

Kojonup



SHIRE OF KOJONUP

AGENDA

Ordinary Council Meeting

20 February 2018

TO: THE SHIRE PRESIDENT AND COUNCILLORS

NOTICE is hereby given that a meeting of the Council will be held in the Council Chambers, Administration Building, 93 Albany Highway, Kojonup on Tuesday, 20 February 2018 commencing at 3:00pm.

Qualified Persons Advice, etc.

I certify that with respect to all advice, information or recommendation provided to the Council in or with this Agenda:

- i. The advice, information or recommendation is given by a person who has the qualifications or experience necessary to give such advice, information or recommendation; and
- ii. Where any advice is directly given by a person who does not have the required qualifications or experience, that person has obtained and taken into account in that person's general advice the advice from an appropriately qualified or experienced person.

Your attendance is respectfully requested.

RICK MITCHELL-COLLINS
CHIEF EXECUTIVE OFFICER

16 February 2018

AGENDA FOR THE COUNCIL MEETING TO BE HELD ON 20 FEBRUARY 2018

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A G E N D A

1 DECLARATION OF OPENING AND ANNOUNCEMENT OF GUESTS

The Shire President shall declare the meeting open at pm and alert the meeting of the procedures for emergencies including evacuation, designated exits and muster points and draw the meeting's attention to the disclaimer below:

Disclaimer

No person should rely on or act on the basis of any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.

The Shire of Kojonup expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any advice or information provided by a member or officer, or the content of any discussion occurring, during the course of the meeting.

Where an application for an approval, a license or the like is discussed or determined during the meeting, the Shire warns that neither the applicant, nor any other person or body, should rely upon that discussion or determination until written notice of either an approval and the conditions which relate to it, or the refusal of the application has been issued by the Shire.

2 ATTENDANCE & APOLOGIES

Cr Ronnie Fleay
Cr Ned Radford
Cr Sandra Pedler
Cr Ian Pedler
Cr Graeme Hobbs
Cr John Benn

Mr Rick Mitchell-Collins	Chief Executive Officer
Mrs Pam Chambers	Senior Administration Officer
Mr Robert Cowie	Administration/Regulatory Officer
Mr Anthony Middleton	Manager Corporate Services
Mr Paul Retallack	Senior Ranger / Building Maintenance Coordinator
Mr Phil Shephard	Town Planner
Ms Lorraine Wyatt	Executive Assistant

LEAVE OF ABSENCE

Cr Jill Mathwin

APOLOGIES

Cr Judith Warland

3 SUMMARY OF RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE

3.1 MRS JENNY MATTHEWS – LETTER FROM ROTARY CLUB REGARDING MR GEORGE CHURCH’S DONATION OF \$500,000 FOR A MEDICAL CENTRE

Mrs Matthews thanked Council for the opportunity to address them. Rotary Club President, Lyn Boddington, wrote to Council on behalf of the Rotary Club regarding the \$500,000 donation from Mr George Church towards building a Medical Centre. With Mrs Boddington’s permission Mrs Matthews read the letter aloud to the meeting.

The response from Council is repeated below.

Our Ref: OCR9786 – FM.SPN.2

*Mrs Lyn Boddington – President
Rotary Club of Kojonup Inc.
PO Box 122
KOJONUP WA 6395*

Dear President Lyn & Members,

RESPONSE REGARDING QUERY FOR MR GEORGE CHURCH'S BEQUEST

Thank you for your correspondence dated 14 December 2017 received at Council on 7 December 2017 requesting Council to progress the building of a Medical Centre given Mr Church’s bequest has been in a reserve account for 2 years and is projected to have a balance (with interest) of \$549,002 at 30 June 2018.

As you are aware Council in consultation with the community undertook a comprehensive review of the 2013 – 2023 Community Strategic Plan and adopted the Kojonup 2027+ SMART Possibilities Community Strategic Plan at its meeting held 25 July 2017.

The ten-year Strategic Community Plan is a long-term view summarising the community’s aspirations. It is updated every second year, with a thorough review taking place every four years. This document is reflective of community views, collected from targeted and comprehensive community consultation.

The Community Strategic Plan guides the four-year Corporate Plan (SMART Implementation) and subsequently the annual budget and resource provisions which feeds back through to the ten year Community Strategic Plan. The Community Strategic Plan, although a long term, is not fixed. It’s a rolling plan ensuring all decisions on a short-term basis are working towards a ten year horizon.

The process and planning undertaken was not only a requirement of Council’s Integrated Planning and Reporting Framework as stipulated by government but allowed the Kojonup community to express their views on where the Shire should be in ten years’ time, hence the title Community Strategic Plan (CSP).

Key Pillar 2 – “Connected” explicitly states that the Community Outcome by 2027 will:

“Have enhanced our aged-care and health provisions by progressing our connections with regional and state-wide groups.

The Strategic Deliverables underpinning this outcome are:

- 1. Work with regional, state and national health providers to develop innovative health services*
- 1. Enhance alliances with state and local health providers to grow a sustainable and modern health system*
- 2. Establish formal networks between all health services providers within Kojonup*
- 3. Enable sustainable aged-care service through public-private partnerships”*

Running concurrently with the CSP, Council implemented a Building Assessment Framework which was adopted at the 25 July 2017 Council Meeting. This framework defines the methodology the Shire implements for undertaking a qualitative assessment of all Shire building assets against an agreed set of criteria to identify which assets should remain on the Shire’s inventory and which assets should be considered for replacement, rationalisation/disposal or re-purposing.

Council at the same meeting also adopted the Asset Management Plan 2017 including 12 recommendations contained within the plan. This process also aligned with recommendations contained in the NAJA Health Precinct Report from 2016.

A copy of each report is separately attached and Council would be pleased to conduct a workshop with the Kojonup Rotary Club and wider community members in 2018 to understand the implications and responsibility the Council has to manage and maintain existing assets and the uniform process to be adopted in evaluating new capital projects as required by legislation.

It is the responsibility of Local Government to show due diligence and good governance through the provision of a proper business case that has been duly quantified or qualified via a robust and transparent process including consideration of the long-term financial implications and risks.

The community does indeed have the right to ensure Council takes a holistic view to protect and enhance the future viability and well-being of Kojonup which is why Council is studiously addressing issues such as:

- No all-weather undercover facility, meeting building compliance standards, improving car parking, playgrounds, drainage and pedestrian access/egress, storage and multi-use requirements at the Sports Precinct.*
- Memorial Hall/Harrison Place redevelopment to meet Australian Standards as a place of public use.*
- Structural deterioration of the rammed earth wall at the Kodja Place and Occupational Health and Safety compliance.*
- Formally transferring ownership of the RSL Hall to Council and assessing future use and development of the Precinct including Potts statue/memorial.*
- Determining the future of the CWA, Curly Wig building, Men’s Shed, CRC building, old Kindergarten, Scout Hall and Showground buildings.*
- Undertaking significant improvements at Springhaven to meet national accreditation standards.*
- Building additional Independent Living Units for seniors to meet high demand.*

- *Residential and industrial land release including extension of vital service infrastructure to stimulate economic growth and sustain school levels and business confidence.*
- *Main Street redevelopment to improve amenities for the community and encourage visitors to stop and experience Kojonup as a destination rather than a comfort stop.*

The above list represents only a portion of issues being considered by Council with all competing for finite resources.

In relation to Health Services, feedback received from the community during significant and comprehensive community consultation identified that the community wishes to ensure that we have and retain access to medical General Practitioners and allied health services rather than focussing on bricks and mortar.

Kojonup community members whether 20, 50 or 80+ years of age generally recognised that Health Services is a core state government responsibility which is supplemented by Commonwealth Initiatives such as funding GP's to rural areas. As such the Shire of Kojonup via the adopted Community Strategic Plan will continue to advocate on behalf of our community to the Minister for Health, Local MPs, the Western Australian Community Health Service, the District Health Advisory Council, the Southern Inland Health Initiative, private sector GP's, specialists, etc. of the need to provide access and parity to rural areas in relation to health and allied services including Telehealth connectivity.

We also have in the CSP 'Smart Possibilities' as follows two deliverables which are relevant (P23):

- *Use continually collected data and analysis to better plan for population, accommodation, education, health and aged care services.*
- *Technology provisions to ensure all residents have instant access to innovative health provisions.*

Council has a mandate which must be led by this recently adopted Kojonup Strategic Plan - 'Smart Possibilities', guided by our Asset Management Plan, Building Assessment Framework and Capital Evaluation Framework.

It has been reiterated in the adopted Health Precinct report by NAJA consulting and again by St Luke's Family Practice that the delivery of Medical services is changing so rapidly that a facility built even five years ago would be different to the requirements of today.

Virtual consultations are already a reality and patient records can be made available to Specialists without the need for a physical visit. Follow up appointments with Specialist services will in many instances be able to occur this way negating the need for patients to travel long distances by simply attending the local medical centre for a long distance appointment.

Primary health care is also being provided on a growing scale in our own homes and the likelihood of a dedicated online Doctor on call 24/7 is very real for country areas. Such changes may be very different to what we are accustomed to but will result in better access and health outcomes for regional communities.

There will be the ongoing need for a physical building and Council has to consider whether funding can be found and what the ongoing cost implications to rate payers would be of

building a new facility as opposed to significantly improving the existing site at a much reduced cost.

Based on previous quantity survey costings, Council will need to secure \$1.4 million in addition to Mr Church's bequest to build a new Medical Centre on a Greenfield site that complies with Australian Standards.

The Asset Management Plan (AMP) specifically states:

"The most significant recurring issue for all local government organisations is the sustainability concerns related to financing the renewal gap. Ageing community infrastructure, cumulative infrastructure renewal backlog and changing community expectations for the assets being replaced contribute to an industry wide challenge."

The Shire of Kojonup has limited resources and is the custodian of a large number of assets. Therefore, when making decisions in relation to infrastructure assets, the Shire is committed to the philosophy of renewing assets before acquiring new assets. In addition, where possible, rationalising and consolidating assets that are no longer used or do not provide the agreed level of service.

In relation to the building of a new medical centre, Council has to ensure that sufficient funds are set aside for whole of life costs including building renewal and operational over the effective life of the new asset which could be upwards of 50 years. In this case Council will be reliant on an annual rental and ratepayer funds to meet these requirements. Such considerations may be balanced by demonstrated community need however if St Luke's Family Practice is able to expand its existing premises the necessity to seek additional funds is not required.

If Council requires a minimum of \$40,000 per annum to be set aside for Asset Management to cover building maintenance/renewal for a new \$2 million building, is it an unrealistic expectation to require \$600 - \$800 per week in rental payments from the occupier?

If Council does not borrow \$1.4 million specifically for a new Medical Centre the net effect to the LTFP is annual savings of \$140,000 for years 1 - 10 (the equivalent of an annual rate rise of 3.78%) before any other budget items aligned to the Community Strategic Plan are considered. A unanimous Council decision in April 2015 included a commitment to review Aged Care, Medical and Health Services and Infrastructure in the 2018/19 financial year.

Alternatively, if there remains a strong desire from various community members to build a Medical Centre regardless of expert independent advice and the legal requirements imposed on the Shire, Council would be open to discuss the proposition of community members establishing a "Kojonup Medical Centre Fund Inc." which has the specific aim of building, owning, operating, maintaining or leasing a medical centre with Council providing a site to be determined for a nominal sum.

The Fund would operate separately and autonomously from Council. It would be required to seek from the Australian Taxation Office – Tax Deductible Gift Recipient Status and establish a skill-based board, undertake fund raising and seek external grants, advertise and negotiate with potential tenants, etc. Not dissimilar to a Co-Op model but of course all subject to legal vetting and compliance. Council would seek approval from Mr Church's executor to transfer the Reserve account funds to the community organisation subject to the organisation meeting any conditions required by Mr Church's executor.

Please do not hesitate to contact me should you wish to meet with Council or myself to discuss further.

*Yours Sincerely,
Ronnie Fleay
Shire President*

21 December 2017

*cc: Mrs Jenny Matthews
Mr William Harvey*

*enc: Community Strategic Plan
Building Assessment Framework
Asset Management Plan
NAJA Health Precinct Report Nil.*

4 PUBLIC QUESTION TIME

5 PETITIONS, DEPUTATIONS & PRESENTATIONS

Nil

6 APPLICATIONS FOR LEAVE OF ABSENCE

Cr J. Mathwin requested and was granted a 'Leave of Absence' at the 12 December 2017 Ordinary Council Meeting for the 20 February 2018 Ordinary Council Meeting.

The Shire President received a message from Cr J Warland on 5 February 2018, requesting to extend her leave of absence until 12 March 2018.

OFFICER RECOMMENDATION

That Cr J Warland be granted an extension to her leave of absence to 12 March 2018.

COUNCIL DECISION

/18 Moved: Cr Seconded: Cr
That Cr J Warland be granted an extension to her leave of absence to 12 March 2018.

CARRIED/LOST /

7 CONFIRMATION OF MINUTES

ORDINARY MEETING 12 DECEMBER 2017

Minutes of the previous Ordinary Council Meeting which was held on 12 December 2017 were previously circulated under separate cover and are at **Attachment 7**.

OFFICER RECOMMENDATION

That the Minutes of the Ordinary Meeting of Council held on 12 December 2017 be confirmed as a true record.

COUNCIL DECISION

/18 Moved: Cr Seconded: Cr
That the Minutes of the Ordinary Meeting of Council held on 12 December 2017 be confirmed as a true record.

CARRIED/LOST /

8 ANNOUNCEMENTS by the Presiding Member without discussion

9 DECLARATIONS OF INTEREST

Item 10.2

- Cr G Hobbs has previously declared an ‘Impartiality’ interest in this item as his wife was a member of the Kodja Place Advisory Committee.

Item 10.3

- The Manager of Corporate Services declared a Financial – Direct’ interest as a possible tenant of future housing.

Item 12.7

- The Chief Executive Officer and the Manager of Corporate Services declared a ‘Financial – Direct’ interest as possible recipients of the proposed amendments to the policies.

10 KEY PILLAR 1 – ‘PLACE’ REPORTS

10.1 CHANGES TO THE NATURAL RESOURCE MANAGEMENT ADVISORY COMMITTEE TERMS OF REFERENCE

AUTHOR	Jane Kowald, NRM/Landcare Officer
DATE	Tuesday, 30 January 2018
FILE NO	GS.PRG.7
ATTACHMENT	10.1.1- Natural Resource Management Advisory Terms of Reference

STRATEGIC/CORPORATE IMPLICATIONS		
Community Strategic Plan 2017 – 2027 “Smart Possibilities – Kojonup 2027+”		Corporate Business Plan 2017 – 2021 “Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP 1 - Place	1.1 Have maximised our ‘One Community’ program through specific events, celebration of built form and enhancement of our environment.	1.2.6 - Develop environmental management plans for significant Shire reserves (N1.2.2)

DECLARATION OF INTEREST

Nil.

SUMMARY

Following community consultation stemming from a review of the Blackwood Basin Group’ Strategy Workshop, held in Kojonup, The Natural Resource Management Committee’ reached the decision below:

26/17 Moved Kath Mathwin, seconded Paul Retallack, that Jane Kowald liaise with Anthony Middleton, Manager Corporate Services, to include the Natural Resource Management Advisory Committee’s request for an additional Term of Reference ‘Improve biosecurity by managing flora and fauna pests’ in his ‘Review of Advisory Committees’ report to Council at its ordinary meeting to be held 26 October 2017.

CARRIED

This agenda item seeks Council approval to make the above change to the Natural Resource Management Committee Terms of Reference.

BACKGROUND

The Natural Resource Management Committee is an advisory committee to council and cannot make the changes without Council approval.

COMMENT (CEO)

Biodiversity was raised as an important factor by farmers during discussion on the future of the Kojonup Saleyards in 2016. There is an increasing trend throughout Australia for farmers to conduct on farm sales not only for improved biodiversity but to reduce stock handling, transportation and sale costs. Weeds on road reserves from uncovered loads or the introduction of calthrop on fairways at the Kojonup Golf Club from golf buggy wheels is occurring and if seasonal conditions are favourable at an exceedingly high rate.

This can be verified by the increased amount of weed spraying undertaken by Council over the past 5 years when rainfall has been on par or above yearly averages especially during spring and mid-December. The abundance of growth also encourages fauna pests. Tasmania for example has introduced a ban in the Spreyton/Mersey Valley area due to the discovery of Queensland Fruit Fly. If not contained there are devastating consequences to Tasmania's economy. Kojonup is also not immune against flora and fauna pests and therefore it is in everyone's interest to work collaboratively to manage such threats.

CONSULTATION

Members of the Natural Resource Management Committee

STATUTORY REQUIREMENTS

Nil

POLICY IMPLICATIONS

The State Government has substantially reduced the number of personnel in agriculture with people like Graham Blacklock who possess a massive amount of local intellectual knowledge not being replaced and programs such as Landcare only being as effective as funding allows. Agriculture is the major economic driver for our area and landowners need to work together with all levels of government to ensure a balance in environmental, social and economic controls and outcomes.

FINANCIAL IMPLICATIONS

Inland NSW is experiencing a prolonged drought however the state government no longer issues a state of emergency or offers financial assistance by way of no or very low interest loans. Yet, governments have allocated millions of dollars into car manufacturing over the years?

Council like many of its neighbouring shires has a small rate base but a road network that is extensive. Plotting weed infested areas allows a targeted application given our finite resources rather than an expensive broad acre approach allowing a larger area to be covered. The challenge is to allocate sufficient resources to targeted areas whilst monitoring other areas for potential outbreak.

RISK MANAGEMENT IMPLICATIONS

The Natural Resource Management Committee will manage floral and faunal pests by supporting the NRM/Landcare Officer in seeking funds or using existing Natural Resource Management funds for all of the following (but not limited to) activities:

- Spraying
- Trapping
- Working bees
- Education programs
- Awareness programs

ASSET MANAGEMENT IMPLICATIONS

Nil

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Neighbouring Shires face a similar issue of addressing flora and fauna pests with finite resources and try to work collaboratively with land owners, Landcare, State Government agencies and volunteers. Ultimately some shires risk matrix may necessitate higher priorities in other core areas such as road maintenance and resheeting at the expense of improved biosecurity leaving land owners to manage their own properties and boundaries.

The challenge is striking a balance!

VOTING REQUIREMENTS

Absolute Majority.

OFFICER RECOMMENDATION

That Council add an additional goal: ‘To improve biosecurity by managing floral and faunal pests’ to the Natural Resource Management Committee’s Terms of Reference.

COUNCIL DECISION

/18 Moved: Cr Seconded: Cr

That Council add an additional goal: ‘To improve biosecurity by managing floral and faunal pests’ to the Natural Resource Management Committee’s Terms of Reference.

CARRIED/LOST /

10.2 KODJA PLACE – BUDGET REVIEW 2017/18

AUTHOR	Rick Mitchell-Collins, Chief Executive Officer
DATE	Thursday, 8 February 2018
FILE NO	ED.IND.1
ATTACHMENT	Nil

STRATEGIC/CORPORATE IMPLICATIONS		
Community Strategic Plan 2017 – 2027 “Smart Possibilities – Kojonup 2027+”		Corporate Business Plan 2017 – 2021 “Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP 1- Place	1.1 – Have maximised our ‘One Community’ program through specific events, celebration of built form and enhancement of our environment.	1.1.3 – Grow the Kodja Place to become an iconic WA attraction
KP 2 - Connected	2.1 – Be growing our state-wide and local tourism and shopping capabilities through regional alliances.	2.1.10 – Kodja Place Building Improvements
KP 3 - Performance	3.3 – Use a Building Assessment Framework and control our investment in building maintenance.	3.3.2 – Maximise usage of community facilities whilst reducing the financial obligation on the Shire and its people

DECLARATION OF INTEREST

Nil

SUMMARY

To draw to Councils attention as part of its half yearly review of the 2017/18 Budget and planning considerations for the 2018/19 Budget of Capital/Asset Management works required within the Kodja Place Precinct to meet legal obligations regarding Occupational, Health and Safety, Workplace and Public Safety, Carparking, Pedestrian and Disability access and compliance with the Building Code 2016.

BACKGROUND

The intention of the Kodja Place Master Plan (KPMP) is to recommend architectural, landscaping, digital and multimedia opportunities to revitalise and enrich the visitor experience, enhance the functionality as a cross-cultural community hub and expand its business revenue potential. The KPMP will become a key part of a business case for attracting funds to develop and implement detailed design plans for The Kodja Place Precinct, so that it once again becomes a vital and valued asset to the Kojonup community.

THE MISSION OF ‘The Kodja Place’:

Is to tell the stories of Kojonup Shire, and to cultivate the continuing development of its culture and community wellbeing.

OUR MANDATE IS:

To collect, preserve and display the oral and visual stories of Kojonup Shire, and provide facilities and services that engage community members and visitors with the historical and contemporary culture of Kojonup.

OUR OBJECTIVES ARE:

1. To be sustainable – financially, socially and culturally
2. To be a place of community pride and engagement
3. To nurture our future storytellers and makers

THE OUTCOME WILL BE

A vibrant and thriving community hub that connects people and ideas, encourages participation and allows Kojonup’s cultures to be experienced by a global audience.

For The Kodja Place to achieve the proposed mission and objectives the following three design aims need to be achieved:

1. Increase Revenue Opportunities
2. Develop a Coherent, Consistent Experience
3. Provide Functional, Flexible Spaces and Supporting Infrastructure

The opportunity exists for Council, Stakeholders and the Community to collaboratively work towards achieving the above three design aims and strategic objectives of:

1. Being sustainable – financially, socially and culturally,
2. Be a place of community pride and engagement, and
3. To nurture our future storytellers and makers

Council at its meeting held 21 March 2017 adopted the following Decision 26/17:

“That Council endorse in principle ‘The Kodja Place Master Plan’ and develop a Community Consultation Plan and process which could include the following:

1. Seek feedback from Stakeholders and Community as part of the Community Strategic Planning Review regarding;

(a) The recommendations contained within the Master Plan and support for same.

(b) Long Term Financial, Risk and Asset Management, Human Resource implications on Council and ratepayers and consequences of a ‘more of the same’ approach if the status quo is retained at the Kodja Place.

(c) External funding streams available to realise the design aims.

(d) Community benefits derived from a ‘Community Hub’ engaging schools, education providers, WA Tourism, WA Museum, Arts & Culture, Youth and Heritage, etc., users

(e) Links with Main Street Development, Sports, Business, Health and Tourism Precincts

2. Align ‘The Kodja Place Precinct’ with the Great Southern Development Economic Blueprint recognising Kojonup as the “Gateway” to the Great Southern;

3. Branding and marketing Kojonup as a worthwhile destination in its own right;

4. *Providing training and career opportunities for our residents, in particular our youth; and*

5. *Utilising multimedia as an important tool in presenting ‘One story, Many voices’.* “

The above Council decision reflects community feedback whereby 11% of respondents indicated tourism opportunities will make Kojonup more attractive in the future and the need to ‘value add’ to existing industries. “SMART Possibilities – Community Strategic Plan 2017-2027 Corporate Actions listed in the table above reflect Councils desire to achieve community outcomes via a programmed, informed and practical approach that is within the financial capacity and capability of existing and future ratepayers.

COMMENT

As a community we should be able to legitimately ask, “What is the level of ratepayer funds needed to effectively operate the Kodja Place Precinct and achieve the key objectives 1-3 listed above?”

Unfortunately, the answer is not as clear cut as it should be given the issues Council has and is presently addressing, namely:

- undertaking building and other structural audits to ascertain building integrity and ‘fit for purpose’ functions,
- identifying OSH/Workplace non-compliance issues for staff and volunteers,
- assessing energy efficiency opportunities such as solar panels to further reduce utilities costs,
- installing the water pipeline from the South Dam to reduce reticulated supply used over summer,
- installed a cool room for the café,
- operating the café until a new lessee engaged,
- assessing and progressively upgrading security systems,
- undertaking the Curatorial Audit and Master Planning,
- Developing and reviewing Risk Matrix specific to the Kodja Place to address the excessive number of Extreme and High Risks recognised.
- Assessing types, composition and skill sets for any future work groups to provide advice and recommendations for Council’s consideration as part of the shires forward integrated planning and effective decision making.

Since the inception of the project, the community appears to have polarised views of Kodja Place and over the years ongoing speculation and discussion regarding the costs associated with operating and maintaining the Precinct. To ignore this has reputational risks for Kojonup as it does not convey the message to incoming residents or new employees that Kojonup is a desirable place to live or work. Council also has a legal responsibility to ensure buildings, offices, workplaces (internal/external), plant and equipment, etc. complies with a myriad of regulations, standards, codes and acts. Non-compliance can lead to closure of facilities, industrial/legal action, negative publicity, potential fines or worse case scenario injury or death to employees or the public.

Regardless of the immense value this facility provides to the Noongar community, Kojonup, Great Southern Region and Western Australia and despite the fact that The Kodja Place has been an Australian Tourism Export ready product for over 10 years with Kojonup being promoted in key international markets such as; Germany, UK, New Zealand, Singapore, Malaysia and USA; achieved numerous Awards; media coverage both print and television

and recognised as a key attraction by Tourism WA, Tourism Australia and Australia’s South West – legal compliance is essential and will not be compromised!

If future funding for the vision for The Kodja Place Precinct as identified in the Gibson Master Plan is to achieve any traction the community needs to give Council a **clear mandate** on whether they value the precinct to keep the attraction open and to allow Council to progress Decision 26/17, address the Kodja Place Precinct sustainability requirements and recommendations contained within the Master Plan.

Before making such a decision, careful consideration should be given to potential options on repurposing the Kodja Place if the community as a whole is not prepared to support Council in funding and resourcing the Centre as it should have been when first envisaged.

If Council wishes to further pursue, a report investigating the impact of such a decision could be presented for discussion with options on repurposing.

This said, the Capital Work priorities for the next 2 financial years necessitate a focus on preventing further degeneration of the building structure, addressing identified extreme and high risks, Occupational Health and Safety/Workplace standards which the Shire is legally bound to address for example:

1. Immediately address defective rammed earth walls to protect asset from further deterioration.
2. Ensure carparking, pedestrian and entry points are compliant with Disability and Inclusive Standards especially gravel areas and uneven surfaces.
3. Ensure staff working conditions, amenities and equipment meet minimum requirements of industrial law, Safe Work Australia Standards and the Shire of Kojonup’s “Duty of Care” legal obligations.
4. Identify, list and prioritise any public liability issues (including costs)

CONSULTATION

Council Briefing Session 6 February 2018

STATUTORY REQUIREMENTS

Occupational Safety & Health Act 1984

Workers’ Compensation and Injury Management Act 1981

Employers Indemnity Policies (Premium Rates) Act 1990

Employers’ Indemnity Supplementation Fund Act 1980

Workers’ Compensation (Common Law Proceedings) Act 2004

Workers’ Compensation and Injury Management (Acts of Terrorism) Act 2001

The Building Code 2016

Australian Standard for Risk Management (AS/NZS ISO31000:2009)

Local Government Act 1995

POLICY IMPLICATIONS

Council and Management will ensure objectives of following policies are observed:

2.1.8 Financial Governance

2.3.4 Asset Management

2.3.5 Risk Management

2.3.6 Business Continuity

3.16 Community Consultation Charter

FINANCIAL IMPLICATIONS

Preliminary assessment necessitates a budget deficit of approximately \$750,000 per annum for the next 2 financial years to address the mandatory works required but Council and the community will be continually updated as firm quotes/tenders are received.

RISK MANAGEMENT IMPLICATIONS

OBJECTIVE: To provide a systematic approach to the early identification and management of risks; provide consistent risk assessment criteria, make available accurate and concise risk information that informs decision making including business direction; adopt risk treatment strategies that are cost effective and efficient in reducing risk to an acceptable level; and monitor and review risk levels to ensure that risk exposure remains within an acceptable level.

Strategic Risk Management Checklist

Areas that have not been addressed can result in the Organisation having exposure to risks.

Kodja Place Precinct	N/A	Yes	No
1. Does the initiative / service / facility / strategy link to a key results area of the strategic plan?		Y	
2. Have you determined the goals and objectives?		Y	
3. Have key stakeholders been identified?		Y	
4. Do you have the appropriate resources available over the life of the initiative / service / facility / strategy?			
a. Financial			N
b. Physical assets			N
c. Human - skills / knowledge		Y	
d. Time			N
e. Maintenance		Y	
f. Replacement costs			N
5. Are there any political issues?		Y	
6. Are there any supply chain issues?		Y	
7. Do you have a management plan for the life of the initiative / service / facility / strategy?			N
8. Does the initiative / service / facility / strategy have an 'owner'?		Y	
9. Is there potential for changes that may impact on the initiative / service / facility / strategy?		Y	
10. Do you have an approval / development and / or implementation timeline?			N
11. Have you identified any operational risks that will require further assessment or treatments?		Y	
12. Have you planned for monitoring progress?		Y	
13. Have you determined review requirements once established?		Y	
14. Have you a contingency plan for cost / time over runs?			N
15. Are there other options you can consider?		Y	
16. Are there any other concerns		Y	

ASSET MANAGEMENT IMPLICATIONS

The Shire of Kojonup has care control and responsibility for over **\$215.8m** of assets, with **\$142.3m** of depreciable assets.

	All Buildings	Municipal Buildings
Strategic Level of Service	To provide a range of community buildings that are fit for purpose, appropriately designed, well maintained, safe and functional	To provide a range of municipal buildings that are fit for purpose, appropriately designed, well maintained, safe and functional.
Service Standards	Customer	Technical
Design		
Building Design	Buildings will be designed to: <ul style="list-style-type: none"> - Meet appropriate standards for safety and environmental efficiency - Be fit for purpose - Ensure the 'whole of life' cost is considered for all elements of the asset when determining design 	Buildings are designed and constructed in accordance with the Building Code of Australia, Building Act 2011 and associated Regulations.
Planned Maintenance	Shire will implement a scheduled maintenance program for all building assets	Maintenance programs will be implemented based upon condition assessment, annual budgets and long term financial plan.
Reactive Maintenance	Emergencies will be responded to immediately (this may include relocation of staff or services and the area made safe until repairs can be effected). <ul style="list-style-type: none"> - All non-emergency related requests for maintenance will be assessed based on the Shires risk assessment process within 4 hrs of receiving the request - repairs will be effected as soon as possible on a prioritised basis subject to availability of resources 	Maintenance (reactive) will be commissioned based upon customer requests and technical advice. Emergency maintenance will be addressed immediately, whilst non emergency maintenance will be addressed in accordance with scheduled maintenance, annual budgets and long term financial plans.

Suburb	Primary Description	Degree to which provision of the building meets SCP commitments				SUB TOTAL
		30	20	35	15	
Kojonup	Springhaven Frail Aged Lodge	5	4	5	3	90
Kojonup	Recreation Centre	5	3	4	3	79
Kojonup	Hall & Lesser Hall	5	2	4	4	78
Kojonup	Shire Office & Library	5	4	4	1	77
Kojonup	Kodja Cultural Centre	5	2	4	3	75
Kojonup	RSL Hall	4	3	3	4	69

The Kodja Place is rated as the Shires 5th most important building out of the 91 on our inventory and Council is committed to improving the level of efficiency of operational and maintenance costs but it will require an allocation of funds from both ratepayers and external sources.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

The Kodja Place is:

- The only Accredited Visitor Information Centre in the Upper Great Southern Region; and
- A place of sub regional and regional significance and forms integral component of Hidden Treasures (Bloom Festival)

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION 1

That Council's priorities for The Kodja Place Precinct for the balance of the 2017/2018 financial year and the 2018/19 financial year are:

- 1. Immediately address defective rammed earth walls to protect asset from further deterioration.**
- 2. Ensure carparking, pedestrian and entry points are compliant with Disability and Inclusive Standards especially gravel areas and uneven surfaces.**
- 3. Ensure staff working conditions, amenities and equipment meet minimum requirements of industrial law, Safe Work Australia Standards and the Shire of Kojonup's "Duty of Care" legal obligations.**
- 4. Identify, list and prioritise any public liability issues (including costs)**

OFFICER RECOMMENDATION 2

That Council:

- 1. Authorise the CEO to progress as a high priority Decision 26/17.**
- 2. Request the CEO to prepare a discussion paper which objectively assesses the original Business Plan/Marketing Strategies for the Kodja Place in comparison with the Kodja Place today (2018) for Councils consideration at the 15 May 2018 Council Meeting.**

COUNCIL DECISION

/18 Moved: Cr Seconded: Cr

That Council's priorities for The Kodja Place Precinct for the balance of the 2017/2018 financial year and the 2018/19 financial year are:

1. Immediately address defective rammed earth walls to protect asset from further deterioration.
2. Ensure carparking, pedestrian and entry points are compliant with Disability and Inclusive Standards especially gravel areas and uneven surfaces.
3. Ensure staff working conditions, amenities and equipment meet minimum requirements of industrial law, Safe Work Australia Standards and the Shire of Kojonup's "Duty of Care" legal obligations.
4. Identify, list and prioritise any public liability issues (including costs)

OFFICER RECOMMENDATION 2

That Council:

1. Authorise the CEO to progress as a high priority Decision 26/17.
2. Request the CEO to prepare a discussion paper which objectively assesses the original Business Plan/Marketing Strategies for the Kodja Place in comparison to the Kodja Place today (2018) for Councils consideration at the 15 May 2018 Council Meeting.

CARRIED/LOST /

10.3 GREAT SOUTHERN HOUSING INITIATIVE

AUTHOR	Anthony Middleton – Manager Corporate Services
DATE	Wednesday, 14 February 2018
FILE NO	CS.SVP.8
ATTACHMENT(S)	Nil

STRATEGIC/CORPORATE IMPLICATIONS		
Community Strategic Plan 2017 – 2027 “Smart Possibilities – Kojonup 2027+”		Corporate Business Plan 2017 – 2021 “Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP 1 - Place	1.3 – Have systems in place to attract youth to the region, even in a transient manner.	1.3.2 Account for long-term and forecasted social changes such as changing household types and density.
KP 2 – Connected	2.4 – Have enabled and facilitated improved housing options through public and private partnerships.	2.4.1 Adopt new Town Planning Scheme to support infill residential growth and private subdivisions and advocate for change in the cost of development headworks at a state level
		2.4.3 - Support the creation of additional residential lots (E2.1.5)

Page 6 of the Council’s Workforce Plan includes the following commentary on housing issues:

- Lack of Staff housing was identified as an impediment to attracting and retaining staff in 2013/14. Council has allocated funds for a new executive residence with construction envisaged to be completed in the first quarter of 2017.
- The lot west of the new executive residence has been specifically allocated as the location for a new house for the Aged Care Services Manager.
- \$500,000 allocated in 2016/17 budget to progress the building of a new executive residence however given the Great Southern Housing Initiative Project, it can be reallocated to realising the Soldier Road residential subdivision by Land Corp or alternatively extending the sewer from Murby Street to John Street/Katanning Road allowing residential subdivision to occur which includes existing CEO residence and St Luke’s Medical Practice.
- Council has signified its interest via the Great Southern Housing Initiative for 3 – 4 x 2 staff houses and 3 – 2 x 1 staff Units to be built on Council owned land. Minister Redman announced in December 2016 that State Funding of \$11.6 million has been secured allowing the project to proceed in 2017/18. Kojonup’s investment is \$2.4million with Council’s contribution being \$700,000 (includes land, cash and in-kind contributions).
- Council as part of the 2015/16 and 2016/17 Budget allocated funds to convert the Bagg Street Clinic into staff units with Stage 2 works to be completed by June 2017.

DECLARATION OF INTEREST

The Author declares a financial interest as a possible tenant of staff housing.

SUMMARY

The purpose of this report is to consider funding opportunities for the Great Southern Housing Initiative and refine specific details relating to the scope of the project.

BACKGROUND

- A group of Shires within the Great Southern Region (9 in total), in conjunction with the Great Southern Development Commission (GSDC), formulated a Royalty For Regions grant funding application for the development of key worker accommodation, titled the Great Southern Housing Initiative (GSHI).
- Minister Redman announced in December 2016 that State Funding of \$11.6 million had been secured allowing the GSHI project to proceed in 2017/18.
- To leverage the above funding, a similar group of Shires (10 in total) formulated a Federal Government Building Better Regions Funding (BBRF) application of \$10m, to fund predominately independent aged accommodation. This application was successful.
- Following the State Government Election in March 2017, the Royalty For Regions grant funding was withdrawn.
- Considering the withdrawal of the above funding, an application is currently being prepared through the Regional Aged Accommodation Program (RAAP).

COMMENT

As can be seen from the background section above, there has been significant changes in the development of this project and it is now appropriate for the Council to affirm its support for the grant funding programs and allocate specific housing options and locations to each funding program.

In summary, the following is being proposed for each funding stream:

- Building Better Regions Funding (BBRF)(Confirmed):
 - 4 x 2 Staff house
 - 4 x 2 Staff house
 - 2.5 x 1 Staff unit
 - 2.5 x 1 Staff unit
- Regional Aged Accommodation Program (RAAP)(application being prepared):
 - 2.5 x 1 independent living unit
 - 2.5 x 1 independent living unit
 - 2.5 x 1 independent living unit

Whilst this project is progressing, Shire Officers are in discussions with Government Regional Officer's Housing (GROH), the State Government Agency responsible for providing housing to government staff such as Police, nurses and teachers based in Kojonup, for the construction by the Shire of suitable housing to be leased back to GROH on a long term basis. Whilst this issue will be subject to a separate agenda item at the 20 March 2018 Council Meeting, it is important to consider the location of such housing to ensure that it integrates with the GSHI project.

In compiling the recommendation for the location of these dwellings, consideration has been given to separating housing to be used for a similar purpose. That is, it is not considered advantageous to have teachers living next door to teachers, police to police or Shire staff next to Shire staff. As such, it is recommended that the location of each component of both the GSHI and GROH housing project be as follows:

- Loton Close (West of CEO residence)– 4 x 2 GROH house
- 28 Katanning Road – 4 x 2 GROH house
- 26 Katanning Road – 4 x 2 Shire Staff house (BBRF)
- Newton Street (rear existing units) – 2.5 x 1 GROH unit
- Elverd Street (Old Day Care Site) - 2.5 x 1 Staff unit (BBRF)
- Elverd Street (Old Day Care Site) - 2.5 x 1 Staff unit (BBRF)
- Soldier Road (south of Marina) – 4 x 2 Staff house (BBRF)
- South-West Corner of Springhaven Lodge lot – Three (3) 2.5 x 1 Independent Living Units (RAAP)

CONSULTATION

Significant consultation has occurred since the inception of the Royalty For Regions funding application with all ten (10) Shires of the Great Southern region, the GSDC, Council at briefing sessions and through integrated planning reports such as Smart Implementation and the Workforce Plan.

STATUTORY REQUIREMENTS

Nil.

POLICY IMPLICATIONS

Council Policy 2.2.7 – Staff Housing defines that housing will be supplied to six (6) senior staff, however, presently only three (3) houses are owned by the Shire.

FINANCIAL IMPLICATIONS

This project has significant financial implications for the Shire of Kojonup. Specifically the full extent is not known at this stage as grant applications are still being prepared, however a summary is provided as follows:

Shire Contribution in-kind (land)	\$0.51m
BBRF Grant	\$1.938m
RAAP Grant	\$0.512m
<u>Shire Contribution (cash)</u>	<u>\$0.512m</u>
Total Project	\$3.472m

The above figures show a great opportunity to invest heavily in housing in Kojonup for minimal financial outlay by the Shire. The end result being the construction of three (3) Independent Living Unit's, two (2) Staff Houses and two (2) Staff Units all for \$512,000 plus land. This contribution could be funded easily through the 2017/2018 budget (account C310 – Subdivision) or preferably via a new loan.

RISK MANAGEMENT IMPLICATIONS

At this early stage of the project, grant funding is the major risk affecting success. This risk is minimized by being able to add or subtract individual components of the project (e.g. three (3) independent living units) based on the success of funding applications.

ASSET MANAGEMENT IMPLICATIONS

This project represents a significant opportunity to fund a rapid increase to the quality and condition of housing assets, possibly enabling disposal of older housing assets at a later date.

Extension of sewer, water, power and new subdivision opportunities encouraging development of land south of Loton Close off Soldier Road and the old 'Drive In' site off John Street are achievable as a result of the BBRF, RAAP and GROH projects.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

This project is being completed in partnership with ten (10) Shires of the Great Southern Region, including our VROC partners.

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION

That:

- 1. The Shire of Kojonup fully support the Regional Aged Accommodation Program grant funding application being submitted by the Shire of Broomehill-Tambellup on behalf of the Councils of the Great Southern Region and that the financial contributions contained within be confirmed; and**
- 2. The location for components of the Regional Aged Accommodation Program and Building Better Regions Funding be as follows:**
 - 26 Katanning Road – 4 x 2 Shire Staff house (BBRF)**
 - Elverd Street (Old Day Care Site) - 2.5 x 1 Staff unit (BBRF)**
 - Elverd Street (Old Day Care Site) - 2.5 x 1 Staff unit (BBRF)**
 - Soldier Road (south of existing Shire Residence) – 4 x 2 Staff house (BBRF)**
 - South-West Corner of Springhaven Lodge lot – Three (3) 2.5 x 1 Independent Living Units (RAAP)**

COUNCIL DECISION

/18 Moved: Cr Seconded: Cr

That:

1. The Shire of Kojonup fully support the Regional Aged Accommodation Program grant funding application being submitted by the Shire of Broomehill-Tambellup on behalf of the Councils of the Great Southern Region and that the financial contributions contained within be confirmed; and
2. The location for components of the Regional Aged Accommodation Program and Building Better Regions Funding be as follows:
 - 26 Katanning Road – 4 x 2 Shire Staff house (BBRF)
 - Elverd Street (Old Day Care Site) - 2.5 x 1 Staff unit (BBRF)
 - Elverd Street (Old Day Care Site) - 2.5 x 1 Staff unit (BBRF)
 - Soldier Road (south of existing Shire Residence) – 4 x 2 Staff house (BBRF)
 - South-West Corner of Springhaven Lodge lot – Three (3) 2.5 x 1 Independent Living Units (RAAP)

CARRIED/LOST /

11 KEY PILLAR 2 – ‘CONNECTED’ REPORTS

11.1 BUSHFIRE ADVISORY COMMITTEE RECOMMENDATIONS AND MINUTES

AUTHOR	Robert Cowie, Administration/Regulatory Officer
DATE	Tuesday, 13 February 2018
FILE NO	ES.CIR.2
ATTACHMENT	11.1.1 – Minutes for the Bushfire Advisory Committee Meeting held 12 February 2018

STRATEGIC/CORPORATE IMPLICATIONS		
Community Strategic Plan 2017 – 2027 “Smart Possibilities – Kojonup 2027+”		Corporate Business Plan 2017 – 2021 “Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP 2 - Connected	2.3 – Be providing for a safe and secure environment by working with State and Federal authorities.	2.3.1 - Maximise community safety through safe urban design and advocate for enhanced emergency service provisions.

DECLARATION OF INTEREST

Nil.

SUMMARY

The Bushfire Advisory Committee is established under Section 67 of the Bush Fires Act 1954 and plays an important role in the Council’s decision making process. Minutes of these meetings will be presented to Council to ensure information flow.

BACKGROUND

Mr Crabb and Mr Campbell of Kojonup Volunteer Fire and Rescue Service, commented on the lack of signage within the Shire, informing residents and visitors of the correct dates for the fire seasons and advising of the relevant fire rating.

COMMENT

It was discussed, that there should be more relevant and user friendly signage on display, which informed residents and visitors of relevant information such as dates of the bush fire season and the fire rating of the day, (including when sudden changes occur), as may be relevant throughout the fire season.

The discussion resulted in the following recommendation being made to Council.

COMMITTEE DECISION 2/18

That the Bushfire Advisory Committee recommends to Council that it purchase appropriate signs for the purpose of informing residents and visitors to the Shire of Kojonup the correct dates of the Fire Season and Fire Danger Ratings.

CARRIED 13/0

CONSULTATION

Members of the Bushfire Advisory Committee.

STATUTORY REQUIREMENTS

Section 67 of the Bush Fires Act 1954

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Subject to costing but envisage an amount of \$10,000 will need to be allocated in the 2018/19 budget.

RISK MANAGEMENT IMPLICATIONS

To ensure the general public remain vigilant and informed of fire danger ratings particularly during the fire season.

ASSET MANAGEMENT IMPLICATIONS

Nil

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple majority

OFFICER RECOMMENDATION

That Council:

- 1. Receive the Bushfire Advisory Committee minutes for the meeting held 12 February 2018; and**
- 2. Refer decision 2/18 to the Manager of Corporate Services for the purpose of obtaining costings and for consideration in the 2018/2019 budget allocation.**

COUNCIL DECISION

/18 Moved: Cr Seconded: Cr

That Council:

1. Receive the Bushfire Advisory Committee minutes for the meeting held 12 February 2018; and
2. Refer decision 2/18 to the Manager of Corporate Services for the purpose of obtaining costings and for consideration in the 2018/2019 budget allocation.

CARRIED/LOST /

12 KEY PILLAR 3 – ‘PERFORMANCE’ REPORTS

12.1 FINANCIAL MANAGEMENT – MONTHLY STATEMENT OF FINANCIAL ACTIVITY (DECEMBER 2017 and JANUARY 2018)

AUTHOR	Anthony Middleton
DATE	Friday, 9 February 2018
FILE NO	FM.FNR.2
ATTACHMENTS	12.1.1 – December 2017 Monthly Financial Statements 12.1.2 – January 2018 Monthly Financial Statements

STRATEGIC/CORPORATE IMPLICATIONS		
Community Strategic Plan 2017 – 2027 “Smart Possibilities – Kojonup 2027+”		Corporate Business Plan 2017 – 2021 “Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP 3 - Performance	3.4 – Be organised and transparent with our financial management.	3.4.1 - Increase regularity of readable financial reporting to the community. 3.4.2 – Act with sound long-term and transparent financial management and deliver residents considered value for money.

DECLARATION OF INTERST

Nil.

SUMMARY

The purpose of this report is to note the Monthly Financial Statements for the period ending 31 December 2017 and 31 January 2018.

BACKGROUND

In addition to good governance, the presentation to the Council of monthly financial reports is a statutory requirement, with these to be presented at an ordinary meeting of the Council within two (2) months after the end of the period to which the statements relate.

COMMENT

The attached Statement of Financial Activity (Attachment 12.1.2) for the period 1 July 2017 to 31 January 2018 represents seven (7) months, or 58% of the year. The following items are worthy of noting:

- Surplus position of \$1.23m.
- Operating results:
 - 73% of budgeted operating revenue has been received; and
 - 40% of budgeted operating expenditure spent (note – no depreciation has been raised yet for 2017/2018 which significantly affects this figure);
- Capital expenditure achieved 44% of budgeted projects;
- The value of outstanding rates equates to 11.5% of 2017/2018 rates raised, which includes previous years arrears and instalment options but excludes deferred rates;
- Cash holdings of \$4.5m of which \$3.76m is held in cash backed reserve accounts;

- Page 7 & 8 of the statements detail major variations from year to date (amended) budgets in accordance with Council Policy 2.1.6.

CONSULTATION

Nil.

STATUTORY REQUIREMENTS

Regulation 34 of the *Local Government (Financial Management) Regulations 1996* sets out the basic information which must be included in the monthly reports to Council.

POLICY IMPLICATIONS

Council Policy 2.1.6 defines the content of the financial reports.

FINANCIAL IMPLICATIONS

This item reports on the current financial position of the Shire. The recommendation does not in itself have a financial implication.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications for this report.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications for this report.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION

That the monthly financial statements for the period 1 July 2017 to 31 December 2017 and 31 January 2018, as attached, be noted.

COUNCIL DECISION

/18 Moved: Cr Seconded: Cr

That the monthly financial statements for the period 1 July 2017 to 31 December 2017 and 31 January 2018, as attached, be noted.

CARRIED/LOST /

12.2 MONTHLY PAYMENTS LISTING

AUTHOR	Melissa Binning – Finance Officer
DATE	Friday, 9 February 2018
FILE NO	FM.AUT.1
ATTACHMENT	12.2.1 – Monthly Payment Listing 01/12/2017 to 31/01/2018

STRATEGIC/CORPORATE IMPLICATIONS		
Community Strategic Plan 2017 – 2027 “Smart Possibilities – Kojonup 2027+”		Corporate Business Plan 2017 – 2021 “Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP 3 - Performance	3.4 – Be organised and transparent with our financial management.	3.4.1 - Increase regularity of readable financial reporting to the community. 3.4.2 – Act with sound long-term and transparent financial management and deliver residents considered value for money.

DECLARATION OF INTEREST

Nil

SUMMARY

To receive the list of payments covering the months of December 2017 and January 2018

BACKGROUND

Not applicable.

COMMENT

The attached list of payments is submitted for receipt by the Council.

Any comments or queries regarding the list of payments is to be directed to the Manager of Corporate Services prior to the meeting.

CONSULTATION

No consultation was required.

STATUTORY REQUIREMENTS

Regulation 12(1)(a) of the *Local Government (Financial Management) Regulations 1996* provides that payment may only be made from the municipal fund or trust fund if the Local Government has delegated the function to the Chief Executive Officer.

The Chief Executive Officer has delegated authority to authorise payments. Relevant staff have also been issued with delegated authority to issue orders for the supply of goods and services subject to budget limitations.

Regulation 13 of the *Local Government (Financial Management) Regulations 1996* provides that if the function of authorising payments is delegated to the Chief Executive Officer then a list of payments is to be presented to the Council at the next ordinary meeting and recorded in the minutes.

POLICY IMPLICATIONS

Council’s Policy 2.1.2 provides authorisations and restrictions relative to purchasing commitments.

FINANCIAL IMPLICATIONS

All payments made in line with Council Policy.

STRATEGIC/CORPORATE IMPLICATIONS

There are no strategic/corporate implications involved with presentation of the list of payments.

RISK MANAGEMENT IMPLICATIONS

A control measure to ensure transparency of financial systems and controls regarding creditor payments.

ASSET MANAGEMENT PLAN IMPLICATIONS

There are no asset management implications for this report.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Refer to the VROC Strategic Plan

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That in accordance with Regulation 13 (1) of the *Local Government (Financial Management) Regulations 1996*, the list of payments as attached made under delegated authority:

FROM – 1 December 2017		TO – 31 January 2018
Municipal Cheques	13968 – 13983	\$76,095.08
EFTs	20258 – 20612	\$1,168,610.60
Direct Debits		\$810,753.44
Total		\$2,055,459.12

be received.

COUNCIL DECISION

/18 Moved: Cr Seconded: Cr
 That in accordance with Regulation 13 (1) of the *Local Government (Financial Management) Regulations 1996*, the list of payments as attached made under delegated authority:

FROM – 1 December 2017		TO – 31 January 2018
Municipal Cheques	13968 – 13983	\$76,095.08
EFTs	20258 – 20612	\$1,168,610.60
Direct Debits		\$810,753.44
Total		\$2,055,459.12

be received.

CARRIED/LOST /

12.3 INVESTMENT POLICY REVIEW

AUTHOR	Anthony Middleton – Manager Corporate Services
DATE	Tuesday, 6 February 2018
FILE NO	FM.IVS.1
ATTACHMENT	12.3.1 - Council Policy 2.1.5 - Investments (Showing Tracked Changes)

STRATEGIC/CORPORATE IMPLICATIONS		
Community Strategic Plan 2017 – 2027 “Smart Possibilities – Kojonup 2027+”		Corporate Business Plan 2017 – 2021 “Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP 3 - Performance	3.4 – Be organised and transparent with our financial management.	3.4.2 – Act with sound long-term and transparent financial management and deliver residents considered value for money.

DECLARATION OF INTEREST

Nil.

SUMMARY

The purpose of this report is to review Council Policy 2.1.5 – ‘Investments’ to ensure that it meets all statutory requirements.

BACKGROUND

The contents of Council Policy 2.1.5 do not currently meet all of the requirements of regulation 19C of the *Local Government (Financial Management) Regulations 1996*. This report recommends amendments to the Policy to ensure compliance.

COMMENT

Whilst in practise, the Shire’s investment transactions are considerably more conservative than the contents of the Council Policy, it is imperative that the policy reflect legislative requirements.

The amendments recommended in this report ensure compliance with regulation 19C of the *Local Government (Financial Management) Regulations 1996*. These five simple requirements are listed below under ‘Statutory Requirements’.

CONSULTATION

The Audit Committee will also be considering this item at its meeting to be held on 20 February 2018.

STATUTORY REQUIREMENTS

Local Government (Financial Management) Regulations 1996, Regulation 19C (Investment of money, restrictions on (Act s. 6.14(2)(a))) states:

(1) In this regulation —

authorised institution means —

- (a) an authorised deposit-taking institution as defined in the Banking Act 1959 (Commonwealth) section 5; or
- (b) the Western Australian Treasury Corporation established by the Western Australian Treasury Corporation Act 1986;

foreign currency means a currency except the currency of Australia.

- (2) When investing money under section 6.14(1), a local government may not do any of the following —
- (a) deposit with an institution except an authorised institution;
 - (b) deposit for a fixed term of more than 12 months;
 - (c) invest in bonds that are not guaranteed by the Commonwealth Government, or a State or Territory government;
 - (d) invest in bonds with a term to maturity of more than 3 years;
 - (e) invest in a foreign currency.

POLICY IMPLICATIONS

This item recommends changes be made to Council Policy 2.1.5 – ‘Investments’ to ensure the requirements of regulation 19C of the *Local Government (Financial Management) Regulations 1996* are met.

FINANCIAL IMPLICATIONS

There are no immediate financial implications for this report, however, the investment policy is the primary tool to safeguard significant shire funds and ensure that an adopted risk vs reward level is adhered to.

RISK MANAGEMENT IMPLICATIONS

The Council’s Investment policy is the primary tool to manage risks associated with the investment of surplus funds. It sets an appropriate risk vs reward appetite, focusing on the preservation of capital over returns.

ASSET MANAGEMENT IMPLICATIONS

Nil.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION

That Council Policy 2.1.5 – ‘Investments’ be amended as per the attached.

COUNCIL DECISION

/18 Moved: Cr Seconded: Cr
That Council Policy 2.1.5 – ‘Investments’ be amended as per the attached.

CARRIED/LOST /

12.4 DEPARTMENT OF TRANSPORT – AGREEMENTS FOR PROVISION OF SERVICES

AUTHOR	Pam Chambers - Senior Administration Officer
DATE	Monday, 15 January 2018
FILE NO	FM.REV.1
ATTACHMENTS	12.4.1 - DOT964717 Agreement for the Provision of Licensing Services in the Shire of Kojonup in Terms of Section 11 of <i>The Road Traffic (Administration) Act 2008</i> 12.4.2 - DOT964717 Agreement for the Provision of Non Road Law Functions in Shire of Kojonup

STRATEGIC/CORPORATE IMPLICATIONS		
Community Strategic Plan 2017 – 2027 “Smart Possibilities – Kojonup 2027+”		Corporate Business Plan 2017 – 2021 “Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP -3- Performance	3.1 – Be a continually engaged and strategic community which leads and organises throughout the stakeholder group.	3.1.2 – Have a highly rated Customer Service experience from a cohesive, happy and technology-driven workforce.

DECLARATION OF INTEREST

Nil

SUMMARY

To endorse the agreements made between the Department of Transport and the Shire of Kojonup for the provision of Licensing Services and Non Road Law Functions.

BACKGROUND

The previous agreement for the provision of licensing services expired on 31 December 2017. The Chief Executive Officer is delegated authority to negotiate the renewal of future contracts for the delivery of traffic licensing and services. The agreements require endorsement by Council to ensure they become a public record for the community benefit.

COMMENT

The new agreements (attached) between the Department of Transport and the Shire of Kojonup are essentially much the same as the previous agreement that has expired. They have been revised and updated to include increased commissions and minor changes such as the removal of Firearms Licensing and the provision of Proof of Age Cards as well as clarification of responsibilities.

The agreement has been signed and sealed in accordance with Council policies 2.3.7 *Department of Transport Licensing Services* and 3.8 *Common Seal*.

The Chief Executive Officer seeks Councils endorsement of the attached in order to ensure the agreements are recorded as public record for the benefit of the community.

CONSULTATION

Nil

STATUTORY REQUIREMENTS

Nil.

POLICY IMPLICATIONS

2.3.7 Department of Transport Licensing Services

3.8 Common Seal

FINANCIAL IMPLICATIONS

The Shire is required to take out and maintain all insurances required by law and any other insurances in relation to its liabilities under the agreement.

RISK MANAGEMENT IMPLICATIONS

Should Council decide not to endorse the agreements with the Department of Transport, residents will be forced to seek these services from neighboring towns and will most likely combine shopping errands and other business with these trips, leading to a loss of revenue for the businesses in Kojonup as well as a loss of revenue from commissions.

ASSET MANAGEMENT IMPLICATIONS

Nil.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That Council endorse the acceptance of the agreements made between the Department of Transport and the Shire of Kojonup for:

- a. the provision of Licensing Services; and**
- b. the provision of Non Road Law Functions**

COUNCIL DECISION

/18 Moved: Cr Seconded: Cr

That Council endorse the acceptance of the agreements made between the Department of Transport and the Shire of Kojonup for:

- a. the provision of Licensing Services; and
- b. the provision of Non Road Law Functions

CARRIED/LOST /

12.5 FUNDING DEED – UPGRADE OF AIRPORT LIGHTS TO L.E.D

AUTHOR	Pam Chambers - Senior Administration Officer
DATE	Thursday, 25 January 2018
FILE NO	TT.DAC.1
ATTACHMENT	12.5.1 - Funding Deed between The Minister for Transport and the Shire of Kojonup to Upgrade the runway lights to L.E.D. at Kojonup Airport

STRATEGIC/CORPORATE IMPLICATIONS		
Community Strategic Plan 2017 – 2027 “Smart Possibilities – Kojonup 2027+”		Corporate Business Plan 2017 – 2021 “Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP -3- Performance	3.4 – Be a continually engaged and strategic community which leads and organises throughout the stakeholder group.	3.4.1 –Increase regularity of readable financial reporting to the community.

DECLARATION OF INTERST

Nil

SUMMARY

To endorse the funding deed made between the Minister for Transport for and on behalf of the Crown in Right of the State of Western Australia and the Shire of Kojonup under the Regional Airports Development Scheme (RADS) 2017-19 to upgrade the runway lights to L.E.D. at Kojonup Airport as Council regarded this project a more immediate priority than erecting staged Kangaroo fencing which was previously submitted and approved under the RADS scheme.

BACKGROUND

The Chief Executive Officer is delegated authority to prepare the necessary documentation taking into account any specific or policy requirements of Council and arrange for grossment of contract documents without further reference to Council. The deed requires endorsement by Council to ensure that it becomes a public record for the community benefit.

COMMENT

The Funding Deed (attached) between the Minister for Transport and the Shire of Kojonup outlines an agreement for the Shire to contribute \$48,500 ex GST while the RADS Grant will contribute \$47,870 towards the supply and installation of new L.E.D. AGL light fittings with new bases provided that the grant money has been expended by 14 May 2018.

The Chief Executive Officer seeks Councils endorsement of the attached in order to ensure the Funding Deed is recorded as a public record for the benefit of the community.

CONSULTATION

Nil

STATUTORY REQUIREMENTS

Nil.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Council will need to contribute \$48,500 towards the project of upgrading the airport runway lights to L.E.D. Council via Cost Code 262 allocated \$45,000 towards the RADS application and this new agreement requires a \$3500 adjustment to ensure the project proceeds. Savings achieved by the Building Maintenance Coordinator on other projects in the first half of the budget period ensures the variation is fully funded.

RISK MANAGEMENT IMPLICATIONS

Should Council decide not to endorse the deed with the Minister of Transport, the Shire will either be unable to commence the project to replace the airport runway lights or it will have fund the entire project itself. Cost of the entire project is \$96,370.

The airport is an important asset to the Shire as it enables the Royal Flying Doctor Service to maintain its service to Kojonup should the need arise. Kojonup has a 22 bed facility for aged care as well as the Kojonup District Health Service which could suffer financially and possibly muddy its reputation if it is unable to continue to provide the high level of care and services it currently does. In the event of an emergency Kojonup does rely on the Royal Flying Doctor Service.

ASSET MANAGEMENT IMPLICATIONS

8.3.11 Infrastructure – Airports

8.3.13 Summary of Infrastructure Assets Including Renewal and Maintenance Expenditure

8.6.11 Infrastructure – Airports Modelling Parameters

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That Council endorse the Chief Executive Officers signing of the Funding Deed between the Minister for Transport for and on behalf of the Crown in Right of the State of Western Australia and the Shire of Kojonup under the Regional Airports Development Scheme (RADS) 2017-19 to upgrade the runway lights to L.E.D. at Kojonup Airport.

COUNCIL DECISION

/18 Moved: Cr

Seconded: Cr

That Council endorse the Chief Executive Officers signing of the Funding Deed between the Minister for Transport for and on behalf of the Crown in Right of the State of Western Australia and the Shire of Kojonup under the Regional Airports Development Scheme (RADS) 2017-19 to upgrade the runway lights to L.E.D. at Kojonup Airport.

CARRIED/LOST /

12.6 AUDIT COMMITTEE - REVIEW OF TITLE AND TERMS OF REFERENCE

AUTHOR	Pam Chambers – Senior Administration Officer
DATE	Monday, 12 February 2018
FILE NO	CM.REP.1
ATTACHMENT(S)	Nil

STRATEGIC/CORPORATE IMPLICATIONS		
Community Strategic Plan 2017 – 2027 “Smart Possibilities – Kojonup 2027+”		Corporate Business Plan 2017 – 2021 “Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP – 3 Performance	3.4 – Be organised and transparent with our financial management	3.4.3 - Commit to future state-wide measurement systems testing local government performance.

DECLARATION OF INTEREST

Nil

SUMMARY

To review the Audit Committee’s current title and terms of reference given the changes made by State Parliament on 24 August 2017 appointing the Auditor General to audit local government finances and performance, effective once current contracts with appointed auditors expire.

BACKGROUND

Under *Section 7.1.A of the Local Government Act 1995* all Local Governments are required to establish an Audit Committee.

At the Ordinary Council Meeting held 14 November 2017 Council reviewed the Audit Committees membership and terms of reference following the October 2017 elections.

Changes made to the *Local Government Act 1995* as the result of State Parliaments decision necessitate a review of the Audit Committees title and terms of reference to set out the Committees role and responsibilities under the amended legislation.

COMMENT

The recent amendments to the *Local Government Act 1995* enable the Auditor General to audit local government finances and performance. State Parliament expects that this change will raise the standards of accountability for local governments to a level more consistent with public sector entities.

The amendments to the Act will be supported by changes to the *Local Government (Financial Management) Regulations 1996* and the *Local Government (Audit) Regulations 1996*.

The amendments introduce Performance Audits, primarily to examine the effective and efficient management and operation of public sector programs and activities and their compliance with legislation. In fact, The Shire of Kojonup has already been chosen at random to receive a focus audit in the first quarter 2018 on the subject of “timely payment of suppliers”

Under the changes to *Local Government (Audit) Regulations 1996, Regulation 17* the Audit Committee will have greater responsibility in assisting the CEO to carry out the review of the Audit Regulations of systems and procedures concerning risk management, internal control and legislative compliance. It is therefore appropriate to incorporate the work ‘Risk’ in to the Committees title and rename the Audit Committee, the ‘Audit and Risk Committee’ and update its terms of reference. The Committee would be responsible for recommending and reviewing the Shires Risk Appetite Statement which would set the Shires risk tolerance and allow Council to make decisions consistent with our organisations capability to manage risk.

All local governments will be audited by the Auditor General either as their current contracts expire or from 2020/2021 whether they have a contract with an appointed auditor or not. The Shire of Kojonup has a contract with an auditor until 2017/2018 and will therefore be audited by the Auditor General from 1 July 2018.

Current terms of reference for the Committee are as follows:

Summary

Established under *Section 7.1 of the Local Government Act 1995* (every local government must have an Audit Committee)

Terms of Reference

The duties and responsibilities of the Committee are:

- Provide guidance and assistance to the Council as to carrying out the functions of the Local Government in relation to audits;
- Develop and recommend to Council an appropriate process for the selection and appointment of a person as the Shire’s Auditor;
- Develop and recommend to Council:
 - A list of those matters to be audited; and
 - The scope of the Audit to be undertaken;
- Recommend to the Council the person or persons to be appointed as Auditor;
- Develop and recommend to the Council a written agreement for the appointment of the Auditor;
- Meet with the auditor once in each year and provide a report to the Council on the matters discussed and outcome of those discussions;
- Liaise with the Chief Executive Officer (CEO) to ensure that the Shire does everything in its power to:
- Assist the Auditor to conduct the Audit and carry out his or her other duties under the *Local Government Act 1995*; and
- Ensure that audits are conducted successfully and expeditiously;
- Examine the reports of the Auditor after receiving a report from the CEO on the matters and:
- Determine if any matters raised require action to be taken by the Shire; and
- Ensure that appropriate action is taken in respect of those matters;

- Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the Auditor and presenting the report to the Council for adoption prior to the end of the next financial year (or 6 months after the last report prepared by the Auditor is received, whichever is the latest);
- Review the scope of the Audit Plan and Programme and its effectiveness;
- Consider and recommend adoption of the Annual Financial Report to the Council;
- Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference;
- Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's terms of reference following authorisation from the Council; and
- Review the Statutory Compliance Return and make a recommendation on its adoption to Council.

Membership

Committee of six (6):

- Four (4) Councillors
- Two (2) Community Members

Proposed Terms of Reference for the Audit and Risk Committee effective 1 July 2018

Function:

This Committee is responsible for assisting Council in recommending appropriate actions to Council with regards to audit, risk and governance management to ensure accountability to the community in its responsibilities.

Duties and Responsibilities:

- Receive and review the biannual reports from the Chief Executive Officer (CEO) regarding the appropriateness and effectiveness of the Shires risk management, internal controls and legislative compliance and make recommendations to Council
- Recommend and review the Shires Risk Appetite Statement in order to set the Risk Tolerance of the Council;
- Monitor and receive reports concerning the development, implementation and on-going management of the Shires Risk Management Plan;
- Provide advice and assistance to Council as to the carrying out of its functions in relation to audits and recommend;
 - a) a list of those matters to be audited; and
 - b) the scope of the audit to be undertaken;
- Meet with the auditor yearly and provide a report to Council on the matters discussed and the outcome of the discussions;
- Liaise with the (CEO) to ensure that the Shire does everything in its power to:
 - a) assist the auditor to conduct the audit and carry out his or her other duties under the *Local Government Act 1995*; and
 - b) ensure that audits are conducted successfully and expeditiously;
- Examine the reports of the auditor after receiving a report from the CEO on the matters and:
 - a) determine if any matters raised require action to be taken by the Shire; and
 - b) ensure that appropriate action is taken in respect of those matters;
 - c) Review the report prepared by the CEO in respect of any matters raised in the report of the auditor and present the report to Council for adoption prior to the end of the

next financial year or six months after the last report prepared by the auditor is received, whichever is the latest;

- Review the scope of the Audit Plan and its effectiveness;
- Consider and recommend adoption of the Annual Financial Report to the Council;
- Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference;
- Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's terms of reference following authorisation from the Council; and
- Review the annual Statutory Compliance Return and make a recommendation on its adoption to Council.

Membership

Four (4) Councillors; and

Two (2) Community Members.

CONSULTATION

Cr J Mathwin, presiding member of the Audit Committee.

The Audit Committee will consider at its meeting on 20 February 2018.

STATUTORY REQUIREMENTS

Local Government Act 1995

Local Government Amendment (Auditing) Act 2017

Local Government (Audit) Regulations 1996

Local Government (Financial Management) Regulations 1996

POLICY IMPLICATIONS

2.3.5 Risk Management

2.3.6 Business Continuity

3.12 Council Advisory Committees

FINANCIAL IMPLICATIONS

Nil

RISK MANAGEMENT IMPLICATIONS

Council risks being non-compliant with new legislation if the proposed Terms of Reference are not adopted

ASSET MANAGEMENT IMPLICATIONS

Nil

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION

That Council:

- Amend the title of the Audit Committee to the ‘Audit and Risk Committee’; and
- The terms of reference for the Audit and Risk Committee be updated to:

Function:

This Committee is responsible for assisting Council in recommending appropriate actions to Council with regards to audit, risk and governance management to ensure accountability to the community in its responsibilities.

Duties and Responsibilities:

- Receive and review the biannual reports from the Chief Executive Officer (CEO) regarding the appropriateness and effectiveness of the Shires risk management, internal controls and legislative compliance and make recommendations to Council;
- Recommend and review the Shires Risk Appetite Statement in order to set the Risk Tolerance of the Council;
- Monitor and receive reports concerning the development, implementation and on-going management of the Shires Risk Management Plan and the effectiveness of its Risk Management Framework;
- Provide advice and assistance to Council as to the carrying out of its functions in relation to audits and recommend;
 - a) a list of those matters to be audited; and
 - b) the scope of the audit to be undertaken;
- Meet with the auditor yearly and provide a report to Council on the matters discussed and the outcome of the discussions;
- Liaise with the (CEO) to ensure that the Shire does everything in its power to:
 - c) assist the auditor to conduct the audit and carry out his or her other duties under the *Local Government Act 1995*; and
 - d) ensure that audits are conducted successfully and expeditiously;
- Examine the reports of the auditor after receiving a report from the CEO on the matters and:
 - d) determine if any matters raised require action to be taken by the Shire; and
 - e) ensure that appropriate action is taken in respect of those matters;
 - f) Review the report prepared by the CEO in respect of any matters raised in the report of the auditor and present the report to Council for adoption prior to the end of the next financial year or six months after the last report prepared by the auditor is received, whichever is the latest;
- Review the scope of the Audit Plan and its effectiveness;
- Consider and recommend adoption of the Annual Financial Report to the Council;
- Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference;
- Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's terms of reference following authorisation from the Council; and
- Review the annual Statutory Compliance Return and make a recommendation on its adoption to Council.

Membership

**Four (4) Councillors; and
Two (2) Community Members.**

and render these changes effective 1 July 2018.

COUNCIL DECISION

/18 Moved: Cr Seconded: Cr
That Council:

- Amend the title of the Audit Committee to the ‘Audit and Risk Committee’; and
- The terms of reference for the Audit and Risk Committee be updated to:

Function:

This Committee is responsible for assisting Council in recommending appropriate actions to Council with regards to audit, risk and governance management to ensure accountability to the community in its responsibilities.

Duties and Responsibilities:

- Receive and review the biannual reports from the Chief Executive Officer (CEO) regarding the appropriateness and effectiveness of the Shires risk management, internal controls and legislative compliance and make recommendations to Council;
- Recommend and review the Shires Risk Appetite Statement in order to set the Risk Tolerance of the Council;
- Monitor and receive reports concerning the development, implementation and on-going management of the Shires Risk Management Plan and the effectiveness of its Risk Management Framework;
- Provide advice and assistance to Council as to the carrying out of its functions in relation to audits and recommend;
 - a) a list of those matters to be audited; and
 - b) the scope of the audit to be undertaken;
- Meet with the auditor yearly and provide a report to Council on the matters discussed and the outcome of the discussions;
- Liaise with the (CEO) to ensure that the Shire does everything in its power to:
 - e) assist the auditor to conduct the audit and carry out his or her other duties under the *Local Government Act 1995*; and
 - f) ensure that audits are conducted successfully and expeditiously;
- Examine the reports of the auditor after receiving a report from the CEO on the matters and:
 - g) determine if any matters raised require action to be taken by the Shire; and
 - h) ensure that appropriate action is taken in respect of those matters;
 - i) Review the report prepared by the CEO in respect of any matters raised in the report of the auditor and present the report to Council for adoption prior to the end of the next financial year or six months after the last report prepared by the auditor is received, whichever is the latest;
- Review the scope of the Audit Plan and its effectiveness;
- Consider and recommend adoption of the Annual Financial Report to the Council;

- Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference;
- Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's terms of reference following authorisation from the Council; and
- Review the annual Statutory Compliance Return and make a recommendation on its adoption to Council.

Membership

Four (4) Councillors; and

Two (2) Community Members.

and render these changes effective 1 July 2018.

CARRIED/LOST /

12.7 SALARY PACKAGING – POLICY REVIEW

AUTHOR	Anthony Middleton – Manager Corporate Services
DATE	Monday, 12 February 2018
FILE NO	PE.IRS.2
ATTACHMENTS	12.7.1 – Policy 2.2.6 Salary Packaging – Senior Employees (showing proposed changes) 12.7.2 – Policy 2.2.8 Motor Vehicles (showing proposed changes)

STRATEGIC/CORPORATE IMPLICATIONS		
Community Strategic Plan 2017 – 2027 “Smart Possibilities – Kojonup 2027+”		Corporate Business Plan 2017 – 2021 “Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP – 3 Performance	3.4 - Be organised and transparent with our financial management	3.4.2 - Act with sound long-term and transparent financial management and deliver residents considered value for money.

DECLARATION OF INTEREST

The author and CEO declare a financial interest as possible recipients of the proposed amendments to the policies.

SUMMARY

To consider amendments to Council Policies relating to motor vehicle and salary packaging to clarify approval for the use of novated leases and remote housing salary packaging.

BACKGROUND

Council policy 2.2.6 – ‘Salary Package – Senior Employees’ and policy 2.2.8 – ‘Motor Vehicles – Officer’ currently deals with salary packaging and provision of benefits to staff. This agenda item seeks to make these policies clearer and more explicit in this regard.

COMMENT

Salary packaging is an Australian Tax Office (ATO) approved way of an employee restructuring their income so they pay less tax. It is an arrangement between the employee and the employer whereby the employee foregoes part of their gross salary in return for benefits of a similar value, such as mortgage repayments, motor vehicles, laptops and more.

Essentially, the employer pays the employee the same salary, but instead of the employee paying all of their expenses after tax, they pay for selected expenses before tax, thereby reducing the taxable income and tax paid.

Salary Packaging represents a valuable method for the Shire of Kojonup to maximize the benefits that its employees receive while not increasing the salaries and wages expenditure. It also represents an opportunity to reduce ownership costs of a large vehicle fleet.

CONSULTATION

This item was workshopped at a Council briefing session held 5 December 2017 and has been considered by the Senior Management Team on 18 January 2018.

STATUTORY REQUIREMENTS

Fringe Benefits Tax Assessment Act 1986

POLICY IMPLICATIONS

This agenda item seeks to modify two (2) Council policies, as follows:

- Council policy 2.2.6 – ‘Salary Package – Senior Employees’; and
- Council policy 2.2.8 – ‘Motor Vehicles – Officer’

FINANCIAL IMPLICATIONS

The Shire of Kojonup’s passenger vehicle fleet has been increasing in both number and cost per vehicle in recent years. This additional cost has resulted in the Plant reserve requiring a top-up in funds to remain in a positive balance in the long term and has effected the operating costs of the Shire of Kojonup.

An analysis of all passenger vehicles shows that the total cost per vehicle is between \$18,100 and \$46,250 per annum. This analysis includes the following expenses:

- Fringe Benefits Tax;
- Insurance;
- Registration;
- Servicing, Tyres, etc.;
- Capital change-over allowance of \$10,000; and
- Employee remuneration package contract value (it is acknowledged that there is some double-up for private use in this figure).

As such, it is seen that a proactive approach to salary packaging and novated leasing of motor vehicles can be a very important tool for the Shire to restrict its motor vehicle expenditure, both operating and capital.

RISK MANAGEMENT IMPLICATIONS

As the employee owns the vehicle in a novated lease arrangement, the risk to the Shire is minimized. Costs are known up-front and paid on a fortnightly basis, meaning that the financial risk is also minimized due to less exposure to the fluctuations of the second hand car market.

ASSET MANAGEMENT IMPLICATIONS

As the employee owns the vehicle in a novated lease arrangement, the ownership issues of a significant sized fleet are minimized. For example, there would be less insurance requirements associated with a smaller fleet, less duty of care obligations and also less financial exposure to the fluctuations of the second hand car market. Depreciation no longer becomes the issue for the Shire, but then becomes the employees responsibility.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION

That Council policy 2.2.6 – ‘Salary Package – Senior Employees’ and Council policy 2.2.8 – ‘Motor Vehicles – Officers’ be amended as per attached.

COUNCIL DECISION

/18 Moved: Cr Seconded: Cr

That Council policy 2.2.6 – ‘Salary Package – Senior Employees’ and Council policy 2.2.8 – ‘Motor Vehicles – Officers’ be amended as per attached.

CARRIED/LOST /

12.8 KOJONUP HISTORICAL SOCIETY – APPOINTMENT OF MEMBERS

AUTHOR	Rick Mitchell-Collins, Chief Executive Officer
DATE	Thursday, 15 February 2018
FILE NO	GO.CNM.9
ATTACHMENT	Nil

STRATEGIC/CORPORATE IMPLICATIONS		
Community Strategic Plan 2017 – 2027 “Smart Possibilities – Kojonup 2027+”		Corporate Business Plan 2017 – 2021 “Smart Implementation – Kojonup 2021 +”
Key Pillar	Community Outcomes	Corporate Actions
KP3 – Performance	3.1 – Be a continually engaged and strategic community which leads and organises throughout the entire stakeholder group. 3.2 – Be exceptional in two-way communication within our community, and market our brand outside of our community. 3.4 – Be organised and transparent with our financial management.	3.1.3 – Encourage interaction and input to the Shire of Kojonup, particularly through contemporary working party teams. 3.1.5 – Implement strategies to improve Councillors role as community leaders and asset custodians 3.2.3 – Develop and implement a formal media and two-way communications strategy. 3.4.2 – Act with sound long-term and transparent financial management and deliver residents

DECLARATION OF INTEREST

Nil

SUMMARY

To review the elected member representation on the Kojonup Historical Society as it was not included in the agenda for the 14 November 2017 Council Meeting.

BACKGROUND

All appointments to committees, whether the person is an elected member, employee or community member, expired on 21 October 2017 in line with the local government election.

Since March 2004, the Council has dispensed with the structure of standing committees reporting to the Council each month in favour of a process where everything comes before the Council. Since this time, the Council has established an Audit Committee (required by legislation) and numerous formal advisory committees for specialist items and large projects. Appointments to these committees now need to be considered.

COMMENT

Committee representation should be considered on the basis of equitable distribution amongst Councillors, utilisation of specific skills where appropriate or to add diversity to existing groups to ensure the appropriate mix of skills are present.

Individual Councillors are entitled to be members of at least one committee, which comprises elected members only or elected members and employees.

The Act does not specifically mention anything about Deputies or proxies other than Deputy President and Deputy Presiding members. One of the pillars upon which the *Local Government Act 1995* is built is for better decision-making and more efficient and effective local government (*Ref: Section 1.3 (2)*). Consequently, there is nothing that precludes Council from appointing one or two deputies for each Committee.

Delegates to other local committees:

This category lists the outside organisations that the Shire is either:

- A member of, and therefore needs representatives to attend meetings; or
- Invited to have a delegate to represent the Shire.

Other Shire Committees:

These Committees are less formal groups established by the Council. While they play an equally important advisory role to the Council's decision-making process, they are not established in accordance with Section 5.8 of the Act and are deliberately less formal than the Advisory Committee's to better reflect the subject matter concerned, or are established under another Act such as the Bush Fire's Act. Minutes of these meetings will be presented to the Council to ensure information flow.

CONSULTATION

Manager Corporate Services

STATUTORY REQUIREMENTS

The appointment of members to Committees and their operation is set out in *Sections 5.8 to 5.25 of the Act and Regulations 14 to 14B of the Local Government (Administration) Regulations, 1995*.

A local government may by absolute majority establish Committees comprising of 3 or more persons, be it elected members, employees and/ or other persons, to exercise the powers and discharge the duties of the local government that can be delegated to committees which is not necessary for this agenda item but is provided for your information.

Section 5.10 allows the Shire President to be on any Committee that has an elected member as a member and also the CEO (or his representative) to be on any Committee that has an employee as a member.

POLICY IMPLICATIONS

There are no known policy implications.

FINANCIAL IMPLICATIONS

There are no known policy implications.

RISK MANAGEMENT IMPLICATIONS

Nil

ASSET MANAGEMENT IMPLICATIONS

Nil

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That Council appoints Cr. as member and Cr as deputy member representatives to the Kojonup Historical Society Inc.

COUNCIL DECISION

/18 Moved: Cr Seconded: Cr

That Council appoints Cr. as member and Cr as deputy member representatives to the Kojonup Historical Society Inc.

CARRIED/LOST /

13 KEY PILLAR 4 – ‘PROSPERITY’ REPORTS

13.1 PROPOSED SALE OF PORTION OF SALEYARDS LAND TO CGS ENGINEERING AT LOTS 1 & 3 BLACKWOOD/SOLDIER ROADS, KOJONUP

AUTHOR	Phil Shepard – Town Planner
DATE	Tuesday, 13 February 2018
FILE NO	A20438
ATTACHMENT(S)	Nil

STRATEGIC/CORPORATE IMPLICATIONS		
Community Strategic Plan 2017 – 2027 “Smart Possibilities – Kojonup 2027+”		Corporate Business Plan 2017 – 2021 “Smart Implementation”
Key Pillar	Community Outcomes	Strategic Deliverables
KP4 - Prosperity	4.3 Be attracting support industries and diverse and new business sectors to the region.	4.3.4 Drive population growth through the support of local industry, development of new industry and promotion of Kojonup’s point of difference.

DECLARATION OF INTEREST

Nil.

SUMMARY

To consider the potential lease/sale of a portion of the saleyards land to facilitate the expansion of CGS Engineering.

The recommendation is to authorise the CEO to finalise the details of the offer and complete the necessary public consultations required under the *Local Government Act 1995* to dispose of the land.

BACKGROUND

Nil.

COMMENT

Site

The saleyards land is made up of 2 lots being Lots 1 and 3 (as shown in the image below). The land is relatively flat and has been developed and used for saleyards with accompanying pens, ramps, parking areas and effluent disposal ponds for many years.

Lot 1 is 1.469 ha’s and Lot 3 is 1.8811ha’s giving a total area of 3.3501ha’s. Water supply, telecommunications, electricity and sewer infrastructure is available in the area.



Lots 1 & 3 Blackwood/Soldiers Road, Kojonup bordered in red (Image: Landgate Map Viewer Plus)





The lots are located on the corner of Blackwood and Soldiers Roads, both roads are sealed with open drains. Blackwood Road is under the care and control of Main Roads WA and Soldier Road is a local road under the care and control of the Shire of Kojonup.

CGS Engineering is seeking to expand and need the additional land to expand their operations.

Zoning

The saleyards are contained within the Public Purposes local scheme reserve under the Shire's Town Planning Scheme No. 3 (TPS3). The objectives for the reserve are contained within c.2.3 of TPS3 which advises:

The objectives for land shown as Public Purposes on the Scheme Map are:

- (a) To protect areas already set aside for public purposes by Crown Reserves.*
- (b) To enable the Council to control development in public purposes reserves.*

Should the proposal proceed, it is recommended that the Shire undertake a scheme amendment to remove the land from the Public Purposes reserve and to zone the land to Industrial to reflect its intentions to be used/developed for industrial purposes.

Subdivision

The final design of the land area required is still being finalised but will invariably cross the present lot boundaries and will likely need to be resubdivided to create 1 lot for saleyards and 1 lot for industrial.

The costs of completing the subdivision and who is responsible to meet these costs have not been ascertained to date.

Bush Fire Prone

The site is identified as bushfire prone by the Department of Fire and Emergency Services mapping and the proponents will be required to complete a Bushfire Attack Level report/assessment as part of any subdivision proposal.

Conclusion

At this stage, Council support or not for the proposal is requested. If the proposal is supported, the next steps involve:

- Finalising the amount of land requested and lease/sale details for the land.
- Preparing a subdivision application to reflect the new proposed boundaries.
- Obtaining a valuation and completing the disposal of land consultation phase required under the *Local Government Act 1995*.

Alternate Options

In considering the proposal, the Council has a number of options available to it, which are discussed below:

1 Not support the proposal

The Council can choose to not support the proposal and advise the proponent giving reasons.

2 Support the proposal

The Council can choose to support the proposal or make any amendments considered necessary accordingly.

3 Defer the proposal

The Council can defer consideration of the proposal.

4 Consider other land

The Council can also choose to recommend the development be located within the Thornbury Close industrial area. There are several lots available for sale and the Council still has the southern undeveloped end available for future industrial developments. Alternatively Council may wish to explore closing the western end of Bilston Street and the applicant adhering this area to their present property to incorporate future expansion?

CONSULTATION

The proposal to lease/sell land requires the Council to undertake consultation with the public.

The subdivision of land requires the WA Planning Commission to consult with the Shire and other affected government agencies (such as Main Roads WA, Water Corporation, Western Power, Telstra and Department of Water and Environmental Regulation etc.

STATUTORY REQUIREMENTS

Local Government Act 1995 - The disposal of any land owned by the Shire is required to comply with the s3.58 'Disposing of Property' of the Act as follows:

3.58. Disposing of property

(1) *In this section -*

dispose includes to sell, lease, or otherwise dispose of, whether absolutely or not;

property includes the whole or any part of the interest of a local government in property, but does not include money.

(2) *Except as stated in this section, a local government can only dispose of property to -*

(a) *the highest bidder at public auction; or*

(b) *the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.*

(3) *A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property -*

(a) *it gives local public notice of the proposed disposition -*

(i) *describing the property concerned; and*

(ii) *giving details of the proposed disposition; and*

(iii) *inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given;*

and

(b) *it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.*

(4) *The details of a proposed disposition that are required by subsection (3)(a)(ii) include -*

(a) *the names of all other parties concerned; and*

(b) *the consideration to be received by the local government for the disposition; and*

(c) *the market value of the disposition -*

(i) *as ascertained by a valuation carried out not more than 6 months before the proposed disposition; or*

(ii) *as declared by a resolution of the local government on the basis of a valuation carried out more than 6 months before the proposed disposition that the local government believes to be a true indication of the value at the time of the proposed disposition.*

(5) *This section does not apply to -*

(a) *a disposition of an interest in land under the Land Administration Act 1997 section 189 or 190; or*

(b) *a disposition of property in the course of carrying on a trading undertaking as defined in section 3.59; or*

(c) *anything that the local government provides to a particular person, for a fee or otherwise, in the performance of a function that it has under any written law; or*

(d) *any other disposition that is excluded by regulations from the application of this section.*

POLICY IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

The financial implications to Council have not been determined to date. There will be costs to complete the resubdivision including servicing costs, valuation report, advertising costs and scheme amendment fee/costs flowing from this report.

RISK MANAGEMENT IMPLICATIONS

Risk Description	Risk Likelihood	Risk Consequence	Risk Classification	Risk Treatment
Council does not support the proposed lease/sale of the land	Possible (C)	Minor (2)	Medium	Managed by specific monitoring or response procedures

ASSET MANAGEMENT IMPLICATIONS

The lease/sale of a portion of the saleyard land to CGS Engineering would reduce the management expenses for that land as it would become CGS's responsibility and increase rates income etc.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) STRATEGIC PLAN IMPLICATIONS

Southern Link VROC Strategic Directions 2015-2020

Nil applicable.

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION

That Council authorise/delegate to the Chief Executive Officer the power to negotiate with CGS Engineering over the following matters:

- **The final details of the land requested for lease/purchase.**
- **Financial contribution from CGS Engineering to costs.**
- **Complete valuation report.**
- **Prepare lease and/or subdivision application.**
- **Undertake public advertising of disposal of land under LGA etc.**
- **Prepare draft scheme amendment document to rezone the affected land (Pt. Lots 1 and 3) cnr Blackwood/Soldier Roads, Kojonup) from Public Purposes Local Scheme Reserve to Industrial under the Planning and Development Act 2005.**

COUNCIL DECISION

/18 Moved: Cr Seconded: Cr

That Council authorise/delegate to the Chief Executive Officer the power to negotiate with CGS Engineering over the following matters:

- The final details of the land requested for lease/purchase.
- Financial contribution from CGS Engineering to costs.
- Complete valuation report.
- Prepare lease and/or subdivision application.
- Undertake public advertising of disposal of land under LGA etc.
- Prepare draft scheme amendment document to rezone the affected land (Pt. Lots 1 and 3) cnr Blackwood/Soldier Roads, Kojonup)) from Public Purposes Local Scheme Reserve to Industrial under the Planning and Development Act 2005.

CARRIED/LOST /

14 KEY PILLAR 5 – ‘DIGITAL’ REPORTS

Nil.

15 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

16 NEW BUSINESS

Nil.

17 CONFIDENTIAL REPORTS

Nil.

18 NEXT MEETING

Tuesday, 20 March 2018 commencing at 3:00pm.

19 CLOSURE

There being no further business to discuss, the President thanked the members for their attendance and declared the meeting closed at pm.

20 ATTACHMENTS (SEPARATE)

- Item 7 **7.1.1** Minutes of the Ordinary Council Meeting held 12 December 2017.
- Item 10.1 **10.1.1** Natural Resource Management Advisory Terms of Reference.
- Item 11.1 **11.1.1** Minutes of the Bushfire Advisory Committee meeting held 12 February 2018.
- Item 12.1 **12.1.1** December Statement of Financial Activity.
 12.1.2 January Statement of Financial Activity.
- Item 12.2 **12.2.1** Monthly Payment Listing 01/12/2017 – 31/12/2017.
- Item 12.3 **12.3.1** Council Policy 2.1.5 - Investments (Showing Tracked Changes).
- Item 12.4 **12.4.1** DOT964717 Agreement for the Provision of Licensing Services in the Shire of Kojonup in Terms of Section 11 of The Road Traffic (Administration) Act 2008.
 12.4.2 DOT964717 Agreement for the Provision of Non Road Law Functions in Shire of Kojonup.
- Item 12.5 **12.5.1** Funding Deed Between The Minister for Transport and the Shire of Kojonup to Upgrade the Runway Lights to L.E.D. at Kojonup Airport.
- Item 12.7 **12.7.1** Policy 2.2.6 Salary Packaging – Senior Employees (showing proposed changes).
 12.7.2 Policy 2.2.8 Motor Vehicles (showing proposed changes).