

AUDIT AND FINANCE COMMITTEE

File reference: FM.MEE.1

Type: Committee of Council (Statutory requirement)

Appointment reference: SCM 18 October 2011

The Committee is established under section 7.1A of the *Local Government Act 1995* (the Act) and its Regulations. The Committee does not have any delegated authority from Council.

Functions:

1. On the referral from Council, the carrying out of functions in relation to audits under the Act.
2. The Act and Regulations prescribe the scope of the external audit of the annual financial statements of a local government. In compliance with the Act, the Committee's responsibilities in respect of the external audit include making recommendations to Council for:
 - a. the development of a process for selection, and the appointment of, an external auditor;
 - b. the scope of the external audit;
 - c. overseeing the process of the external audit;
 - d. reviewing annual results of the external auditor, prior to Council adoption of annual accounts.
3. Recommend to Council, policies and strategies for effective:
 - a. risk management, and the monitoring of compliance with;
 - b. occupational safety and health management, and the monitoring of compliance with;
 - c. internal financial control, and the monitoring of compliance with;
 - d. procurement including tendering, contract execution and contract administration, and the monitoring of compliance with;
 - e. financial management (including investment) and the monitoring of compliance with;
 - f. sustainable, whole-of-life asset management and the monitoring of compliance with;
 - g. strategic property issues (buying, selling, acquiring and leasing of land or buildings), and the monitoring of compliance with;
 - h. integration between financial management and whole-of-life asset management, including new capital infrastructure, and asset enhancement, maintenance, disposal and wastage decision-making.
4. Recommend to Council the terms and cost-benefits of the City of Albany's insurance policies for effective risk management.

5. Recommend to Council the undertaking of internal or external audits of matters stated in clause 3.
6. Recommend to Council policy in respect of, and the development of, the:
 - a. Annual budget;
 - b. A Financial Plan for the future, as required by the Act and its Regulations, incorporated into the Corporate Business Plan, as required under the *Department of Local Government's Integrated Planning and Reporting Framework and Guideline*.
7. Oversee and recommend to Council the adequacy of implementation by the Chief Executive Officer of matters stated above.

Membership: Council members only

Elected member representation:

- Mayor Dennis Wellington (Mayor)
- Councillor xx (Chair)
- Councillor xx etc

Community representation:

- Nil

Meeting dates, times and venue:

- Meet on an as required basis throughout the year, but at least two monthly
- Meeting time will be the first Tuesday of the relevant month, or as notified.
- Venue will be the Margaret Coates Room, City of Albany North Road Office, Albany, or as notified.

Responsible Team: Office of the CEO

Executive Officer(s):

- Chief Executive Officer
- Executive Director Corporate Services
- Other Executive Directors relevant to the business of the meeting
- Executive Manager Statutory Compliance and Community Safety (Minute Secretary)

Conduct of meetings: Committees of Council are to be conducted in accordance with the City of Albany Standing Orders Local Law 2009, and the *Local Government (Administration) Regulations 1996*.

Recording of minutes: The Chair is responsible for ensuring that the minutes of meetings and associated information is filed on the City of Albany's records management system.

The content of minutes is to be in compliance with Regulation 11 of the *Local Government (Administration) Regulations 1996*.

Conflict of interest: Members and Officers are to declare if they have an interest in any matter for consideration by the Committee.

DRAFT



ROADWISE COMMITTEE

TERMS OF REFERENCE

1. NAME

The name of the Advisory Group shall be the “Albany RoadWise Committee”.

2. VISION

Our vision is to contribute to a co-ordinated approach to reduce the amount of deaths and serious injuries from road crashes within the City of Albany boundaries.

3. ROLES

This committee is established with the following roles -

- Support the cornerstones of the WA Road Safety ‘Towards Zero’ Strategy and the principles of the Safe System and Shared responsibility approach to road safety.
- To support a co-ordinated approach from local road safety agencies and interested groups for community planning, development and implementation of road safety programs and promotions in the Albany region.
- To encourage safe use of the road network by all road users in the Albany region.
- Raise community awareness of road safety issues and initiatives in the Albany region.
- To develop and/or promote the submission of funding applications for road safety initiatives in the Albany region.
- To act as a conduit for the local community to be able to raise any road safety concerns to the appropriate agency/group.
- To act as an independent advocate for local road safety issues in the Albany region.

4. MEMBERSHIP

The committee shall comprise of the following members -

- a. Councillor from the City of Albany
- b. Officer from the City of Albany
- c. Administration Support Officer from the City of Albany
- d. Police representative
- e. WALGA RoadWise Representative
- f. WACHS - Great Southern representative
- g. SDERA representative
- h. MRWA representative
- i. Up to four community representatives from road users and/or community groups
- j. Department of Transport
- k. Independent Chair

A nominated proxy member may attend in place of the endorsed representative member.

5. MANAGEMENT

5.1 Independent Chair

The chairperson will be invited by the committee. In the absence of the chairperson the meeting shall appoint an acting chairperson for that particular meeting. The chairperson is responsible for the proper conduct of the meeting and the role will include being the spokesperson for the committee.

5.2 Meetings

The committee shall meet on the second Tuesday of every month, or more frequently as required, at a time and place determined by the committee.

5.3 Deputations

The committee may invite any persons or organisations to attend any meetings for the expert advice, or to raise concerns, but such person shall not be entitled to vote on any decision arising at such meetings.

5.4 Quorum

The quorum for a meeting of the committee shall be at least 50 per cent of the number of member positions prescribed on the committee, whether vacant or not.

5.5 Voting

At all meetings members of the committee shall be entitled to one vote. If the vote of the members present is equally divided, the Chairperson shall have a second vote. A simple majority will prevail.

5.6 Sub Committees

The committee may appoint a subcommittee of its members and delegate the exercise of powers and performance of duties as the committee thinks fit. A subcommittee shall not exercise power or perform a duty without the approval of the committee.

5.7 Minutes/Agendas

Minutes shall be made of all proceedings. Minutes of committee meetings shall be forwarded to all members prior to the following meeting. Agendas for each meeting are to be prepared and distributed to members before the next meeting.

5.8 Review/Evaluation

- Key projects and initiatives will be evaluated on a regular basis and to form part of an Annual Review to be carried out in January.
- Review of Terms of Reference to be undertaken every two years.

Great Southern TIRES (Timber Industry Road Evaluation Strategy)

Background

Since its formation in 1999, Great Southern TIRES has developed an integrated approach to providing strategic and operational advice relating to roads impacted by the plantation timber industry. The group has also assisted with the allocation of State Government funding for local roads involved in the timber transport network in the Great Southern region.

A unique element of the TIRES arrangement is the value of the plantation timber industry's close cooperation to date and its direct contribution to "twig" road (ie generally non-sealed roads to the farm gate) maintenance.

The Great Southern TIRES region is defined as the plantation timber harvesting area within the four local government areas of Albany, Denmark, Plantagenet and Cranbrook, located at the southern part of the Great Southern Region (see Figure 1).

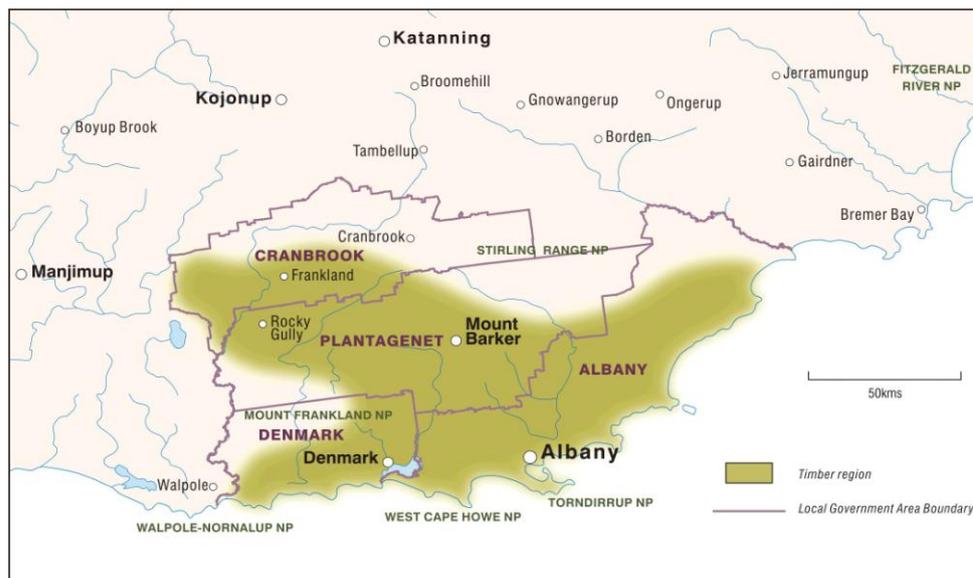


Figure 1: Great Southern TIRES region

The plantation timber, mainly Tasmanian Bluegum, is chipped for exporting to Japan through the Albany Port. There has been significant growth in the planting of timber over the past decade that will continue to be harvested over the next ten years. All of the timber is chipped within the region and transported by either road or rail to the Albany Port.

The primary purpose of the Great Southern TIRES committee is to document the agreement between the four Councils and the timber industry on the issues relating to road access and the priorities for road investment.

Great Southern TIRES is comprised of the Department of Main Roads (Great Southern regional office), the Great Southern Development Commission and the following voting members:

Local Government:	Timber Industry:
City of Albany	Albany Plantation Export Company
Shire of Cranbrook	Gunns Timber
Shire of Denmark	Australian Bluegum Plantations
Shire of Plantagenet	Elders Forestry
	Plantation Energy Australia
	Forest Products Commission

Key TIRES transport issues

Current estimates place the plantation timber area at approximately 140,000 hectares. The impact on local roads occurs when the timber plantations are harvested, keeping in mind that the yield from timber (tonnes per hectare) over a ten year period is approximately six times that of grain and 150 times that of sheep and cattle.

Logs and woodchips are hauled on the lower standard local roads in the region. This pattern of haulage emerges as the timber companies plan the harvesting of their plantations. The harvesting is on a ten-year cycle and the logistics for the transport task including the likely tonnage and the transport route can be reliably predicted.

The haulage task occurs throughout the year including the winter period when road sub-grades may be saturated. Heavy usage during these periods could cause substantial structural damage to lower standard roads. This contrasts to the grain industry where the transport is within a narrow seasonal band and most often during a dry time of the year. The timber haulage will have a much greater impact on the local road system than the grain industry or any other industry in the region.

The value of Great Southern TIRES lies in its strategic approach in planning for the timber transport task which comprises a number of components, including:

- A list of the highest priority projects in the region based on the forecast loading by timber haulage and the condition and standard of the existing roads; and
- A program of maintenance needed to maintain the infrastructure network in a serviceable condition appropriate to the function of the road.

Local Government is responsible for branch roads that connect local roads to State Roads. Funding support from the State Government is allocated to priority roads through the TIRES planning process. This process is outside of the Regional Road Group structure. Since 2000, Great Southern TIRES has been allocated an average of about \$1 million per year. Local Government contributes 33% of the total estimated road cost each year, over and above TIRES funding.

The Great Southern TIRES committee has been very successful in getting all parties involved in controlling road costs by providing detailed tonnage information to Local Government five years in advance for budgeting and planning purposes. This ensures the funds are spent on priority roads in time for

harvesting. It also ensures the timber industry is involved and held accountable in the use of the listed roads. It is in the industry's interests to look after the roads to hold down direct costs and get maximum results from the road funds allocated.



Great Southern Development Commission

110 Serpentine Rd

Albany, WA 6330

(08) 9842-4888

BACKGROUND OF REGIONAL ROAD GROUPS

The State Road Funds to Local Government Procedures - covers the processes required to determine the State road funds to Local Government.

There are three main areas of State funding for Local Government Roads –

- * Strategic and Technical Support,
- * Local Government programs and
- * Main Roads’ programs on Local Government roads.

An Advisory Committee comprising equal representation from Main Roads Western Australia and the Western Australian Local Government Association and chaired by the Commissioner of Main Roads, has been established to oversee and monitor the distribution of State funds for Local Government roads (often referred to as the “State Advisory Committee”).

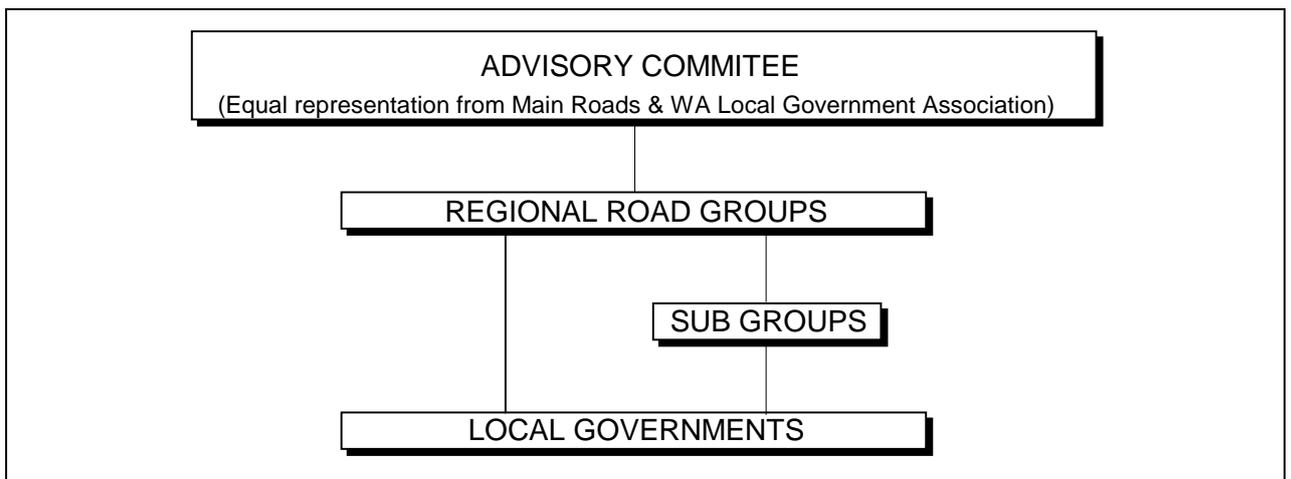
Regional Road Groups (RRGs) have been established to recommend Local Government road funding priorities to the Advisory Committee and to monitor the implementation of the Local Government program in their own regions. Each Regional Road Group will be chaired by a Local Government member. Main Roads will provide technical and administrative support. Regional Road Sub Groups have been established in some regions to assist the Regional Road Groups with management and consideration of local roads issues.

Figure 1 shows the management structure that has been put in place for the distribution of State road funds to Local Government

State Roads Funds to Local Government

Management Structure

Figure 1



1. REPRESENTATION AND ELECTION OF OFFICE BEARERS

1.1 Regional Road Group Representation

The Great Southern Regional Road Group (RRG) comprises twelve (12) Elected members with

- * Four (4) Elected members representing the Coastal Sub Group
- * Four (4) Elected members representing the East Agricultural Sub Group
- * Four (4) Elected members representing the West Agricultural Sub Group

RRG Elected Members must be elected Council Representatives.

(Motion Passed 25 Aug 2003, 12/0)

1.2 Chairperson

The Chairperson of the RRG is elected from the twelve (12) elected members by a majority vote in late October or early November. The Chairperson serves a two (2) year term. Annual election of members will be held in late October or early November.

(Motion Passed 30 July 2007, 12/0)

The Council from which the Chairperson is elected shall appoint another representative from that Council to be the delegated member.

The Chairperson holds a casting vote only.

1.3 Sub Groups

Sub-Group membership is detailed in Table 1 below.

TABLE 1 – RRG SUB-GROUPS

Sub- Group	Member Local Authorities	
COASTAL	Albany Plantagenet	Denmark Cranbrook
EAST	Gnowangerup Kent	Jerramungup Ravensthorpe
WEST	Broomehill/ Tambellup Katanning	Kojonup Woodanilling

(Motion Passed 25 Aug 2003, 12/0)

1.4 Attendance at RRG Meetings

Attendance at RRG Meetings by Council representatives (other than Elected members) as observers (without voting rights) is encouraged.

Representation from the following will be invited for all RRG meetings and copies of Agenda and Minutes will be forwarded to them.

Invitation to be extended to:-

- * Great Southern Road Safety Officer (Roadwise) – presentation of a report
- * WALGA
- * State Advisory Committee
- * Department of Transport

1.5 Technical Working Group

The Technical Working Group (TWG) comprises two (2) representatives with technical backgrounds from each of the Sub Groups and the Regional Manager Main Roads (Chair) with administrative support provided by the Program Co-ordinator Main Roads.

The TWG, may seek expert advice as required to assist in its deliberations.

Membership of the TWG will be determined annually at the AGM.

(Motion Passed 25 Aug 2003, 12/0)

The role of the TWG is as follows:-

- (i) Provide technical advice
- (ii) Identify, categorise and review a list of Roads of Regional Significance, for Regional Road Group consideration
- (iii) Improve and review the process for prioritising Local Road Project funding as required for Regional Road Group consideration.
- (iv) Recommend Local Road Project funding priorities
- (v) Recommend guidelines for practical funding equity
- (vi) Provide technical guidelines to Sub-groups on improved project construction and maintenance practices
- (vii) Develop a list of base unit cost rates for various types of works for similar locations, to be used in assessing submissions for Local Road Project Funding.
- (viii) Act as a reference group for Roads 2025 review.

During on site inspections, the TWG shall invite representation from a minimum of one (1) and maximum two (2) appointed representatives from each individual council as part of the assessment process.

1.6 Elected Members' Voting Rights and Obligations

The voting rights of RRG Elected Members may not be transferred.

Elected members must vote on all motions at RRG meetings with no provision for abstaining.

2 LOCAL ROAD PROJECT FUNDING

2.1 Project Prioritisation Guidelines

Local Government submissions for Local Road Project funding distributed by the Regional hRoad Group, must be in accordance with the Regional Road Groups Project Prioritisation Guidelines (Draft 7).

(Guidelines are to be reviewed and finalised, and then made into a controlled document, to be combined with this document. This is a task for TWG).

The RRG has adopted the following principles in developing the Project Prioritisation Guidelines:

1. To be effective in distributing funds to Roads of Regional Significance which have a high priority within the region. In this regard priority is to be given to projects on Regionally Significant Local Roads (RSLR's) as identified in the Great Southern ROADS 2025 Regional Road Development Strategy.
2. To develop a simple process for Local Governments to prepare submissions and clearly understand the evaluation methodology
3. To ensure that project submissions are based on the appropriate road standard for the road usage
4. To ensure that the existing RSLR's are maintained at an acceptable services level to meet user and safety needs
5. To improve the level of statistical traffic information and work rates to assist the accuracy of the road project evaluation process.
6. To establish guidelines for acceptable road standards and levels of service consistent with traffic usage for input into Multi Criteria Analysis process.

2.2 Traffic Count Data

All traffic data supporting Local Government submissions for Local Road Project funding must comply with the requirements of the RRG Prioritisation Guidelines (Draft 7). Submissions including non-compliant traffic data will not be accepted.

2.3 Maximum Council Allocations

The maximum allowable funding allocation in any one financial year for an individual Council is 20% of pool funds.

(Motion Passed 21 Oct 2002, 10/3)

2.4 Distribution of Local Road Project Funding

Local Road Project funding is distributed by the RRG in priority order based on project scores determined by the Project Prioritisation Guidelines, together with consideration of project specific factors as detailed in the table below.

Coding	Description
A	Ministerial Commitment
B	Urgent preservation
C	Concluding Projects
D	Continuing project
E	New Project

A MINISTERIAL COMMITMENT – Projects where an additional “non-RRG Pool” funding contribution has been committed by the Minister or Commissioner MRWA, and requires co-contribution from the RRG and LA.

B URGENT PRESERVATION – Projects where the TWG or authorised representative/s has inspected the project site and confirmed that proposed preservation treatment and estimated costs are appropriate and that works SHOULD NOT be deferred beyond the current year of submission. Factors such as timely preservation intervention, whole of life costs and whether the road project section is currently deemed “fit for intended service”.

C CONCLUDING PROJECTS- Projects previously funded by the RRG and programmed to conclude in the current year of submission. Funding levels requested and timing should be in keeping with previous submissions for the project under consideration.

D CONTINUING PROJECTS- Projects previously approved and funded by the RRG (not necessarily in the year immediately preceding the current year of submission).

Note 1) other than a road that traverses two or more local governments, this coding only applies to those sections of improvement project previously approved by the RRG and does not apply to extensions to previously approved project lengths.

Note 2) the RRG is able to designate as not applicable to the “Continuing Project” coding if previous RRG funding has been approved for pre-construction survey, design, public consultation, cost estimate and/or land acquisition stages of the project.

E NEW PROJECTS- Projects or section lengths not previously endorsed for approval by the RRG. All new projects require site inspection by the WTG or authorised representative/s in order that the nature, project sections and estimated costs for the project can be confirmed as appropriate.

(Motion Passed 25 Aug 2003, 12/0)

All the projects are fully funded to the limits of the RRG annual Local Road Project Allocation.

If the last prioritised project cannot be fully funded, the partial funding available is offered to the relevant Local Authority. Should this Local Authority not wish to accept partial funding, the funds are applied to the next highest ranked project, and the process repeated until all funds are allocated. Surplus or additional funds, which become available after the initial distribution by the RRG are also allocated in accordance with this principle.

Acquittal of Road Project Funds within two (2) years

Funds not spent within twelve (12) months of the year of allocation are to be returned to the Regional Road Group for reallocation. Exceptions to this requirement for extenuating circumstances will require a majority vote of the Regional Road Group.

(Motion Passed 30 July 2007, 12/0)

2.5 Road Safety Audits

The Regional Road Group requires Road Safety Audits to be carried out at design stage for complex Local Road Projects such as intersection treatments and realignments, where safety and design issues such as speed, sight distance and signing are significant.

City of Albany Records
Doc No: ICR1149333
File: GR LRL.3
Date: 10 OCT 2011
Officer: CEO4

Our Ref: T1:0005
Enquiries: Christine Grogan

Attach
Box: D8
Vol: 16
Box+Vol: D8*16

6 October 2011

Ms Faileen James
Chief Executive Officer
City of Albany
PO Box 484
ALBANY WA 6331



Dear Faileen



GREAT SOUTHERN DEVELOPMENT COMMISSION BOARD

I write to advise that Great Southern Development Commission (GSDC) Board of Management has two vacancies which are to be filled by elected representatives from local government in the region.

This follows Kent Shire President Mrs. Cathy Crosby completing two terms on the GSDC Board and the decision by former Cranbrook Shire President Doug Forrest not to seek re-election at the recent local government election. Cathy and Doug have served the GSDC Board as local government representatives diligently and we wish them both well for the future.

The GSDC is therefore now seeking nominations from your Council, and others, to fill these vacant Board positions.

The Board of Management is the governing body of the Commission and meets regularly to set policy direction, make decisions on major budget and expenditure matters and provide advice to the Minister on regional issues. A formal meeting is held every second month with an informal meeting being held in the alternate months.

The Hon Brendon Grylls MLA Minister for Regional Development will make the appointment to the GSDC Board, following consultation with Cabinet.

Attached is a nomination form for the Board position. Please provide GSDC with any nominations you may have for the vacancy by COB Friday 18 November 2011.



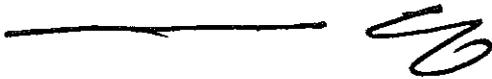
Nominations should be submitted on the nomination form and be addressed to:

Chief Executive Officer
Great Southern Development Commission
P.O. Box 280
Albany WA 6331.

If you require any further information with regards to the vacancy please contact me at the GSDC on 9842 4888.

Thank you.

Yours faithfully

A handwritten signature in black ink, consisting of a horizontal line followed by a stylized, cursive flourish.

BRUCE MANNING
CHIEF EXECUTIVE OFFICER

Encl.

A handwritten date in black ink, written as '6/10/4'.