
Short Course

Governance Essentials for Local Government

Overview

This program consists of four half-day courses

- *The Role of the Council and Councillor.*
- *Leadership: The Councillor's Role.*
- *Risk: Issues for Councillors.*
- *Introduction to Financial Statements for Councillors.*

The Role of the Council and Councillor provides an overview of how the Council uses systems and processes to control and monitor — or govern — Council activities. These are distinct from management's role, which is to ensure that the day-to-day operations of the Council are carried out within the framework of policies and strategic guidelines the Councillors have established. Participants also explore the duties and responsibilities of a Councillor; and the Council's key governance relationships, including those with Local, State and Federal levels of Government, Local Government staff, the local community and special interest groups.

Leadership: The Councillor's Role assists Councillors to increase their understanding of their own leadership style, others' styles and how leadership is used to build an effective, high-performing Council. It examines the leadership roles of primary Council representatives and illustrates how good leadership contributes to the solving and preventing of problems, the building of trust, and the enrichment of the local community.

Risk: Issues for Councillors focuses primarily on the Council and Councillor risk, rather than activity or operational risk. It covers how to develop risk profiles and likelihood and consequence matrices; and application of qualitative and quantitative tools to manage risk. Participants emerge with well-formed views on risk management, their risk appetite, and how risk management principles can be applied to their role as Councillors.

Introduction to Financial Statements for Councillors introduces Councillors to financial concepts, the key financial statements, the duties imposed on them, and how to establish a basic understanding of assessing financial performance. Participants learn common ratios used by boards to monitor performance; and consider issues to be mindful of when questioning management on the preparation of financial statements and when reviewing financial reports.

Each course may be undertaken in conjunction with the other courses in the *Governance Essentials for Local Government* program or as a stand-alone education offering.



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Suitable for

- Councillors, Mayors and executives who hold positions within Local Government organisations, and seek to learn more about:
 - The duties and responsibilities of Councils and Councillors.
 - Their governance responsibilities.

Learning objectives

Upon completion of ***The Role of the Council and the Councillor***, participants should be able to:

- Identify the role and key functions of the Council.
- Explain the purpose and essential features of good governance within Local Government organisations.
- Outline the key duties and responsibilities of Councillors and explain the associated liabilities and their related protection.
- Know the rights of Councillors.
- Recognise the consequences of breaching Councillors' duties.
- Identify the regulatory frameworks and the roles of various regulators.
- Know the role of the State Government and State Minister responsible for the Local Government portfolio.

Upon completion of ***Leadership: The Councillor's Role***, participants should be able to:

- Examine strategic leadership within a Council context.
- Identify the differences in leadership for Councillors and management.
- Recognise leadership competencies and behaviours in oneself and others.
- Know how to use leadership competencies to build the right teams.
- Evaluate oneself as leader.
- Identify the differences in leadership for elected Councillors and for executive managers.
- Create an individual leadership development plan.

Upon completion of ***Risk: Issues for Councillors***, participants should be able to:

- Identify risk and recognise Councillor's personal risk.
- Determine risk appetite.
- Identify the Councillor's role in risk assessment and monitoring.
- Recognise the links between risk management, risk culture and effective leadership.

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- Know the influence of risk on Councils and how this can be used in managing personal and Council risk.
- Develop skills to manage risk avoidance, reduction and transfer.
- Appreciate your own personal risk appetite and how this relates to different organisations.

Upon completion of ***Introduction to Financial Information for Councillors***, participants should be able to:

- Examine the major elements of financial statements.
- Appreciate the relationship between financial statements.
- Explore the areas where councillors need to question financial statements.
- Identify Councillors' roles with regard to financial statements and financial reports.
- Review performance over time through using each of the three main financial statements.
- Identify ratios used by boards to monitor performance, adapt them to Councils and consider the financial ratios required to assess the Council's annual financial statements.
- Consider the questions you need to ask of management when reviewing the monthly and long-term financial reporting.

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How is this course delivered?

In-House: If required, *Governance Essentials for Local Government* can be broken into the half-day courses, however a minimum of two half-day courses are to be scheduled.

Our facilitators are experienced company directors. They are selected based on their knowledge of the board environment and their experience in the local government sector as well as their ability to engage and connect with participants.

Content outline

The Role of the Council and Councillor

The Role of the Council and the Councillor course has been developed for Local Government Council members and senior Council executives who want to learn more about how to be effective in their governance role.

The aim of this course is to examine the governance role of the Council, Councillors, Mayor, CEO and executive management in local government organisations.

The Role of the Council and Councillor covers:

- The role of Council and Councillors.
- How Councils do their job — ‘corporate governance’.
- Council governance relationships.
- Council governance roles.
- Councillors’ duties and responsibilities.
- Rights of Councillors.
- Case studies.

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Leadership: The Councillor's Role

Leadership: The Councillor's Role provides an understanding of a Councillor's own leadership style and that of others, leading to a more effective, high performing Council.

Councillors are the elected leaders of their communities and, through good governance and sound decision making, they have a powerful role to play in the development of a successful civic society. Some Councillors are highly effective. They are referred to by their colleagues and communities as people who solve (or prevent) problems, people who can be trusted and people who enrich the local community. Others, whilst recognised as diligent and ethical contributors to Council, struggle to make an impact. The difference is in the quality of their leadership. This course is concerned with what powerful leaders **do**. It is a skill like any other and can be learnt.

Leadership: The Councillor's Role covers:

- Councils and leadership.
- The role of leadership in the Council Chamber.
- The leadership role of the Mayor.
- The leadership role of the Councillor.
- The leadership role of the CEO.
- The difference between executive and elected representatives.
- Leadership inside the Council Chamber.
- Leadership outside the Council Chamber.
- The leadership work of Councillors — process.
- Using evaluation to build leadership skills.
- Five leadership myths.
- Aspects of leadership.
- Development options.

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Risk: Issues for Councillors

Risk: Issues for Councillors introduces the Councillor's role in risk oversight and monitoring including the impact on Councillors at a personal and organisational level.

This course seeks to provide the basic tools to enable Councillors to take a more active role in risk management, for the benefit of both the organisation and themselves. The course focuses primarily on the Council and Councillor risk, rather than activity or operational risk.

Given the challenges of legislation, regulation and the role of Councillors, it is important that Councillors have well-formed views on risk management, their risk appetite, and how risk management can be applied to their role as Councillors. This course provides information on how to develop risk profiles, likelihood and consequence matrices, and application of qualitative and quantitative tools to risk management.

Risk: Issues for Councillors covers:

- *Risk definitions and examples.*
- *Some approaches to risk management.*
- *Roles and functions of Councillors.*
- *Organisation risk cycles.*
- *A risk culture.*
- *Assessing and treating risks.*
- *Traditional risks from a Council perspective.*
- *Personal risks for Councillors.*
- *Identifying and addressing dysfunctionality.*
- *Data collection, metrics, reports and key response triggers.*
- *Case studies.*

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Introduction to Financial Information for Councillors

Introduction to Financial Information for Councillors provides an introduction to understanding financial reports within the regulatory requirements of local government.

The purpose of this course is to introduce Councillors to financial concepts, the key financial statements and the duties imposed on them and to establish a basic understanding of how Councillors can assess financial performance. The role of a Council includes overseeing the allocation of the Local Government's finances and resources. Councils must prepare and adopt annual budgets and prepare annual financial reports that comply with the Australian Accounting Standards (AAS).

To assist Councillors in their role, it is imperative that the budgets and financial statements present the financial affairs of the Council clearly and fairly. It is also essential that Councillors understand the content and effect of budgets and financial statements. Financial statements are only as accurate as the integrity of the accounting system. Councillors must be satisfied that the appropriate controls are in place for recording transactions.

This course covers the preparation of budgets and financial statements, and the audit process.

Introduction to Financial Statements for Councillors covers:

- Introduction to financial statements.
- The structure of financial statements.
- Annual Budget and Rate Setting Statement.
- Statement of comprehensive income.
- Statement of financial position (balance sheet).
- Cash flow statement.
- Statement of changes in equity.
- Comparative financial information.
- Some issues in financial statements.
- Statutory duties: financial statements and reports.
- Why should you analyse Council performance?
- Ratios and analysis.
- Case studies.

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Assessment process

Not applicable.

Features and benefits

Feature	Benefit
Provides a Council-oriented view of governance	Participants develop the ability to consider issues from a Councillor's perspective, as they apply to Councils and Local Government organisations
Clarifies the links between Councillors, Council managers, various levels of Government, and other stakeholders	Participants can improve how they identify and manage internal and external stakeholder interests
Discusses the mechanics and processes to facilitate effective leadership and functioning of the Council	Participants gain insight into how effective Councils function and how they can best contribute
Outlines a comprehensive process on how to formulate a strategic plan	Participants can examine the effectiveness of adopting a structured approach to formulating strategies
Discusses strategic measures and clarifies the Council's, Councillors' and managers' roles	Participants develop a clearer perspective on their role in monitoring the implementation of strategic plans, and can identify the influence of risk on Council activities
Considers how to determine the acceptability of risk avoidance, reduction and transfer	Participants gain practical tips to improve their understanding of a Councillor's role in risk management

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Feature	Benefit
Discusses Councillors' responsibilities (financial)	Participants develop an understanding of legal and other obligations in relation to overseeing the preparation of financial statements and reporting
Shows Councillors how to calculate key ratios	Participants learn what financial aspects they should be reviewing to evaluate Council performance and develop understanding of how to measure the productivity and efficiency of Council operations
Applies key concepts to case studies	Participants can immediately apply their learning to real-world situations

What do participants achieve upon completion?

Participants gain 4 DPD units for confirmed attendance of each session or 16 DPD units for the full two days. Statements of Attendance are available upon request from the managing AICD state office.

Recommended preparation

Participants should examine the case studies prior to attending facilitated sessions. *The Role of the Council and Councillor* and *Risk: Issues for Councillors* include case studies that are designated pre-reading.