

File: L80-10  
JH: 133-19

5th November 2019

Mr David Wolf  
Local Government Inspectorate  
GPO Box 2392  
Melbourne VIC 3001

## **CONFIDENTIAL**

Dear Mr Wolf,

### **Protecting integrity: Yarriambiack Shire Council Investigation**

I refer to your investigation into Yarriambiack Shire Council and the comments made in relation to the performance of Council in a range of areas.

Thank you for the opportunity to provide a response to the draft report.

#### **General comments:**

Yarriambiack Shire Council accepts the scope and outcomes of the investigation and wishes to take this opportunity to assure the Inspectorate Office that raising the standard of asset and resource management, of financial management, of human resources management and of general governance is our number one priority.

We note that the report raises a number of matters over an extended period of time, across a range of Council responsibilities and makes recommendations for how Council can improve. Council intends to produce a public facing action plan by December 18, 2019 that will be put to Audit Committee and Council quarterly over the coming two years to ensure continuous improvement and accountability against the recommendations.

Together with the Chief Executive Officer, Leadership team and Staff, Yarriambiack Shire Council is committed to rectifying the deficiencies identified and demonstrating a stronger commitment to management of the critical areas of Council that the community expects.

#### **Asset and Resource Management:**

As the report states, Council has ceased providing private works, staff usage of resources outside of work operations and the leasing of private assets. A policy which details how community works are undertaken will be developed and this will reiterate that no private works are to be undertaken. An additional policy will also outline the sale and usage of council resources and disposal of assets and land.



### **Financial management:**

Council has already taken a number of steps to improve the financial literacy of Councillors and staff including Core Financial Skills Training and four modules of Procurement rolled out to Councillors and key staff. A Procurement Officer has been employed and an updated Procurement Policy adopted by Council in June 2019. In addition a Contracts Manual has been developed and templates are underway to assist with ensuring the policy is met to a high standard.

A Community Grants Policy and Guidelines and a Grant Management Policy and Guidelines were adopted at Councils August 2019 Ordinary Meeting and were used in the most recent round of SHARE grants.

Council is committed to pursuing unpaid rates in an efficient and effective manner and will prepare a policy and program for the recovery of outstanding rates.

### **Human Resources Management:**

Council acknowledges that the current Senior Officer contracts are not in accordance with contemporary legislation or community expectations and will realign them at renewal opportunities.

Council will also develop a secondary employment policy to ensure conflicts of interest are better managed.

### **General Governance:**

Good Governance training was undertaken by all staff in mid July 2019 and will be followed up in August 2020 with a refresher course and further training on Governance and Probity.

A new Meeting Local Law was adopted by Council and Gazetted in October 2019 and a Draft Performance Reporting Framework will be put to Council at their November 2019 Ordinary meeting.

In addition, Council purchased six modules of RelianSys software in June 2019 and has implemented Authorisations, Delegations, Compliance and Monitoring with Risk and Audit to follow. This will allow for greater accountability as it has provision for assigning responsibilities and tracking progress on the dashboard

Council is also part of the six Council groups successful in obtaining five million dollars in funding through the Rural Council Transformation Program to implement a new Finance, Payroll and Records Management System. There is a timeframe of five years for implementation but as Records Management training will require significant cultural change at Council this will need to commence prior to the implementation of an Electronic Document Records Management System (EDRMS).

As demonstrated in this letter a large number of changes and improvements are already underway within Council and there is a strong commitment to seeing them embedded in practice and a maturing of the overall management and governance culture.

I request that consideration be given to the incorporation of this letter into the Investigation report as an Appendix and if you require any additional information please do not hesitate to contact our Chief Executive Officer Ms Jessie Holmes.

Yours sincerely,

Cr Graeme Massey

**Mayor**

Ms Jessie Holmes

**Chief Executive Officer**