



**SUPPLEMENTARY
AGENDA**

ORDINARY COUNCIL MEETING

TUESDAY, 28 FEBRUARY 2017

Notice is given that the next Ordinary Council Meeting of Tiwi Islands Regional Council will be held on:

- Tuesday, 28 February 2017 at
- Pirlangimpi Boardroom
- Commencing at 10:00AM

Your attendance at the meeting will be appreciated.

Marion Scrymgour
Chief Executive Officer

AGENDA

6 REPORTS FOR DECISION

| | | |
|-----|---|----|
| 6.5 | CEO REPORT TO COUNCIL MEETING 28 FEBRUARY 2017 | 3 |
| 6.7 | TIRC AUDIT & RISK MANAGEMENT COMMITTEE TERMS OF REFERENCE | 25 |
| 6.7 | LA COMMUNITY PROJECTS FOR COUNCIL APPROVAL | 34 |

REPORTS FOR DECISION

| | |
|--------------------|--|
| ITEM NUMBER | 6.5 |
| TITLE | CEO Report to Council Meeting 28 February 2017 |
| REFERENCE | 200385 |
| AUTHOR | Marion Scrymgour, Chief Executive Officer |



This report is provided to Council as an update of meetings and important issues up to the 24 February 2017.

BACKGROUND

SUMMARY OF ORGANISATIONAL AUDIT/REVIEW

I have been the CEO of TIRC for some 16 months. During that time I have realised that the ability of key staff to effectively manage work across the whole of TIRC’s region of responsibility has in many instances been limited. Obviously some key staff members are better qualified and more diligent in their roles than others, but putting that issue to one side there are also issues of poor resource distribution and patchy staff retention, and absenteeism amongst the work forces which the key staff members are supposed to be managing.

It is clear that our internal service delivery, systems, processes, policies, procedures and our overall programs at TIRC are at a cross-roads. I have talked to all General Managers, Managers, and Regional Coordinators about what is working and what is not working. Several key senior staff members have said that in their opinion the problem is a lack of skill/capacity in their respective workforces.

HR systems and processes were examined to review workflow processes and identify gap requiring improvement. Even though the purpose of the initial review was to only look at HR and Infrastructure, it has become clear that a more fundamental and comprehensive review is required. The timing for this proposed whole-of-organisation review would enable important findings and recommendations from the Official Manager’s report to be revisited and appropriate implementation plans considered. In my view such a review needs to be undertaken as a matter of urgency.

I have designated the two following issues tables in this report as falling into two separate subject areas (“strategic planning and corporate governance” and “organisational systems”) but they are inter-related.

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| Strategic Planning and Corporate Governance |
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| KEY AREA | ISSUES |
|-----------|---|
| Strategic | <p>TIRC has a Strategic Plan in place. Operational and Work Plans do not appear to be operating for the 3 distinct program/work divisions. These Plans will reinforce the direction and vision of TIRC and ensure that everyone’s work, role and responsibilities are aligned with the Strategic and Regional Plan and Budget 2016/17.</p> <p>The NT Local Government Act states:</p> <p>For example – the Strategic Plan (10 year) flows into the Regional Plan (Yearly) – Operational Plans and Programs flow from that (see chart) and there are related documents that are important and the relationship with other related Plans – Assets Management, Financial</p> |

Plan, HR Development Plan, Policies, Community Engagement Plan and a Capital Works Program (10 years).

Clause 1.5.6 headed “Staffing Plan” – The HR Unit of TIRC should have an Operational/Divisional Plan that outlines a:

1. Targeted and local recruitment campaigns for unskilled workforce;
2. Relocation, incentives and recruitment strategies and packages;
3. Marketing and recruitment campaigns targeting school leavers, CDP workers, and the general community to see TIRC as an Employer of Choice.

This Staffing Plan should be cohesive and seamless for all other work program and division areas.

The HR/Staffing Plan should set out the TIRC Values and set out clearly “how to deliver sound advice and support services to our staff. The Strategic Plan and the Draft Regional Plan and Budget is silent on “how we will work together” as an organisation. There is a Code of Conduct which identifies behaviours that are required to be upheld, however you need to read the whole document to find out about them.

Organisational Systems

| KEY AREA | ISSUES | RECOMMENDATION |
|---------------------------|--|--|
| HR Systems and Operations | Finance and HR do not have a system that “talks” with each other. HR does not have “read only” access to the financial electronic database. This is not breaching confidentiality as HR has provided this information to Finance in the first instance. | Provide “read only” access to HR. This will limit the number of phone calls to Finance for information. This requires training for HR. |
| | Finance has a paper record and HR has some electronic and some paper records. Work needs to continue to combine files. The work in Finance appears to have been put on hold to create one combined hard copy file for each staff member. | Implement an electronic system for HR like MyHR between Finance and HR that “talks” to. [more info below]. Rationalise the paper/electronic files between Finance & HR. |
| | HR has Excel Spreadsheets which are continually updated / inputted and used as reporting mechanisms. Also, HR manually inputs information into a HR calendar to generate reminders of probation reviews, performance management, contract end dates. Often this system fails and probations are done retrospectively and contracts expire. There is miscommunication between | One database will drastically help HR rationalize its work. A database will limit the extent of inputting information into excel spreadsheets and calendars. Work Planning to establish clarity between the HR Manager role |

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| | <p>the HR Manager and other Managers/staff as to whose role it is to input this information.</p> | <p>and the HR Officer role is also recommended.</p> |
| | <p>Approval process to obtain Authority for Recruitment seems problematic. Approvals of HR templates on recruitment need to be streamlined to show what steps need to be taken and who has what responsibility. An electronic system is recommended rather than a paper trail, as paperwork seems to disappear.</p> | <p>Minimise work input with an approval system in MyHR which also “talks” with TIRC finance systems and InfoTech. This will ensure there’s a clear process.</p> |
| | <p>HR service delivery to divisions urgently need upgrading because access is limited in areas like:</p> <ul style="list-style-type: none"> • managers seeking support and advice on counseling staff, dealing with excessive leave and attendance issues; and • no wrap around supports for staff undertaking different roles and/or higher duties | <p>A new HR system will free up the HR Manager to allow better service delivery to key managers and coordinators across TIRC. Currently HR not involved because they do not have skill set needed.</p> |
| | <p>Selection to be part of an interview panel seems to be an issue for TIRC. Relationships can be strengthened across the Regional Council if long term staff members were on recruitment panels.</p> <p>At present the Selection of an Interview Panel is based on the Manager of the Program, HR and a Council member.</p> <p>Policies need to be updated and in line with contemporary practices. Compliance should be followed and our systems readily available and information available for audit and analysis at any time</p> <p>Templates and letters need to be appropriately drafted and cleared (legally and financially so a system needs to be set up to allow this in the records management system.</p> <p>Approvals for templates and policy on recruitment need to be streamlined. An electronic management system is better than a paper system although if supervisors/managers use the paper system there must be a records management system in place to</p> | <p>It is strongly recommended that Council members continue to be part of interview panels. There must be consideration given to long term staff members of TIRC who understand the extent and nature of work needed to improve selections.</p> |

| | | |
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| | upload the appropriate documentation so that it is accessible for compliance and auditing purposes. | |
|--|---|--|

Since the end of the period of Official Management we have had a number of reports sitting there, without the resources or organizational capacity to take steps towards implementation or other action. Examples include: the Remedial Action Plan (RAP); the Compliance Review Report (CRR); and 3 years of Audit reports that have outlined very strongly matters of compliance and qualifications on areas that are long overdue.

I am in the process of advertising (which Council has previously approved in the December 2016 OCM at Milikapiti) the CQI position. Advertising and recruitment will be underway as of this week for a HR Coordinator and an overall GM for Infrastructure but will be reviewing and updating the PD for both positions as these necessary changes may open a broader field of skills and experience which I will explain in detail to Council members at this meeting to seek your input and guidance.

A broader review/audit of our operations internally is important in that we need to get a "bill of health" to see if we are on the right track. I am concerned that for some months we have been drifting internally. There are some internal matters that I will discuss with Council verbally rather than publish in this report.

For the process to be understood I have put all the recommendations to the end. The first recommendation goes to the issue of immediate review of the Organisation.

- 1. That TIRC supports and approves the engagement of a suitably qualified consultant to undertake an Organisational review;**
- 2. The review will be put out to Tender and this will then be put to a Council sub-committee made up of Councillors and the CEO with portfolio arrangements to do with Corporate and Administration;**

This is a secondary but important step that needs to commence regardless of an external consultant who will only look more structurally at the organization. GM's and Managers need to undertake the work required that will make their areas more operational and working.

RECOMMENDATION:

- 3. Operational and work plans be developed by each work program/division. This work to be facilitated by the HR Unit and to cover:**
 - (A) Identifying staff in programs. What is the work of the program and which of these staff and programs are linked to specific Strategic Plan Goals;**
 - (B) Make clear everyone's roles, responsibilities, programs and actions;**
 - (C) Having performance management and performance improvement procedures in place for all Managers so that all discussions are clearly translated as to key expectations and priorities;**
 - (D) HR and Management Teams to develop and submit for Council approval all Staffing Plans as well as clear values and behaviours for staff in plain English and to be translated in Tiwi;**
 - (E) 1-4 above should be aligned with what is outlined in the Legislation (NT Local Government Act).**

4. Approves the following policies as attached and tabled:

- **Recruitment and selection policy;**
- **Work Health Safety policy;**
- **Procurement policy;**

Finally, just to update TIRC members I was in Darwin 13 – 17 February 2017. The time away from the Community allowed me to liaise with tender companies and TIRC's Darwin-based financial staff in order to finalise the documentation of the 2 contracts that should have been formally presented at an OCM for your approval (as explained in my separate report on the roads tender contracts).

The new Audit and Risk Committee has now been established, and we have had a first informal meeting of the Committee. The Governance Manager has tabled a document which is seeking your approval for a change in the title of that committee. It is an important change. The other request is to seek Council's guidance on the appointment of a second Independent Director. All of the work I mentioned above could if TIRC approved, requested the Audit and Risk committee to oversee the Consultant's work and this could be contained in that Committee's work report/plan to the Council.

My attendance at meetings off island:

- 21 February 2017 – Audit Committee meeting with Mayor, Deputy Mayor and Councillor Naden with Independent Chair – Mr Ian Swan;
- 22 - 23 February 2017 – Meeting in Darwin office with Mike Owens and Deputy Mayor regarding WLA project on Cultural Heritage;
- 22/2 (afternoon) – to 23 February (1pm) – Referendum Council meeting
- 23 February (1pm onwards) – CDU forum on Aboriginal Governance (in attendance with the Mayor);
- 24 February - on island - Economic forum with TLC and NTG.

I am working from Darwin on the 1 and 2 March. I will be meeting with Telstra about connectivity issues and the blackouts we have been experiencing.

I return the morning of the 3/3/17 in which will be final day for our current HR Manager who is leaving to be with her family in NSW.

I will be in Darwin again 6 March – 10 March. Then attend a Health/mental health meeting in Canberra on 15/3 to be back on island 18/3/17.

Recommendation: That the TIRC agrees/not agree with the February CEO Report and note that a report on the current status of the review will be provided to the Council by June 2017 OCM.

RECOMMENDATION:

That Council notes and agrees/disagrees on the CEO End of Month – January 2017 up to 24th February 2017 report for information.

ATTACHMENTS:

- 1 Draft Recruitment and Selection Policy.pdf
- 2 Draft Work Health and Safety Policy.pdf
- 3 Procurement Documents.pdf



Tiwi Islands Regional Council

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|---------------------------|---|
| Title: | Recruitment and Selection Policy |
| Policy No: | 24 |
| Adopted By: | Council |
| Next Review Date: | |
| Responsibility: | Chief Executive Officer |
| InfoXpert Document Number | XXXXXXX |

| Version | Decision Number | Adoption Date | History |
|---------|-----------------|---------------|---------|
| 1 | | | |

Background

Best practice recruitment and selection processes are open, transparent and equitable, and facilitate diversity within the Tiwi Islands Regional Council (TIRC) human resources.

Policy Statement

All available positions are filled with the best available candidate on the basis of merit, and in accordance with legal requirements and contractual obligations, in a timely and cost effective manner.

Tiwi identified positions are filled by the best available Tiwi candidate on the basis of merit.

There is a position description for each of the positions within the TIRC which clearly outlines the responsibilities of the position, and the knowledge, skills and attributes required for the position.

Positions of more than six months duration can advertised within the TIRC, ie. Internally (on-island) and externally (local paper or nationally). Positions of six months or less in duration may be advertised internally (on-island) only.

The selection process is confidential and clearly documented.

Where local Tiwi candidates possess the knowledge, skills and attributes required for the position, the position should be filled by a person, considering their local knowledge is a significant attribute in the context.

Tiwi Islands Regional Council,
024 Recruitment and Selection Policy, DRAFT 5th April 2016



Tiwi Islands Regional Council

Summary of Strategies and Practices

- Should a position become vacant, the position description including selection criteria is reviewed; and the organisation's budget is reviewed prior to re-recruitment to ensure funds remain available for the position.
- Should funding for a new position become available, a position description including selection criteria is developed prior to the commencement of the recruitment process.
- The position description clearly outlines the documentation in relation to any police checks, working with children checks, licences or other qualifications that must be supplied prior to a contract of employment being signed.
- Position advertising may be undertaken through community noticeboards, as well as through relevant print and/or electronic media.
- A selection panel is convened for all positions of six months or more duration.
- For positions between 6 weeks and 6 months duration, an open, transparent and documented selection process is undertaken consistent with this policy. However, it is not necessary to convene a selection panel but the responsible Manager shall be delegated to sign off providing all internal procedures/processes have been followed.
- Appointments to positions of six weeks duration or less may be made directly by the CEO. No competitive selection process is required.
- A selection panel for the CEO position must have minimum of 3 Council member's representative from each Community and an external Independent member.
- Otherwise, where possible, the selection panel includes a supervisor for the position and/or a person who has worked in the position and is familiar with the role, and someone who can provide information about work conditions.
- Where possible, the selection panel has a balance of men and women and a balance of Tiwi and non-Tiwi people (if required).
- HR must provide the selection panel all documents for review. All applications for review shall be submitted against the selection criteria, HR with the relevant Manager, prepares a short list of applicants for interview, develops questions, conducts and documents all interviews, and collectively assesses all applicants interviewed, ranking them in order of suitability.
- Work-related referees of the most suitable applicant are contacted to gain information regarding their prior work performance and suitability against key selection criteria. The responses of referees are documented. Should referees be satisfactory, the applicant is offered the position.
- Should the first ranked applicant be found unsuitable upon referee checks, or does not accept the job offer, the next ranked applicant is offered the position and so on.

Tiwi Islands Regional Council,
024 Recruitment and Selection Policy, DRAFT 5th April 2016



Tiwi Islands Regional Council

- Should none of the applicants be found to be suitable, or suitable applicants do not accept the job offer, then the position is not filled at this time. The matter is referred to more senior staff for review.
- The successful applicant is provided a letter of offer or engagement setting out:
 - Proposed salary, as advertised to the dollar or within the advertised salary range
 - Term of the contract (must stipulate commencement and end date of work)
 - Core conditions, and requirements (eg. full/part time, hours of work, casual)
 - Relocation costs/reimbursement.

50% of the reimbursement of relocation costs will be paid upon production of appropriate tax invoices when they commence work. The other 50% will be paid upon successful completion of the probationary period. If the Employee leave before six months they will be required to pay back to the Council 75% of the relocation cost. If the employee leaves before 12 months they would be required to pay back 50%.

The successful applicant accepts the offer or negotiates with an appropriate representative of the organisation on the salary and conditions.

- The applicant is sent a contract setting out all details of the employment, including those agreed in negotiations over the letter of offer, signed in duplicate and retained by both parties.
- Once the successful applicant has accepted the offer of the position, unsuccessful applicants are contacted in writing to inform them they were unsuccessful.
- All documentation in relation to the selection process is filed with Human Resources.

Associated Resources

- Information in relation to positions within the NT that require a Working with Children check to be undertaken can be found at the website;

<http://www.workingwithchildren.nt.gov.au/index.html>

- Relevant recruitment and selection templates (as listed below) are available through the Fair Work Ombudsman's website;

<http://www.fairwork.gov.au/resources/templates/pages/employing-staff>

- Job advertisement
- Job description
- Telephone screening

Tiwi Islands Regional Council,
024 Recruitment and Selection Policy, DRAFT 5th April 2016



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- Reference checking form
- Letter of engagement – casual
- Letter of engagement – FT/PT
- Letter to unsuccessful applications

DRAFT

Tiwi Islands Regional Council,
024 Recruitment and Selection Policy, DRAFT 5th April 2016



Tiwi Islands Regional Council

| | |
|---------------------------|--------------------------------------|
| Title: | Work Health and Safety Policy |
| Policy No: | 25 |
| Adopted By: | Council |
| Next Review Date: | |
| Responsibility: | Chief Executive Officer |
| InfoXpert Document Number | XXXXXXX |

| Version | Decision Number | Adoption Date | History |
|---------|-----------------|---------------|---------|
| 1 | | | |

Background

A safe and healthy working environment enhances work effectiveness, productivity and performance; and is essential for worker wellbeing and morale. Work health and safety is the responsibility of all in the workplace and risks to health and safety are controlled through the engagement of all stakeholders in a culture of safety.

Policy Statement

Tiwi Islands Regional Council (TIRC) complies with the Work Health and Safety (National Uniform Legislation) Act 2011.

TIRC ensures as far as is reasonably practicable the health and safety of workers and stakeholders involved in its service delivery or business. It ensures as far as reasonably practicable;

- the provision and maintenance of a work environment without risks to health and safety
- the provision and maintenance of safe plant and structures
- the provision and maintenance of safe systems of work
- the safe use, handling and storage of plant, structures and substances
- the provision of and access to adequate facilities for the welfare at work of its workers
- the provision of any information, training, instruction or supervision that is necessary to protect all persons from risks to their health and safety arising from work carried out as part of the TIRC

Tiwi Islands Regional Council,
025 Work Health and Safety Policy, DRAFT 5th April 2016



Tiwi Islands Regional Council

- the health of workers and the conditions at the workplace are monitored for the purpose of preventing work related illness or injury

TIRC strives for best practice work health and safety processes through;

- Risk management – risks that could be dangerous to the health and safety of workers and stakeholders are identified, assessed and well-managed
- Learning and development – induction, professional development and information processes are in place to support all in the workplace to participate in a safe and healthy manner. This includes education about relevant laws and regulations.
- Communication and consultation – there are agreed consultation arrangements to discuss safety issues and develop workplace health and safety systems
- Continuous improvement – processes exist to improve health and safety practices

Summary of Strategies and Practices

- TIRC implements required workplace health and safety processes and accesses relevant codes of practice and expertise for guidance as required.
- TIRC so far as reasonably practicable consults with workers who are, or are likely to be, directly affected by a matter relating to health and safety. This includes giving workers a reasonable opportunity to express their views or raise issues about work health and safety at the workplace. This may include the election of a health and safety representative if workers wish to be represented by one. Workers may request the formation of a health and safety committee and this will be considered.
- Risk management processes are documented and implemented in consultation with workers and stakeholders including, where applicable, work health and safety representatives. The risk management processes include hazard identification, risk assessment, implementation of effective controls and review of control measures.
- Induction processes are documented and implemented and include work health and safety information and procedures. These in turn include information as to the responsibilities of workers to take reasonable care for their own health and safety and that of others who may be affected by their actions or omissions, consistent with TIRC work health and safety processes and this policy.
- Relevant staff development in relation to work health and safety is provided to staff members as required and this is documented and regularly reviewed.

Tiwi Islands Regional Council,
025 Work Health and Safety Policy, DRAFT 5th April 2016



Tiwi Islands Regional Council

- Accident and incident reporting procedures, and measures to review practices to minimise risk of recurrence of incidents are in place. The Regulator (the Work Health Authority and its administrative arm, NT Worksafe) is notified as soon as TIRC becomes aware of a death, serious or dangerous incident that occurs within the workplace or through the conduct of TIRC's business or service provision. Documentation relating to serious incidents is kept for a minimum of five years.
- Adequate numbers of workers are trained to administer first aid at the workplace or workers have ready access to an adequate number of other people who have been trained to administer first aid.
- An emergency plan is prepared that provides procedures to respond effectively in an emergency.



Tiwi Islands Regional Council

Definitions

Worker – any person who carries out work for the TIRC, including work as an employee, contractor, subcontractor, apprentice or trainee, work experience student, employee of a labour hire company placed with the TIRC and volunteers.

Workplace – any place where a worker goes or is likely to be while work is carried out for a service or business. This may include, but is not limited to, offices, shops, workshops, garages, equipment, plant and material compounds and warehouses, construction sites, vehicles, boats and aircraft.

Serious or dangerous incident

- A work related injury or illness that results in;
 - Immediate hospital treatment as an in-patient
 - Immediate treatment for serious injuries (for example, but not limited to, spinal injury, serious laceration and burns, head injury or eye injury)
 - Medical treatment within 48 hours of exposure to a substance
- Any infection to which the carrying out of work is a significant contributing factor
- Any incident that exposes a person to a serious health or safety risk from immediate or imminent exposure to;
 - The uncontrolled escape, spillage or leakage of a substance, including gas and steam
 - An uncontrolled implosion, explosion or fire
 - An electric shock
 - The fall or release from height of any plant, substance or thing
 - The collapse, overturning, dangerous failure or malfunction of, or damage to, plant equipment and structures

Associated Resources

Work Health and Safety (National Uniform Legislation) Act 2011

<http://notes.nt.gov.au/dcm/legislat/legislat.nsf/linkreference/work%20health%20and%20safety%20%28national%20uniform%20legislation%29%20act%202011?opendocument>

Tiwi Islands Regional Council,
025 Work Health and Safety Policy, DRAFT 5th April 2016



Tiwi Islands Regional Council

Guide to the Work Health and Safety Act

http://www.worksafe.nt.gov.au/Publications/Guides/guide_to_the_work_health_and_safety_act.pdf

NT Worksafe

<http://www.worksafe.nt.gov.au/home.aspx>

Codes of Practice are located

at; <http://www.worksafe.nt.gov.au/Publications/Code%20of%20Practice/Forms/AllItems.aspx>

Safe Work Australia leads the development of national policy to improve work health and safety and worker's compensation arrangements across Australia;

<http://www.safeworkaustralia.gov.au/sites/SWA>

Tiwi Islands Regional Council,
025 Work Health and Safety Policy, DRAFT 5th April 2016



Purchasing Checklist

Documentation for PO Approval

Vendor's Name: _____ Name of Requisitioner: _____
 Requisition Number: _____
 Legible Signature of Program Manager or Shire Service Manager: _____

To assure our auditors that VDSC is complying with the Purchasing Requirements of the Local Government (Accounting) Regulations please ensure that you:

- (a) enter the Quote Amount, Quote Date and the Supplier Contact in all Purchase Requisitions (for requisitions \$5,000-\$10,000); and sign this check list or
- (b) complete this Purchasing Checklist and attach the below mentioned support documentation (for requisitions over \$10,000).

Need Signature from Approval levels for PO

| | | Signature |
|------------------------|--|-----------|
| Less than \$5,000 | Authorised Officer does not require quotes | n/a |
| \$5,000 – \$9,999 | Authorised Officer to gain three verbal quotes | |
| \$10,000 - \$99,999 | Authorised Officer requires a minimum of three written quotes to be signed off by Director and kept on file. The Director shall certify if it is impractical to obtain three written quotations. | |
| Greater than \$100,000 | Authorised Officer is required to call for tenders by public notice. | |

Formal paperwork MUST be submitted to CEO for expenditure above \$100,000.

- (i) Memo; Approval Memo for Recommendation to Award if greater than \$100,000
- (ii) Memo; Approval Memo for Letter of Intent and creating a Purchase Order
- (iii) Memo; Approval Memo for Signing Contract
- (iv) Letter of Intent; if purchase is greater than \$100,000 (if applicable)
- (v) Recommendation to Award
- (vi) Registration number in Contract Register; if a contract
- (vii) Inspection Certificates; as soon as available if applicable
- (viii) Customs Certificates; as soon as available if applicable
- (ix) Approval for Contract Variations; if purchase relates to a variation of an existing contract
- (x) For purchases managed by external entities; payment certificates, invoices and Fund Request Statement

If the documentation is incomplete, please provide a full explanation as to why the Purchase Order needs to be approved in its absence:

DEPARTMENT OF
HOUSING AND COMMUNITY DEVELOPMENT

LOCAL GOVERNMENT (ACCOUNTING) REGULATIONS EXEMPTION REQUEST FORM

In accordance with regulation 31 of the *Local Government (Accounting) Regulations* (Accounting Regulations) the Department may on application by the council exempt a council from compliance with a provision of the Accounting Regulations.

This form is to be completed and provided with supporting documentation if an Accounting Regulation exemption is being sought from the Department.

Council's name making the request: _____

Council's responsible officer's name and contact details in relation to this request:

Name: _____

Contact Details: _____

1. What type of exemption is being sought?

2. Have the elected members resolved for council to seek this exemption? (Council minutes are to be provided as support)

3. What are the reasons for seeking this exemption?

4. Is council seeking a one-off exemption or a continuing exemption? If continuing, how long?

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5. What benefit will the council receive if this exemption is granted?

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6. What losses will the council incur if this exemption is not granted?

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7. Are there any time restraints in relation to this exemption request? If yes, please provide details:

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8. Are there any other factors to consider in relation to this exemption request? (For example upcoming weather changes, access, availability of key staff etc.)

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9. If the exemption is granted, can the council execute the agreed action immediately?

Yes No

10. If this is a procurement exemption, please answer questions (a) to (e). If not please proceed to question 11:

10a. Name and ABN of the intended supplier:

10b. Value of the procurement (GST inc):

10c. Will this exemption involve the employment of locally based people to undertake the works and / or services required?

10d. Have any other quotes or tenders been sought to determine what is a reasonable price? (Provide details and relevant support documentation)

10e. If this exemption is granted, does the council have sufficient funds to completely cover these costs? (Supporting documents are to be provided)

11. Is there any other information in support of this request?

Council's CEO's name: _____

Council's CEO's signature: _____

Date: _____

Once completed, forward this form and along with all documents to lg.compliance@nt.gov.au.

Purchasing Quotation Exemption Form

Quotations sought in relation to: _____

Number of quotes received: _____

If 3 quotations have not been obtained which category of exemption applies?

Please tick and complete details

- A Minister or Department exemption has been obtained.
- No other supplier of this good or service is available.
- The supplier of this good or service has declined to provide a quote.

List the name/s of the supplier/s that declined and reason (if given): _____

- For consistency/familiarity (i.e. the good or service is the same as previously purchased/council staff are already trained to use a particular equipment/product).

Details: _____

- Where an emergency arises.

Details: _____

- Time is of the essence.

Details: _____

- Past experience with purchasing this good or service (i.e. a recent price comparison has been done and the price obtained is considered reasonable by comparison).

Details: _____

- Other, details: _____

Responsible Officer's Name: _____

Responsible Officer's Signature: _____ Date: _____

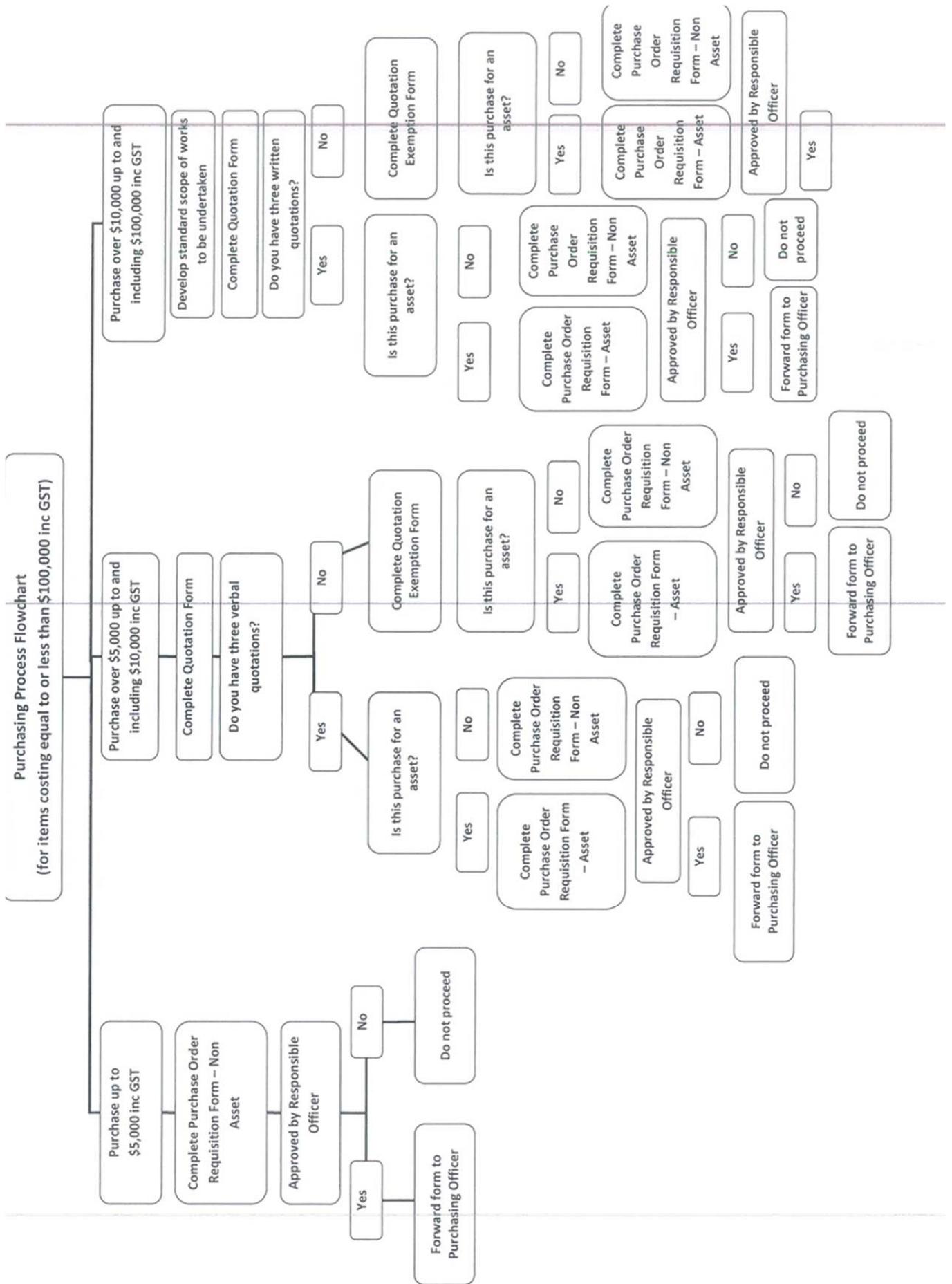
Approved to proceed: Granted / Not Granted

Name of Approving Officer: _____

Approving Officer's Signature: _____ Date: _____

Version 1.0

NOTE: Council's procurement preference rules are applicable when deciding the best value purchase.
Once completed all forms must be filed along with all documentation relating to the procurement.





Quotation Exemption Form

If 3 quotations have not been obtained which category of exemption applies?

Please Tick

- The Product and/or Service it to be procured through 'Local Buy'
- An emergency where it is considered necessary to override procedures relating to obtaining quotes or calling tenders *regulation 28(3) of the A/c Regs.*
- Purchase and Sale of Land (only by resolution of Council).
- Professional or Consultation Service where the value is below \$50,000, or if the value is over \$50,000 a written approval of the Chief Executive Officer must be obtained
- Travel and Accommodation
- If the Minister dispenses, in a particular case, with requirement to call for quotation or tenders
- Fuel & Oil purchased with authorised Fuel Card *only received 2 quotes*
- No other supplier of this product and/or service is available ** matches current shelving*

Responsible Officer: *G. Davis*

Signature: *[Signature]*

Date: *5/8/15*

Approval to proceed: Granted Not Granted

CEO / Director: *C. Catchlove*

Signature: *[Signature]*

Date: *7/8/15*

NOTE: The ten percent (10%) local preference rule is applicable when comparing best price and best value of these purchases, except for travel and accommodation outside Alice Springs, where the arrangements cannot be made locally.

Once completed all forms must be filed, along with all documentation relating to the procurement.

REPORTS FOR DECISION

| | |
|--------------------|---|
| ITEM NUMBER | 6.7 |
| TITLE | TIRC Audit & Risk Management Committee Terms of Reference |
| REFERENCE | 200704 |
| AUTHOR | Bruce Mann, Finance Manager |



This report is put before Council to present recommendations for the amendment of the Audit Committee Terms of Reference.

BACKGROUND

Following the appointment of the replacement Independent Chairperson, the first meeting of the Audit Committee was scheduled for Tuesday 21st February 2017 at the TIRC Winnellie Office. Unfortunately the 2nd Independent Member did not respond to various communications of the intended meeting and did not attend. The meeting could not convene as a quorum was not present and an informal meeting was held. The Independent Chairperson, three Councillor members and three TIRC Officers present at the meeting reviewed the Terms of Reference and recommended a number of amendments which are now presented to the Council for approval.

ISSUES/OPTIONS/CONSEQUENCES

- 1) The name Audit Committee – it was discussed that TIRC requires a focus on risk management. Although the remit of the Audit Committee covers risk management, it is recommended that a name change to Audit and Risk Management Committee would provide better clarity and focus on aspects of risk management for the Council.
- 2) A number of issues were identified with the current Terms of Reference as follows:
 - a) There were no provisions for the termination of appointments to the Committee – recommendations for the termination of members are now included under the heading ‘Term of Appointment and Termination of Committee Members’;
 - b) The quorum of 3 included the two independent members – Although it is desirable for both independent members to be present at meetings it was determined that the Committee could operate effectively provided at least one independent member was present. Recommended that the quorum of 3 include at least 1 independent member; and
 - c) removal of provisions that Meetings and Minutes are always confidential as these are not in compliance with the relevant Legislation.
- 3) The Finance Manager attempted to contact the 2nd Independent Member on their nominated mobile (disconnected), home telephone number (messages left on voicemail), email (no reply) and contacting their employer (has left employment). As the 2nd Independent Member could not be contacted and their ability to continue in the role is unknown, it is recommended that Council consider termination of the appointment. Should the Council proceed with the termination then a process will need to be agreed to identify suitable replacement candidates for the 2nd Independent Member for consideration of the Council.

CONSULTATION & TIMING

Nil

RECOMMENDATION:

- 1) **That Council approves to change the name of the Audit Committee to the Audit and Risk Management Committee**

- 2) That Council notes and approves the amended TIRC Audit & Risk Management Terms of Reference.**

- 3) That Council approves the termination of the current 2nd Independent Member of the Audit and Risk Management Committee and agrees the process to identify a suitable replacement for approval by the Council at a future Council Meeting.**

ATTACHMENTS:

- 1 Terms of Reference for TIRC Audit Committee February 2017.pdf**



Tiwi Islands Regional Council Audit & Risk Management Committee

Tiwi Islands Regional Council Audit & Risk Management Committee Terms of Reference

Introduction

The Tiwi Islands Regional Council (Council) has established an Audit and Risk Management committee pursuant to Regulation 10 of the Local Government (Accounting) Regulations and Section 54 of the Local Government Act.

The Audit and Risk Management Committee is an independent advisory body established by Council under the Local Government Act and Regulations. The Audit and Risk Management Committee provides an important independent role between Council and its management and between Council and its community.

Purpose

The purpose of the Audit and Risk Management Committee is to provide independent assurance and advice in relation to Council's:

- Risk Management
- Internal Control
- Governance arrangements and performance frameworks
- Financial management and statements
- Legislative and Policy Compliance
- Internal audit
- External audit

The Audit and Risk Management Committee will provide assurance as to the achievement of Regulation 10 (1) requirements such as the need for internal controls that:

- safeguard the assets of the council;
- ensure the accuracy, completeness and reliability of the accounting data;
- promote the operational efficiency of the council;
- ensure compliance with relevant laws in force in the Territory; and
- ensure adherence to council policies.

The Audit and Risk Management Committee will also support the requirements of Regulation 10 (3) and monitor Council compliance with:

- proper standards of financial management; and
- relevant regulations and the Accounting Standards.

The Audit and Risk Management Committee can assist in identifying areas where changes are required to strengthen internal controls and management systems and practices as well as reduce Council's exposure to various financial, operational, compliance and performance risks.



Tiwi Islands Regional Council Audit & Risk Management Committee

The Audit and Risk Management Committee is an Advisory Committee and does not have executive powers or authority to implement actions in areas which management has responsibility and does not have any delegated financial responsibility. The Audit and Risk Management Committee does not have any management functions and is independent from management.

The Audit and Risk Management Committee will play a role to assist in the development of:

- a culture of performance, accountability, transparency, high ethical standards, compliance with laws and policies and integrity; and
- good financial and corporate governance practices across the ongoing operations of the Council.

Membership

Members of the Audit and Risk Management Committee are appointed by the Council. The Audit and Risk Management Committee shall consist of five (5) members:

- three (3) Councillors; and
- two (2) external Independent Members being an Independent Chairperson and a 2nd Independent Member.

Independent Members of the Audit and Risk Management Committee shall have senior executive experience and knowledge in areas including corporate governance, internal control and risk management, financial management, budgeting and reporting, operational and business management. They will also have experience in the role and functions of audit committees and an understanding of the regulatory and operational setting of Regional Councils.

Term of Appointment and Termination of Committee Members

- Appointments of external independent members to the Audit and Risk Management Committee shall be for a term of up to four years and no less than 2 years. The appointment may be terminated by the Council should the member miss two (2) consecutive meetings without an accepted apology, unable to be contacted when organizing a meeting or for any other cause reasonably considered by Council.
- Appointments of Councillors shall be for a term of two years or until the end of the term of the Council, whichever is the lesser. Committee members cease being a member of the committee if they are no longer an elected member of the Council. The appointment may be terminated by the Council should the member miss two (2) consecutive meetings without an accepted apology or for any other cause reasonably considered by Council.



Tiwi Islands Regional Council Audit & Risk Management Committee

Authority

The Council authorises the Audit and Risk Management Committee, within the scope of its role and responsibilities, through the Chairperson, to:

- seek any information it requires from any employee of the Regional Council or external third party (subject to any legal obligations to protect information);
- discuss any matters with the external auditor, or other external parties (subject to confidentiality considerations);
- request the attendance of any employees, including the Chief Executive Officer, at Audit Committee meetings; and
- obtain external legal or other independent professional advice with the agreement of the Chief Executive Officer.

The Committee is directly responsible and accountable to the Council for the exercise of its responsibilities. In carrying out its responsibilities, the Committee must at all times recognise that primary responsibility for management of Council rests with the Chief Executive Officer.

The Committee can perform or instigate investigations on Council's request.

Specific Roles and Responsibilities

Without prescribing the work and priorities of the Audit and Risk Management Committee (which will need to be determined having regard to the particular circumstances relevant to the Council), the committee will give consideration to reviewing and assessing the following matters:

Risk Management

- whether management has in place a current and comprehensive enterprise risk management framework and associated procedures for effective identification and management of the entity's business and financial risks, including fraud;
- whether a sound and effective approach has been followed in managing major risks including those associated with individual projects, program implementation, and activities;
- the impact of the Council's enterprise risk management framework on its control environment;
- whether a sound and effective approach has been followed in establishing business continuity planning arrangements, including whether business continuity and disaster recovery plans have been periodically updated and tested;
- the process of developing and implementing fraud control arrangements and whether appropriate processes and systems are in place to detect, capture and effectively respond to fraud-related information.

Internal Control

- whether management's approach to maintaining an effective internal control framework, including over external parties such as contractors and advisers, is sound and effective;

TIRC – Audit Committee - Terms of Reference - Approved by Council 29 July 2015 – Doc ID 177903



Tiwi Islands Regional Council Audit & Risk Management Committee

- the adequacy of strategic and operational planning, its integration with risk management practices and the means by which performance against plans is monitored and assessed;
- whether management has in place relevant policies and procedures, including Chief Executive's Instructions or their equivalent, and that these are periodically reviewed and updated;
- whether the appropriate processes are in place to assess whether key policies and procedures (including delegations) are complied with;
- how management identifies any required changes to the design or implementation of key internal controls; and
- whether management has taken steps to embed a culture that promotes the proper use of resources and is committed to ethical and lawful behaviour.

Financial Management and Reporting

- the adequacy of key internal controls and that the financial statements are supported by appropriate management sign-off;
- the quality and clarity of the financial statements, explanations and disclosures, and provide advice to the Chief Executive (including whether appropriate action has been taken in response to audit recommendations and adjustments);
- the processes in place designed to ensure that financial information included in annual report is consistent with the signed financial statements;
- the consistency of, and any changes to, accounting policies;
- the methods used to account for significant or unusual transactions where different approaches are possible; and
- whether the Council has followed appropriate accounting standards and made appropriate estimates and judgments, taking into account the views of the external auditor.

Legislative and Policy Compliance

- the effectiveness of the system for monitoring compliance with relevant laws, regulations and associated government policies that the Council must comply with;
- whether management has appropriately considered legal and compliance risks as part of the entity's enterprise risk management plan;
- review the process for building the capacity of Council to manage misconduct risk and its management strategies to enhance resistance to misconduct while at the same time improving Council performance and integrity;
- whether there are adequate systems and practices to achieve compliance with Funding Agreements, Service Level Agreements or any other agreements with any funding bodies or agencies;

Internal and External Audit

- act as a forum for communication between the Council, senior management and internal and external audit;
- review the proposed internal audit coverage, ensure the coverage is aligned with key risks, and recommend approval of the Annual Work Plan by the Chief Executive;

TIRC – Audit Committee - Terms of Reference - Approved by Council 29 July 2015 – Doc ID 177903



Tiwi Islands Regional Council Audit & Risk Management Committee

- advise the Chief Executive on the adequacy of internal audit resources to carry out its responsibilities, including completion of the approved internal audit work plan;
- review all audit reports and provide advice to the Council and Chief Executive on significant issues identified in audit reports and action to be taken on issues raised, including identification and dissemination of good practice;
- monitor management's implementation of audit recommendations;
- periodically review the internal audit charter and internal audit performance to ensure appropriate authority, access and reporting arrangements are in place;
- provide input and feedback on financial statement and performance audit coverage proposed by external audit, and provide feedback on the audit services provided; and
- provide advice to the Chief Executive on action to be taken on significant issues raised in relevant audit reports.

Provision of Information

The CEO will advise the committee in the event of the following:

- any material deviations from the key financial or operational plans of the Council;
- any significant change in risks to the financial or operational capacity of the Council;
- any identified significant weakness in the Council's internal control systems;
- any material adverse financial or operational event; and
- any changes to key financial management and operating systems.

The Audit and Risk Management Committee will be provided with all Council meeting agenda, business papers and minutes and with copies of any changes to Council policies.

Meetings

A meeting of the Audit and Risk Management Committee can be called at the request of any two members of the Committee or by the Chair.

The Audit and Risk Management Committee will hold meetings at least three times in a year.

Meetings can be held in person, by telephone, or by video conference and be chaired by the Independent Chairperson. Should the Independent Chairperson not be in attendance then the meeting will be chaired by the 2nd Independent Member.

Only members of Audit and Risk Management Committee are entitled to vote in Audit Committee meetings. Unless otherwise required by the Act not to vote, each member must vote on every matter that is before the Committee for decision.

The Chief Executive Officer, the Director responsible for corporate governance matters and the Finance Manager shall be invited to attend each meeting, unless specifically requested not to do so by the chairperson of the Committee.



Tiwi Islands Regional Council Audit & Risk Management Committee

Quorum

A quorum for the Audit and Risk Management Committee is three members and must include at least 1 Independent Member.

Proxies

In order to ensure continuity and a useful level of knowledge and experience, Audit and Risk Management Committee members are not permitted to send proxies to the meeting.

Administrative Support

The Chief Executive Officer will appoint a Secretary to provide administrative support to the Audit and Risk Management Committee.

Reporting

Following each meeting of the Audit and Risk Management Committee, a report from the Chairman, including the minutes of the meeting, will be presented to the Council providing information on the meeting and its outcomes.

The Chairperson of the Audit and Risk Management Committee shall prepare and provide an annual report on its operations to the Council.

Conflict of Interest

In accordance with Section 74(1) of the Local Government Act, Committee members will be invited to disclose conflicts of interest at the commencement of each meeting.

Where members or invitees at Committee meetings are deemed to have a real or perceived conflict of interest, they will be excused from Committee discussions on the issue where a conflict of interest exists.

Meeting Sitting Fee

The Independent Members of the Audit and Risk Management Committee will be remunerated by agreement with the CEO.

Appropriate travel allowances will be paid to Members.

On attendance, each eligible Councillor who is an Audit and Risk Management Committee Member will be paid extra meeting allowance for that meeting.

Committee Performance and Review

The Committee will review its performance on an annual basis and report to Council.

The review may be conducted as a self-assessment, and will be coordinated by the Chairperson. The assessment may also seek input from other parties.

The review will also include a review of the Terms of Reference for the Audit and Risk Management Committee.

New members will receive relevant information and briefings on their appointment to assist them to meet their Committee responsibilities.



Tiwi Islands Regional Council Audit & Risk
Management Committee

Legislation referenced in the Terms of Reference

Local Government Act

Local Government (Accounting) Regulations

REPORTS FOR DECISION

| | |
|--------------------|--|
| ITEM NUMBER | 6.7 |
| TITLE | LA Community Projects for Council Approval |
| REFERENCE | 200854 |
| AUTHOR | Maina Brown, Governance & Compliance Manager |



This report is seeking approval from Council to proceed with additional funds to assist with finalising project PLA 14 - 5 – New Pontoon Structure and new project PLA 17 – 1 – Setting up of new gym.

BACKGROUND

At the PLA meeting held on the 27 February 2017, members recommended for the below existed project with recommended additional funds and new project to be referred to council approval to proceed.

| | | |
|--|------------|--|
| Pirlangimpi New Pontoon | PLA 14 - 5 | Additional \$ 80,000 upper limit |
| Pirlangimpi Setting up new gym (assist with purchasing weights) | PLA 17 - 1 | \$ 10,000 upper limit |

ISSUES/OPTIONS/CONSEQUENCES

Nil

CONSULTATION & TIMING

Nil

RECOMMENDATION:

That Council approves for the additional funds and new community project to proceed as per below table:

| | | |
|---|-------------------|---|
| Pirlangimpi New Pontoon | PLA 14 - 5 | Additional \$ 80,000 upper limit |
| Pirlangimpi Setting up new gym (assist with purchasing weight equipment's) | PLA 17 - 1 | \$ 10,000 upper limit |

(Reference number 200854)

ATTACHMENTS: