

# Governance Charter

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<b>Responsible Officer</b>	Governance Coordinator
<b>Policy owner</b>	Manager Legal and Governance

## 1. Purpose

This Governance Charter sets out Council's approach to governance.

It is an overarching framework that articulates the various roles, responsibilities and authorities of the Council and the administration in developing the vision for the future of our community and the management of Council operations and performance.

## 2. Scope

This Policy applies across all of Council and includes Councillors.

## 3. Definitions

Word/Term	Definition
Executive	means the Chief Executive Officer and the General Managers from each directorate acting as a group (including where a person is Acting as the Chief Executive Officer or Acting as any one or more of the General Managers)
Act	means the <i>Local Government Act 1989</i>

## **Charter Context**

'Governance' in this context refers to the *process* for making and implementing decisions.

Good governance is integral to the operations and performance of every organisation.

Good governance allows for and promotes transparency and accountability at all levels.

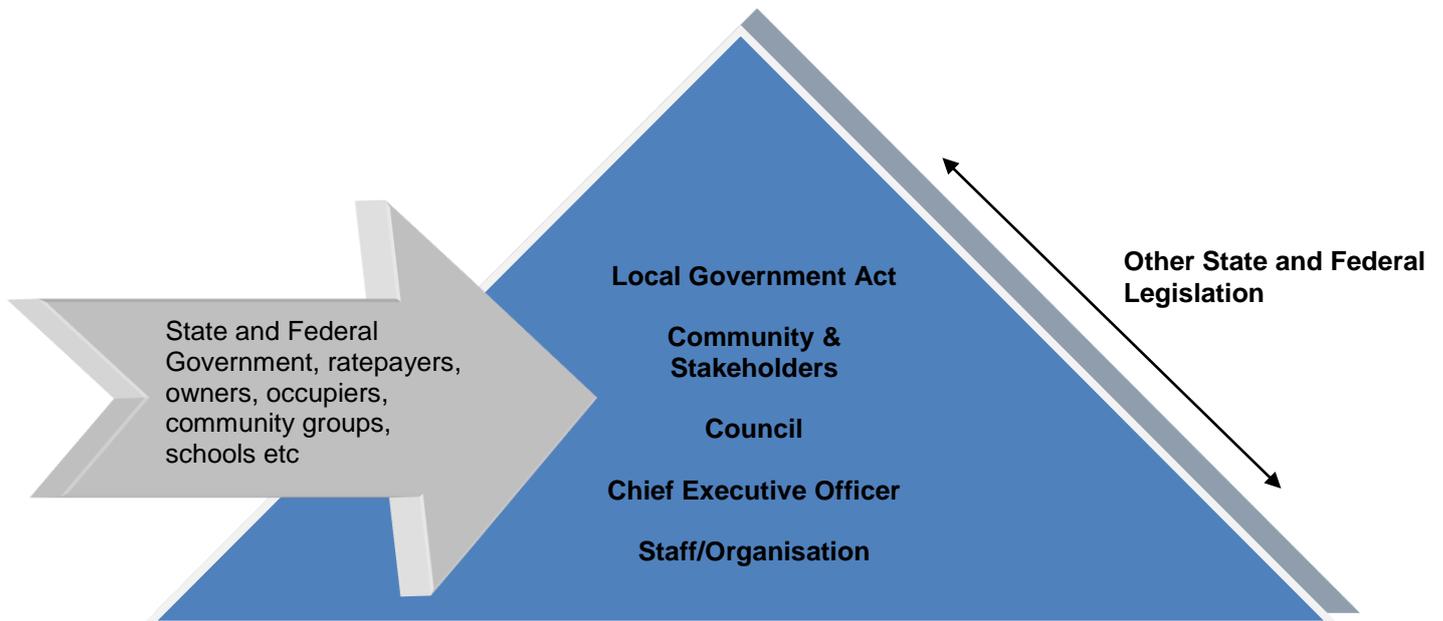
Good governance aims to ensure that an organisation can deliver in both compliance and performance.

Good governance follows the rule of law.

Good governance is everyone's responsibility.

This Charter is a demonstration of Council's commitment to good governance. Specifically, the Charter is aimed at:

- assisting Councillors in partnership with the Chief Executive Officer, Executive and Managers in delivering good governance on behalf of the community;
- providing clear guidelines for Councillors, Executive and Managers in relation to their roles and responsibilities, and what is expected of them in relation to performance;
- providing clear advice on the authorising environment of Council;
- providing clear information on the decision making process of Council and the administration;
- acting as a point of reference for disputes;
- acting as an induction tool for new Councillors and staff; and
- providing clarification around the relationship between the law and any internal rules/policies/documents.



Vision & Values (see 3.2)	Authorising Environment (see 3.3)	Decision Making and Accountability (see 3.4)
Clear vision and Council and Wellbeing Plan.  Values and behaviours.  Positive culture.	Clarity of roles and responsibilities.  Understanding and agreement of roles.  Working relationships.  Legal framework.	Effective decision making.  Effective management.  Risk management.  Fiduciary responsibility and Procurement.  Transparency and disclosure.  Accountability.  Performance management.  Consultation and engagement.

The Governance Charter is divided into three key pillars:

- Pillar 1** Vision and Values (see 3.2),
- Pillar 2** Authorising Environment (see 3.3), and
- Pillar 3** Decision Making and Accountability (see 3.4).

Each pillar has a number of contributing elements. Over the following pages each element is explained, including how they are put into practice at the City of Melton.

## 3.2 Pillar 1: Vision and Values

### 3.2.1 Clear Vision and Council and Wellbeing Plan

In order to excel you need to have a clear vision of what you want to achieve and a plan which helps you to achieve the vision.

At the beginning of each term of office the Councillors develop a vision for the municipality. With nine Councillors representing three wards, the development of a clear vision for the organisation helps to create a shared sense of purpose. The vision articulates what Council wants the City of Melton to become in the future. It is a high level, aspirational goal that shapes everything Council does over the next four years.

The vision for the City of Melton is:

‘A Thriving Community Where Everyone Belongs’.

The vision is supported by the development of a four year Council and Wellbeing Plan. The Council and Wellbeing Plan 2017-2021 was developed by the Councillors with support and advice from the Executive.

The Council and Wellbeing Plan identifies five strategic themes and within these themes, are strategic outcomes: These are as follows:

1. *A proud, inclusive and safe community* – A City of people leading happy and healthy lives.
2. *A thriving and resilient natural environment* – A City that preserves and enhances its natural environment for future generations.
3. *A well planned and built City* – A City with a clear vision to manage growth in a sustainable and accessible way.
4. *A strong local economy and a lifelong learning City* – A City rich in local employment and education opportunities.
5. *A high performing organisation demonstrating leadership and advocacy* – An organisation operating with innovation, transparency, accountability and sustainability.

A number of strategies are then developed to support the Key Directions. Each service, policy and activity developed or delivered by the organisation aligns with one of the Council and Wellbeing Plan key directions and helps Council to achieve the goals set out in the Council and Wellbeing Plan.

Section 125(1) of the *Local Government Act 1989* (‘the Act’) requires Council to develop and approve a Council Plan within six months of taking office, or by 30 June the following year, whichever is later.

Municipal Public Health and Wellbeing Plans (MPHWPs) are prepared in accordance with the *Public Health and Wellbeing Act* including having regard to the Victorian Public Health and Wellbeing Plan. The Public Health and Wellbeing Act require

Councils to prepare an MPHWP every four years aligning with the timing of new Council Plans.

In accordance with section 27 of the *Public Health and Wellbeing Act 2008*, Council has now incorporated the Municipal Health and Wellbeing Plan into the Council Plan, creating the Council and Wellbeing Plan 2017-2021.

The Act also requires Council to review the Council and Wellbeing Plan at least annually. The annual review is an opportune time for Councillors to ensure that the Council and Wellbeing Plan still enables them to meet the changing needs of the community and that it continues to support the achievement of their vision for the future.

### **3.2.2 Values and Behaviours**

The City of Melton Vision identifies Council's vision for the future of the municipality and the Council and Wellbeing Plan provides the key directions and the strategies to achieve the Vision.

The City of Melton values and behaviours reflect the leadership priorities that contribute to a well-functioning and community driven organisation. They shape the culture of the organisation and represent how Council will act in seeking to fulfil its vision for the future.

The City of Melton has identified the following five fundamental values, known as the 'CRAFT values':

1. **Continuous Improvement**
  - We encourage and support innovation and creativity.
  - We commit to driving continuous improvement.
  - We constantly review what we do.
  - We embrace and respond to change as it occurs.
  - We strive to deliver the best possible outcomes.
  
2. **Recognition**
  - We recognise and encourage the contributions of others.
  - We actively support and promote our colleagues.
  - We acknowledge and reward employees exceeding performance expectations.
  - We give credit where credit is due.
  - We celebrate success.
  
3. **Accountability**
  - We work in an open and transparent manner and follow through on commitments.
  - We take responsibility for our personal decisions and actions.
  - We adhere to policies and procedures
  - We make the best use of our time and resources.

- We all take responsibility for the way we treat each other.
4. **Fairness**
- We show respect when speaking to and about others.
  - We build trusting and productive relationships.
  - We deal with others fairly and consistently.
  - We actively listen and respond appropriately.
  - We respect all people and celebrate our diversity.
5. **Teamwork**
- We help each other to achieve organisational goals.
  - We involve team members in solving problems and decision making.
  - We encourage everyone's contribution to the team.
  - We communicate clearly, openly and respectfully.
  - We provide positive, constructive and timely feedback.

These values and behaviours drive our operations, performance, and conduct and the way we work as an organisation. They are also the way we want our community to perceive us professionally operating as an organisation.

### **3.2.3 Positive Culture**

The City of Melton strives to cultivate a positive culture with an open and collaborative environment.

This includes:

Good communication – an open environment where people are encouraged to ask questions and seek information.

Assuming a positive intention – encouraging goodwill between individuals with a shared understanding that each person is trying to act in the best interests of the organisation and the community.

Support and training – a thorough induction process, opportunities for formal education and investment in skills and professional development through attendance at workshops and conferences.

A positive culture promotes honesty and encourages debate on important issues which can help the organisation to achieve better outcomes for the community.

Organisations with a positive culture are also more likely to retain high quality employees who can help drive the activities to assist Council in achieving its vision and the pursuit of excellence in governance.

## 3.3 Pillar 2: Authorising Environment

### 3.3.1 Clarity of roles and responsibilities

Clearly articulating the division of responsibilities between the Councillors and management helps manage expectations and avoid misunderstandings about the respective roles and accountabilities.

The key roles at the City of Melton are outlined below.

#### **Role of Council**

The Council of the City of Melton comprises nine Councillors who are democratically elected by the community in accordance with the Act.

The primary role of the Council is to provide leadership for the good governance of the City of Melton (s3D(1)).

This includes:

- acting as a representative government by taking into account the diverse needs of the local community in decision-making;
- providing leadership by establishing strategic objectives and monitoring their achievement;
- maintaining the viability of the council by ensuring that resources are managed in a responsible and accountable manner;
- advocating the interests of the local community to other communities and governments;
- acting as a responsible partner in government by taking into account the needs of other communities;
- fostering community cohesion and encouraging active participation in civic life; and
- overall, making all decisions impartially and in the best interests of the whole community.

Council has a statutory responsibility to represent all people that live, participate in and invest within the municipality.

The elected Council appoint and review the performance of the Chief Executive Officer of the organisation, determine Council policies and set the strategic direction of the organisation.

#### **Role of a Councillor**

A Councillor's role is set out in section 65 of the Act. It is to participate in the decision-making of the Council, represent the local community in that decision-making and

contribute to the strategic direction of the Council through the development and review of key strategic documents of the Council, including the Council and Wellbeing Plan.

In performing the role of a Councillor, a Councillor must—

- consider the diversity of interests and needs of the local community; and
- observe principles of good governance and act with integrity; and
- provide civic leadership in relation to the exercise of the various functions and responsibilities of the Council under this Act and other Acts; and
- participate in the responsible allocation of the resources of Council through the annual budget; and
- facilitate effective communication between the Council and the community.

### **Role of the Mayor**

The Mayor is the elected leader of the Council and is the key formal representative of Council.

The Mayor, or a Councillor acting in the position, takes precedence at all municipal meetings and must take the chair at all meetings of the Council at which he/she is present.

The Mayor, or Councillor acting in the position, has a key role to facilitate good relationships between Councillors, and between Councillors and the Chief Executive Officer and Executive Management Group. In addition to his/her role as a Councillor, the functions of the Mayor are set out in section 73AA of the Act:

- providing guidance to Councillors about what is expected of a Councillor including in relation to the role of a Councillor under section 65 (referred to above), and the observation of the Councillor conduct principles and the Councillor Code of Conduct by Councillors under sections 76B, 76BA and 76C; and
- acting as the principal spokesperson for the Council; and
- supporting good working relations between Councillors; and
- carrying out the civic and ceremonial duties of the office of Mayor.

The Mayor should also:

- establish partnerships and networks and actively promoting Council's interests;
- create and maintain political stability within the Council;
- have a close working relationship with the Chief Executive Officer, thereby creating and ensuring positive relationships with the organisation, leading to good planning, identification and resolution of issues;

- foster positive relationships with various stakeholders, including government agencies and peak bodies;
- promote a positive image of Council and a positive organisational culture.

The Mayor will take a leadership role in consultation, advice and mediation as required in accordance with Council's agreed dispute and conflict resolution process.

### **Role of the Deputy Mayor/s**

The role of the Deputy Mayor/s, which is not a statutory position, is to give effective support to the Mayor in his/her absence by chairing meetings, attending functions and being the Council spokesperson where the Mayor is unavailable.

The Deputy Mayor/s will take a leadership role in consultation, advice and mediation as required in accordance with Council's agreed dispute and conflict resolution process.

### **Role of the Chief Executive Officer**

The Chief Executive Officer (CEO) has a number of statutory responsibilities and is accountable to the elected council for delivering Council's strategies and services. As the head of the organisation, the CEO's role is to provide professional, relevant and timely information and support to the Council.

Section 94A of the Act identifies some of the CEO's responsibilities including:

- establishing and maintaining an appropriate organisational structure;
- ensuring that the decisions of the Council are implemented without undue delay;
- the day-to-day management of the Council's operations in accordance with the Council and Wellbeing Plan;
- developing, adopting and disseminating a code of conduct for Council staff;
- providing timely advice to Council including in relation to its legal obligations under the Act and any other Act;
- supporting the Mayor in the performance of the Mayor's role as Mayor;
- appointing, directing and managing staff.

### **Role of the Executive**

The Executive provides a whole of organisation perspective to ensure strategic alignment between the organisation's operations and the achievement of the Council and Wellbeing Plan.

This includes:

- Contributing to policy development through recommendations to Council

- Operational decision making
- Providing advice/assistance
- Generating discussion
- Encouraging problem solving
- Leading performance management
- Interpreting and understanding the current and future operational and political environment
- Driving organisational leadership/culture

### **Role of the General Managers**

General Managers are responsible for overseeing the efficient operation of the departments within their Directorate to assist the City of Melton in achieving its vision and objectives. They play a key role in supporting the CEO and providing advice and information to the Mayor and Councillors. This includes:

- Providing advice and possible recommendations to Councillors on issues raised by community and stakeholder groups on matters relating to the General Manager's area of management.
- Providing guidance on matters which, for reasons of community interest and benefit, require immediate action and may be advanced under delegated authority of the Chief Executive Officer.
- Providing advice and information on emerging issues and opportunities relating to their Directorate.
- Providing direction and advice on matters before Council through the review and approval of officer reports to Council.

#### **3.3.2 Understanding and agreement of roles**

A clear understanding and agreement of roles and responsibilities as outlined above contribute to Councillors and the Executive acting as an effective leadership team. It ensures each individual is aware of the boundaries of their role and of the shared areas.

At the City of Melton the Councillors and the Executive have agreed that this works best when there is mutual trust, discussions rather than assumptions and good communication.

#### **3.3.3 Working relationships**

Strong and respectful working relationships are essential for Council to achieve its vision. Effective working relationships promote a positive culture and provide the organisation with the freedom to focus on opportunities and delivering great outcomes,

rather than spending effort overcoming problems associated with negative relationships.

The key working relationships at the City of Melton are between the:

- Mayor and Councillors
- Mayor and CEO
- Mayor and General Managers
- Councillors and CEO
- Councillors and General Managers
- CEO and General Managers
- General Managers and officers

Many Council officers hold positions that require specialised knowledge and skills and are required to provide information, advice and recommendations to the best of their professional ability. Sharing this knowledge with Councillors is a key part of ensuring that Council has the information it needs to make informed decisions.

It is important to note that Councillors cannot direct or improperly influence, or attempt to direct or improperly influence, the functions, duties, actions, recommendations or advice provided by Council officers. Improper direction and improper influence are covered under section 76E of the Act.

To facilitate the efficient functioning of Council, and ensure timely responses, the CEO has put in place a protocol which requires Councillors to direct all their enquiries to the CEO, the appropriate General Manager or Manager or specified support staff. Persistent failure to follow this protocol may be addressed through the Councillor Code of Conduct.

### **3.3.4 Legal framework**

Victoria's 79 Councils operate within a legal framework established by the Victorian Parliament through the Act. This defines the purposes and functions of local government as well as providing the legal framework for establishing and administering Councils.

Possibly the other most significant pieces of legislation affecting local government are the *Planning and Environment Act 1987*, the *Privacy and Data Protection Act 2014*, the *Health Records Act 2001* and the *Freedom of Information Act 1982*.

The following list identifies just some of the other pieces of legislation that Council acts in accordance with, or enforces, in the delivery of services to the community. Included in many of the Acts below are a variety of Regulations which Council must also act in accordance with.

- Child Wellbeing and Safety Act 2005

- Charter of Human Rights and Responsibilities Act 2006
- Crimes Act 1958
- Disability Act 2006
- Domestic Animals Act 1994
- Drugs, Poisons and Controlled Substances Act 1981
- Emergency Management Act 1986
- Environment Protection Act 1970
- Equal Opportunity Act 2010
- Fences Act 1968
- Fire Services Property Levy Act 2012
- Food Act 1984
- Graffiti Prevention Act 2007
- Health Services Act 1988
- Housing Act 1983
- Impounding of Livestock Act 1994
- Independent Broad-based Anti-corruption Commission Act 2011
- Infringements Act 2006
- Interpretation of Legislation Act 1984
- Public Health and Wellbeing Act 2008
- Public Records Act 1973
- Residential Tenancies Act 1997
- Road Management Act 2004
- Road Safety Act 1986
- Subdivision Act 1988
- Summary Offences Act 1966
- Valuation of Land Act 1960
- Victorian Civil Administrative Tribunal Act 1998

Council believes that good governance follows the rule of law. As a minimum Council aims to and will comply with the law including the Act and all relevant laws.

In some instances, Council will aim for and set for itself a higher standard than is required by the Act and/or any relevant law. Where this higher standard is not met it is acknowledged that whilst this might be a breach of Council's internal rules, it is not a breach of the law.

Where the two standards are in conflict or if there is any doubt or dispute in relation to interpretation, Council will revert to and rely on the law (including the Act) over any internal rule/policy or document.

#### **3.3.4.1 Integrity agencies**

In Victoria there are a number of integrity agencies that ensure local government is operating in a fair and efficient manner. These include:

The Independent Broad-based Anti-corruption Commission (IBAC) - educates the public sector and community about corruption and how to prevent it, and investigates and exposes serious corruption in the public sector.

The Victorian Ombudsman – investigates administrative actions or the conduct of staff in government departments, statutory authorities and local government.

The Local Government Investigations and Compliance Inspectorate - investigates alleged breaches of the Act by any Victorian local council.

The Victorian Auditor-General's office (VAGO) - examines the management of resources through financial and performance audits within the public sector on behalf of Parliament and Victorians.

#### **3.3.4.2 Delegations**

Each day Council is required to make hundreds of decisions. In order to facilitate the smooth and efficient operations of the organisation, and to allow Council to focus on strategic matters and major developments, Section 98 of the Act allows Council to delegate to any staff member any power, duty or function of Council under the Act or any other Act other than—

- (a) this power of delegation; and
- (b) the power to declare a rate or charge; and
- (c) the power to borrow money; and
- (d) the power to approve any expenditure not contained in a budget approved by the Council; and
- (e) any power, duty or function of the Council under section 223; and
- (f) any prescribed power.

In turn the CEO can delegate (by way of a sub-delegation) authority to an appropriately qualified staff member or contractor. However, the Chief Executive Officer must not delegate a power delegated by Council if Council has directed the Chief Executive Officer not to further delegate the power.

All decisions made under delegated authority are binding and represent a 'Council decision'.

The CEO can also delegate some of the responsibilities of his/her office with some exceptions (s98 (2)).

### **3.3.4.3 Local Laws**

Local laws are statutory instruments adopted by the Council to assist in governing the municipality. They enable Council to regulate matters to better serve the local community.

The Act provides Councils with the power to make local laws. Where Council has an obligation under the Act or other Acts of Parliament it can make local laws.

The City of Melton has two Local Laws:

1. Meeting Procedure Local Law 2013.

The purpose of this local law is to:

- regulate proceedings and provide for orderly and fair conduct at all Council Meetings, Special Committee Meetings, Advisory Committee Meetings, and other meetings conducted by or on behalf of Council where Council has resolved that provisions of this Local Law are to apply;
- maintain open, efficient and effective processes of the government of the Council and assist with keeping the preparation of the agenda consistent from meeting to meeting;
- regulate proceedings for the election of the Mayor and Chairperson of various committees;
- regulate the use and prohibit unauthorised use of the common seal.

2. General Local Law 2015.

The purpose of this Local Law is to:

- provide for the peace, order and good government of the Municipal District of Melton City Council in a way that is complementary to Council's Plan; and
- provide for those matters which require a Local Law under the Act and any other Act; and
- provide for the administration of Council powers and functions; and

- prohibit, regulate and control activities, events, practices or behaviour in places so that no detriment is caused to the amenity of the neighbourhood, nor nuisance or danger to a Person or their health and safety nor detrimental effect to a Person's Property nor impede free and safe movement by any Person, and in particular a Person with a disability.

## **3.4 Pillar 3: Decision Making and Accountability**

### **3.4.1 Effective decision making**

One of the most important functions undertaken by the Mayor and Councillors is to attend and participate in the decision making process at Council meetings. Councils are empowered by law to make decisions on many matters of importance to their local communities.

Decisions may be made in formally constituted council meetings, or under delegations approved by the Council.

Individually neither the Mayor nor Councillors have the legal authority to act or make decisions on behalf of the Council.

Decisions made at a formal Council Meeting provide the direction and authority for the ongoing operation of the Council. The decisions give direction to the CEO and are implemented by staff.

It is also at Council meetings that the Mayor and Councillors decide the policy direction of the Council and make decisions on other statutory matters.

Council is a corporate body and as such it can only make decisions by resolution, i.e. a motion has to be put to a properly convened meeting and passed by the required majority of members. A Council can only make decisions and pass resolutions about matters falling within its jurisdiction, otherwise it will be deemed to be acting "ultra vires" – acting beyond its powers.

Formal meeting procedures are followed. The Mayor chairs the meeting and has a casting vote if there is an equality of votes.

An Agenda, listing the issues and relevant reports for discussion at the meeting, is made available to the public in advance so that everyone has the opportunity to be aware of matters before Council. Copies are available through Council's website, by visiting the Council Offices or at the Customer Service Centres.

Members of the public are encouraged to attend meetings. Meetings are only closed to the public when topics of a confidential nature are discussed, such as an individual's financial circumstances, a particular staff member, proposed developments or legal matters.

### **Assembly of Councillors**

Councillors often attend briefings or workshops which are considered to be an 'assembly of councillors'. Under the Act, an assembly of councillors is a meeting of an

advisory committee of the Council, if at least one Councillor is present, or a planned or scheduled meeting of at least half of the Councillors and one member of Council staff which considers matters that are intended or likely to be the subject of a decision of the Council; or an action completed under delegation.

It is important to note that an assembly of councillors does not have any decision making authority.

### **Access to information**

The City of Melton encourages thorough debate and evidence based decision making to deliver great outcomes for the community. The CEO ensures that Councillors are briefed on complex or contentious issues. In order to fulfil their role to the best of their ability Councillors are provided access to a range of information. The provision of information is guided by Council's Privacy Policy.

Councillors must at all times adhere to the provisions of the Act relating to confidentiality and/or inappropriate use of information. Section 77 of the Act makes it unlawful for a Councillor or former Councillor to release information that the person knows, or should reasonably know, is confidential information.

### **3.4.2 Effective management**

#### **Management structure**

The CEO is responsible for putting in place a management structure that meets the goals and needs of Council with a focus on the efficient and effective use of human resources.

The City of Melton has 3 directorates, 17 business units and approximately 496 EFT employees.

Council's management structure is available on the City of Melton website.

#### **Service delivery**

From footpaths and local laws to kindergarten and events, the City of Melton provides a variety of services to residents every day.

Council will develop a comprehensive suite of Customer Service Commitments for its major services. The service commitments inform the community of what they can expect when dealing with Council.

The full suite of Customer Service Commitments is available on Council's website or by calling into one of Council's Civic Centres.

In addition to the Customer Service Commitments, set out on Council's website is a Customer Service Charter.

The Charter provides for a commitment from Council staff and asks for a commitment from customers.

### *Our Commitment to you*

*All Council staff understand that helping our community means helping individuals. In every personal contact, we will strive to be courteous, fair and helpful.*

#### *Attitude*

*We will be positive and friendly when engaging with community members.*

*We will be empathetic, seeking to understand the issue at hand.*

*We will be solutions focussed, seeking positive outcomes at all times.*

#### *Ability*

*We will exercise initiative and innovation solving customer issues.*

*We will communicate clearly and honestly.*

*We will be flexible in meeting individual customer requirements.*

*We will actively develop our skills and knowledge to better assist community members.*

#### *Process*

*We will be fair in decision making, consistent with applicable legislation and Council policy.*

*We will make information and policies readily available and easily understood.*

*We will establish reasonable timeframes according to individual circumstances.*

*We will enact a fair complaint resolution process.*

*We will seek and act upon customer feedback to improve.*

### *Your commitment to us*

*To work with us in an honest, cooperative and courteous manner, to ensure we can fulfil our charter.*

## **Complaints**

The City of Melton is committed to properly dealing with all complaints and has a Complaints Management Policy linked to its website. This Policy provides a framework to ensure concerns and complaints are addressed promptly and fairly with outcomes which will assist Council to improve its services for the future.

For some issues, complaints and appeals are governed by other processes outside the jurisdiction of Council and/or are not appropriate to be dealt with by Council. Where this is the case, complainants will be referred to the appropriate process or authority. This includes where the matter:

- is considered frivolous, vexatious or not made in good faith;
- involves a matter where an adequate remedy or right of appeal already exists, whether or not the complainant uses that remedy or right of appeal;

- the complainant seeks to revisit the same issue after an initial investigation when no new evidence or material is provided;
- relates to a decision of Council;
- relates to conduct before a court, coroner or tribunal;
- relates to a matter under investigation by the Minister for Local Government or any other government department including the Victorian Police Service;
- relates to the appointment or dismissal of any employee or an industrial or disciplinary issue;
- relates to a matter awaiting determination by the Council;
- relates to the actions or conduct of private individuals;
- has insufficient information available;
- the complainant declines or refuses to provide further information;
- where threats are made against Council or council staff.

Where the relevant authorised officer determines that a complaint will not be investigated, the complainant will be so advised. Should it be requested, the advice will be provided in writing.

### **3.4.3 Risk Management**

Council is responsible for providing a wide and diverse range of services to its community. All of these activities involve some form of risk, which must be managed to ensure that aims and objectives are achieved, services are delivered and that opportunities to deliver better and more cost effective services are realised. If Council is not aware of, or has not adequately assessed or managed some risks, it could result in financial loss, threats to public or employee safety or lead to substantial adverse publicity.

The City of Melton has a comprehensive risk management program embedded within all service and functional areas of Council.

Risk management is not a stand-alone function that is separate from the main activities and processes of the organisation. It is an integral part of all organisational processes, including strategic planning, project and change management processes.

Council regularly reviews and considers both its operational and strategic risks to ensure that these are being appropriately managed, mitigated or accepted.

### **3.4.4 Fiduciary responsibility and Procurement**

The City of Melton is responsible for the sound financial management of public money and takes this responsibility very seriously.

The organisation is committed to the principles of sound financial management set out in section 136 of the Act which states that Council must:

- manage financial risks faced by the Council prudently, having regard to economic circumstances;
  - pursue spending and rating policies that are consistent with a reasonable degree of stability in the level of the rates burden;
  - ensure that decisions are made and actions are taken having regard to their financial effects on future generations; and
  - ensure full, accurate and timely disclosure of financial information relating to the Council.
- The risks referred to above include risks relating to—
  - the level of Council debt;
  - the commercial or entrepreneurial activities of the Council;
  - the management and maintenance of assets;
  - the management of current and future liabilities;
  - changes in the structure of the rates and charges base.

In 2017/18 the City of Melton has a total annual budget of \$200 million, including a \$147.9 million operating expenditure budget to ensure Council continues to provide services to 138,967 residents and a \$52.1 million capital works budget for investment in community infrastructure.

Council conducts community consultation prior to the adoption of the annual budget to ensure that the community has the opportunity to provide input and shape the way that their rates work for them.

Council's financial documents are publicly available on Council's website and include the:

- 2017/2018 Annual Budget
- 2017/2018 to 2020/2021 Strategic Resource Plan - a high-level planning and general direction document which covers the financial and non-financial resources required by Council to achieve its strategic objectives.

Council has a procurement policy which ensures that goods and services above \$150,000 and capital works above \$200,000 are awarded only after a public tender process. Procurement below these levels must also comply with various internal procedures which are aimed at ensuring that where possible at least two quotations are obtained for every purchase and that the all purchases are appropriately approved.

### 3.4.5 Transparency and disclosure

It's important that the community has confidence in Council's decision making and ability to plan for the future. One way that the local government sector helps to encourage confidence is by making information available for public inspection.

Under Regulation 12 of the Local Government (General) Regulations 2015, Council is required to make a comprehensive amount of information available for public inspection including:

- a document containing details of overseas or interstate travel (other than interstate travel by land for less than 3 days) undertaken in an official capacity by any Councillor or member of Council staff in the previous 12 months, including -
  - the name of the Councillor or member of Council staff; and
  - the dates on which the travel began and ended; and
  - the destination of the travel; and
  - the purpose of the travel; and
  - the total cost to the Council of the travel, including accommodation costs;
- the agendas for, and minutes of, ordinary and special meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act;
- the minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act;
- a register of delegations kept under sections 87(1) and 98(4) of the Act, including the date on which the last review took place under sections 86(6) and 98(6), respectively, of the Act;
- a document containing details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms and the value of the lease;
- a register maintained under section 224(1A) of the Act of authorised officers appointed under that section;
- a list of donations and grants made by the Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

Officers prepare reports to assist Councillors in making decisions on behalf of the community. As much as possible Council makes these reports available to the

community so that they can see the evidence base which Councillors are using to make decisions. Members of the public are also encouraged to attend Council meetings to listen to the debate, and the responses to any questions asked by Councillors, which often provide further information.

Council is not able to make all reports available to the public. Some reports are confidential and dealt with in closed Council. This information can only be released to the public by resolution of Council. Closed Council reports cover matters such as:

- personnel matters;
- the personal hardship of any resident or ratepayer;
- industrial matters;
- contractual matters;
- proposed developments;
- legal advice;
- matters affecting the security of Council property;
- any other matter which the Council or special committee considers would prejudice the Council or any person.

#### **3.4.6 Accountability**

An important aspect of good governance is accountability. Council holds itself accountable to the community through regular reporting, community consultation and open and transparent decision making processes. For further information on Council's performance reporting and commitment to transparency please see Transparency and Disclosure (3.4.5) and Performance Management (3.4.7).

Councillors and Council officers are also held accountable for their actions through their respective codes of Conduct. The Councillor Code of Conduct and the Employee Code of Conduct are available on Council's website for information purposes. These are internal documents.

#### **3.4.7 Performance Management**

Just as it's important for Council to have a vision for the future and a plan on how we'll get there, it's also important for Council to report to the community on progress against the Council Annual Action Plan (CAAP).

Each year, Council produces an Annual Action Plan identifying the activities and initiatives that Council will work towards in achieving the objectives and strategic outcomes identified in the Council and Wellbeing Plan.

Each quarter Council provides the community with an update on its performance against each the key activities and initiatives identified in the Annual Action Plan, including major achievements. A quarterly financial report on the standard financial

statements is also prepared and reported to the community to provide an update on Council's financial performance. These reports are included in the Council agenda and can also be accessed on Council's website.

In addition to the Quarterly Reports to the Community, Council prepares a comprehensive annual report. The Annual Report also includes the performance statement which Council is required under section 132 of the Act to prepare. The Performance Statement includes key strategic activities, performance measures and targets included in the Budget, results, and an explanation where there has been a substantial failure to achieve the target.

Council is also required to participate in the Local Government Performance Reporting Framework (LGPRF). The LGPRF ensures that all councils are measuring and reporting on their performance in a consistent way.

The framework is made up of 66 measures and a governance and management checklist of 24 items which together build a comprehensive picture of council performance. The LGPRF enables the community, councils and the Government to benchmark and compare similar councils.

### **3.4.8 Audit Program and the Audit Committee**

The Audit Committee is charged with monitoring, reviewing and advising the Council on the standard of its financial control, risk management and corporate governance. The Audit Committee membership comprises five people appointed by Council. Two members are Councillors and the remaining three committee members are independent members, one of whom is appointed as the chairperson.

Council engages an independent internal auditor to conduct internal audits on specific focus areas within the organisation. The audits identify areas of improvement to assist Council to improve performance and manage risk. The results of the audits are reported to, and monitored by, Council's Audit Committee.

Council also participates in a range of external audits run by the Victorian Auditor General's Office (VAGO). These fall into two categories – financial audits and performance audits. The Act requires Council to prepare a financial report and submit it to the Auditor-General for audit each financial year. Council also participates in a range of performance audits as required.

When Council participates in an external audit, the Audit Committee play a key role in understanding the major focus areas of the audit, monitoring matters arising from the audit and monitoring the implementation of the external auditor's recommendations which are adopted by the Council.

Council's participation in audit programs demonstrates its commitment to accountability and provides the community with confidence that the organisation is using resources in an efficient and effective manner.

### **3.4.9 Consultation and engagement**

The City of Melton is committed to community consultation as a way of ensuring Council provides services and programs in line with the needs and preferences of the community. Council's community consultation program allows people to become involved in Council's decision-making processes so they can help shape decisions that affect them and their community.

Community consultation is any process that the City of Melton undertakes to involve the public in decision-making by communicating with them by email, post, social media, phone or in person to find out their views about a particular issue, service or Council matter prior to making decisions. Council's *Community Engagement Policy* and *Community Engagement Guidelines* can be found on its website.

Examples of community consultation include asking the community for feedback on Council policies, service delivery performance or involving the community in the progress or review of specific projects or developments. A full list of current community consultation opportunities is available on Council's website at '*Join the Conversation*'.

One of the most fundamental roles of all councils is to advocate for and on behalf of their communities for the improvements, services and funds they need, where these are the responsibility of the state and federal governments or other third parties.

The City of Melton has affirmed its commitment to advocating on behalf of its residents to ensure the development of critical infrastructure requirements to adequately support the growing Melton community and plan for future growth areas. Council's *Advocacy Policy* and *Advocacy Framework* can be found on the website.

## **4. Administrative Updates**

It is recognised that, from time to time, circumstances may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this document, such a change may be made administratively. Examples include a change to the name of a Council department, a change to the name of a Federal or State Government department, and a minor update to legislation which does not have a material impact. However, any change or update which materially alters this document must be by resolution of Council.

### **4.1 Review**

This Charter will be reviewed annually in line with the review of the Council and Wellbeing Plan and the Councillor Code of Conduct. The next review will be completed by 30 June 2018.

## 5. Responsibility /Accountability

<b>5.1</b>	<p><b>The roles of</b></p> <ul style="list-style-type: none"> <li>• Council</li> <li>• Councillor</li> <li>• Mayor</li> <li>• Deputy Mayor</li> <li>• Chief Executive Officer (CEO)</li> <li>• Executive</li> <li>• General Manager (GM)</li> </ul> <p>are as set out within the body of this Charter</p>
<b>5.2</b>	<p><b>The role of</b></p> <ul style="list-style-type: none"> <li>• All other staff and including the above roles.</li> </ul> <p>Is to give full effect to this Charter including its spirit and intention. Good Governance is everyone's responsibility.</p>

## 6. References and links to legislation and other documents

Name	Location
All state Acts and Regulations including the <i>Local Government Act 1989</i>	<a href="http://www.legislation.vic.gov.au">www.legislation.vic.gov.au</a>
Council Documents, Reports and Strategies including on Council's website:	<a href="http://www.melton.vic.gov.au/Council/Publications/Documents-Reports-Strategies">http://www.melton.vic.gov.au/Council/Publications/Documents-Reports-Strategies</a>
Advocacy Framework	
Advocacy Policy	
Annual Report	
Community Engagement Guides	
Community Engagement Policy	
Customer Service Charter	
Melton City Council budget 2017/2018	
Melton City Council Strategic Resource Plan 2017/2018 to 2020/2021	
Council and Wellbeing Plan 2017/2021	
Councillor Code of Conduct on Council's website:	<a href="http://www.melton.vic.gov.au/Council/About-Council/Councillors">http://www.melton.vic.gov.au/Council/About-Council/Councillors</a>
Employee Code of Conduct on Council's website:	<a href="http://www.melton.vic.gov.au/Council/Publications/Documents-Reports-Strategies">http://www.melton.vic.gov.au/Council/Publications/Documents-Reports-Strategies</a>