Learning

As part of Council's commitment to continuous improvement, Council will ensure there are evaluation mechanisms in place and opportunities for feedback on grants, sponsorships and donations processes.

2. General eligibility and exclusions

2.1 General eligibility

To be eligible for funding an applicant must:

- a) Be a resident of, or located in the Campbelltown LGA and/or principally providing services to the residents of Campbelltown; and
- b) Acquit previous Council grants, sponsorships and donations; and
- c) Include all required supporting documentation with their application.

2.2 Applications that are ineligible for funding are:

- a) Projects that duplicate existing Council services or programs
- b) Projects that directly contravene existing Council policy
- c) Projects that do not meet the identified priority needs of the Campbelltown LGA as set out in Council's Community Strategic Plan
- d) From government departments, commercial/profit-making enterprises or political parties
- e) From charities for general donations (however, Council may provide grants to specific projects run by charities where they meet the criteria)
- f) For general administrative operational expenditure (e.g. administration, insurance), shortfalls in funding by government departments or completed/ retrospective projects
- g) Projects that will rely on recurrent funding from Council

2.3 Further conditions

Council will not:

- a) Support political activities or activities that could be perceived as benefiting a political party or political campaign
- b) Support activities that could be perceived as divisive within the community

For specific eligibility requirements and exclusions for each program, please refer to Program Guidelines.

2.4 Ethics Framework

Council will not support any activities or entities that:

- a) Pollute land, air or water
- b) Destroy or waste non-recurring resources
- c) Market or promote products/services in a misleading or deceitful manner
- d) Produce, promote or distribute products/services likely to be harmful to the community
- e) Acquire land or commodities primarily for the purpose of speculative gain
- g) Entice people into financial over-commitment
- h) Exploit people through the payment of below award wages or poor working conditions
- i) Discriminate by way of race, religion, or sex in employment, marketing or advertising practices
- j) Contribute to the inhibition of human rights generally

2.5 Conflicts of Interest

2.5.1 Council staff or Councillors assessing and determining applications for grants and donations should identify and manage any potential conflicts of interest in accordance with Council's Code of Conduct and Conflicts of Interest Policy.

2.5.2 In particular, members of Council staff and Councillors need to ensure that any affiliation between them and the applicant is appropriately managed when assessing and determining applications for grants and donations.

3. Grants, Donations and Sponsorship Management Process

3.1 Applications

All grant and donation applications must be submitted in writing using the approved application form relevant to the program and associated documentation on Council's website. Council will not accept any applications and/or submissions after any applicable closing date or time.

3.2 Assessment and recommendations

3.2.1 All grant, donation and sponsorship applications received by Council will be assessed by appropriate Council staff. Depending on the type of application, appropriate Council staff may be an individual delegated officer, an internal working party comprising of Council staff members or independent assessors as required.

3.2.2 Recommendations for funding of \$2,000 or less may be approved by the General Manager or their delegate provided that the financial assistance is in accordance with sections 356(3), 377(1)(A) and 378 of the Local Government Act 1993. Council will be notified of funded projects by a report to Council as soon as appropriately possible.

3.2.3 For grants programs that are open, recommendations will be made on a minimum of a six monthly basis, or in accordance with the grant program guidelines. For grants programs with specific funding rounds, recommendations will be made within three months of the closing date.

3.2.4 Unsuccessful applicants are encouraged to seek feedback from relevant Council staff on their application. Some grant programs are highly competitive and even though an application may meet the program criteria it may not be competitive against other applications.

Complaints with regard to the process of awarding Grants, Sponsorship or Donations can be made in accordance with clause 6.8 of this policy.

3.3 Approval

3.3.1 The elected Council has authority to approve grants or other financial assistance. In some circumstances, specific delegation for this purpose is given to the General Manager. The reduction of fees or charges will be reviewed in accordance with categories set out in this policy.

3.3.2 Approval of a grant or donation does not imply that Council has given any other consent. Applicants should note that events or any capital works (infrastructure) require approvals and consents from Council, NSW Police and other state government agencies.

3.4 Funding agreements

Where applicable, all successful applicants are required to enter into a funding agreement before funds are released and before a project can commence. The agreement is negotiated with the grantee and details may include, but are not limited to:

- The description of the project/activity for which funding is being provided
- The amount of funding to be received and details of any value-in-kind support
- Specific performance criteria for each project - these should be provided when applying and can be negotiated when finalising the agreement
- A payment schedule
- The deadline for submission of the project acquittal.

3.5 Applicant financial or in-kind contribution

Council values and recognises the importance of an applicant's financial and in-kind contributions. Applicants that demonstrate a commitment to the project through either financial or volunteer support are considered favourably. Such contributions could include:

- In-kind contributions such as donated supplies, materials or services.
- Volunteering time such as labour, set up and pack down, and meeting time to identify, plan and implement projects.
- Direct cash input to the project through donations or income generated.
- Funds raised through crowd funding platforms.

3.6 Reporting

All grant recipients are required to report on and acquit their project as detailed in their funding agreement. Reports are to be submitted in writing and provide feedback on the success of the project in terms of the agreed outputs and outcomes, relevant data, and any lessons learnt. Grant recipients are required to submit financial information and may be requested to provide further documentation and evidence of expenditure. Council may audit grant recipients at any time.

Reports are to be submitted using the grants management reporting template. Reports provide feedback on the success of the project in terms of the agreed outputs and outcomes, relevant data, and any lessons learnt. Grant recipients are required to submit detailed financial reports and may be requested to provide further documentation and evidence of expenditure. Council may audit grant recipients at any time.

3.7 Evaluation and review

This policy will be reviewed every two years. It will be evaluated to assess:

- The cost effectiveness of implementing and managing the grants programs;
- The sustainability of resources to manage the grants programs;
- Mechanisms to collect feedback from applicants on program improvements;
- Grants programs and their eligibility and assessment criteria is consistent with Council's identified priorities and strategic directions;
- The manner in which Council manages its funding arrangements are professional and the process for providing grants and donations is transparent and accountable; and
- Conflicts of interest are identified and agreements terminated should a conflict of interest arise during the term of the agreement that cannot be resolved.

3.8 Dispute resolution and complaints

Unsuccessful applicants are encouraged to seek feedback from relevant Council staff on their application. Some grant programs are highly competitive and even though an application may meet the program criteria it may not be competitive against other applications.

Complaints may be made in writing to the Manager, Governance and Risk. Complaints will be handled in accordance with Council's Complaints Management Policy.

4. Grant Program Information and Contacts

4.1. Information about Council's grants, donations and sponsorship programs will be made available on the Council's website at www.campbelltown.nsw.gov.au and will be promoted periodically through local newspapers, on social media, through schools and community networks and email groups.

4.1.1 Information sessions and workshops will be held as required to raise awareness of the grants, donations and sponsorship programs as required

4.1.2 Further information about any of Council's grants and donations programs may be obtained by emailing grants@campbelltown.nsw.gov.au or phoning 4645 4000.

4.2 Grants and donations programs funding and frequency

	Program	Funding Available	Frequency
1	Community Capacity Building Grants	Total of \$20,000 per year	Annually
1a	Seeding Grant	Up to \$500 per application	Annually
1b	Community Project Grant	Up to \$5000 per application	Annually
2.	Quick response grants	Total of \$20,000 per year. Up to \$2000 per application	Throughout the year, by application.
3.	Sustainable Environment Grants	Total \$5000 per year	Annually
4.	Festivals and Events Sponsorship	Up to \$2000 per application	Quarterly
5.	Sporting Grants (eg NSW office of Sport Grants Programs)	Matching funding up to a maximum of 50% of project value.	Annually
6.	Australian Representatives Donations (Sporting, Arts, Cultural, Academic)	Up to \$500 per application	Throughout the year, by application.
7.	Community Facilities Fee Reductions		Throughout the year, by application.
8.	Disaster relief donation	Up to \$20,000 based on the severity of the disaster	By Council resolution
9.	ClubGRANTS		Annually

5. Policy Administration

5.1 Minor Changes to this Policy

Council authorises the General Manager to make minor changes to this policy or program guidelines to reflect changes in legislation, expiry of or changes to grant programs, and changes in Council structure.

Responsibility

The Manager Governance and Risk may delegate their responsibility to the Governance Coordinator to ensure proper procedural documentation is maintained at a level satisfactory to Council and relevant legislation.

Effectiveness of this Policy

This policy will be reviewed every two years to ensure that it meets its objectives and legislative requirements.

END OF POLICY STATEMENT

8.8 Outcome of Public Exhibition - Revised Policy - Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors

Reporting Officer

Executive Manager Corporate Services and Governance
City Governance

Community Strategic Plan

Objective	Strategy
3 Outcome Three: A Thriving, Attractive City	3.8 - Provide strong governance for all Council activities

Officer's Recommendation

1. That the Policy - Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors shown as the attachment to this report be adopted.
2. That the review date be set at 30 September 2021.

Purpose

To advise Council of the outcome of the public exhibition of the revised policy - Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors and to seek Council's endorsement of the policy.

Report

The abovementioned policy has been reviewed in accordance with the *Local Government Act 1993*, Council's Record Management Policy and procedure for Policy Development and Review.


Council at its meeting held 13 June 2017 resolved that the revised Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors Policy be publicly exhibited and open for submissions for at least 28 days.

The revised policy - Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors was placed on public exhibition from 19 June 2017 to 21 July 2017. Copies of the revised policy were available for inspection at the Civic Centre, HJ Daley Central Library and on Council's Website. The policy exhibition period and call for submissions was advertised in the Macarthur Chronicle and Advertiser week commencing 26 June 2017.

As there were no submissions received during the public exhibition period of the revised policy - Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors it is recommended that the policy be adopted.

Attachments

1. Draft Policy - Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors (contained within this report)

 campbelltown city council	POLICY
Policy Title	Payment of Expenses and Provisions of Facilities to the Mayor, Deputy Mayor and Councillors
Related Documentation	Councils Code of Conduct ICAC Publication - No excuse for Misuse, Preventing the Misuse of Council Resources OLG Guidelines for Payment of Expenses and Provision of Facilities Model Code of Conduct for Local Councils in NSW 2013 OLG Circulars 11/27, 08/03, 08/24, 08/37, 07/22 and 06/57 Councils Internet and Email Usage Authorised Statement Related Policies, Authorised Statements, Procedures or forms to support this policy.
Relevant Legislation/ Corporate Plan	<i>Local Government Act 1993</i> <i>Local Government (General) Regulation 2005</i>
Responsible Officer	Manager Governance and Risk

Policy details may change prior to review date due to legislative changes, therefore this document is uncontrolled when printed.

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Part 1 - Introduction

1. Purpose of the Policy

The purpose of this Policy is to ensure that there is accountability and transparency in the reimbursement of expenses incurred or to be incurred by Councillors.

The Policy comprises four parts being:

- Part 1 - Introduction – defines key terms and describes the legislative and reporting requirements that describe the policy's purpose, objectives and scope
- Part 2 - Payment of Expenses – describes the general and specific provisions, circumstances and Council procedures related to the payment of allowable expenses
- Part 3 - Provision of Facilities – outlines the general and specific provisions, circumstances concerning Councillor use of Council facilities and resources
- Part 4 - Other Matters – provides guidance on issues related to Councillor acquisition and return of facilities and dispute resolution.

2. Objectives and Coverage of this Policy

The objectives of this Policy are to:

- a) Ensure there is consistency in the application of reimbursement of expenses and provisions of facilities to Councillors in an equitable and non-discriminatory manner.
- b) Assist Councillors to represent the interests of residents and ratepayers of Campbelltown and to facilitate communication between the community and the Council.
- c) Provide Councillors with a level of support which will serve to encourage residents to seek election to civic office.

In absence of clear financial limits being set within the Policy, reference should be made to the table at clause 14 for further guidance.

3. Making and Adoption of this Policy

The *Local Government Act 1993* requires Council to review and submit its policy to the Director General of the Office of Local Government within 28 days of adoption by the Council, even if it proposes to adopt an unchanged policy. Current policies must be submitted by the 30 November each year.

Before adopting or amending this policy, the Council must give public notice of its intention, and allow at least 28 days for public submissions. Any public submissions received will be considered and appropriate changes made prior to the adoption of the policy.

Even if changes that are considered not substantial are proposed, the required annual adoption of this policy must still be subject to the public notification process outlined above.

At any time, other than the required annual adoption of this policy and if the proposed amendment is not substantial the Council is not required to provide public notice. The term "not substantial" should be taken to mean minor changes to the wording of the policy, or changes to monetary provisions or rates that are less than 5%. It also means minor changes to the standard of the provisions of equipment and facilities. Any new category of expenses, facilities and equipment included in the policy will require public notice.

4. Reporting Requirements

Council is required by Section 428 of the *Local Government Act 1993* to include in their annual report:

- A copy of this policy
- The total amount of money expended during the year on providing these facilities and payment of these expenses
- Additional information as required by the *Local Government (General) Regulation 2005*.

5. Legislative Provisions

Under Section 252(5) of the *Local Government Act 1993* this policy must comply with guidelines issued by the Office of Local Government for the Payment of Expenses and the Provision of Facilities to the Mayor and Councillors for Local Councils in NSW.

“A policy under this section must comply with the provisions of this Act, the regulations and any relevant guidelines issued under section 23A.”

6. Other NSW Government Policy Provisions

This policy is consistent with the Campbelltown City Council Code of Conduct. The following parts of the Code are particularly relevant to s252 policies:

Use of Council resources:

- You must use Council resources ethically, effectively, efficiently and carefully in the course of your public or professional duties, and must not use them for private purposes (except where supplied as part of a contract of employment) unless this use is lawfully authorised and proper payment is made where appropriate
- You must be scrupulous in your use of Council property including intellectual property, official services and facilities and should not permit their misuse by any other person or body
- You must avoid any action or situation which could create the impression that Council property, official services or public facilities are being improperly used for your own or any other person or body's private benefit or gain
- You must not use Council resources, property or facilities for the purpose of assisting your election campaign or the election campaign of others unless the resources, property or facilities are otherwise available for use or hire by the public and any publicly advertised fee is paid for use of the resources, property or facility
- You must not convert any property of the Council to your own use unless properly authorised.

7. Approval Arrangements

Various approval arrangements are indicated throughout this policy and vary from Full Council resolution approval to Mayor (or Deputy Mayor in the case of a claim for the Mayor) and General Manager's approval.

The Manager, **Governance and Risk** will assist Councillors with respect to seeking reimbursement of expenses incurred in their role as a Councillor, coordinating travel and accommodation arrangements, attendance at civic events, training and education, and the provision of facilities under this policy.

All claims for reimbursement must be made within three months of the date of the receipt and on the appropriate "Claim for reimbursement of expenses by Mayor, Deputy Mayor and Councillors Form" (appendix A).

Any claim will be reconciled with the receipts and authorised as follows:

1. Authorised by the General Manager and Mayor (or Deputy Mayor where claim is made by the Mayor) for spouse and partner expenses, advance payments, travel, accommodation, childcare and carer fees.
2. Authorised by two of the following positions, if the particular expense category does not require General Manager and Mayor (or Deputy Mayor in the case of a claim by the Mayor) approval. The General Manager, Mayor, Director, **City Governance**, Executive Manager, Corporate Services and Governance and Manager, Governance and Risk.

Part 2 - Payment of Expenses

8. General Provisions

8.1 General Allowance

In accordance with the *Local Government Act 1993*, Council will not permit the payment of an allowance to any Councillor that may be considered a general expense or allowance.

8.2 Annual fees

Mayor

Council will determine annually the fee to be paid to the Mayor in accordance with Section 249 of the *Local Government Act 1993*. This fee will be in addition to the Councillor's fee. This fee will be paid to the Mayor monthly in arrears as provided by Section 250 of the Act.

In the event that the Mayor stands aside, is incapacitated or voluntarily ceases to perform the functions of the Mayor for any reason, the Council may, by resolution, pay an additional fee to the Deputy Mayor for that period (on a pro rata basis) while he/she carries out the duties and responsibilities on behalf of the Mayor. This fee will be in addition to the Councillor's fee and will be deducted from the Mayoral fee. This fee will be paid to Councillors monthly in arrears as provided by Section 250 of the Act.

Deputy Mayor and Councillors

Council will determine annually the fee to be paid to the Councillors in accordance with Section 248 of the *Local Government Act 1993*. This fee will be paid to Councillors monthly in arrears as provided by Section 250 of the Act.

Council may enter into an arrangement with a Councillor under which the Councillor agrees to forego all or part of their annual fee in exchange for the Council making contributions to a complying superannuation fund on their behalf.

8.3 Advanced payment of expenses

This Policy allows for any Councillor to request advance payment of anticipated expenses covered by this Policy likely to be incurred attending any service or facility.

However Councillors must completely reconcile all actual expenses against the cost of the advance within three months of incurring that expense.

8.4 Spouse and Partner expenses

Where the Councillor is accompanied by his or her spouse/partner, costs incurred for the spouse/partner (including travel, sustenance, registration and partner's program) will be borne by the Councillor. Council will not be responsible for any costs incurred by other members of a Councillor's family.

However where a Councillor is accompanied by his or her spouse/partner to the annual Local Government Association Conference Council will meet the cost of the official dinner for the spouse/partner. Any additional travel and accommodation expenses will be the personal responsibility of the Councillor.

Specific expenses for Mayors and Councillors

8.5 Seminars and Conferences

Councillor attendance at conferences requiring overnight accommodation or air travel will be determined in open Council. The report to Council must detail the purpose of the trip, expected benefits, duration, itinerary, approximate costs.

The use of a Mayoral minute to obtain Council approval for travel is not appropriate as it is not consistent with the principles of openness and transparency.

Where approval at a meeting of Council is not possible, Councillor's attendance will be determined by the Mayor and the General Manager.

A request submitted by the Mayor will be determined by the Deputy Mayor and the General Manager.

Following the event a written report should be provided to Council on the aspects of the conference relevant to Council's business and/or the local community.

Attendance at seminars, training and skills development sessions and the like that do not require overnight travel may be approved by the General Manager.

Who may attend conferences and seminars

Any interested Councillor may attend conferences, seminars and similar functions nominated by the Council. The Mayor may nominate a substitute attendee in his or her stead for functions within the Council area, or general Sydney metropolitan area, on those occasions where the Mayor is unable to be present.

Conference costs

The Council will pay all normal registration costs charged by organisers, including the costs of related official luncheons, dinners and tours that are relevant to the interests of the Council or assist Councillors to discharge the functions of their civic office.

8.6 Travel arrangements and Expenses

Councillors using their private vehicles to attend meetings of the Council, Advisory Committees, Working Parties, Council briefings, Community Consultations or the like organised or authorised by the Council will be paid the kilometre rate set by the Local Government (State) Award but subject to any such payment not exceeding the amount noted below for when approval is given for a Councillor to use their private vehicle.

Councillors are to lodge claims for travelling expenses within a period of three months after which the expenses was incurred.

Where Councillors are attending any meeting conference, seminar or function outside the Local Government Area where practical, travel to and from the venue will be in a Council vehicle. Should travel in a Council vehicle be impractical, then the Councillor will make a request to the Mayor or General Manager (or the General Managers nominee) to authorise travel by flights, rail or in special circumstances private vehicle. All travel should be via the most direct route. Council will meet the cost of either the return first class travel by rail or return economy class airfare.

If approval is given for a Councillor to use their private motor vehicle to travel to a meeting, conference, seminar or function outside the Local Government Area a Councillor is able to receive the lesser of the cost of an economy airfare plus transfers to and from airports or the travel allowance based on the kilometre rate set by the Local Government (State) Award.

The Councillor is personally responsible for all traffic or parking infringements incurred while travelling in private or council vehicles on council business.

Councillors may be issued with Cab Charge vouchers for taxi fares that are incurred while attending conferences and other Council related functions. All unused Cab Charges shall be returned to the **Executive Manager, Corporate Services and/or Governance and Manager, Governance and Risk** within 15 days of the function. The General Manager shall have the right to reject any unauthorised Cab Charges.

Interstate Travel

Council resolution approval is required prior to any interstate travel being undertaken by Councillors (excluding travel to ACT which may be authorised by Mayor and General Manager approval). The report to Council should include all details of the travel, including itinerary, expected costs and expected benefits.

Overseas Travel

Councillors wishing to undertake overseas travel must do so at their own cost.

Where the Mayor has been invited to officially represent Campbelltown overseas, a detailed report outlining the purpose of the trip, expected benefits, duration, itinerary and approximate costs, will be furnished to the Council as part of the Council Business Paper. Council must approve the international travel and payment of expenses relating to such travel.

If the visit is to be sponsored by private enterprise, ICAC guidelines and reporting structures should be followed and this should form part of the community reporting process. Retrospective reimbursement of overseas travel expenses is not allowed unless prior authorisation of the travel has been obtained.

After returning from overseas, a detailed report will be provided to a meeting of the Council on the aspects of the trip relevant to council business and/or the local community.

A detailed report should be given in the Annual Report for the year in which the visit took place, outlining how the objectives were met and what quantifiable benefits will flow to the community.

Loyalty points schemes

Councillors shall not be entitled to claim frequent flyer points relating to air travel authorised by this Policy. In circumstances where the Councillor has no option but to pay for air travel and frequent flyer points are accrued to his/her personal account, the Councillor will surrender the points to the airline upon reimbursement of the airfare by Council.

8.7 Accommodation

Council will meet the cost of accommodation for Councillors attending to Council business, inspections, meetings, conferences or functions outside the Council area which are authorised by the Council. Where approval at a meeting of Council is not possible, Councillor's attendance will be determined by the Mayor and the General Manager.

When travelling by motor vehicle to conferences or seminars Council will meet the accommodation and meal expenses of the Councillor for a maximum of two nights per trip when journeying to and from the conference or seminar venue. These expenses must be consistent with the Tax Determination 2014/19 or any determinations or policies of the Australian Tax Office that supersede it.

8.8 Sustenance

Council will meet the cost of reasonable sustenance and incidental expenses for Councillors attending to Council business, inspections, meetings, conferences, seminars or functions which are authorised by the Council, Mayor or General Manager in accordance with Australian Taxation Office's (ATO) Tax Determination 2014/19.

8.9 Stationery and postage

Stationery, business cards, christmas cards, diary, filing cabinet and briefcase, together with postage expenses will be determined as outlined in clause 14 of this policy.

8.10 Subscriptions

Subject to the approval of the General Manager annual subscriptions of periodicals up to the value outlined in clause 14 of this policy.

8.11 Sydney South West Planning Panel (SSWPP) attendance fee

Council, in accordance with advice received from the Department of Planning and Environment NSW, determine a fee payable to each elected councillor JRPP Sydney South West Planning Panel member for attendance at SSWPP meetings in order to recognise that membership of the regional planning panel brings additional responsibilities.

8.12 Training and Educational expenses

Councillors will be provided with any necessary training / education in the use of equipment supplied by the Council or in sessions relating to the Councillors civic functions and responsibilities or a recommendation that has been made by an external Agency for specific training to occur for a Councillor(s) by the OLG, the NSW Ombudsman or a Conduct Reviewer, or compulsory training as required by legislation.

Subject to Council resolution or approval under delegated authority by the Mayor or General Manager, Council will meet the full cost of attendance of Councillors at any of these sessions in the same manner as applicable to a Councillor's attendance at Conferences.

8.13 Carer and other related expenses

Council will meet reasonable cost of care arrangements including child care expenses and the care of elderly, disabled and/or sick immediate family members of Councillors to allow them to attend Council, Committee and Sub Committee Meetings, Council Briefings and Working parties at a maximum rate as negotiated with the General Manager. Carer costs will be paid to cover the period 30 minutes prior to the scheduled commencement time of the meeting and one hour after the conclusion of the meeting. Limits on reimbursement will be determined as outlined in clause 14 of this policy.

Reimbursement of carer expenses to Councillors will only be made upon the production of appropriate receipts and tax invoices, and the completion of the required claim forms within three months of the carer expense being incurred.

8.14 Insurance expenses and obligations

Councillors will receive the benefit of insurance cover to the limit in Council's insurance policies for the following:

Personal injury – Personal injury or death whilst on Council business covering bodily injury caused by accidental, violent, external and visible means. Personal injury insurance also provides specified benefits for lost income and other expenses arising from permanent disablement, temporary total disability and temporary partial disability. The cover does not include medical expenses.

Professional indemnity – Applies in relation to claims arising out of the Councillor's (alleged) negligent performance of civic duties or exercise of their functions as Councillors provided the performance or exercise of the relevant civic duty or function is in the opinion of council bona fide and/or proper. This is subject to any limitations or conditions set out in the policy of insurance that is taken out at the direction of Council.

Public liability – Applies in relation to claims arising out of the Councillor's (alleged) negligent performance of civic duties or exercise of functions as Councillors. This is subject to any limitations or conditions set out in the policy of insurance that is taken out at the direction of Council.

Councillors and Officers liability – Applies to cover expenses incurred by Councillors in respect of claims made against them for any alleged wrongful acts arising out of their official capacities (but excludes cover for statutory penalties).

8.15 Legal expenses and obligations

Legal assistance will be provided to Councillors in the event of an inquiry, investigation or hearing, into the conduct of a Councillor by the:

- Independent Commission Against Corruption
- Office of the NSW Ombudsman
- Department of Premier and Cabinet's Office of Local Government
- NSW Police Force
- Director of Public Prosecutions
- Local Government Pecuniary Interest and Disciplinary Tribunal
- Council's Code of Conduct Reviewer.

Legal assistance will be provided to Councillors in respect to legal proceedings being taken by or against a Councillor in the Local, District or Supreme Courts, arising out of or in connection with the Councillor's performance of his or her civic duties or exercise of his or her functions as a Councillor. This is provided that the subject of the inquiry, investigation or hearing arises from the performance in good faith of a Councillor's function under the *Local Government Act 1993* and the matter before the investigative or review body has proceeded past any initial assessment phase to formal investigation and review.

In the case of a conduct complaint made against a Councillor, legal costs should only be made available where a matter has been referred by the General Manager to a conduct reviewer to make formal enquiries into that matter in accordance with the procedures in the Code of Conduct. In the case of pecuniary interest or misbehaviour matter legal costs should only be made available where a formal investigation has been commenced by the Office of Local Government.

Council shall reimburse such Councillor, after the conclusion of the enquiry, investigation, hearing or proceeding, for all legal expenses properly and reasonably incurred, given the nature of the enquiry, investigation, hearing or proceeding, on a solicitor/client basis.

Legal assistance will be provided subject to the following conditions:

- approval of the General Manager is sought and gained prior to legal expenses being incurred
- the outcome of the legal proceedings is favourable to the Councillor or where an investigatory or review body makes a finding that is not substantially unfavourable to the Councillor
- the amount of such reimbursement shall be reduced by the amount of any monies that may be or are recouped by the Councillor on any basis
- the Councillor's exercise of his or her function, was in the opinion of Council bona fide and/or proper; and as a Councillor
- the amount of legal expense reimbursement shall be paid at a rate equivalent to the average hourly partner rate charged by Council's Panel Solicitors.

Council will not meet the legal costs of legal proceedings instigated by a councillor under any circumstance, nor will Council meet the legal costs of a councillor seeking advice in respect that possible defamation, or in seeking a non-litigious remedy for possible defamation. Council will not assist in the legal costs for legal proceedings that do not involve a Councillor performing their role as a Councillor.

Part 3 - Provision of facilities

9. Mayor

Accommodation – A furnished office suite located on the Third Floor of the Administration Building including a facsimile machine and personal computer in the Mayor's office, fully serviced and maintained by Council. The ownership of this equipment is retained by Council.

Staff – A Personal Secretary on a shared basis with the General Manager.

Meals – Meals and beverages in conjunction with Council and Committee Meetings and Inspections.

Refreshments – Food and beverages in conjunction with civic functions and hosting meetings involving community groups and representatives. Beverage service in the Councillors' Lounge.

Insignia of Office – Mayoral Chain, badge and name plate indicating office held. Mayoral Chain remains the property of the Council.

Technology Solutions

The Mayor will be provided a technology solutions package as approved by the General Manager comprising:

- mobile telephone,
- personal computer or laptop
- iPad or tablet.
- Multi-function device (combined printer, copier, scanner and facsimile)

The Mayor's technology solutions will be fully serviced and maintained by Council within business hours. Call and data expenses will be determined as outlined in clause 14 of this policy.

The Mayor may elect to purchase their own equipment. Council will reimburse the Mayor if he/she elects to purchase their own equipment, up to 80% of the value of the standard equipment approved by the General Manager.

Motor vehicle parking space – A permanent parking space in the basement of the Administration Building.

Council vehicle – A Council vehicle to the value as outlined in clause 14 of this policy and approved by the General Manager together with a fuel card for official and associated use or:

Where the Mayor elects to use a privately owned vehicle, that Council reimburse the cost of the vehicle registration, CTP, comprehensive insurance and general service costs to a maximum of \$3000 per year. Each claim should be supported by the provision of receipts and approved by the General Manager. A fuel card will also be provided for official and associated use. The Mayor accepts all liability associated with insurance claims.

10. Deputy Mayor and Councillors

Office space – The provision of a lounge area, and the use of Committee Rooms and ~~three~~ offices on the Third Floor of the Administration Building to be pre-booked and used by Councillors in the conduct of their duties of office.

Meals – Meals and beverages in conjunction with Council and Committee Meetings and Inspections.

Refreshments – Beverage service in the Councillors' Lounge.

Insignia of Office – Badge and name plates provided to Councillors and partner to be worn at civic functions.

Insignia of Office (Deputy Mayor) – Medallion, badge and name plate indicating office held. Medallion remains the property of the Council.

Technology Solutions

Councillors will be provided a technology solutions package as approved by the General Manager comprising:

- mobile telephone,
- personal computer or laptop
- iPad or tablet.
- Multi-function device (combined printer, copier, scanner and facsimile)

Councillor's technology solutions will be fully serviced and maintained by Council within business hours. Call and data expenses will be determined as outlined in clause 14 of this policy.

Councillors may elect to purchase their own equipment. Council will reimburse a Councillor that elects to purchase their own equipment up to 80% of the value of the standard equipment approved by the General Manager.

When conducting business through Council's email account or accessing the internet using Council allocated resources the Councillors will need to comply with Council's Code of Conduct and be aware of the Internet and Email Usage Authorised Statement.

Office equipment – The provision of a photocopier, telephone facilities and a personal computer in the work area adjacent to the Councillors' offices, fully serviced and available for the use of all Councillors.

Councillors may also request a four drawer filing cabinet be provided for their homes.

Council vehicle – If available, and subject to approval by the Mayor and General Manager, the use of a Council vehicle on authorised Council business.

11. Private use of Equipment and Facilities

Councillors should not generally obtain private benefit from the provision of equipment and facilities. However, it is acknowledged that incidental use of Council equipment and facilities may occur from time to time. Such incidental private use is not subject to a compensatory payment. In the event that private benefit that is not of an incidental nature does occur, the Mayor (or if the Councillor in question is the Mayor, then the Deputy Mayor) and the General Manager may request the Councillor to reimburse Council for the determined cost of the private benefit.

Part 4 - Other Matters

12. Returning of Facilities and Equipment by Councillors

The ownership of all equipment and consumables provided to Councillors is retained by Council. On completion of the term of office, or at the cessation of civic duties, Councillors are required to return all equipment and unused consumables issued by the Council within 28 days or seek the approval of the General Manager to acquire the equipment/consumables at the current market value based on the current depreciation rate and depending on the condition of the equipment.

Any call and data allowance provided under this policy is only applicable up until the last month of term of office held by a Councillor.

13. Effectiveness of this Policy

This Policy, once adopted, is to remain in force until 30 November 2020 unless it is reviewed beforehand by the Council in accordance with the provisions of Sections 253 and 254 of the *Local Government Act 1993*. The principles outlined in this policy will be audited on a three yearly basis with this audit frequency being increased to yearly if any unsatisfactory findings are identified in any audit review.

Part 5 Limits to specific expenses (all fees GST inclusive)

14. Limits on Expenditure Table

The monetary limits prescribed in this policy set out the maximum amount that is payable in respect of any facility or expense. Any additional cost incurred by a Councillor in excess of any limit set shall be considered a personal expense that is the responsibility of the Councillors. In the case of special circumstances where it is impractical for the strict terms of this Policy to be applied the General Manager may authorise a one-off variation to the Policy to meet those special circumstances. One of variations to the Policy should then be reported to Council. The provision of equipment will be reviewed by the General Manager to ensure access to current technology.

	Expenses/Facility	Maximum Amount to be claimed	Frequency per Councillor
	Stationery (including Business Cards)	\$600	Per year
	Postage expenses	\$50	Per year
	Christmas Cards (postage paid by Council)	300 units	Per year
	Diary	\$100	Per term
	4 Drawer Filing Cabinet *	\$400	Per term
	Briefcase*	\$200	Per term
	Cab charge expenses	\$500	Per year
	Carers expenses	\$4000	Per year
	2 Subscriptions to resource materials	\$1000	Per year
	PC/Laptop computer with MS Office and Antivirus *	\$1800	Per term
	iPad/tablet*	\$900 \$1100	Per term
	Data sim for iPad/tablet	\$30	Per month
	Multi-function device Fax/phone/printer/copier/scanner including consumables*	\$300 \$1000	Per term
	Mobile phone *	\$2500	Per term

	Mobile phone call / data costs	\$350	Per month
	Accessories for mobile phone/tablet e.g protective case, keyboard, stylus etc	\$800	Per term
	Internet service - ADSL/ NBN	\$70 \$100	Per month
	Printer consumables	\$500	Per year
	Seminars/conferences	\$150	Per day
	Joint Regional Planning Panel (JRPP) Sydney South West Planning Panel attendance fee	\$500	Per meeting
	Mayoral Vehicle	\$50 000	Per car
	Mayoral private vehicle reimbursable expense limit	\$3000	Per mayoral term

* supplied by Council

END OF POLICY STATEMENT

9. QUESTIONS WITH NOTICE

Nil

10. RESCISSION MOTION

Nil

11. NOTICE OF MOTION

Nil

12. URGENT GENERAL BUSINESS

13. PRESENTATIONS BY COUNCILLORS

14. CONFIDENTIAL REPORTS FROM OFFICERS

14.1 Confidential Item relating to ownership of properties

Reason for Confidentiality

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(c) of the *Local Government Act 1993*, which permits the meeting to be closed to the public for business relating to the following: -

- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business