



Shire of
Chapman Valley
Love the Rural Life

ORDINARY COUNCIL MEETING

Notice is hereby given that an Ordinary Meeting
of Council will be held on Wednesday 18 February 2015
at the Council Chambers, Nabawa, commencing at 9:00am.

Maurice Battilana
CHIEF EXECUTIVE OFFICER

UNCONFIRMED MINUTES

FEBRUARY 2015

DISCLAIMER



No responsibility whatsoever is implied or accepted by the Shire of Chapman Valley for any act, omission or statement or intimation occurring during Council Meeting. The Shire of Chapman Valley disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council or Committee Meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council Meeting does so at that person's or legal entity's own risk.

The Shire of Chapman Valley warns that anyone who has any application or request with the Shire of Chapman Valley must obtain and should rely on

WRITTEN CONFIRMATION

of the outcome of the application or request of the decision made by the Shire of Chapman Valley.

A handwritten signature in black ink, appearing to read 'M. Battilana', is written over a large, faint, circular watermark or ghost signature.

Maurice Battilana
CHIEF EXECUTIVE OFFICER

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6.0 DISCLOSURE OF INTEREST

Members should fill in Disclosure of Interest forms for items in which they have a financial, proximity or impartiality interest and forward these to the Presiding Member before the meeting commences.

Section 5.60A:

*"a person has a **financial interest** in a matter if it is reasonable to expect that the matter will, if dealt with by the local government, or an employee or committee of the local government or member of the council of the local government, in a particular way, result in a financial gain, loss, benefit or detriment for the person."*

Section 5.60B:

*"a person has a **proximity interest** in a matter if the matter concerns –*

(a) a proposed change to a planning scheme affecting land that adjoins the person's land; or

(b) a proposed change to the zoning or use of land that adjoins the person's land; or

(c) a proposed development (as defined in section 5.63(5)) of land that adjoins the person's land."

Regulation 34C (Impartiality):

*"**interest** means an interest that could, or could reasonably be perceived to, adversely affect the **impartiality** of the person having the interest and includes an interest arising from kinship, friendship or membership of an association."*

7.0 PETITIONS/DEPUTATIONS/PRESENTATIONS

Department of Parks & Wildlife – Attending lunch with Council and participating in a Forum Session item on gravel access from Wandana Reserve.

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ORDER OF BUSINESS:

1.0 DECLARATION OF OPENING/ANNOUNCEMENTS OF VISITORS

The Chairman, Cr Collingwood welcomed Elected Members and Staff and declared the meeting open at 9.02am.

2.0 LOYAL TOAST

3.0 RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

3.1 Present

a. Councillors

Member	Ward
Cr John Collingwood President	North East Ward
Cr Anthony Farrell	North East Ward
Cr Kirrilee Warr	North East Ward
Cr Pauline Forrester	North East Ward
Cr Peter Humphrey	South West Ward
Cr Veronica Wood	South West Ward
Cr Ian Maluish	South West Ward

b. Staff

Officer	Position
Mr Maurice Battilana	Chief Executive Officer
Mr Simon Lancaster	Manager of Planning
Mrs Karen McKay	Executive Assistant (Minute Taker)
Mrs Kristy Williams	Accountant (from 9.06am to 10.13am)
Mrs Dianne Raymond	Manager of Finance & Corporate Services (from 9.06am to 10.13am)

c. Visitors

Name	
Mr John Welsh	Item 9.1.2

3.2 Apologies

Name	
Cr Trevor Royce	North East Ward

3.3 Approved Leave of Absence

Nil

4.0 PUBLIC QUESTION TIME

4.1 Questions On Notice

Nil

4.2 Questions Without Notice

Nil

5.0 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

6.0 DISCLOSURE OF INTEREST

Cr Wood, Cr Maluish and Cr Humphrey declared an impartiality interest in Item 9.3.4 Bill Hemsley Park Committee as they are members of the Parkfalls Residents Association and Cr Maluish and Cr Wood also as members of the Bill Hemsley Park Management Committee.

7.0 PETITIONS/DEPUTATIONS/PRESENTATIONS

Nil

8.0 CONFIRMATION OF MINUTES FROM PREVIOUS MEETINGS

8.1 Ordinary Meeting of Council held on Wednesday 10 December 2014

COUNCIL RESOLUTION

MOVED: CR WARR

SECONDED: CR FARRELL

That the minutes of the Ordinary Meeting of Council held Wednesday 10 December 2014 with the following correction:

Page 111 – “Councillor Wood advised that she resigned from the Parkfalls Residents Association as President and as a Financial Member immediately to be able to continue on the Bill Hemsley Park Management Committee as a Shire representative.”

Page 111 – Staff Recommendation 2 – should have read “Cr Warr was nominated by Cr Farrell and declined”.

be confirmed as a true and accurate record.

**Voting 7/0
CARRIED
Minute Reference 02/15-1**

Mr Welsh entered Chambers at 9.06am

9.0 OFFICERS REPORTS

9.1

Manager of Planning

February 2015

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9.1 AGENDA ITEMS

- 9.1.1 Proposed Extension of Building Envelope, Buller
- 9.1.2 Micro-Distillery with Cellar Door Tasting & Sales
- 9.1.3 Development Assessment Panels
- 9.1.4 Nabawa Townsite Revitalisation Plan

AGENDA ITEM:	9.1.1
SUBJECT:	PROPOSED EXTENSION OF BUILDING ENVELOPE, BULLER
PROPONENT:	WEST STEEL SHEDS FOR T & N KIRBY
SITE:	6 (LOT 118) HILLTOP LOOP, BULLER
FILE REFERENCE:	A1872
PREVIOUS REFERENCE:	N/A
DATE:	10 FEBRUARY 2015
AUTHOR:	KATHRYN JACKSON

DISCLOSURE OF INTEREST

Nil

BACKGROUND

Council is in receipt of an application for the construction of an outbuilding upon 6 (Lot 118) Hilltop Loop, Buller which is proposed to be located outside of the building envelope for the property established by the developer. The application has been advertised to surrounding landowners and in accordance with the Shire’s ‘Building Envelopes’ Local Planning Policy is now placed before a meeting of Council for consideration.

Shire staff are also requesting that Council as part of its consideration of this application review the Wokarena Heights Building Envelope Plan.

COMMENT

6 (Lot 118) Hilltop Loop, Buller is located within the Wokarena Heights Estate in the locality of Buller. The property is zoned ‘Residential R2.5’ under Shire of Chapman Valley Local Planning Scheme No.2 (‘the Scheme’).

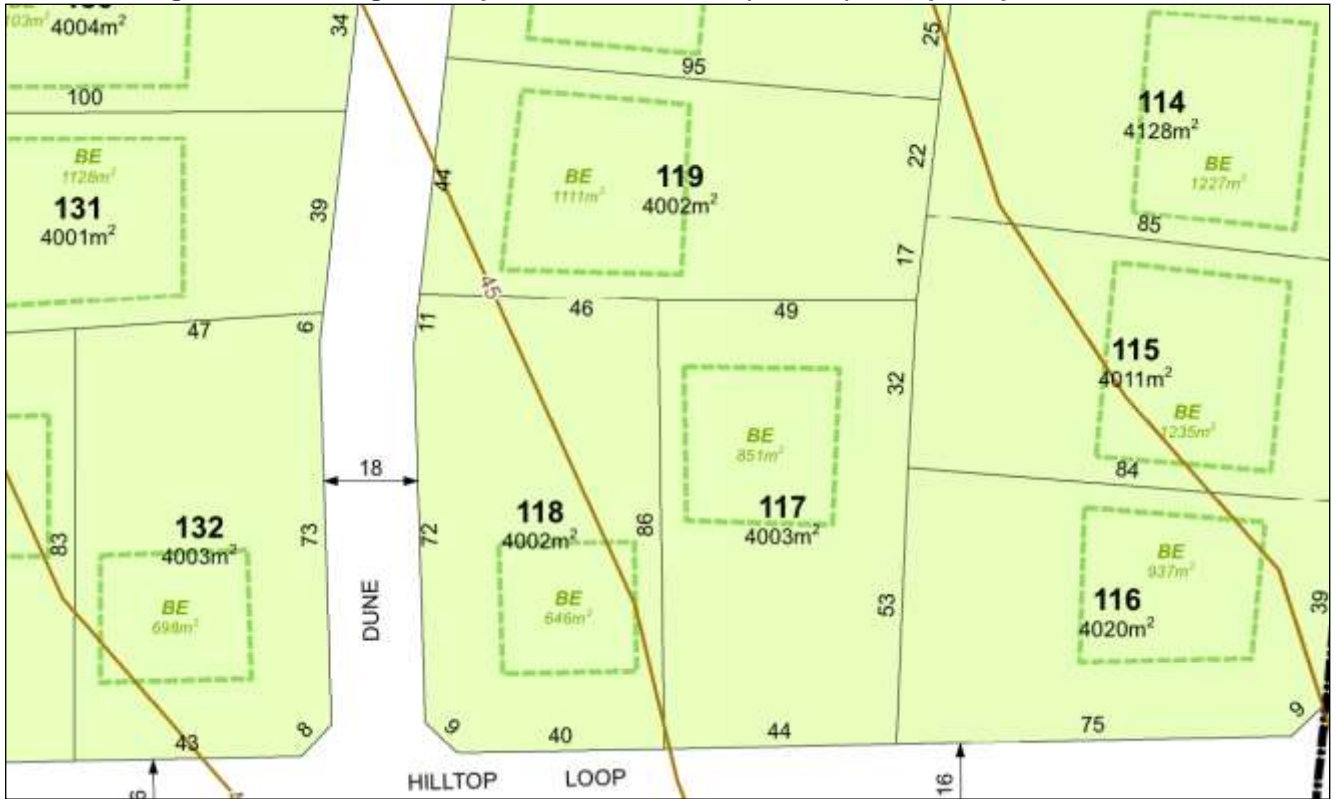
Figure 1 – Location Plan for 6 (Lot 118) Hilltop Loop, Buller



Lot 118 is a 4,002m² corner lot with road frontages to both Dune Vista to the west and Hilltop Loop to the south with a dwelling currently under construction upon the property. The lot features a building envelope

that was prepared by the developer who undertook the subdivision. **Figure 2** provides an extract from this Building Envelope Plan illustrating the current position of the property's building envelope which is approximately 15m from each road frontage, 5m from the side (eastern) property boundary and 47m from the rear (northern) property boundary. **Attachment 9.1.1(a)** to this report is a copy of the Building Envelope Plan for the entire subdivision as prepared by the developer for Councils further information.

Figure 2 – Building Envelope Plan extract for 6 (Lot 118) Hilltop Loop, Buller



The Shire is in receipt of an application for the construction of an outbuilding outside of the building envelope for Lot 118. The outbuilding is proposed to be 12m x 11m (132m²) with a wall height of 3.5m (2.7m as measured from natural ground level) and an overall height of 4.5m. The outbuilding is proposed to be located north of the dwelling that is currently being constructed upon the property. A copy of the applicant's proposed site, floor and elevations plans for the proposed outbuilding have been included as **Attachment 9.1.1(b)** to this report.

Figure 3 – View looking south from Dune Vista towards dwelling under construction on Lot 118



Figure 4 – View looking north-east from Hilltop Loop towards Lot 118



Figure 5 – View looking west from the Richards Road & Hilltop Loop intersection towards Lot 118



Figure 6 – View looking south-west from Richards Road towards Lot 118



The original building envelope as shown in **Figure 2** is 646m² in area. The applicant now proposes that the building envelope be extended to the north by 23m to accommodate the construction of the proposed outbuilding (the proposed separation distance between the residence and outbuilding is 17m).

The 25 lot subdivision of Lot 2 Richards Road was received by Council at its 19 September 2012 meeting where Council resolved to request a Building Envelope Plan be prepared for the 5 lots abutting the North West Coastal Highway. Condition 9 of the subsequent Western Australian Planning Commission ('WAPC') approval for subdivision application 145730 required the subdivider to prepare a Detailed Area Plan for the western lots (proposed lots 15, 16, 17, 24 & 25) to address noise buffering related to the proximity of North West Coastal Highway. The developer prepared a Building Envelope Plan that specifically addressed the western lots and a copy of this is included as Attachment 9.1.1(c). However the developer prepared a further plan that demonstrated building envelopes for all lots within the Estate provided as **Attachment 9.1.1(a)**.

There have been conflicting reports from purchasers into the subdivision as to whether they were made aware of the 25 lot Building Envelope Plan when they enquired about/purchased the land from real estate agents/the developer. Shire staff at point of settlement have been making prospective purchasers aware of the location of the Building Envelope Plan as prepared by the developer at the time of subdivision. The building envelopes were located to cluster development upon each of the lots and to provide a level of protection for the views that can be achieved from each lot towards the ocean and towards city of Geraldton and port.

With the receipt of this application (and the implications that Council's decision will have on subsequent applications) it is considered timely to seek Council's direction in relation to the status and continued use of this plan. There are numerous avenues open to Council, with Shire staff suggesting three potential options for Council to consider at this time. Depending on the option that Council resolves to undertake it is considered that this will affect the determination of the application for the proposed outbuilding upon 6 (Lot 118) Hilltop Loop, Buller and determination of future applications in this subdivision.

Option 1

Adopt the Wokarena Heights Estate Building Envelope Plan as per Attachment 9.1.1(a) of this report which establishes building envelopes for all lots within the Estate.

Should Council pursue Option 1 it is recommended that the application for the outbuilding upon 6 (Lot 118) Hilltop Loop, Buller be refused as the proposed outbuilding would be sited outside of the designated building envelope for the property.

To pursue Option 1 Council would need to resolve as follows:

"That Council:

1. *Resolve to advertise the Wokarena Heights Building Envelope Plan as presented in Attachment 9.1.1(a) to Agenda Item 9.1.1 of the 18 February 2015 meeting of Council pursuant to Section 5.22.15 of Shire of Chapman Valley Local Planning Scheme No.2;*
2. *Refuse planning approval for the construction of an outbuilding upon 6 (Lot 118) Hilltop Loop, Buller for the following reasons:*
 - a. *The outbuilding is proposed to be located outside of the designated building envelope for the property;*
 - b. *Council is not satisfied that sufficient justification has been provided to warrant a concession being granted in this instance; &*
 - c. *Approval of this application may well set an undesirable precedent for continued variation to the building envelopes for the Wokarena Heights Estate, which in time could prove to be detrimental to the residential amenity and appearance of the locality.*

Notes:

- i. *If an applicant is aggrieved by this determination there is a right (pursuant to the Planning and Development Act 2005) to have the decision reviewed by the State Administrative Tribunal. Such application must be lodged within 28 days from the date of determination."*

Option 2

Adopt building envelopes for the western lots only (Lots 126, 127, 128, 135 & 136) within the Wokarena Heights Estate as per Attachment 9.1.1(c) to address noise buffering from the North West Coastal Highway and not impose building envelopes upon the remainder of the lots within the subdivision.

Should Council resolve to pursue Option 2 it is recommended that the application for the outbuilding upon 6 (Lot 118) Hilltop Loop, Buller be approved as presented as the property would no longer have a building envelope and the proposed outbuilding is considered to comply with the requirements of the Shire's 'Outbuildings' Local Planning Policy, Residential Design Codes of Western Australia ('R-Codes') and the Scheme.

The pursuit of Option 2 would be in accordance with Council's direction at its 19 September 2012 meeting by seeking to impose building envelopes only for the highway abutting lots and all remaining lots would be governed by the standard R-Code and Shire Policy requirements.

"That Council:

1. *Resolve to advertise the Wokarena Heights Building Envelope Plan as presented in Attachment 9.1.1(c) to Agenda Item 9.1.1 of the 18 February 2015 meeting of Council pursuant to Section 5.22.15 of Shire of Chapman Valley Local Planning Scheme No.2;*
2. *Grant formal planning approval for the construction of an outbuilding upon 6 (Lot 118) Hilltop Loop, Buller subject to the following conditions:*
 - a. *Development shall be in accordance with the attached approved plan(s) dated 18 February 2015 and subject to any modifications required as a consequence of any condition(s) of this approval. The endorsed plans shall not be modified or altered without the prior written approval of the local government.*
 - b. *Any additions to or change of use of any part of the building or land (not the subject of this consent/approval) requires further application and planning approval for that use/addition.*
 - c. *The use hereby permitted shall not cause injury to or prejudicially affect the amenity of the locality by reason of the emission of smoke, dust, fumes, odour, noise, vibration, waste product or otherwise.*
 - d. *The roof and walls of the proposed outbuilding are to be clad in coated metal sheeting (i.e. colorbond) of colours complementary to the main residence to the approval of the local government and the use of uncoated metal sheeting (i.e. zincalume) is not permitted.*
 - e. *The approved outbuilding is only to be used for general storage purposes associated with the predominant use of the land and shall NOT be used for habitation, commercial or industrial purposes.*
 - f. *Installation of crossing place/s to the standards and specifications of the local government.*
 - g. *All stormwater is to be disposed of on-site to the specifications and approval of the local government.*
 - h. *If the development/land use, the subject of this approval, is not substantially commenced within a period of two years after the date of determination, the approval shall lapse and be of no further effect.*

Notes:

- i. *Where an approval has so lapsed, no development/land use shall be carried out without the further approval of the local government having first been sought and obtained.*

- ii. *If an applicant is aggrieved by this determination there is a right (pursuant to the Planning and Development Act 2005) to have the decision reviewed by the State Administrative Tribunal. Such application must be lodged within 28 days from the date of determination.”*

Option 3

Direct staff to advertise the Building Envelope Plan (see Attachment 9.1.1(a)) to all 25 landowners within the subdivision area seeking their comment on the building envelopes and present this information to a future meeting of Council for its consideration.

Should Council pursue Option 3 it is recommended that the application for the outbuilding upon 6 (Lot 118) Hilltop Loop, Buller be laid on the table until the 15 April 2015 Council meeting to allow for feedback to be received from the landowners within the Wokarena Heights subdivision and a decision can then be made on the proposed outbuilding and extension of the building envelope that aligns with Council's decision on the Wokarena Heights Building Envelope Plan.

To pursue Option 3 Council would need to resolve as follows:

“That Council:

1. *Resolve to advertise the Wokarena Heights Building Envelope Plan as presented in Attachment 9.1.1(a) to Agenda Item 9.1.1 of the 18 February 2015 meeting of Council pursuant to Section 5.22.15 of Shire of Chapman Valley Local Planning Scheme No.2;*
2. *Defer the application for an outbuilding and building envelope extension for 6 (Lot 118) Hilltop Loop, Buller pending Council's decision in relation to the Wokarena Heights Building Envelope Plan.*

Note: The applicant is advised that there is a right (pursuant to the Planning and Development Act 2005) to have the decision reviewed by the State Administrative Tribunal where a planning application is not determined within a 60 day period.”

STATUTORY ENVIRONMENT

6 (Lot 118) Hilltop Loop, Buller is zoned 'Residential R2.5' under the Scheme which requires built development to be located in accordance with the R-Codes unless the lot is subject to a building envelope. At present it could be argued that there is an expectation that Lot 118 is subject to a building envelope and therefore built development should be located within the building envelope area (see **Figure 2**) unless Council grants its consent for an alteration of the building envelope.

The building envelopes for the estate have generally been arranged with a 15m setback from the front boundary and 5m from the side boundaries. Should the building envelopes be removed from the lots, built development would be required to be sited in accordance with the R-Codes and for the R2.5 zone this would require a 15m front boundary setback, a 7.5m side boundary setback and a 7.5m rear boundary setback. For a corner lot such as Lot 118 built development would be required to be 15m from the primary street (the street that the front door of a dwelling faces) which in this instance is Hilltop Loop, and 7.5m from a secondary street, Dune Vista. Should the building envelope be removed for Lot 118 the proposed location of the outbuilding would be compliant with the R-Codes, the Shire's 'Outbuildings' Local Planning Policy and the Scheme.

Regardless of whether Council resolves to pursue keeping building envelopes for all lots or only the western lots abutting the North West Coastal Highway the updated Building Envelope Plan would be required to be adopted as a Detailed Area Plan pursuant to Section 5.22.15.3 of the Scheme which states:

When a proposed detailed area plan is prepared under clause 5.22.15.1, the Local Government is to:

- (a) *advertise, or require the owner who submitted the proposed detailed area plan to advertise, the proposed detailed area plan for public inspection by one or more of the following ways:*
 - (i) *notice of the proposed detailed area plan published in a newspaper circulating in the Scheme area;*

- (ii) a sign or signs displaying notice of the proposed detailed area plan to be erected in a conspicuous place or places in the Development Area, or part of the Development Area, to which the proposed detailed area plan applies; and
- (b) give notice or require the owner who submitted the proposed detailed area plan to give notice, in writing to:
 - (i) all owners whose land is included in the proposed detailed area plan;
 - (ii) all owners and occupiers who, in the opinion of the Local Government, are likely to be affected by the adoption of the proposed detailed area plan; and
 - (iii) such public authorities and other persons as the Local Government nominates.

POLICY IMPLICATIONS

Proposed Building Envelope Extension

Local Planning Policy 'Building Envelopes' was adopted by Council in order to give guidance to landowners and staff when dealing with applications that requested the relocation or amendment of designated building envelopes.

The objectives of the 'Building Envelopes' Local Planning Policy are listed as:

- "3.1 To provide guidance with respect to the amendment of a building envelope (relocation, expansion) that will not lead to unacceptable impacts on surrounding properties.*
- 3.2 To provide criteria by which the amendment of a building envelope should be considered to assist in protecting the integrity of the application of building envelopes.*
- 3.3 To provide guidance in relation to the information required to be submitted as part of an application for the amendment of a building envelope."*

Furthermore Clause 4.3 of the 'Building Envelopes' Local Planning Policy states:

"In considering an application to relax the development standards pursuant to Section 5.5 of Local Planning Scheme No.2, the Council will give particular consideration to:

- a. justification for the proposed amendment;*
- b. the secondary nature of the development should the application be to site a building/s outside of the envelope (ie horse stables);*
- c. unacceptable visual clutter, especially in elevated areas of high landscape quality or visually exposed locations, such as the edge of hill or mesa tops within prominent parts of the Moresby Range;*
- d. unnecessary clearing of remnant native vegetation;*
- e. visual obtrusiveness and/or impact on an adjoining property by way over looking, noise, odour or light spill;*
- f. suitability for landscape screening using effective screening vegetation and the availability of a proven water supply for this purpose;*
- g. use of materials and colours to assist in softening any perceived visual impact;*
- h. compliance with the land-use, setback, building height, development exclusion, vegetation protection, bushfire requirements and other pertinent provisions of the Local Planning Scheme and associated Planning Policies."*

A Local Planning Policy does not bind the local government in respect of any application for planning approval but the local government is to have due regard to the provisions of the Policy and the objectives which the Policy is designed to achieve before making its determination.

In most circumstances the Council will adhere to the standards prescribed in a Local Planning Policy, however, the Council is not bound by the Policy provisions and has the right to vary the standards and approve development where it is satisfied that sufficient justification warrants a concession and the variation granted will not set an undesirable precedent for future development.

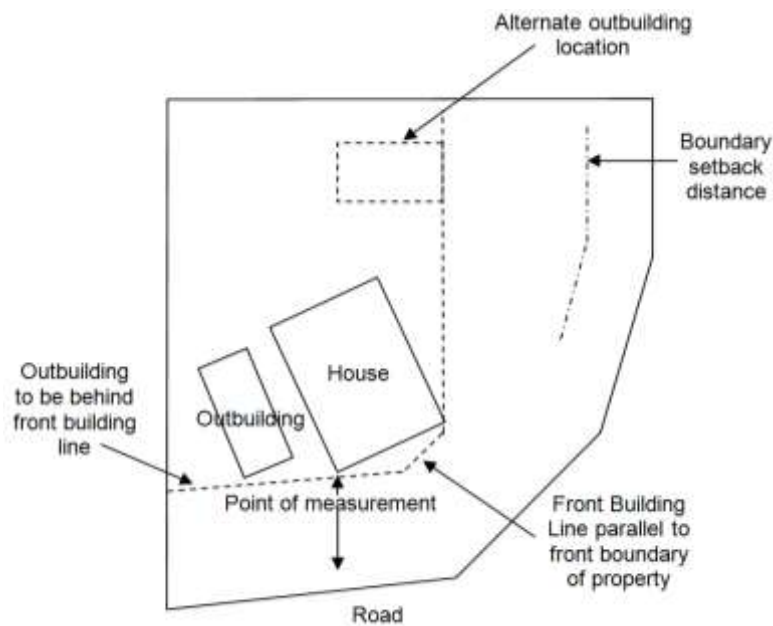
Proposed Outbuilding

Section 4.4 of the Shire’s ‘Outbuildings’ Local Planning Policy states the following maximum dimensions for outbuildings constructed within the ‘Residential R2.5’ zone:

Zone	Standard	Maximum
Residential (R5 and lower density)	Area (total aggregate)	180 m ²
	Wall Height	3.5 metres*
	Overall Height (single story)	4.5 metres
* Wall heights are to be measured from natural ground level.		

The outbuilding is proposed to be 12m x 11m (132m²) with a wall height of 3.5m (2.7m as measured from natural ground level) and an overall height of 4.5m. The proposed outbuilding is compliant with the above size requirements of the Council’s Policy.

Section 4.7 of the ‘Outbuildings’ Policy addresses the siting requirements for an outbuilding upon corner lots stating that the outbuilding is required to be located behind the front building line of a dwelling. The Policy provides a diagram to illustrate this requirement and has been provided below.



Based on the siting requirements of the Policy and the chosen location of the dwelling under construction on the property, the required location for the outbuilding as specified by the outbuildings policy is to the north of the dwelling. However given the size and location of the dwelling and the restrictions of the building envelope it is challenging to site an outbuilding that would meet the siting requirements of both the Policy and the developer prepared building envelope. Notwithstanding these requirements, the applicant has however chosen to position the outbuilding 17m from the dwelling which extends the existing envelope further than other potential scenarios such as reducing the distance between the dwelling and proposed outbuilding.

FINANCIAL IMPLICATIONS

Nil, however should Council refuse the application and the landowner proceed to exercise their right of appeal a further cost is likely to be imposed on the Shire through it’s involvement in the appeal process.

• **Long Term Financial Plan:**

The Shire of Chapman Valley Long Term Financial Plan (2013) was received by Council at its 18 September 2013 meeting. It is not considered that the determination of this application by Council would have impact in relation to the Long Term Financial Plan.

STRATEGIC IMPLICATIONS

The direction that Council resolves to undertake in relation to the Building Envelope Plan for the Wokarena Heights Estate will impact the way in which each of the lots is developed and the manner in which Shire staff assess applications that are received for built development upon the lots.

The absence of building envelopes (for those lots that do not adjoin the North West Coastal Highway) will provide landowners with a higher level of flexibility in the use of their lot and the placement of built development. However this will also impact on the views, potential or otherwise from surrounding properties. With the adherence to building envelopes for these lots landowners buying into the estate are afforded a higher level of certainty as to the location of built development upon surrounding properties, which will assist in the decision making process for the design of the use of their lot. The role of town planning in the protection of views is a long debated matter with the general consensus being that one does not 'own their view'. However when an estate exhibits opportunity for multiple lots to achieve a view then developers often put mechanisms in place to provide a level of protection to potential purchasers to increase the attractiveness of lots and drive sales. From a local government point of view this can be advantageous as this can maintain higher lot prices which can promote a higher standard of development within a locality.

- **Strategic Community Plan/Corporate Business Plan:**

The Shire of Chapman Valley Strategic Community Plan 2013-2023 was adopted by Council at its 19 June 2013 meeting. It is not considered that the determination of this application by Council would have impact in relation to the Strategic Community Plan.

CONSULTATION

The 'Building Envelopes' Local Planning Policy requires that an application seeking to relocate or alter a building envelope shall be advertised to surrounding landowners inviting comment upon the proposal. Letters were sent to the northern (Lot 119) and eastern (Lot 117) adjoining landowners. At the conclusion of the advertising period the landowner to the north (Lot 119) provided support to the proposal as they considered that their views would not be impacted upon through the construction of the outbuilding. The landowner to the east (Lot 117) also responded, objecting to the proposal as they considered that they would lose their views. Based on the proposed location of the outbuilding and the current location of the building envelope for the lot to the east (which is to the north/rear of their lot), the proposed outbuilding would be constructed between the likely future built development upon the lot to the east and the ocean.

Figure 7 – View looking west from Richards Road



RISK ASSESSMENT

Not applicable

VOTING REQUIREMENTS

Simple majority of Council

COUNCIL RESOLUTION / STAFF RECOMMENDATION

MOVED: CR HUMPHREY

SECONDED: CR WOOD

That Council:

- 1 Resolve to advertise the Wokarena Heights Building Envelope Plan as presented in Attachment 9.1.1(c) to Agenda Item 9.1.1 of the 18 February 2015 meeting of Council pursuant to Section 5.22.15 of Shire of Chapman Valley Local Planning Scheme No.2;
- 2 Grant formal planning approval for the construction of an outbuilding upon 6 (Lot 118) Hilltop Loop, Buller subject to the following conditions:
 - a Development shall be in accordance with the attached approved plan(s) dated 18 February 2015 and subject to any modifications required as a consequence of any condition(s) of this approval. The endorsed plans shall not be modified or altered without the prior written approval of the local government.
 - b Any additions to or change of use of any part of the building or land (not the subject of this consent/approval) requires further application and planning approval for that use/addition.
 - c The use hereby permitted shall not cause injury to or prejudicially affect the amenity of the locality by reason of the emission of smoke, dust, fumes, odour, noise, vibration, waste product or otherwise.
 - d The roof and walls of the proposed outbuilding are to be clad in coated metal sheeting (i.e. colorbond) of colours complementary to the main residence to the approval of the local government and the use of uncoated metal sheeting (i.e. zinalume) is not permitted.
 - e The approved outbuilding is only to be used for general storage purposes associated with the predominant use of the land and shall NOT be used for habitation, commercial or industrial purposes.
 - f Installation of crossing place/s at the applicant's expense to the approval of the local government.
 - g All stormwater is to be disposed of on-site to the approval of the local government.
 - h If the development/land use, the subject of this approval, is not substantially commenced within a period of two years after the date of determination, the approval shall lapse and be of no further effect.

Notes:

- i Where an approval has so lapsed, no development/land use shall be carried out without the further approval of the local government having first been sought and obtained.
- ii If an applicant is aggrieved by this determination there is a right (pursuant to the *Planning and Development Act 2005*) to have the decision reviewed by the State Administrative Tribunal. Such application must be lodged within 28 days from the date of determination.

**Voting 4/3
CARRIED
Minute Reference 02/15-2**



AREAS AND DIMENSIONS SUBJECT TO SURVEY

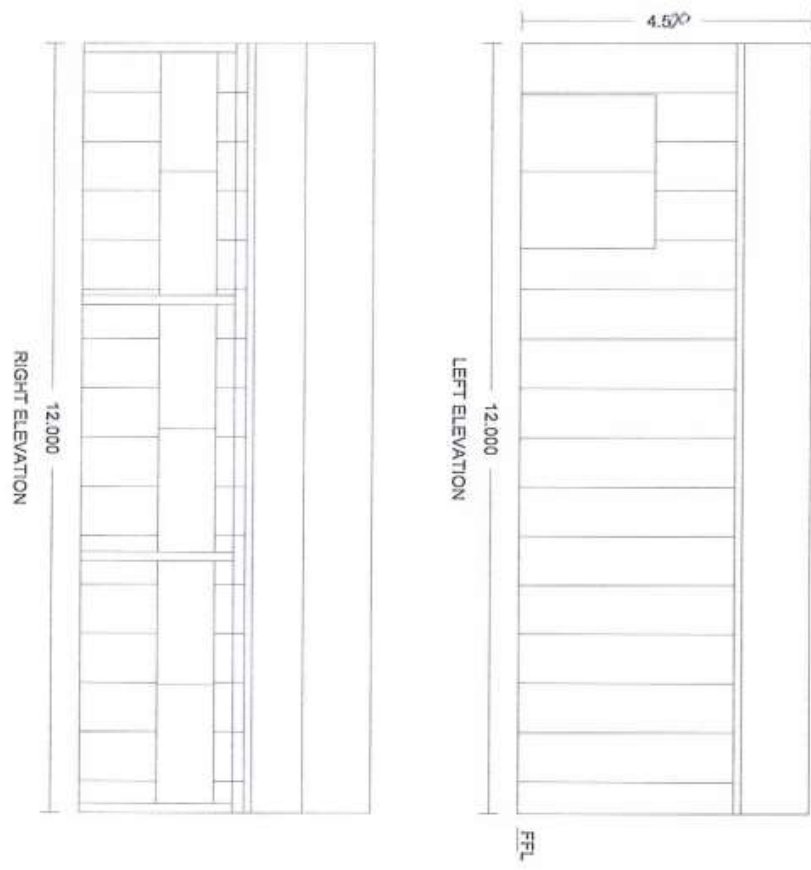
- Legend**
- Lot 2 Wokarena Road
 - R 2.5
 - Drainage
 - Building Envelope
 - POS

Shire of Chapman Valley
 Lot 2 Wokarena Road, BULLER

PLANWEST (WA) Pty Ltd

January 2014





PROPOSED Shed 11.000x12.000x2.696-3.500		
At White Peaks		
For Tim Kirby		
Wall Colour - Shale Grey	Roof colour - Colorbond TBA	
Barge Colour - Colorbond TBA	Roller Door Colour - Colorbond TBA	
Job No CDA000703	Quote No CHR001192	Scale 1:100
All Work To Be In Accordance With Accompanying Engineers Details		

WEST STEEL SHEDS
99239521

Detailed Area Plans for Lots 126-128, 135 & 136 on the subdivision plan for portion of Lot 2, Wokarena Road, BULLER



- All dwellings shall be located within the building envelopes shown on the plan attached.
- All lots are to provide and maintain a ten metre wide landscape buffer strip, to provide visual screening, along the rear boundary.
- The use of zincalume or coloured roof and wall materials, which in the opinion of the local government prejudices the landscape amenity of the surrounding landform, is not permitted.
- The local government shall in the exercise of its discretion take into account the fact that the land is highly visible from North West Coastal Highway.

AREAS AND DIMENSIONS
SUBJECT TO SURVEY

Shire of Chapman Valley

Lot 2 Wokarena Road, BULLER

PLANWEST (WA) Pty Ltd

Legend

- Lot 2 Wokarena Road
- R 2.5
- Drainage
- POS
- Building Envelope

AGENDA ITEM:	9.1.2
SUBJECT:	MICRO-DISTILLERY WITH CELLAR DOOR TASTING & SALES
PROPONENT:	J WELSH
SITE:	1852 (LOT 2) CHAPMAN VALLEY ROAD, YETNA
FILE REFERENCE:	A323
PREVIOUS REFERENCE:	07/06-10, 07/08-12, 03/09-8 & 12/14-3
DATE:	9 FEBRUARY 2015
AUTHOR:	SIMON LANCASTER

DISCLOSURE OF INTEREST

Nil

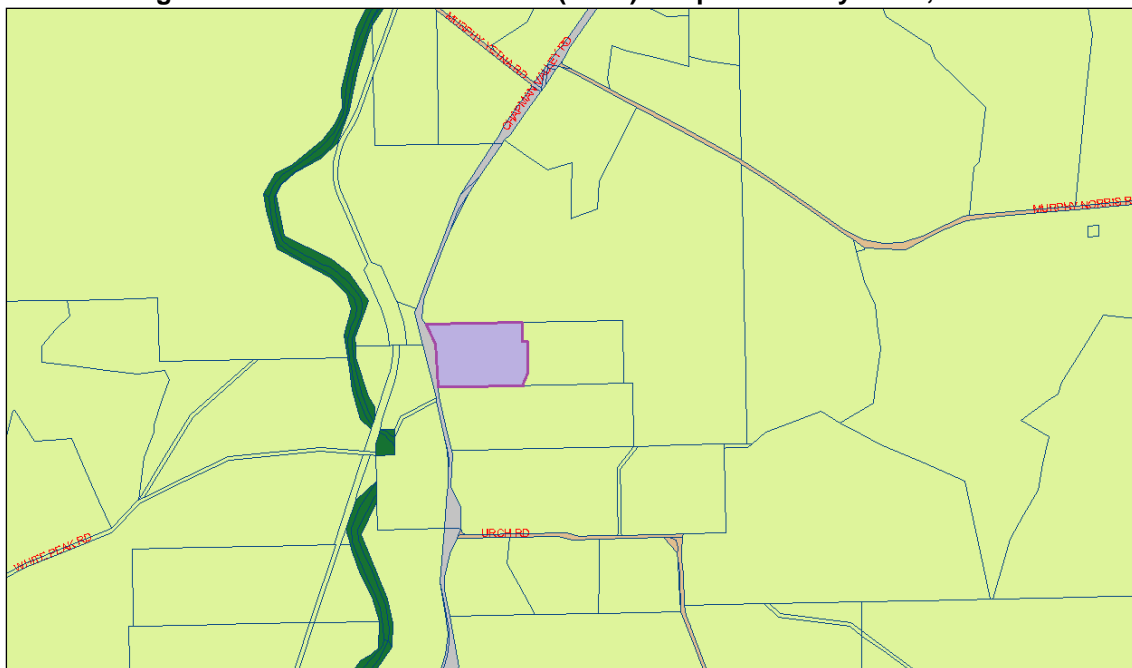
BACKGROUND

Council is in receipt of an application seeking to establish a micro-distillery with cellar door tasting and sales upon 1852 (Lot 2) Chapman Valley Road, Yetna. This report recommends conditional approval of the application.

COMMENT

The micro-distillery is proposed to operate from 1852 (Lot 2) Chapman Valley Road, Yetna which contains the Lavender Valley Farm Gift Shop & Cafe. Lot 2 is a 19.1ha property located on the eastern side of Chapman Valley Road, approximately 18km (by road) from the North West Coastal Highway turnoff.

Figure 1 – Location Plan for 1852 (Lot 2) Chapman Valley Road, Yetna



Council previously resolved at its 10 December 2014 meeting to approve a micro-distillery with associated cellar door tasting and sales upon 305 (Lot 14) Nanson-Howatharra Road, Nanson (former Chapman Valley Winery/now approved as the 'Burnt Barrel' micro-brewery, restaurant, reception centre and agriculture-intensive (honey bee farm)). The applicant now seeks to establish the development from an alternative location at the Lavender Valley Farm Gift Shop & Café operation.

The applicant is seeking to establish and operate the Copperhead Road Distillery to produce rum, and also flavoured spirits and liqueurs, made by refining the rum and/or by infusing it with botanical ingredients. The packaged product will be sold wholesale and retail, as well as being available for tasting and sale at the cellar door. Distillations will be performed in hand crafted alembic copper stills and the rum will be aged in oak barrels. The distillery equipment will be available for public viewing.

The micro-distillery would operate from an existing 128m² (16x8m, 3.3m wall height) red colorbond outbuilding that is located immediately west/downhill of the café building. The applicant intends to undertake internal works to the shed to provide a sampling bar/retail area and a separate distilling/storage area to contain the fermenters and stills.

The applicant is intending to open the distillery to the public seven days per week (excepting Anzac Day, Good Friday and Christmas Day) generally between the hours of 10am and 5pm. It is expected that most of the operating activities would be carried out during these times, although, it may be necessary to perform some bottling and other activities outside of these hours on occasion.

The proposed development can be considered complementary in nature to the existing café and would share some facilities including the existing ablutions, car parking and access point onto Chapman Valley Road.

The distilling process is anticipated to produce approximately 150L of non-toxic dunder daily and this can be utilised as fertiliser or animal feed supplement.

A copy of the applicant's submitted correspondence which details the distillery and bottling process, along with site and floor plans and site photographs have been included as **Attachment 9.1.2(a)** for Council's information.

Figure 2 – Aerial Photograph of 1852 (Lot 2) Chapman Valley Road, Yetna



Lot 2 is a sloping property with a 130m contour height at the eastern boundary sloping downwards across a distance of approximately 500m to a 105m contour height at the western/Chapman Valley Road frontage. The property has remnant vegetation on the hilltop area and is cleared for farming purposes closer to the Chapman Valley Road frontage. The recent relevant development history for 1852 (Lot 2) Chapman Valley Road, Yetna is as follows:

1987-1988	Residence constructed;
28 April 2006	Shire approved outbuilding (this is the proposed site for the micro-distillery application);
20 July 2006	Council approved an intensive agricultural pursuit (1.8ha lavender farm) development;
16 July 2008	Council initiated Scheme Amendment No.43 to rezone Lot 2 to provide for an 'Additional Zone' with accompanying Outline Development Plan in order to permit the following additional uses; restaurant, reception centre, shop;
18 March 2009	Council, following advertising, adopted Scheme Amendment No.43;
27 November 2009	Scheme Amendment No.43 gazetted;
11 January 2010	Shire approved an eating house/restaurant, reception centre and gift shop development in accordance with the Outline Development Plan;

6 July 2010
22 February 2012

Shire approved 3 gazebos located in the restaurant garden area;
Shire approved ablution facilities extension to outbuilding that is subject of this micro-distillery application.

STATUTORY ENVIRONMENT

1852 (Lot 2) Chapman Valley Road, Yetna is zoned 'Rural' under Shire of Chapman Valley Local Planning Scheme No.2 and has an overlying 'Additional Use 4' zoning.

Section 4.2.6 of Scheme No.2 lists the objectives of the Rural Zone as being:

- "(a) provide for a variety of agricultural/rural activities;*
- (b) provide for other land-uses compatible with the predominant use of the land;*
- (c) prevent the establishment of land-uses more appropriately undertaken in commercial and/or industrial areas;*
- (d) provide appropriate protection from incompatible development for existing land-uses; and*
- (e) protect the environmental and landscape values of the land."*

Section 4.5 of the Scheme specifies the following for the 'Additional Use' zone:

"Despite anything contained in the Zoning Table, the land specified in Schedule 2 may be used for the specific use or uses that are listed and subject to the conditions set out in Schedule 2 with respect to that land.

Note: An additional use is a land use that is permitted on a specific portion of land in addition to the uses already permissible in that zone that applies to the land."

Schedule 2 specifically lists eating house, restaurant, reception centre and gift shop as being permitted for the 'Additional Use 4' zoning.

Schedule 2 also lists the following conditions specific to Lot 2:

- "1 All development is to generally be in accordance with the approved Structure Plan, unless otherwise determined by the Local Government.*
- 2 All buildings shall be sympathetic in design and construction, and complementary in colour and materials to the existing landform and landscape elements, to the satisfaction of the Local Government.*
- 3 All habitable buildings (including an Eating House, Restaurant, Reception Centre, and Shop Building) shall be serviced by:
 - a) A potable water supply with a minimum storage capacity of 100,000 litres sourced from rainwater catchments or an alternative on-site supply approved by the Local Government in consultation with the WA Department of Health.*
 - b) An approved on-site effluent disposal system set back a minimum distance of 100 metres from any water course or wetland area and a minimum of 30 metres from any bore, well or dam, with a minimum of 2 metres vertical separation from the base of the apparatus and the highest known ground water level or bedrock.**
- 4 All supply of potable water shall comply with the drinking water standards for public buildings as prescribed under the Australian Drinking Water Guidelines [NHMRC] 2004.*
- 5 The seating for an Eating House/Restaurant/Reception Centre building shall not exceed 100 persons, including the provision for alfresco dining.*
- 6 The additional use of a 'Gift Shop' is limited to the sale of gifts, arts, craft and produce produced locally.*
- 7 Carparking associated with a Restaurant/Reception Centre use shall be calculated at 1 bay for every 4 seats, with an Eating House use to be calculated at 1 bay for every 3 square metres of public area.*

- 8 *All car parking, manoeuvring areas and access driveways shall be constructed, as a minimum, to compacted gravel, drained and delineated standard to the Local Government's specifications.*
- 9 *The clearing of remnant vegetation on the property other than for fire management and /or driveway access purposes is not permitted, unless otherwise determined by the Local Government.*
- 10 *All storm water resulting from impervious surfaces and buildings shall be retained on the site. Storm water shall not be disposed of into natural drainage lines resulting in erosion or cause environmental harm (contamination).*
- 11 *A Landscaping Plan shall be submitted as part of a development application clearly showing the planting of native trees and shrubs around all proposed buildings on the property, to the satisfaction of the Local Government.*
- 12 *Vegetation buffers shall be established on the property where, in the opinion of the Local Government, a potential conflict issue may arise with an adjoining land use.*
- 13 *The specific siting of buildings on the property shall be determined by the Local Government at the development application stage taking into account visual amenity, conflict issues between neighbouring uses, vehicular access, provision of adequate servicing, and removal of vegetation and extent of site works involved.*
- 14 *Management of the property (including all development/uses) shall be provided and maintained on site, unless otherwise determined by the Local Government.*
- 15 *The crossover to Chapman Valley Road from Lot 2 shall be designed and constructed in accordance with Local Government/Main Roads WA standards.*
- 16 *Prior to the commencement of development of an Additional Use permitted within this Zone, the developer may be required at the request of the Local Government to provide and implement a fire management plan to the satisfaction of the Fire and Emergency Services Authority of Western Australia and the Local Government. The fire management plan shall address:*
 - i) water supplies for firefighting;*
 - ii) egress for residents/patrons and access for firefighting units;*
 - iii) strategic and alternative fire breaks;*
 - iv) adequacy of firefighting equipment.**The fire management plan is to be prepared in accordance with the document "Planning for Bush Fire Protection".*

The 'Additional Use 4' zoning arose from Scheme Amendment No.43 to Town Planning Scheme No.1 introduced to allow for the Lavender Valley Farm Gift Shop & Cafe development upon Lot 2.

The Scheme Amendment No.43 documentation included an Outline Development Plan that referenced the building proposed to house the micro-distillery as 'existing shed' and given that the proposed development does not in itself require additional external construction works it is not considered that re-lodgement of the Outline Development Plan is required in this instance.

The proposed micro-distillery and tasting/sales development application is considered incidental/ancillary to the existing rural tourism (café and gift shop) development upon the property and therefore meets with the statutory requirements of the Scheme. The proposed development would activate an existing and underutilised building in the café grounds, produce a 'waste' product that can re-used for fertiliser or feed supplement for the predominant rural uses on-site, and is considered to offer a positive planning outcome.

It is noted that condition 6 of the 'Additional Use 4' zone requires that retailing aspects of the land use be limited to local produce, and the application would satisfy this requirement with its produce distilled and bottled on-site.

However, were this development not to be considered as ancillary/incidental to the main rural tourism operations of the property then the land use of micro-distillery is not specifically listed in Schedule 1 of Scheme No.2 but may be considered to generally meet the definition of several land uses that are listed within the 'Rural' zone as follows:

"rural pursuit" means any premises used for –

- (a) the rearing or agistment of animals;*
- (b) the stabling, agistment or training of horses;*
- (c) the growing of trees, plants, shrubs or flowers for replanting in domestic, commercial or industrial gardens; or*
- (d) the sale of produce grown solely on the lot, but does not include agriculture – extensive or agriculture – intensive."*

'Rural Pursuit' is listed as being a 'P' use within the 'Rural zone, meaning that it is permitted providing the use complies with the relevant development standards and requirements of the Scheme.

"agriculture – intensive" means premises used for trade or commercial purposes, including outbuildings and earthworks, associated with the following –

- (a) the production of grapes, vegetables, flowers, exotic or native plants, or fruit or nuts;*
- (b) the establishment and operation of plant or fruit nurseries;*
- (c) the development of land for irrigated fodder production or irrigated pasture (including turf farms); or*
- (d) aquaculture."*

"industry – cottage" means a trade or light industry producing arts and crafts goods which does not fall within the definition of a home occupation and which –

- (a) does not cause injury to or adversely affect the amenity of the neighbourhood;*
- (b) where operated in a residential zone, does not employ any person other than a member of the occupier's household;*
- (c) is conducted in an out-building which is compatible with the principal uses to which land in the zone in which it is located may be put;*
- (d) does not occupy an area in excess of 50 square metres; and*
- (e) does not display a sign exceeding 0.2 square metres in area."*

"industry – rural" means –

- (a) an industry handling, treating, processing or packing rural products; or*
- (b) a workshop servicing plant or equipment used for rural purposes."*

'Agriculture-intensive', 'cottage industry' and 'rural industry' are listed as being 'D' uses within the 'Rural' zone, meaning that they are not permitted unless the local government has exercised its discretion by granting planning approval.

"exhibition centre" means premises used for the display, or display and sale, of materials of an artistic, cultural or historical nature, and includes a museum or art gallery."

'Exhibition Centre' is listed as an 'A' use within the 'Rural' zone, meaning that it is not permitted unless the local government has exercised its discretion by granting planning approval after advertising.

POLICY IMPLICATIONS

Council adopted Shire of Chapman Valley Local Planning Policy 'Rural Tourism Development' at its 19 February 2014 meeting (superseding the 'Rural Tourist Development' Local Planning Policy previously adopted by Council under Scheme No.1 at its 18 April 2007 meeting). The objective of this Policy is to provide for a range of accommodation and other tourist related uses in the rural areas of the Shire in a manner that is complementary and sensitive to the agricultural and environmental fabric of the municipality.

The policy does not specifically list micro-distillery and the proposed land use could be considered to most closely meet the following definitions provided by Section 4.1 of the policy (this would also apply if the land use is considered to be ancillary/incidental to the café and gift shop land use):

“Café/Tearooms’ means a building used for the preparation, sale and serving of food and non-alcoholic drinks on the premises to the general public. The use may also include alfresco dining at the Council’s discretion.

‘Restaurant means premises where the predominant use is the sale and consumption of food and drinks on the premises and where seating is provided for patrons, and includes a restaurant licensed under the Liquor Licensing Act 1988. The use may also include alfresco dining at the Council’s discretion.”

‘Reception Centre’ means premises used for functions on formal or ceremonial occasions but not for unhosted use for general entertainment purposes. The use may include the serving of food and alcoholic/non-alcoholic drinks on the premises where the facility is licenced under the Liquor Licencing Act 1988.”

The policy states that tourist related uses will generally be approved where the Council is satisfied that the minimum criteria and standards can be achieved. The minimum criteria specified for a Café, Restaurant and Reception Centre are listed as follows, and the application is considered to accord with the policy requirements.

Use	Criteria	Standard
Restaurant Café Tearoom	Location	With an established intensive agriculture/rural pursuit and/or rural holiday resort
	Public Road Access	Type 3 – 12m form/8m gravel paved
	Potable Water Supply	92,000L storage (20,000 gals)
	Ablutions	As per <i>Health Act 1911</i> including provision for disabled
	Car Parking	1 car bay per caravan/camp site + 1 bay for manager – gravel standard/Council specs
	Lot size	15ha
	Setback	30m from the front boundary and 75m from water features with all other boundaries to comply with Local Planning Scheme requirements unless otherwise determined by Council
	Siting	Away from sand dunes, ridge lines and side slope/breakaway areas
	Clearing	No removal of remnant vegetation
	Screening	Well screened from view of neighbouring properties
	Design & Materials	Complementary with landscape – earth tones – no reflection
	Management	On site managers residence
Use	Criteria	Standard
Reception Centre	Location	With an established guesthouse, restaurant or rural holiday resort
	Public Road Access	Type 3 – 12m form/8m gravel paved
	Potable Water Supply	92,000L storage (20,000 gals)
	Ablutions	As per <i>Health Act 1911</i> including provision for disabled
	Car Parking	1 car bay per caravan/camp site + 1 bay for manager – gravel standard/Council specs
	Lot size	20ha
	Setback	30m from the front boundary and 75m from water features with all other boundaries to comply with Local Planning Scheme requirements unless otherwise determined by Council
	Siting	Away from sand dunes, ridge lines and side slope/breakaway areas
	Clearing	No removal of remnant vegetation
	Screening	Well screened from view of neighbouring properties
	Design & Materials	Complementary with landscape – earth tones – no reflection
	Management	On site managers residence

Part 4.2.b of the policy also requires that:

“The Council will only approve tourist accommodation and development where it has been demonstrated that the proposed use is compatible with surrounding land uses and will not result in unacceptable environmental impacts as a result of noise, light-spill or visual intrusion, and that the quality of the development will present a positive image of the locality.”

A Local Planning Policy does not bind the local government in respect of any application for planning approval but the local government is to have due regard to the provisions of the policy and the objectives which the policy is designed to achieve before making its determination.

In most circumstances the Council will adhere to the standards prescribed in a Local Planning Policy, however, the Council is not bound by the policy provisions and has the right to vary the standards and approve development where it is satisfied that sufficient justification warrants a concession and the variation granted will not set an undesirable precedent for future development.

FINANCIAL IMPLICATIONS

Nil

• **Long Term Financial Plan:**

The Shire of Chapman Valley Long Term Financial Plan (2013) was received by Council at its 18 September 2013 meeting. It is not considered that the determination of this application by Council would have impact in relation to the Long Term Financial Plan.

STRATEGIC IMPLICATIONS

The Shire of Chapman Valley Local Planning Strategy (2008) identifies Lot 2 as being located within ‘Precinct 3 – Chapman Valley’ the vision for which is:

“A diverse range of rural pursuits and incidental tourist developments that complement the sustainable use of agricultural resources.

The Strategy notes within the overview for Precinct No.3 that “heritage trails are also evident along the Chapman Valley Road and Nanson Howatharra Road with the potential to be developed further for tourism purposes”, lists ‘tourism (low-key & incidental)’ as an appropriate land use for Precinct No.3, and also identifies the following precinct economic objective:

“3.2.2 Encourage the experimentation and growth of newer crops and animal varieties through farm diversification and support value adding to this diversified farm produce. This could include links to tourism in accordance with Council Policy.”

The Western Australian Planning Commission’s ‘Planning Bulletin 83 - Planning for Tourism’ (2013) sets out the policy position to guide decision making by the WAPC and local government for rezoning, subdivision and development proposals for tourism purposes. The Bulletin emphasises the importance of strategic planning for tourism and that this should be addressed through the local government’s Local Planning Strategy identifying tourism sites and determine their strategic value and importance to tourism development.

The Bulletin notes that identification of tourism sites does not imply that the site is suitable for immediate development or re-development (in many cases sites may be identified to facilitate the long term protection of land for tourism purposes where economic conditions appropriate for development may not be reached for a number of years) but does set out general location criteria to determine the tourism value of a site as follows:

“Accessibility

The site has adequate existing or proposed transport links (such as major road or airport access).

Uniqueness

The site contains, or is in the vicinity of, an attraction or prominent and/or unique landmark of local, regional or state significance.

Setting

The setting of the site has an aspect and outlook that supports recreational tourism activities and/or the creation of a tourism character and ambience (e.g. immediately adjacent to a beach).

Tourism activities and amenities

The site provides, has easy access to, or is capable of development of supporting activities and amenities such as tours, fishing, historic sites, walk trails, environmental interpretation, cafes, restaurants, shops and the like.

Supply of land

The site has an element of scarcity in that it may be the only opportunity, or one of a limited number of opportunities, to achieve a significant tourism development in an area.

Site specific criteria to determine the tourism value of the site includes:

Suitability in a land use context

The site is located in a land use context that will not limit the extent of activities available to guests due to amenity impacts on adjoining residents or where the adjoining uses potentially detract from the tourism character of the site (e.g. located within a residential area).

Capability

The site has the capacity to be developed for tourism purposes and accommodate the associated services in a manner that does not detract from the natural attributes of the site or result in environmental degradation. Examples include: clearing for bushfire protection, sewerage capacity, water supply and rubbish disposal.

Size

The size of the site should be adequate to accommodate a sustainable tourism facility with respect to its design, operation and function, and its site specific and wider impacts and consideration of future growth/expansion. This will require a site to be able to be developed without compromising the sustainable use of natural and cultural resources or existing social structures. Development of the site should also contribute to the delivery of diversified and balanced tourism opportunities.

Function

The use of the site meets a particular accommodation, market need and/or ensures a range of tourism accommodation within the locality. Examples are: beachfront caravan parks, school holiday camps and Crown tourism leases.

These criteria are to guide local government in the assessment of the strategic value of tourism sites and determination of the value will be based on the outcome of the assessment of the site against all criteria.”

• **Strategic Community Plan:**

The Shire of Chapman Valley Strategic Community Plan 2013-2023 was adopted by Council at its 19 June 2013 meeting. The Strategic Community Plan has the following economic strategies:

Objective	Strategy	Outcome	Partners
We want to be able to spend our money locally and encourage others to do the same	Develop tourism in the Shire, including cottage industries, caravan park and events	Showcasing our attractions increases the number of people visiting the area	Chapman Valley business community Shire of Chapman Valley
	Develop short-term and overnight accommodation options across the Shire	Visitors stay longer in our community Short-term employees can reside in the Shire	Chapman Valley business community Chapman Valley farming community Shire of Chapman Valley

CONSULTATION

It is not suggested that this application be advertised for public comment, however, should Council consider that the application be advertised for public comment prior to making its determination then it may do so under Section 9.4 of the Scheme.

RISK ASSESSMENT

On determination of this application (refusal/approval) should the applicant be aggrieved by the determination or conditions of approval they have a right of appeal to the State Administrative Tribunal with a cost likely to be imposed on the Shire through its involvement in the appeal process.

VOTING REQUIREMENTS

Simple majority required.

COUNCIL RESOLUTION / STAFF RECOMMENDATION

MOVED: CR FORRESTER

SECONDED: CR WARR

That Council grant formal planning approval for a micro-distillery with associated cellar door tasting and sales upon 1852 (Lot 2) Chapman Valley Road, Yetna subject to compliance with the following conditions:

- 1 Development shall be in accordance with the attached approved plan(s) dated 18 February 2015 and subject to any modifications required as a consequence of any condition(s) of this approval. The endorsed plans shall not be modified or altered without the prior written approval of the local government.
- 2 Any additions to or change of use of any part of the buildings or land (not the subject of this consent/approval) considered by the Chief Executive Officer to represent significant variation from the approved development plan requires further application and planning approval for that use/addition.
- 3 The applicant is to prepare, submit and adhere to a Management Plan to the approval of the local government, with all costs met by the applicant.
- 4 The proponent is to implement and maintain reporting mechanisms for complaints concerning the operation of the development. In the event of a substantiated complaint being received the applicant is required to demonstrate mitigation response(s) to the approval of the local government. Such response(s) will be treated as conditions of approval/required modifications to the Management Plan.
- 5 The location, design and construction of the access point onto Chapman Valley Road shall be maintained to the requirements of Main Roads WA, with all costs met by the applicant.
- 6 The installation of any directional signage shall be to the requirements of Main Roads WA, with all costs met by the applicant.
- 7 All parking of vehicles associated with the development shall be provided for within the property boundary, and the street verge area shall be kept free of such vehicles.
- 8 The internal road network and vehicle manoeuvring and parking areas shall be constructed and maintained to an all-weather compacted gravel standard to the approval of the local government, with all costs met by the applicant.
- 9 The development shall be serviced by toilet facilities, connected to an on-site wastewater and effluent disposal system, that are sufficient in regards to their number, access requirements, location, design and operation to the requirements of the Department of Health, with all costs met by the applicant.
- 10 All lighting devices shall be installed and shaded in such a way as to not cause undue light spill to passing motorists or neighbouring residences to the approval of the local government.

- 11 All permanent buildings including sheds and storage tanks shall be sympathetic in design and colour (muted tones) to complement the natural landscape features of the area and minimise visual impact to the approval of the local government.
- 12 Landscaping is required to be maintained about the development to the approval of the local government.
- 13 The use hereby permitted shall not cause injury to or prejudicially affect the amenity of the locality by reason of the emission of smoke, dust, fumes, odour, noise, vibration, waste product or otherwise.
- 14 The approved development shall be substantially commenced within a period of 2 years from the date of this approval and if the development is not substantially commenced the approval shall lapse and be of no further effect. Where an approval has so lapsed, no development shall be carried out without the further approval of the responsible authority having first been sought and obtained.

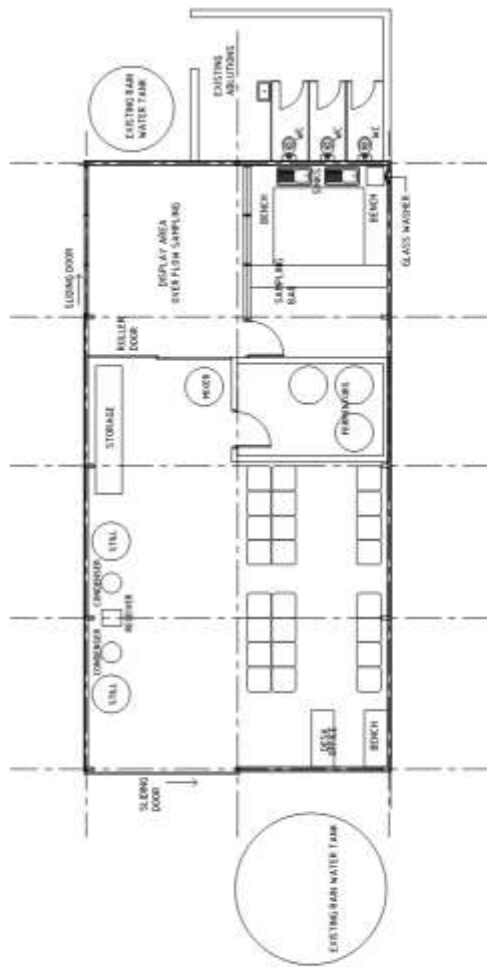
Advice Notes

- a) The applicant is advised that this planning approval does not negate the requirement for any additional approvals which may be required under separate legislation including but not limited to the, Building Code of Australia, *Building Act 2011*, *Building Regulations 2012*, *Food Act 2008*, *Food Regulations 2009*, *Health Act 1911*, *Liquor Control Act 1988*, and the *Local Government (Miscellaneous Provisions) Act 1960*. It is the applicant's responsibility to obtain any additional approvals required before the development/use lawfully commences.
- b) In relation to condition 3 the Management Plan is to include a section relating to Fire Management, and Emergency Response Plan, prepared to the requirements of the Department of Fire and Emergency Services, and the approval of the local government.
- c) In relation to condition 3 the Management Plan is to include a section relating to Noise Management prepared to the approval of the local government.
- d) In relation to condition 3 the Management Plan is to include a section relating to Alcohol Management prepared to the requirements of the Department of Racing, Gaming & Liquor, and the approval of the local government.
- e) If an applicant is aggrieved by this determination there is a right pursuant to the *Planning and Development Act 2005* to have the decision reviewed by the State Administrative Tribunal. Such application must be lodged within 28 days from the date of determination.

Voting 7/0
CARRIED
Minute Reference 02/15-3

Mr Welch left Chambers at 9.37am





A FLOOR PLAN
1:100



Rev. No.	B	Date	04.02.15	DA APPROVAL
				Revisions

EASTMAN POLETTI SHERWOOD ARCHITECTS

PROJECT
PROPOSED DISTILLERY
"LAVENDER FARM"
CHAPMAN VALLEY ROAD

PROVISIONS
PLANS - SHED CONVERSION
JOB NO. 1438

DATE 10/07/2014
SCALE 1:100
DATE 2/11/14
SCALE 1:100
DATE 2/11/14

DESIGNED BY LMS
DRAWN BY CAP
CHECKED BY A2
DATE 2/11/14

PROJECT LOCATION
1, THE BULLY STREET BUNGALOW, 1005 P.O. BOX 271, 281 BIRCHMOUNT RD, BIRCHMOUNT, SAUNDERS BAY, SOUTH AFRICA



A PHOTOGRAPHS - EXISTING SHED



Rev. No.	04.92.10	DA APPROVAL
Date		Revised

EASTMAN DOLETTI SHERWOOD

PROPOSED DISTILLERY
'LA VENDER FARM'
CHAPMAN VALLEY ROAD

EXISTING SHED ELEVATIONS: 14.38

DATE: NOV 2014	SCALE: N/A	CAD: A3	REV: 3
PROJECT: LWS	WORK: CAP	ISSUE NO: 0	

BYCHIEGICIS

NOTE: THE SHED ELEVATION WAS OBTAINED FROM A PHOTOGRAPH TAKEN IN 2014. THE SHED ELEVATION WAS OBTAINED FROM A PHOTOGRAPH TAKEN IN 2014.

Copperhead Road Distillery

Planning Approval Application Cover Letter

General

It is proposed to set-up and operate a micro-distillery on the property currently used by the Lavender Valley Farm as a Café and Gift Shop. The signature product will be rum, with other products such as flavoured spirits, and liqueurs, made by refining this rum and/or by infusing it with botanical ingredients. The packaged product will be sold wholesale and retail, as well as being available for tasting and sale at the cellar door. Distillations will be performed in hand crafted alembic copper pot stills and the rum will be aged in oak barrels. The equipment will be available for public viewing.

Process Description

The main stages involved in the production of rum are initial sugar solution preparation, fermentation, distillation, ageing and bottling for sale:

Initial sugar solution preparation – a solution approximating that of freshly squeezed sugar cane juice will be made by reconstituting a mixture of molasses and sugar in water.

Fermentation – the sugars in the sugar solution will be converted to ethanol and carbon dioxide by means of yeast.

Distillation – the fermented sugar solution will be placed in a pot still and heated such that the ethanol will vaporize and carry through to a water cooled condenser where it will condense and be collected in a receiver.

Ageing – the sugar cane spirit will then be aged for a minimum of 2 years in oak barrels.

Bottling – bottles will be filled with the aged sugar cane spirit, “rum”, before being capped and labeled.

Liqueurs, and flavoured spirits, will be prepared by taking sugar cane spirit, or rum, rectifying it (i.e. redistilling it to produce a spirit of higher alcohol strength) – if necessary, and then infusing it with the flavouring botanical(s) for the appropriate time. The spent botanicals will subsequently be removed by decantation and/or filtration.

These operations generate no, or minimal, noise, vibration, smell, light, electrical interference, fumes, smoke, dust or oil. Approximately 150 litres of non-toxic dunder will be produced daily. This will be used on the property as fertilizer, or animal feed supplement. The small quantities of spent botanicals generated will be composted and used as fertilizer.

It is anticipated that vehicular traffic movements for cellar door sampling and sales will easily fall within the capacities of the existing access road and car parking facilities. Additional movements, such as deliveries of gas bottles, molasses, empty bottles, etc. will be infrequent – perhaps 1 or 2 per month.

Operation of the micro-distillery does not represent any safety or health hazard to nearby residents and/or occupiers of the land and buildings.

Human Resources

The micro-distillery will be operated by the Master Distiller with the assistance of 2 to 3 other persons who will help to carry out some of the liquor preparation and bottling activities, as well as looking after advertising and sales.

Operating Hours

It is intended to open the distillery to the public seven days per week (excepting Anzac Day, Good Friday and Christmas Day) between the hours of 10am and 5pm (or similar). It is expected that most of the operating activities will be carried out during these times, although, it may be necessary to perform bottling and some other activities outside of these hours, on occasions.

Machinery

The machinery used in the operation of the micro-distillery is all small scale: Tiny electric transfer pumps, a bench top vacuum bottle filler, a bench top bottle capper and a bench top bottle labeler. The bottle capper does require compressed air. A 50 litre/2.5HP belt driven air compressor will be used (approximate noise level of 73 Db during pressurizing). It will be operated for an estimated 4 to 5 hours per week with preference given to using it during the hours of 10am – 5pm, or immediately outside of these hours.

Vehicles

A single C-class vehicle (car) will be used for such activities as banking, distributing advertising brochures, picking up general supplies, delivering packaged liquor to wholesalers and retailers, etc. A forklift truck, or walkie stacker, will be used for unloading pallets of bottles and drums of molasses from trucks and to manipulate racks of barrels.

Author: John Welsh
February, 2015.

AGENDA ITEM:	9.1.3
SUBJECT:	DEVELOPMENT ASSESSMENT PANELS
PROPONENT:	DEPARTMENT OF PLANNING
SITE:	WHOLE OF SHIRE
FILE REFERENCE:	204.02.10
PREVIOUS REFERENCE:	4/11-2, 6/11-6, 10/11-11, 13/2-5 & 10/13-1
DATE:	14 JANUARY 2015
AUTHOR:	MR SIMON LANCASTER

DISCLOSURE OF INTEREST

Nil

BACKGROUND

The Department of Planning have written to Local Governments seeking nominations for 2 Development Assessment Panel ('DAP') members and 2 alternate members. Council can re-nominate the same Councillors currently serving as DAP members or it may wish to forward new nominations.

COMMENT

On 24 March 2011 the *Planning and Development (Development Assessment Panels) Regulations 2011* ('the Regulations') commenced operation leading to the creation of 15 DAP's across the state.

The Mid West DAP (representing Carnamah, Chapman Valley, Coorow, Cue, Greater Geraldton, Irwin, Meekatharra, Mingenew, Morawa, Mount Magnet, Murchison, Northampton, Perenjori, Sandstone, Three Springs, Wiluna and Yalgoo) consists of 5 members:

- Chairperson (a specialist member);
 - 2 specialist members;
 - 2 local government representatives from the relevant Local Government;
 - 1 specialist member proxy*;
 - 1 local government proxy from each local government*.
- (* the proxies will only be used when there is failure to reach a quorum)

Council resolved at its 18 February 2013 meeting to submit to the Minister of Planning the following Local Government nominations to serve upon a Development Assessment Panel:

Councillor John Collingwood (member);
Councillor Pauline Forrester (member);

Councillor Bev Davidson (alternate member/proxy);
Councillor Anthony Farrell (alternate member/proxy).

Following the 19 October 2013 Local Government Election there was one vacancy arising for the Shire of Chapman Valley Councillor representation on the Development Assessment Panel with Councillor Davidson retiring as a Councillor. Council resolved at its 21 October 2013 meeting to nominate Councillor Warr as her replacement.

The current appointments expire on 26 April 2015 and the Department of Planning have written to Local Governments seeking nominations for 2 DAP members and 2 alternate members. A copy of the Department of Planning's correspondence has been included as **Attachment 9.1.3(a)** to this report.

Local Governments have until 27 February 2015 to submit to the Minister for Planning their nominations and in the event that a Local Government does not provide the requisite nomination by the deadline the Minister is empowered to nominate replacements from eligible voters in the district to which the DAP is established.

The period of appointment for all DAP members under the Regulations is 2 years (expiring on 26 April 2017) and prior to the 2 year term coming to an end, the Minister will again ask the relevant Local Government to provide 4 nominations.

The Regulations prevent a DAP member from attending a DAP meeting without first completing mandatory training and in the event that Council wishes to forward new nominations as DAP members they will be required to attend the DAP training (dates and times to be advised).

DAP meetings operate as follows:

- meetings will be conducted in a place open to the public;
- a person who has made a submission during the advertising period will be permitted to make a presentation to the DAP;
- in some circumstances, the public may be excluded from a meeting where the application contains commercial information of a confidential nature or information about the personal affairs of a person;
- Code of Conduct will be in place for DAP Members to adhere to;
- a record of meetings and voting outcomes by individual DAP members will be kept and made available to the public via websites;
- annual report will be required by the Department for Planning;
- planning staff from the relevant Local Government will prepare a report and recommendation on the development application for the DAP's consideration in making its determination;
- planning staff from the relevant Local Government will be required to attend the DAP to present the application and provide clarity on the assessment report;
- secretariat support for the DAP will be provided by the relevant Local Governments on a six monthly rotational basis;
- these duties will include preparing agendas, advertising meetings, organising meetings, taking minutes and publicising meeting outcomes;
- the Chairperson's sessional sitting fee will be higher than the other members to reflect the responsibilities of this role;
- a quorum for the DAP's is proposed to be 3 members which will be comprised of at least the chair, 1 Local Government member and 1 independent specialist member; &
- meeting frequency is proposed to be determined by the individual DAP, meeting frequency will be based on the number of applications submitted for consideration.

STATUTORY ENVIRONMENT

DAP members will be bound by similar requirements regarding their conduct as Local Government Councillors, for example:

- all DAP members will be required to declare any direct or indirect pecuniary interest in a matter, before the meeting on that application commences;
- DAP members will not be permitted to disclose or make improper use of information that they acquire during their time as a member;
- DAP members will be prevented from accepting "prohibited" gifts in all circumstances, and will be permitted to accept other types of gifts ("notifiable" gifts) as long as they notify the Department of Planning;
- Members will be required to comply with the DAP Code of Conduct developed by the Department of Planning; and
- No DAP member will be permitted to make a statement regarding the competence or honesty of a Local Government employee or public sector employee.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The financial threshold for activating a DAP is when the estimated cost of development is \$7 million or more (except for the City of Perth where it is \$15million). Applicants have the option of requesting that a DAP assess the application where the total development value is between \$3million and \$7million (between \$10million and \$15million in the City of Perth). Local Governments have the option of delegating applications for developments of any value to a DAP for determination if they so choose.

All DAP members, except those not entitled to receive sitting fees, will be paid sitting fees on a sessional basis. The presiding member will be paid \$500 per session, and all other members will be paid \$400 per session (and travel allowances). Schedule 2 of the Regulations that outlines the Fees for DAP members

was previously provided to Councillors with the 15 October 2011 Agenda, and a complete copy of the Regulations can be viewed on the Western Australian legislation database website.

The Regulations provide that travelling costs that DAP members incur when attending meetings are to be paid to all DAP members, including accommodation and airfares. These costs are to be paid as set out in the current Public Sector Commissioner's Circular on this matter (*2009/20 Reimbursement of Travel Expenses for Members of Government Boards and Committees*). For the avoidance of doubt, all DAP members, including those not entitled to be paid sitting fees, will be entitled for reimbursement for these out-of-pocket expenses.

- **Long Term Financial Plan:**

The Shire of Chapman Valley Long Term Financial Plan (2013) was received by Council at its 18 September 2013 meeting. It is not considered that the determination of this matter by Council would have impact in relation to the Long Term Financial Plan.

STRATEGIC IMPLICATIONS

It is alleged by the State Government that DAP's provide the following:

"Development assessment panels are a mix of independent experts and elected representatives, created to be the decision making body for development applications. These panels will have the power to determine applications for development approval, instead of the relevant decision making authority, for development of a certain class and value. The objectives of the proposed development assessment panel model are to:

- *streamline the determination process for particular types of development applications, by eliminating the requirement for dual approval under both the local and region schemes;*
- *involve independent technical experts in the determination process;*
- *encourage an appropriate balance between independent professional advice and local representation in decision-making for significant projects; and*
- *reduce the number of complex development applications being determined by local governments, to allow local governments to focus their resources on strategic planning."*

The Regulations were formulated with the assistance of a working group comprising representatives from WALGA, the Property Council and the Planning Institute of Western Australia. The introduction of DAP's was opposed by many Local Governments including the Shire of Chapman Valley as it was considered that they could:

- slow the planning system in Western Australia;
- be less democratic than the current Local Government process;
- be more open to corruption than the current Local Government system;
- lead to expensive and unworkable outcomes;
- not lead to better informed decision making;
- add financial burden to Local Governments;
- lead to increased fees and charges for landowners and developers;
- make the response to appeal process unworkable;
- disadvantage the regions; and
- reduce local input and representation.

The performance of DAP's is an issue that the Shire of Chapman Valley should continue to monitor and take issue through WALGA with if dissatisfied.

- **Strategic Community Plan:**

The Shire of Chapman Valley Strategic Community Plan 2013-2023 was adopted by Council at its 19 June 2013 meeting. It is not considered that the determination of this matter by Council would have impact in relation to the Strategic Community Plan.

CONSULTATION

Nil

RISK ASSESSMENT

Not Applicable.

VOTING REQUIREMENTS

Simple majority required.

COUNCIL RESOLUTION / STAFF RECOMMENDATION

MOVED: CR FARRELL

SECONDED: CR HUMPHREY

That Council submit to the Minister of Planning the following Local Government nominations to serve upon a Development Assessment Panel:

Councillor Collingwood (member); and
Councillor Forrester (member).

Councillor Farrell (alternate member/proxy); and
Councillor Warr (alternate member/proxy).

**Voting 7/0
CARRIED
Minute Reference 02/15-4**



Government of Western Australia
Development Assessment Panels

204.02.10
Record No CR159354

RECEIVED

23 DEC 2014

Our Ref: DP12/00609
Enquiries: DAPs secretariat
Telephone: 8551 9919

Mr Maurice Battilana
Chief Executive Officer
Shire of Chapman Valley
PO Box 1
NABAWA WA 6532

Dear Maurice

DEVELOPMENT ASSESSMENT PANELS: LOCAL GOVERNMENT NOMINATIONS

As you would be aware, fifteen Development Assessment Panels (DAP) came into operation on 1 July 2011 to determine development applications that meet a certain threshold value. Each DAP comprises five members: three specialist members, one of which is the presiding member, and two local government members.

Appointments of all local government DAP members expire on 26 April, 2015. Members whose term has expired will be eligible for re-consideration at this time.

An Expression of Interest for Development Assessment Panel specialist members was advertised in the West Australian on 6 and 10 December, 2014 and in regional newspapers in the week commencing 8 December, 2014. Nominations for specialist members will close on Friday, 23 January, 2015. You will be advised of the new specialist members once they have been appointed by the Minister.

Under regulation 26 of the *Planning and Development (Development Assessment Panels) Regulations 2011*, your local council is requested to nominate four elected members of the Council, comprising two local members and two alternate local members to sit on your local DAP as required.

Using the attached form, please provide names, address, email, mobile and land line telephone numbers, date of birth, employer(s), position(s) and include curriculum vitae details of your four local government DAP nominees.

Nominations are required to be received no later than Friday 27 February, 2015.

Following receipt of all local government nominations, the Minister for Planning will consider and appoint all nominees for up to a two-year term, expiring on 26 April 2017. All appointed local members will be placed on the local government member register and advised of DAP training dates and times. It is a mandatory requirement, pursuant to the DAP regulations, that all DAP members attend training before they can sit on a DAP and determine applications. Local

140 William Street, Perth, Western Australia 6000
Tel: (08) 6551 9000 Fax: (08) 6551 9001 <http://daps.planning.wa.gov.au/>
ABN 79 051 750 68

government representatives who have previously been appointed to a DAP and have received training are not required to attend further training.

Local government elections may result in a change to local DAP membership if current councillors, who are DAP members, are not re-elected. In this instance, the deputy local DAP members will take the place of the former local DAP members. If both local and alternate (deputy) local members are not re-elected, the local government will need to re-nominate for the Minister's consideration of appointment.

The Council should consider the above matters in selecting nominees as local DAP members.

Local DAP members are entitled to be paid for their attendance at DAP training and at DAP meetings, unless they fall within a class of persons excluded from payment.

Members who are not entitled to payment of sitting, training and State Administrative Tribunal attendance fees include Federal, State and local government employees, active or retired judicial officers and employees of public institutions. These DAP members are not entitled to be paid without the Minister's consent, and such consent can only be given with the prior approval of Cabinet. This position is in accordance with *Premier's circular – State Government Boards and Committees Circular (2010/02)*.

Further information, including DAP location maps and the Premier's Circular, is available online at <http://daps.planning.wa.gov.au>.

Local representation is vital to DAPs. If no nominations are received by Friday 13 March, 2015, or if I have not allowed the local government a longer nomination period, regulation 26 of the *Planning and Development (Development Assessment Panels) Regulations 2011*, enables me to include on the local government register a person who is an eligible voter of your local government district and who has relevant knowledge or experience that will enable that person to represent the interest of the local community of your district.

If you have any queries regarding this request for nominations, please contact the DAPs secretariat – phone 6551 9919 or email daps@planning.wa.gov.au.

Yours sincerely


Gail McGowan
Director General

18 December 2014

DEVELOPMENT ASSESSMENT PANEL NOMINATION FORM

Local Government:	DAP Name:
Nominated Local DAP Member 1	Nominated Alternate Local Member 1
Name: Address: Phone: Mobile: Email: Date of Birth: Employer name(s): Position(s):	Name: Address: Phone: Mobile: Email: Date of Birth: Employer name(s): Position(s):
Nominated Local DAP Member 2	Nominated Alternate Local Member 2
Name: Address: Phone: Mobile: Email: Date of Birth: Employer name(s): Position(s):	Name: Address: Phone: Mobile: Email: Date of Birth: Employer name(s): Position(s):

Note: Employer name and position details are required for Cabinet submission and to determine if the nominee is entitled to be paid fees in accordance with the Premiers Circular 2010/02.

Name and contact details of local government minute taker and/or DAP meeting contact (if known):

Name: _____ Phone: _____ Email: _____

DAP Secretariat Use

Date received: _____ Officer Name: _____ Date Registered: _____

AGENDA ITEM:	9.1.4
SUBJECT:	NABAWA TOWNSITE REVITALISATION PLAN
PROPONENT:	SHIRE OF CHAPMAN VALLEY
SITE:	NABAWA TOWNSITE
FILE REFERENCE:	204.06.05
PREVIOUS REFERENCE:	02/14-8
DATE:	5 FEBRUARY 2015
AUTHOR:	SIMON LANCASTER & KATHRYN JACKSON

DISCLOSURE OF INTEREST

Nil

BACKGROUND

Council resolved at its 19 February 2014 meeting to initiate the Nabawa Townsite Revitalisation Plan. This report recommends that Council receive the draft Nabawa Townsite Revitalisation Plan and advertise it for public comment for a period of 60 days and at the conclusion of the advertising period return the plan and all received submissions to a further meeting of Council for its consideration.

COMMENT

The Nabawa Townsite Revitalisation Plan has been prepared with the following intended aims:

- enhance the town as the administration hub of the Chapman Valley;
- create an attractive and inviting streetscape for residents and visitors;
- provide for greater connectivity between the facilities and the people of the town; &
- attract and activate private and public investment in the town

The plan has also sought to identify opportunities to create a community setting and experience that is inviting to local residents and those considering relocating to a regional area, and take into consideration those areas that are appropriate for future development and growth and their connection to the townsite.

Council resolved at its 19 February 2014 meeting as follows:

“That Council:

- 1 *Thank all parties who expressed an interest in undertaking the Nabawa Townsite Revitalisation Project;*
- 2 *Advise the Department of Planning of the Shire’s preferred provider and Council’s willingness to undertake the Nabawa Townsite Revitalisation Project as per the submitted study brief and funding arrangement;*
- 3 *Notify Josh Byrne & Associates that they are the Shire’s preferred provider subject to Department of Planning approval for the Nabawa Townsite Revitalisation Project;*
- 4 *Delegate authority to the Chief Executive Officer to formalise an agreement with the Department of Planning should the Shire be notified of its success with acquiring grant funding for the undertaking of the Nabawa Townsite Revitalisation Project;*
- 5 *Delegate authority to the Chief Executive Officer to formalise an agreement with Josh Byrne & Associates should the Department of Planning approve the Shire’s funding application for the Nabawa Townsite Revitalisation Project;*
- 6 *The Nabawa Townsite Revitalisation Steering Group be comprised of the following representatives:*
 - *2 Councillors*
 - *Community Representatives*
 - *Shire staff*
 - *Appointed consultant*

- *Department of Planning*

7 *Nominate Cr Warr and Cr Forrester to be the Councillor representatives for the Nabawa Townsite Revitalisation Steering Group."*

The first Steering Group meeting was held on 8 May 2014 and the minutes/outcomes from this meeting were provided to Council in the 25 June 2014 Information Reports.

An overview of the project was presented to the Steering Group to give understanding of the intended project outcomes and to provide an outline of the project timeline and approach. The Steering Group provided initial feedback regarding those aspects of Nabawa that have drawn them to be part of the community and those improvements or changes they would like to see to complement existing development and assist in the development of the Nabawa townsite.

Utilising the feedback of the Steering Group a preliminary concept plan was prepared for presentation to a Community Workshop held on 18 June 2014 at the Nabawa Community Hall and attended by 21 participants.

To generate further feedback a community survey was circulated, along with direct contact with identified community representatives. This information along with the feedback gathered at the Steering Group meeting and workshop, and through consultation with relevant government authorities, provided the basis for the development of the draft plan.

The draft plan was provided to Steering Group members by mail on 19 December 2014 and feedback invited leading up to and at a meeting held on 4 February 2015. The received feedback has been incorporated into the draft Nabawa Townsite Revitalisation Plan now provided to Councillors as a **separate attachment** for its consideration. In the event that Council is satisfied with the draft plan, or following any modifications to the draft plan required by Council, it is recommended that the document now be advertised for public comment.

STATUTORY ENVIRONMENT

The Nabawa Townsite Revitalisation Plan would not be in itself a statutory document but would be referenced where Council seeks to access external funding to implement the plan's outcomes and would also provide guidance to the future revision of the Shire's Local Planning Strategy and Local Planning Scheme.

POLICY IMPLICATIONS

Council gave due regard for its Purchasing Policy (5.90) in its appointment of the selected consultant.

FINANCIAL IMPLICATIONS

The cost for the Nabawa Townsite Revitalisation Plan is \$40,000 (GST ex) and this cost has been externally funded by the Department of Planning's Northern Planning Program, with the Shire's contribution being in-kind (staff time such as administration and project management, venue use, advertising and mail out costs).

The project funding is subject to the following timeframes:

- Stage 1 - Vision, analysis, preparation and background research (by July 2014) - requiring formal inception meeting with Shire representatives; conduct site investigation, stakeholder consultation and report on findings.
- Stage 2 – Preparation of draft plan (by October 2014) – requiring analysis and considerations of all issues raised in the consultation process and/or identified in the Strategic Community Plan; preparation of draft plan; preparation of draft schedule of estimated costs and prioritisation list; draft plan and schedule of estimated costs presented to Council.
- Stage 3 – Final plan (by April 2015) – requiring modifications required by Council; final plan to be presented to Council; Council approval/adoption of the Revitalisation Plan.

• **Long Term Financial Plan:**

The Shire of Chapman Valley Long Term Financial Plan received by Council at its 18 September 2013 meeting notes a key issue for the Shire is its ability to grow the revenue base so that sufficient operational revenue is collected to fund all operating expenses, but does also note that a growing population will place increasing demands on Council for services.

STRATEGIC IMPLICATIONS

Strategic Community Plan:

Council consulted with the Nabawa community in its preparation of the Shire of Chapman Valley Strategic Community Plan 2013-2023 that was adopted by Council at its 19 June 2013 meeting.

The Nabawa Townsite Revitalisation Plan seeks to progress the following community aspirations depicted in the Strategic Community Plan:

Economic Objectives

Objective	Strategy	Outcome	Partners
We want to be able to spend our money locally and encourage others to do the same	Investigate options to establish a store in the heart of the Shire	We can help grow the local economy	Community Chapman Valley business community Shire of Chapman Valley
	Develop tourism in the Shire, including cottage industries, caravan park and events	Showcasing our attractions increases the number of people visiting the area	Chapman Valley business community Shire of Chapman Valley
	Develop short-term and overnight accommodation options across the Shire	Visitors stay longer in our community Short-term employees can reside in the Shire	Chapman Valley business community Chapman Valley farming community Shire of Chapman Valley
Utilise the land available in the area for a range of new businesses	Develop the semi-rural parts of the Shire to attract light industry and retail	Increased customer spending and employment in the Shire	Chapman Valley business community Community Private enterprise Shire of Chapman Valley

Community Objectives

Objective	Strategy	Outcome	Partners
We need good services to support our development as a Shire	Maintain existing services and facilities	Essential services help us to grow and prosper as a community	State government Industry Community Shire of Chapman Valley
	Investigate bus transportation options to provide greater access links between the community and services	Our community can more easily access the range of services they need	Shire of Chapman Valley Community
	Investigate the establishment of aged care facilities in the area	We can care for our elderly locally	Shire of Chapman Valley Community State Government Private providers
We want inclusive communities	Develop community facilities to provide gathering places, including community centre, swimming pools	Stronger, inclusive communities across the Shire	Shire of Chapman Valley Community
We are committed to supporting growth in our towns	Make the right land available to increase housing	More people and families move into the Shire	Shire of Chapman Valley Local developers State Government
Objective	Strategy	Outcome	Partners
We want to make the most	Explore opportunities to utilise key areas in the	We recognise and uphold the value of our natural	Shire of Chapman Valley State government

Environmental Objectives

of our environment, including the ranges, rivers and coastline	Shire by showcasing their natural and environmental characteristics	landscape	Community organisations Landowners
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CONSULTATION

It is suggested that the Nabawa Townsite Revitalisation Plan be made available for comment for a period of 60 days and that the following actions be undertaken:

- public notices placed in the Valley Vibes, Shire E-News & the Mid West Times;
- posters displayed at the Shire office, Valley Tavern and the Community Hall;
- placement of a copy of the document on the Shire website;
- display of the document at the Shire office/Nabawa library;
- public notice, submission form and copy of the plan (with advice of where the complete document can be obtained) placed in every Nabawa PO Box;
- submission form and copy of the document be mailed directly to key landowners where the plan makes specific recommendation e.g. Fossil Hill;
- public notice, submission form and copy of the plan (with advice of where the complete document can be obtained) be mailed directly to relevant local sporting and community groups;
- provide copies of the plan and document to the Nabawa Primary School;
- write directly to the following government agencies; Department of Aboriginal Affairs, Department of Agriculture & Food, Department of Fire & Emergency Services, Department of Health, Department of Planning, Department of Water, Main Roads WA, Mid West Development Commission, Telstra, Water Corporation and Western Power.

It is considered desirable that maximum participation and input be sought in the preparation of the Nabawa Townsite Revitalisation Plan to ensure that there is community ownership of the plan which will enable potential outcomes of the plan to be implemented by, or with the assistance of the community.

RISK ASSESSMENT

Whilst the Nabawa Townsite Revitalisation Plan does not in itself present a risk to Council the plan will ultimately make recommendations, driven by the community and endorsed by Council, on items that may require future budget allocation, external funding (i.e. grant application), external delivery (i.e. private landowner or community group action) that will necessitate individual risk assessment prior to their proceeding.

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION / STAFF RECOMMENDATION

MOVED: CR FORRESTER

SECONDED: CR HUMPHREY

That Council receive the Nabawa Townsite Revitalisation Plan and advertise the document for public comment for a period of 60 days and at the conclusion of the advertising period, and following consideration by the Steering Group of the received submissions, return the Nabawa Townsite Revitalisation Plan to a further meeting of Council for final consideration.

**Voting 7/0
CARRIED
Minute Reference 02/15-5**

9.2 Finance February 2015

Contents

9.2 AGENDA ITEMS

- 9.2.1 Financial Reports for December 2014 and January 2015
- 9.2.2 Write off Outstanding Debt
- 9.2.3 Annual Budget Review 2014/2015

Mrs Raymond and Mrs Williams entered Chambers at 9.46am

AGENDA ITEM:	9.2.1
SUBJECT:	FINANCIAL REPORTS FOR DECEMBER 2014 & JANUARY 2015
PROPONENT:	SHIRE OF CHAPMAN VALLEY
SITE:	SHIRE OF CHAPMAN VALLEY
FILE REFERENCE:	307.04
PREVIOUS REFERENCE:	N/A
DATE:	18 FEBRUARY 2015
AUTHOR:	KRISTY WILLIAMS & DIANNE RAYMOND

DISCLOSURE OF INTEREST

Nil

BACKGROUND

Financial Regulations require a monthly statement of financial activity report to be presented to Council.

COMMENT

Attached to this report are the monthly financial statements for December 2014 & January 2015 for Council's review.

STATUTORY ENVIRONMENT

Local Government Act 1995 Section 6.4

Local Government (Financial Management) Regulations 1996 Section 34

POLICY IMPLICATIONS

Policy 5.70 Significant Accounting Policies

Extract:

"2. Monthly Reporting

In accordance with Section 6.4 of the Local Government Act 1995 and Regulation 34 of the Financial Management Regulations 1996, monthly reporting will be provided as follows:

- 1. Statement of Financial Activity*
 - 2. Balance Sheet and statement of changes in equity*
 - 3. Schedule of Investments*
 - 4. Operating Schedules 3 – 16*
 - 5. Acquisition of Assets*
 - 6. Trust Account*
 - 7. Reserve Account*
 - 8. Loan Repayments Schedule*
 - 9. Restricted Assets*
 - 10. Disposal of Assets*
- A value of 5 percent is set for reporting of all material variances."*

FINANCIAL IMPLICATIONS

As presented in December 2014 & January 2015 financial statements.

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION / STAFF RECOMMENDATION

MOVED: CR HUMPHREY

SECONDED: CR FARRELL

That Council receive the financial report for the month of December 2014 & January 2015 comprising the following:

- Summary of Payments
- Summary of Financial Activity,
- Net Current Assets
- Detailed Statement of Financial Activity,
- Details of Cash and Investments,
- Statement of Significant Variations,
- Summary of Outstanding Debts
- Reserve Funds
- Information on Borrowings
- Disposal of Assets
- Acquisition of Assets
- Rating Information
- Trust Fund Reconciliations
- Bank Reconciliation
- Credit Card Statements

**Voting 7/0
CARRIED
Minute Reference 02/15-6**

AGENDA ITEM:	9.2.2
SUBJECT:	WRITE OFF OUTSTANDING DEBT
PROPONENT:	NOT APPLICABLE
SITE:	SHIRE OF CHAPMAN VALLEY
FILE REFERENCE:	A1382
PREVIOUS REFERENCE:	NIL
DATE:	18 FEBRUARY 2015
AUTHOR:	DIANNE RAYMOND

DISCLOSURE OF INTEREST

Nil

BACKGROUND

The sundry debt was raised for Private Works request (Job No. WP351 for the supply and spread of gravel for a crossover) situated at 127 Urch Road, Yetna.

COMMENT

The applicant and property owner at the time completed a Private Works request form agreeing to make payment for Shire Works crew to supply and spread gravel for the crossover at 127 Urch Road, Yetna. Subsequently the property was sold and settlement transacted without payment. The property owner was advised of the outstanding debt on a settlement statement provided by the Shire. The conveyancer representing the vendor did not consider this a debt against the land and settlement proceeded without payment of the Sundry Debt. Further attempts to recover the debt from the previous property owner have failed and this amount is unlikely to be recuperated in any court of competent jurisdiction. The debt incurred is a recoverable cost of works crew time and gravel materials as per the fees and charges totalling \$190.00.

STATUTORY ENVIRONMENT

6.12. Power to defer, grant discounts, waive or write off debts

- (1) *Subject to subsection (2) and any other written law, a local government may —*
- (a) *when adopting the annual budget, grant* a discount or other incentive for the early payment of any amount of money;*
 - (b) *wave or grant concessions in relation to any amount of money; or*
 - (c) *write off any amount of money,*
- which is owed to the local government.*
- * Absolute majority required.*
- (2) *Subsection (1)(a) and (b) do not apply to an amount of money owing in respect of rates and service charges.*
- (3) *The grant of a concession under subsection (1)(b) may be subject to any conditions determined by the local government.*
- (4) *Regulations may prescribe circumstances in which a local government is not to exercise a power under subsection (1) or regulate the exercise of that power.*

POLICY IMPLICATIONS

No Policy affected

FINANCIAL IMPLICATIONS

A minor loss of revenue for the small debt write off totalling \$190.00

- **Long Term Financial Plan (LTFP):**

Nil

STRATEGIC IMPLICATIONS

Nil

- **Strategic Community Plan/Corporate Business Plan:**

Nil

CONSULTATION

There have been ongoing discussions with land owner on a number of occasions on payment of the outstanding amount with the person refusing to pay the debt. The reason stated by the person was the service was not rendered as requested. This person has now sold the property and left the district.

RISK ASSESSMENT

As set out in the Risk Management Governance Framework Procedures there are appropriate processes and internal controls for the management of this type of operational risk. The actual impact on total revenue is insignificant.

Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Insignificant (1)	Negligible injuries	Less than \$1,000	No material service interruption	No noticeable regulatory or statutory impact	Unsubstantiated, low impact, low profile or 'no news' item	Inconsequential or no damage.	Contained, reversible impact managed by on site response

VOTING REQUIREMENTS

Absolute majority required

COUNCIL RESOLUTION / STAFF RECOMMENDATION

MOVED: CR FARRELL

SECONDED: CR HUMPHREY

That Council authorise the write off for the sundry debt totalling \$190.00 for Debtor DM50, which forms part of the outstanding Sundry Debtors Ledger, in accordance with section 6.12(1)(c) of the Local Government Act 1995.

**Voting 7/0
CARRIED
Minute Reference 02/15-7**

AGENDA ITEM:	9.2.3
SUBJECT:	ANNUAL BUDGET REVIEW 2014/2015
PROPONENT:	CHIEF EXECUTIVE OFFICER
SITE:	CHAPMAN VALLEY SHIRE
FILE REFERENCE:	306.13
PREVIOUS REFERENCE:	NIL
DATE:	18 FEBRUARY 2015
AUTHOR:	DIANNE RAYMOND & KRISTY WILLIAMS

DISCLOSURE OF INTEREST

Nil

BACKGROUND

The Local Government Act and Regulations require a local government to review its annual budget between 1st January and 31st March in each year. Regulation 33A of the Local Government (Financial Management) Regulations 1996 states:

“33A Review of budget

- (1) *Between 1 January and 31 March in each year a local government is to carry out a review of its annual budget for that year.*
- (2) *Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the Council.*
- (3) *A Council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or any recommendations made in the review.*
* Absolute Majority required
- (4) *Within 30 days after a Council has made a determination, a copy of the review and determination is to be provided to the Department.”*

COMMENT

Prudent management of the Shire's Annual Budget includes a full review of the Shire's progress halfway through the financial year. This review process has been undertaken having regard for:

- actual revenues and expenditures for the first six (6) months of the financial year,
- forecast revenue and expenditure levels for the remaining six (6) months of the year,
- the more significant (in \$ terms) variances to budget rather than the many minor 'under & over's' which, history has shown, will largely balance out.

Council's adopted budget, at times will need variations made, to reflect changes which occur after the original budget has been adopted. There are a number of amendments identified in the review document (attached) which accommodate unforeseen situations, grant variations, reallocation of works and services, etc., since the Original Budget was adopted.

The items listed in the *Financial Implications* section of this report have been identified as variations required to the Budget with a nil overall effect on the 2014/2015 Adopted Budget.

This report seeks Council consideration of variations as per the attached financial statements, for the mid-year budget review and determination of whether or not to authorise these proposed variations according to both operating and capital income/expenditure (nature and type).

For compliance purposes, the attached December 2014 financial statements include the budget figures as per the budget adopted by Council 16th July 2014. The mid-year review figures incorporate all budget amendments already authorised by Council post budget adoption, up to the period of the budget review.

The original 2014/2015 budget as adopted by Council forecast a closing position of \$864,489. After the annual audit and mid-year review the audited closing position is \$985,004; an increase in the carried forward surplus of \$120,515. The change in position is primarily due to the recognition of Regional Road Group Road funding income of \$130,210. The grant and associated costs relate to 2013/2014 and the

funds were received in July 2014. The remaining amount relates to the accrual of wages and interest and the recognition of any prepayments of rates for 2014/2015 as income in 2013/14.

STATUTORY ENVIRONMENT

Local Government Act (1995) – Division 2 - Annual Budget - Section 6.2

Local Government (Financial Management) Regulations - Review of Budget - Reg 33A

POLICY IMPLICATIONS

The budget is based on the principles contained in all Councils Plans for the Future

FINANCIAL IMPLICATIONS

Attached is a summary of Budget Variations being requested which has a nil overall budget effect.

- **Long Term Financial Plan (LTFP):**

No significant affect on the LTFP

STRATEGIC IMPLICATIONS

Nil

- **Strategic Community Plan/Corporate Business Plan:**

All the above mentioned variations are consistent with the Corporate Business Plan.

CONSULTATION

All Senior Management have been consulted to determine the various budget amendments required.

RISK ASSESSMENT

Associated risk would be a failure to comply with relevant Financial Management Regulations requiring local governments to review their annual budget. The proposed changes to the 2014-15 Adopted Budget does not have an increased/decreased financial impact, simply a NIL affect overall. The proposed increase adjustments to expenditures are offset by reducing expenditure allocations elsewhere in the budget, increase to income not previously allocated and use of reserves, with the view to ensuring that the budget outcome for the year achieves or delivers a better overall result than the original budget.

VOTING REQUIREMENTS

Absolute Majority

COUNCIL RESOLUTION / STAFF RECOMMENDATION

MOVED: CR MALUISH

SECONDED: CR FARRELL

Council adopts the 2014/2015 Statutory Budget Review, which includes all amendments as listed.

**Voting 7/0
CARRIED
Minute Reference 02/15-8**

COA/Job Description	Comments	Adopted Budget	Revised Budget	Effect on Budget	
Estimated Surplus July 1	Additional Funds Available at 1/7/14 compared to Budgeted Forecast EOY Surplus <i>Included in the carried forward surplus -</i> <i>MW Regional Road funding rec'd July 14</i> <i>Other minor items</i> <i>Accrued wages</i> <i>Rates Excess jnl</i>	-864,489 130210 6969 -53647 36983.79	-985,004	-\$120,515	
Budget amendments required 2014/2015					
0884	Purchase Plant & Equipment	Decrease to operating expenditure - DFES Grant approvals advised 2.4 BF Appliance not approved	\$550,000	\$323,275	-\$226,725
0915	Capital Grant - FESA	Decrease to operating income - DFES Grant approvals advised 2.4 BF Appliance not approved	-\$550,000	-\$323,275	\$226,725
0733	FESA Grant Income	Decrease to operating income - DFES Grant funding paid in advance 1st Quarter	-\$28,140	-\$24,000	\$4,140
0482	Office Telephone & Internet Expenses	Increase to operating expenditure for telephone, Broadband & White Pages listing	\$16,500	\$21,000	\$4,500
0553	Grant Income - Admin	Decrease to operating income - Workforce Planning funds rec'd 13/14	-\$25,000	\$0	\$25,000
0163	Town Planning Projects - Income	Decrease to operating income- budget error 14/15 as Unspent Grant Reserve accounts for these funds	-\$72,475	\$0	\$72,475
0333	Contr. & Reim. (PWO).	Increase to operating income - not budgeted as unknown at July 14	\$0	-\$15,606	-\$15,606
1304	Capital Expenditure Plant & Equip	Increase to operating expenditure - Budget Correction -Slasher and Minor Equipment - Western Regions Maintenance in-house was in	\$0	\$8,000	\$8,000
0473	Admin Building Repairs & Maintenance	Increased expenditure Airconditioner replacement not in original budget	\$7,200	\$12,500	\$5,300
1962	Abandoned Vehicle Expense	Increase to operating expenditure - new COA GL	\$0	\$3,000	\$3,000
2933	Reimbursements & Sundry Income (P of E)	Increase to operating income - new COA GL	\$0	-\$3,000	-\$3,000
3633	Grant - Community Development	Increase to operating income - new projects listed not in original budget as unknown in July 14 - \$8,128 Pool Revitalisation Project; \$9,600	-\$42,974	-\$75,702	-\$32,728
3132	Community Development Expenses	Increase to operating expenditure - new projects listed not in original budget as unknown in July 14 - \$8,128 Pool Revitalisation Project; \$9,600	\$62,900	\$95,628	\$32,728
2743	Sports Club Hire Income	Decrease to operating income - Chapman Valley Basketball Club not using Nabawa facilities	-\$4,950	-\$3,820	\$1,130
0173	Legal Fees - Recovered	Decrease to operating income - offset to COA GL 100120 GST Free account	-\$6,000	\$0	\$6,000
0012	Legal Fees GST Free	Increase to operating income - COA GL not included in original budget (previously included in COA GL 101730)	\$0	-\$8,000	-\$8,000

0022	Rates - Legal Expenses	Increase to operating expenditure - recoverable from COA GL 0012	\$6,000	\$8,000	\$2,000
2702	Indoor Complex Expense	Increase to operating expenditure IE Code 02	\$11,732	\$16,732	\$5,000
1903	Domestic Rubbish Collection Fees	Increase to operating income - merge COA's 1903 & 1904 Domestic Rubbish Collection fees	-\$91,325	-\$96,525	-\$5,200
1904	Additional Domestic Rubbish Collection	Decrease to operating income -no longer using separate charges for additional bins include in COA GL	-\$5,200	\$0	\$5,200
0892	Rangers Wages Expense	Increase to operating expenditure LSL backfill for Ranger not in original budget	\$63,442	\$70,722	\$7,280
0875	Transfer from Leave Reserve	Increase to operating income LSL in- house backfill funded from Leave Reserve	\$0	-\$7,280	-\$7,280
0033	Back Rates	Increase to operating income Back Rates not in original budget	\$0	-\$2,264	-\$2,264
0071	Interim Rates Raised	Increase to operating income Interim Rates not in original budget	\$0	-\$16,432	-\$16,432
0132	Valuation Expenses	Decrease to operating expenditure full funds not required	\$12,700	\$9,000	-\$3,700
1762	Domestic Rubbish Collection Expenses	Increase to operating expenditure for contracted waste removal	\$130,375	\$160,000	\$21,625
3502	Depot Maintenance	Increase to operating expenditure IE Code 01 Employee Costs	\$17,459	\$23,003	\$5,544
3554	Plant & Equipment Purchases	Increase to operating expenditure ROM Plant Purchase	\$143,986	\$155,986	\$12,000
3561	T/f From PI Reserve-plant	Increase to operating income for plant purchases of ROM & Tipper Truck	\$0	-\$7,000	-\$7,000
C97	Wheeldon Hosking/Naraling East Road	Decrease to operating expenditure Job moved out to 15/16	\$133,026	\$4,440	-\$128,586
3372	Road Maintenance Expense	Increase to operating expenditure road maintenance under budget	\$305,486	\$434,876	\$129,389
Budget Impact Nil					-\$0

Mrs Raymond and Mrs Williams left Chambers at 10.13am

9.3

Chief Executive Officer

February 2015

Contents

9.3 AGENDA ITEMS

- 9.3.1 Annual Electors Meeting Minutes
- 9.3.2 Local Government Elections
- 9.3.3 Fire Services Operating and Capital Grants
- 9.3.4 Bill Hemsley Park Committee
- 9.3.5 Finance and Audit Committee
- 9.3.6 Plant Replacement Program
- 9.3.7 Nabawa Oval Watering
- 9.3.8 LEMC Minutes and Actions

AGENDA ITEM:	9.3.1
SUBJECT:	ANNUAL ELECTORS MEETING MINUTES
PROPONENT:	SHIRE OF CHAPMAN VALLEY
SITE:	SHIRE OF CHAPMAN VALLEY
FILE REFERENCE:	413.01
PREVIOUS REFERENCE:	MINUTE REF: 12/14-11
DATE:	18th FEBRUARY 2015
AUTHOR:	MAURICE BATTILANA, CHIEF EXECUTIVE OFFICER

DISCLOSURE OF INTEREST

Nil

BACKGROUND

At the December 2014 OCM Council resolved the following:

- 1 *Accepts the Annual Report for the 2013/2014 Financial Year as required by s5.54 of the Local Government Act 1995. (Absolute Majority Vote Required);*
- 2 *Receives the Auditors report for 2013/2014;*
- 3 *Receives the Auditors Management letter 2013/2014;*
- 4 ***Sets the date for the Annual Electors Meeting for Tuesday 3rd February 2015 commencing 6.00pm at the Nabawa Council Chamber;***
- 5 *Advertises the AGM for at least two weeks;*
- 6 *Approves the CEO to give local public notice of the availability of the Annual Report as required by s5.55 of the Act;*
- 7 *Provides a copy of the Shire of Chapman Valley 2013/2014 Annual Report to the Director General of the Department of Local Government.*

Council held its Annual Electors Meeting on 3rd February 2015 and a copy of the unconfirmed minutes from the meeting have been included as **Attachment 1**.

COMMENT

This item is presented to Council at its next ordinary meeting following an Annual Electors meeting to enable its consideration of the issues raised. There being no decisions or resolutions from the Annual Electors meeting requiring Councils consideration Council only need receive the Minutes.

STATUTORY ENVIRONMENT

Section 5.33 of the *Local Government Act 1995* requires that:

- “(1) *All decisions made at an electors meeting are to be considered at the next ordinary council meeting or, if that is not practicable –*
- (a) *At the first ordinary council meeting after that meeting; or*
 - (b) *At a special meeting called for that purpose.*
- which ever happens first.*
- (2) *If at a meeting of the Council a local government makes a decision in response to a decision made at an electors meeting, the reasons for the decision are to be recorded in the minutes of the council meeting.”*

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

- **Long Term Financial Plan (LTFP):**

No effect

STRATEGIC IMPLICATIONS

Not applicable

- **Strategic Community Plan/Corporate Business Plan:**

Transparent decision-making is important to us	Active engagement with the community to inform decision-making	Contribution to how local issues are managed
	Maintain a strong customer focus	Effective communication on key decisions

CONSULTATION

Meeting was advertised and attended by electors.

RISK ASSESSMENT

Not applicable

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION / STAFF RECOMMENDATION

MOVED: CR FARRELL

SECONDED: CR WARR

The Minutes of the Annual Electors meeting dated 3rd February 2015 be received.

**Voting 7/0
CARRIED
Minute Reference 02/15-9**



Shire of
Chapman Valley
Love the Rural Life

UNCONFIRMED MINUTES

**ANNUAL GENERAL MEETING OF
ELECTORS
TUESDAY 3RD FEBRUARY 2015
COUNCIL CHAMBERS NABAWA
6.00PM**

DISCLAIMER



Shire of
Chapman Valley
Love the Rural Life

No responsibility whatsoever is implied or accepted by the Shire of Chapman Valley for any act, omission or statement or intimation occurring during Council Meeting. The Shire of Chapman Valley disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council or Committee Meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council Meeting does so at that person's or legal entity's own risk.

The Shire of Chapman Valley warns that anyone who has any application or request with the Shire of Chapman Valley must obtain and should rely on

WRITTEN CONFIRMATION

Of the outcome of the application or request of the decision made by the Shire of Chapman Valley.

A handwritten signature in black ink, appearing to read 'M. Battilana', is written over a large, faint, circular watermark or ghost signature.

Maurice Battilana
CHIEF EXECUTIVE OFFICER



**UNCONFIRMED MINUTES OF ANNUAL GENERAL MEETING OF ELECTORS HELD IN
THE COUNCIL CHAMBERS NABAWA ON TUESDAY 3 FEBRUARY 2015 AT 6.00PM**

Order of Business:

1.0 Declaration of Opening / Announcements of Visitors

The Chairman, Cr Collingwood declared the meeting open at 6.02pm.

2.0 Record of Attendance

2.1 Present

a. Councillors

Member	Ward
Cr John Collingwood (President)	North East Ward
Cr Anthony Farrell (Deputy President)	North East Ward
Cr Pauline Forrester	North East Ward (from 6.05pm)
Cr Trevor Royce	North East Ward
Cr Kirrilee Warr	North East Ward
Cr Peter Humphrey	South West Ward (from 6.05pm)
Cr Veronica Wood	South West Ward
Cr Ian Maluish	South West Ward

b. Staff

Officer	Position
Maurice Battilana	Chief Executive Officer
Simon Lancaster	Manager of Planning
Karen McKay	Executive Assistant (Minute Taker)
Dianne Raymond	Manager of Finance & Corporate Services (from 6.05pm)
Kristy Williams	Accountant

c. Visitors

Name	Name
Sue Collingwood	Linda Dymond
Peter Batten	Linda Leeming
Carl Smith	Tony Webb
Debbie Smith	Charmaine Webb

Val Royce	Linda Saunders
Lisa Cole	Pedro Fonseca
Darren Cole	Judi Bradley
Garry Wood	

2.2 Apologies

Name	
Tom and Tana Davies	

3.0 Confirmation of Minutes of previous Annual Electors Meeting held on Wednesday 4 February 2014.

MOVED: CR FARRELL SECONDED: CR ROYCE

That the Minutes of the Annual General Meeting of Electors held on Tuesday 4 February 2014 be confirmed as a true and accurate record.

CARRIED
Minute Reference AEM 02/15 - 1

4.0 Receiving of Annual Report 2013/2014

MOVED: CR FARRELL SECONDED: CR WOOD

That the 2013/2014 Annual Report including Annual Financial Statements, Audit Report, Presidents Report and Chief Executive Officer Report be received.

CARRIED
Minute Reference AEM 02/15 - 2

5.0 GENERAL BUSINESS

Questions & Answers

1. Mr Carl Smith – (Parkfalls Maintenance): Now Parkfalls Mowing is no longer contracted to conduct mowing, weeding, spraying, tree lopping/pruning and picking up the rubbish etc. what is the Shire's maintenance plan and schedule to carry on this work. Surely the mobilisation of equipment and personal to the Park falls Estate is a substantial cost on its own. What we had in place, one man with his tractor & ute maintained councils requirements (above and beyond what they are currently maintained at) and serviced private mowing requirements. Why not increase the contract dollars to keep this service?

Cr Collingwood responded as follows:

- Council called tenders for the supply of the mowing, slashing, watering and maintenance services for all the Western Region in 13/14 (not just Parkfalls);
- Though there were several enquiries only one tender was received from Parkfalls Mowing who was providing the current service;

- Council awarded the contract to Parkfalls Mowing. However the owner of the business would not sign the contract to undertake the service, which was based upon the Tender Specifications and the tender prices he submitted;
- As a result Council resolved to bring the services back in-house and budget accordingly, rather than go through the tender process again;
- The transition from the exiting contractor to in-house servicing of the areas was catered for in the 14/15 Budget and was to take effect after the 31/12/14. The basis of the Council decision to bring the work back in-house was to have external contractors continuing to undertake works to compliment the Shire resources on an as needs basis to ensure resources are maximised;
- Mobilisation is not a large cost and can be catered for within the budget and resources.

2. Carl Smith - Why did Council ignore the petition from 118 residents of the Parkfalls community expressing their confidence in the then SOCV Bill Hemsley Park Management Committee to vote Cr Wood off the committee when the motion put to the December meeting was factually incorrect?

Cr Collingwood responded as follows:

- Council did not ignore the petition as suggested. The Petition was taken into consideration by Councillors at the time the discussion took place and decision made;
- Elected Members have the right to present items to Council for consideration and determination, which is what, occurred at the December Council Meeting.
- The Bill Hemsley Park Project is still progressing and will go back to residents for their input.

Carl Smith said that what you hear and see sometimes feel like we are going backwards.

- Simon Lancaster (Manager Planning) advised Consultants are currently working on the Concept Plan and this will hopefully be presented to the March 2015 Council meeting and then should be out to residents for consultation in April 2015.
- Cr Collingwood advised that Council want to embrace what is good for the area.

3. Carl Smith - When is Council going to do items on the Parkfalls Streetscape Plan as adopted by Council in November 2010? What is going to be the budget allocation on a yearly basis for this work? As our rate have increased on a yearly basis and we are not seeing a value for our rate payer dollar.

Cr Collingwood asked Mr Smith what exactly he believed wasn't done or needed to be done bearing in mind:

- The fact is Council has undertaken a majority of the works identified in the Parkfalls Estate Improvement Plan. To dispel the comments that **"Nothing had been done since the Plan was adopted in November 2010"** an analysis of works listed in the Plan and a status of the works was presented to Councillors. This set a very clear picture that a majority of the Plan had been implemented;

Carl Smith responded by expressing concerns the overall look of the Estate appears to be worsening with weeds on the verges getting out of control, plants and shrubs appear not to receiving the same attention they had in past

Carl Smith stated that he would like to see neat and tidy verges throughout the estate.

- Maurice Battilana (CEO) advised Council is currently investigating insurance liability issues in relation to residents maintaining verges and islands. He stated the Shire would love more resources to be able to do everything desired by all its residents and would encourage self help in the area where this was practical.

4. Linda Dymond - Asked who maintains the verges within the Shire of Chapman Valley as many Local Governments have different arrangements.

- Maurice Battilana advised that Council have no specific policy in regards to maintenance of verges but they do have a policy on planting vegetation on verges and a local law regarding activities on thoroughfares. Verges are maintained on an as-needs and resource availability basis.

5. Linda Dymond - Stated that Walkaway Burr, Crown Beard and Patterson's curse are out of control.

- Maurice Battilana advised the Shire does not have a legal obligation to spray undeclared weeds on their reserves and these plants are not declared noxious weeds. Weeds across the whole Shire are sprayed on an as-needs and resource availability basis.

6. Darren Cole - Asked if the Shire has a Fire Management Plan in place for the Parkfalls area.

- Maurice Battilana responded stating there is no Fire Management Plan for road reserves in Parkfalls or any other part of the Shire. There is a Fire Notices for the whole Shire, which is relevant to landowners and enforced by way of infringements and possible prosecution for non-compliance.
- Cr Royce advised under current Fire Notice that Parkfalls Estate private land is to be slashed rather than mineral earth (bare earth) firebreaks. Approval for mineral earth firebreaks can be given with Council approval. Dead material to also be removed within private blocks in the Parkfalls Estate.
- Simon Lancaster stated that Parkfalls is also a fire hydrant estate.

7. Linda Dymond - Asked if the Shire has a policy in regards to what/where trees can be planted within a private land (i.e. can landowners plant hard up against their boundary fence on their land).

- Maurice Battilana responded stating there is no Shire policy stipulating what can or cannot be planted within private land and nothing in regards to planting on fenceline. However, Council does have a Policy which stipulates planting on Shire road reserves.

8. Brooke Bennett - Questions were received via email from Ms Brooke Bennett today.

The President ruled that as Ms Bennett was not at the meeting to present her questions and the fact they were only received today they would be taken on notice and the CEO would respond to Ms Bennett direct.

Following are the questions submitted by Ms Bennett:

Upon reviewing the plan I am concerned that the Plan actually appears to be planning for the Shire to be economically unviable inside the 10 year period, in particular by the 7 year point. By the comments made in the plan it appears that even with new borrowings, asset sales, year on year rate increases of 5% and the assumption that grant funding will remain at approximately the same levels, the Shire is according to its plan do "not have enough funding to maintain all of our assets to the standard our community expects." Furthermore it states that "we may be forced to consider cuts to the level of service provided if we cannot access grant funds to enable us to maintain and renew our essential infrastructure assets such as roads in the future."

A look at the projected ratios shows the Council by your own definitions in your report having the following ratios at unsustainable levels for the bulk of the years covered by the Plan:

- Operating Surplus Ratio (negative for all years 2012/13 on)
- Current Ratio (less than 1 for years 2013 on)
- Asset Renewal Funding Ratio (Less than 95% for all years)
- Debt Service Cover Ratio (According to DLGC target should be >15)

Given that it is unlikely that grant funding will increase dramatically given the government's preference for amalgamating small unsustainable councils into larger ones, what services to ratepayers does the Council anticipate cutting to balance their budget?

Is it not then wise to assume that the real rate increases over the next 10 years will need to be much greater than the projected 5% in the plan?

Why are these anticipated service cuts or required real rate increases not built in to your long term plan to produce a realistic & sustainable long term plan?

Does this anticipated position mean that amalgamation with Geraldton or Northampton is inevitable?

The LTFFP relies on grant funding to remain at current levels plus inflation for the next 10 years, in fact, your optimistic scenario operating & capital grant levels are slightly lower than the base case levels leading me to suspect the base funding levels relied on in this plan are on the overly optimistic side. Why would the base case grant funding levels be greater than the optimistic case?

I know we have had in recent years a few major road projects which have increased the capital grant income. My understanding is that as the quality of your road assets improve, the ability to attract this funding may then reduce. Given that some of these projects are coming to an end, is it realistic to assume we will be able to continue to attract Roads to Recovery grant funding at this same level into the future?

In the Management Letter from your auditor of the financial statements for the year ending 30/6/2014, the Auditor mentions specifically the Debt Service Cover Ratio being a concern. It then goes on to point out that the "Asset Management Plan requires more renewal expenditure than is provided for in its Long Term Financial Plan." Shouldn't the anticipated spending in these reports match up? Are you now going to adjust your asset renewal plan for the fact that you are not anticipating having enough funds to implement the existing Asset Management Financial Plan?

9. Tony Webb - Questioned if the Shire has any outstanding rates as he could not find this information in the Annual Report.
 - Di Raymond (Manager Finance & Corporate Services) answered that the Shire has an annual average of approximately 97% for the collection rate.
 - Kristy Williams (Accountant) advised that the information could be found on Page 62 under Note 4 of the 2013/2014 Financial Statements.
10. Linda Saunders - Asked if Councillors under Local Government Law are to support the majority view of the constituents and/or Council and is there a course of action for Councillors not supporting these and for not complying with conflict of interest.

- Cr Collingwood replied that it is the individual Councillors decision on how to vote and residents can ring their Elected Members regarding their decision if they wish. However, Councillors are not obliged to endorse the constituent's position on an issue.
- Maurice Battilana advised that Elected Members all swear an Oath at the time they are sworn in as Elected Members of a local government, which refers to the Code of Conduct Regulations and Local Government Act. The Code of Conduct Regulations and Council Code of Conduct Policy (which is linked to the Regulation) does list ethical behaviour as a requirement of an Elected Member, which does request they support decisions of Council irrespective of how they individually voted on an issue.
- Maurice Battilana also confirmed Elected Members are legally obliged to comply with declaration of interest they may have. Such interest could be financial, proximity, impartiality, etc. There are penalties associated with non-declaration of interest.

11. Peter Batten - Asked is the Bill Hemsley Park Management Committee different to the Parkfalls Residents Association?

- Cr Collingwood responded by clarifying the Bill Hemsley Park Management Committee is a separate body to the Parkfalls Residents Association. However, the Parkfalls Residents Association does have two representatives on the Bill Hemsley Park Management Committee.

12. Cr Anthony Farrell – Responded to an earlier question in regards the petition presented to Council on the Bill Hemsley Park Management Committee expressing his concerns on the validity of the petition as there were names and signatures on the petition that were written in under the same hand writing.

Linda Dymond responded to this comment by confirming it was her who did this because of her husband and children's authorisation to her place there names on the petition on their behalf.

6.0 CLOSURE

The Presiding Member thanked members, ratepayers, visitors and staff for attending and declared the electors meeting closed at 6.45pm.

AGENDA ITEM:	9.3.2
SUBJECT:	LOCAL GOVERNMENT ELECTION
PROPONENT:	SHIRE OF CHAPMAN VALLEY
SITE:	WHOLE OF SHIRE
FILE REFERENCE:	402.00
PREVIOUS REFERENCE:	NA
DATE:	18th FEBRUARY 2015
AUTHOR:	MAURICE BATTILANA, CHIEF EXECUTIVE OFFICER

DISCLOSURE OF INTEREST

Nil

BACKGROUND

In the lead up to the October 2015 Local Government Elections the Chief Executive Officer has requested cost estimates from the Western Australian Electoral Commission (WAEC) to conduct the October 2015 Ordinary Elections for the Shire of Chapman Valley as a *Postal Election*. The WAEC has advised they hope to have the quote available by early/mid February; however, the quote process has been delayed due to the uncertainty with the metropolitan local government structural reform process and Australia Post determination on possible postage cost increase in 2015.

The actual cost for the WAEC to conduct the October 2013 Ordinary Elections for the Shire of Chapman Valley as a postal election was \$9660.35 (GST Exclusive). Based upon this cost and taking into account an average CPI increase of 3% over the past two years the estimated cost for the 2015 election, if conducted as a postal ballot would be within the vicinity of approximately \$10,200 (GST Exclusive).

The estimate is based on the 2013 Election criteria i.e.

- 810 Electors
- Response rate of approximately 60%
- 4 Vacancies
- Count to be conducted at the Shire of Chapman Valley Administration offices.

Costs not incorporated in this estimate include:

- Non-statutory advertising
- Any legal expenses other than those that are determined to be borne by the WAEC in a Court of Disputed Returns.
- One local government staff member to work in the polling place on Election Day with the returning officer.

COMMENT

The 2013 Council Ordinary Election was a postal election, which saw a significant increase in voter participation i.e.

Year	North East Ward	South East Ward
2011 (In-Person Election)	18.6% Voter Participation	23.9% Voter Participation
2013 (Postal Election)	52.9% Voter Participation	44.4% Voter Participation
Total % Increase	34.3%	20.5%

The above significant increase in voter participation along with the fact the cost are basically the same when compared with staff time and resources to contracting the WAEC to undertake this function make it imperative to retain the *Postal Election* process for 2015 and all future Elections. It would be disappointing for the Shire to revert back to the old *In-Person* procedure for conducting Local Government Elections as this would obviously minimise interest and participation in the elections.

The other important advantage with the WAEC being the contractor for the *Postal Election* process is the fact this distances the Chief Executive Officer and most Shire staff from the election process, therefore removing any accusations of staff influence throughout the election process.

The current procedure required by the *Local Government Act 1995* is that the Electoral Commissioners written agreement has to be obtained before the vote by Council is taken for a postal vote to be conducted by the Electoral Commission. To facilitate the process the WAEC will provide Council with their standard agreement for them to be responsible for the conduct of the Ordinary Elections for 2015. However, I am advocating in the Staff Recommendation the Shire advises the WAEC they wish to utilise their services for all Elections (Ordinary and Extraordinary) up to and including the 2019 Ordinary Election. The condition associated with this extended contract with the WAEC being:

- Council reserves the right to review this position at any time, subject to budgetary constraints and any decision to terminate the contract not being able to be implemented after the 80 day legislative cut-off period of an election day as this renders the services from the WAEC having commenced.

STATUTORY ENVIRONMENT

Local Government Act 1995 and Local Government (Election) Regulations

4.20. CEO to be returning officer unless other arrangements made

A local government may, having first obtained the written agreement of the Electoral Commissioner, declare the Electoral Commissioner to be responsible for the conduct of an election, or all elections conducted within a particular period of time, and, if such a declaration is made, the Electoral Commissioner is to appoint a person to be the returning officer of the local government for the election or elections.*

** Absolute majority required.*

4.61. Choice of methods of conducting election

- (1) The election can be conducted as a —
 - postal election** which is an election at which the method of casting votes is by posting or delivering them to an electoral officer on or before election day; or
 - voting in person election** which is an election at which the principal method of casting votes is by voting in person on election day but at which votes can also be cast in person before election day, or posted or delivered, in accordance with regulations.
- (2) *The local government may decide* to conduct the election as a postal election.*
 - * Absolute majority required.*
- (3) *A decision under subsection (2) has no effect if it is made after the 80th day before Election Day unless a declaration has already been made in respect of an election for the local government and the declaration is in respect of an additional election for the same local government.*
- (4) *A decision under subsection (2) has no effect unless it is made after a declaration is made under section 4.20(4) that the Electoral Commissioner is to be responsible for the conduct of the election or in conjunction with such a declaration.*
- (5) *A decision made under subsection (2) on or before the 80th day before election day cannot be rescinded after that 80th day.*
- (6) *For the purposes of this Act, the poll for an election is to be regarded as having been held on election day even though the election is conducted as a postal election.*
- (7) *Unless a resolution under subsection (2) has effect, the election is to be conducted as a voting in person election.*

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

In the 2011 Local Government election there were 3 polling places at Yuna, Nabawa and Drummond Cove with the cost for conducting the 2011 election being approximately \$9,000 excl GST. This figure can be extrapolated out to approximately \$10,200 using a 3% average CPI increase over the past 4 years.

As previously stated, the WAEC cost to conduct the election in 2013 was \$9660.35 (GST Exclusive). Based upon this cost and taking into account an average CPI increase of 3% over the past two years the estimated cost for the 2015 election, if conducted as a postal ballot would be within the vicinity of approximately \$10,200 (GST Exclusive).

At the time of writing this report the WAEC quote was yet to be received. However, if it arrives prior to the February 2015 OCM I will advise Council accordingly.

- **Long Term Financial Plan (LTFP):**

No effect

STRATEGIC IMPLICATIONS

Maximising Elector participation at Local Government Elections should be the main priority when deciding what form the election process should undertake.

As previously mentioned, it is proven participation through the *Postal Election* process far exceeds that by the *In-Person* only process i.e.

Year	North East Ward	South East Ward
2011 (In-Person Election)	18.6% Voter Participation	23.9% Voter Participation
2013 (Postal Election)	52.9% Voter Participation	44.4% Voter Participation
Total % Increase	34.3%	20.5%

- **Strategic Community Plan/Corporate Business Plan:**

Objective	Strategy	Outcome
Transparent decision-making is important to us	Active engagement with the community to inform decision-making	Contribution to how local issues are managed
	Maintain a strong customer focus	Effective communication on key decisions

CONSULTATION

Informal discussions have occurred between the WAEC and Chief Executive Officer.

RISK ASSESSMENT

Reverted back to the In-Person Election process, rather than the Postal Election process will create a significant risk of voter participation dropping substantially.

VOTING REQUIREMENTS

Absolute Majority

COUNCIL RESOLUTION / STAFF RECOMMENDATION

MOVED: CR FARRELL

SECONDED: CR HUMPHREY

That Council:

1. Resolve, in accordance with section 4.61(2) of the *Local Government Act 1995*, the method of conducting the all Local Government Elections and Polls will be as *Postal Election* (Ordinary and Extraordinary) up to and including the 2019 Ordinary Election;
2. Declare, in accordance with section 4.20(4) of the *Local Government Act 1995*, the Western Australian Electoral Commissioner to be responsible to conduct all Local Government Election and Polls as *Postal Elections* (Ordinary and Extraordinary) up to and including the 2019 Ordinary Election;
3. Council reserves the right to review this position at any time, subject to budgetary constraints and subject to any decision to terminate the contract with the Western Australian Electoral Commissioner not being able to be made after the 80th day being the legislative cut-off period of an election process as any time after this date renders the services from the WAEC having already commenced.

**Voting 7/0
CARRIED
Minute Reference 02/15-10**

Meeting adjourned at 10.17am

Meeting re-commenced at 10.27am



Government of **Western Australia**
Department of **Local Government**

12 FEB 2013

Record No A1213533

Your Ref: 404.03
Our Ref: CV1-8#03 E1303304

BY:.....

Mr Stuart Billingham
Chief Executive Officer
Shire of Chapman Valley
PO Box 1
NABAWA WA 6532

Dear Mr Billingham

SHIRE OF CHAPMAN VALLEY – WARDS AND REPRESENTATION

The Minister for Local Government has approved the recommendation of the Local Government Advisory Board that for the Shire of Chapman Valley that the number of councillors in the North East Ward be five (5) and the number of councillors for the South West Ward be three (3).

These changes will be implemented at the 2013 local government elections.

Administrative processes are now in place to obtain the Governor's approval and publish the changes in the *Government Gazette*. You will be notified when gazettal has taken place.

Yours sincerely

Janet Berg
A / POLICY & RESEARCH OFFICER
REFORM IMPLEMENTATION

8 February 2013

Gordon Stephenson House
140 William Street Perth WA 6005
GPO Box R1250 Perth WA 6844
Tel: (08) 6552 1500 Fax: (08) 6552 1555 Freecall: 1800 620 511 (Country only)
E-mail: info@dlg.wa.gov.au Website: www.dlg.wa.gov.au
wa.gov.au

108-01-001



3 1 JAN 2013

BY:.....



WESTERN AUSTRALIAN Electoral Commission

402.00
Record No CR137043

LGE 028

Mr Stuart Billingham
Chief Executive Officer
Shire of Chapman Valley
PO Box 1
NABAWA WA 6532

Dear Mr Billingham

Local Government Ordinary Election: 2013

Thank you for your email dated 25 January 2013 requesting a cost estimate for the Western Australian Electoral Commission to conduct the October 2013 ordinary elections as a postal election for the Shire of Chapman Valley.

The estimated cost for the 2013 election if conducted as a postal ballot is \$10,000 including GST, which has been based on the following assumptions:

- 770 electors
- response rate of approximately 60%
- 4 vacancies
- count to be conducted at the offices of the Shire of Chapman Valley.

Costs not incorporated in this estimate include:

- non-statutory advertising (ie any additional advertisements in community newspapers and promotional advertising)
- any legal expenses other than those that are determined to be borne by the Western Australian Electoral Commission in a Court of Disputed Returns
- one local government staff member to work in the polling place on election day.

Level 2, 111 St Georges Terrace, PERTH WA 6000 GPO Box F316 PERTH WA 6814
Telephone: (08) 9214 0400 Facsimile: (08) 9226 0577 Email: waec@waec.wa.gov.au
Website: www.waec.wa.gov.au



The Commission is required by the *Local Government Act 1995* to conduct local government elections on a full cost recovery basis and you should note that this is an estimate only and may vary depending on a range of factors including the cost of materials or number of replies received. The basis for charges is all materials at cost and a margin on staff time only. Should a significant change in this figure become evident prior to or during the election you will be advised as early as possible.

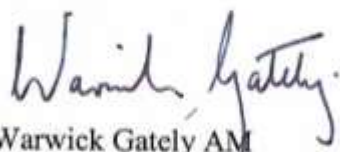
The current procedure required by the *Local Government Act 1995* is that my written agreement has to be obtained before the vote by Council is taken. To facilitate the process, you can take this letter as my agreement to be responsible for the conduct of the ordinary elections in 2013 for the Shire of Chapman Valley in accordance with section 4.20(4) of the *Local Government Act 1995*, together with any other elections or polls that may also be required. My agreement is subject to the proviso that the Shire of Chapman Valley also wishes to have the election undertaken by the Western Australian Electoral Commission as a postal election.

In order to achieve this, your council will now need to pass the following two motions by absolute majority:

- Declare, in accordance with section 4.20(4) of the *Local Government Act 1995*, the Electoral Commissioner to be responsible for the conduct of the 2013 ordinary elections together with any other elections or polls which may be required
- Decide, in accordance with section 4.61(2) of the *Local Government Act 1995* that the method of conducting the election will be as a postal election.

I look forward to conducting this election for the Shire of Chapman Valley in anticipation of an affirmative vote by Council.

Yours sincerely



Warwick Gately AM
ELECTORAL COMMISSIONER

29 January 2013

AGENDA ITEM:	9.3.3
SUBJECT:	BUSHFIRE SERVICES CAPITAL & OPERATING GRANTS
PROPONENT:	DEPARTMENT OF FIRE & EMERGENCY SERVICES
SITE:	WHOLE OF SHIRE
FILE REFERENCE:	601.03
PREVIOUS REFERENCE:	MINUTE REFERENCE 10/14-11
DATE:	18th FEBRUARY 2015
AUTHOR:	MAURICE BATTILANA, CHIEF EXECUTIVE OFFICER

DISCLOSURE OF INTEREST

Nil

BACKGROUND

Annual application for Capital and Operational Grants under the Department of Fire & Emergency Services (DFES) Local Government Grants Scheme. This Agenda Item deals with both the 2014/2015 and proposed 2015/2016 Grants.

Council has resolved to accept the tender for the two appliance bay shed at Howatharra budgeted for in 2014/2015 and subject to grant being made available from the DFES i.e.

MOVED: CR WARR

SECONDED: CR HUMPHREY

1. *Council awards the tender for the supply, deliver and erect a two appliance bay facility and amenity shed for the Howatharra Bush Fire Brigade to Norwest Building Group subject to confirmation the headwork cost to connect electricity to Western Power being inclusive of the tender price;*
2. *In the event there will be additional headwork cost to connect electricity to Western Power the preferred tender will only be accepted if full project cost can be accommodated within the budget provide for this project;*
3. *In the event the additional headwork cost to connect electricity to Western Power result in the total cost exceeding the budget provided for this project the Chief Executive Officer is delegated authority to negotiate with the Department of Fire & Emergency Services, the Howatharra Bush Fire Control Officer and the preferred tender variations to the building design to fit the budget allocation for this project.*

*Voting 7/0
CARRIED
Minute Reference 10/14-11*

COMMENT

Local Government Authorities need to annually apply for grants under the DFES *Local Government Grants Scheme* for its Capital and Operational requirements for the forthcoming year.

The Capital Grants are linked the DFES *Resource to Risk (RtR)* approved program and approved capital items are fully funded from the Emergency Services levy.

The *RtR* program for the Shire of Chapman Valley refers to the need for a 2.4 Rural Fire Appliance (Tanker) to be located at the Howatharra Brigade. There was also be a requirement for a two appliance bay shed to accommodate both the existing Fast Attack Light Tanker and 2.4 Broadacre Tanker (yet to be supplied) fire fighting units, which was to be built in 2014/2015.

Applications for the 2.4 Broadacre Tanker and Shed were submitted to DFES for the past two financial years (i.e. 13/14 and 14/15), yet were unsuccessful on both occasions. One of the recommendations below is to re-submit this application for consideration in the 2015/2016 grant process.

The proposed DFES *RtR* Program has no capital items listed for 2015/2016. The irony of this is the fact the 2014/2015 Capital Grant approved by DFES was to erect a two appliance bay shed at Howatharra to

accommodate both a Fast Attack and 2.4 Broadacre Tanker, yet the Tanker has not been included in their Capital Program for 15/16.

In regards to the annual Operating Grant I agree with the amount set by DFES as being satisfactory for our ongoing operational needs i.e.

- 2013/2104 Operating Grant Received \$26,400
- 2014/2015 Operating Grant Received \$32,000
- 2015/2016 Operating Grant Requested \$32,260 (as recommended by DFES)

2014/2015 Capital Grant – Howatharra Two Bay Shed at Howatharra

The establishment of a two appliance bay shed at Howatharra to accommodate both a Fast Attack and the proposed 2.4 Broadacre Tanker in 2014/2015 is proving difficult due to DFES confirming they will not cover any costs for the establishment of Western Power headworks under the Capital Grant offered to Council this financial year. DFES state it is an expectation of the local government to cover all cost of headworks for such projects. Therefore, based upon current quotes from Western Power the Shire of Chapman Valley will need to find approximately \$10,000 from its own resources for the two bay shed at Howatharra to proceed.

The necessary additional funds can basically all be derived from the Building Reserve Fund as the amount received for the sale of the property at 27 Chapman Road exceeded that Budgeted for i.e.

- Budgeted amount for property sale to be transferred to the Building Reserve \$65,000
- Actual amount for property sale to be transferred to the Building Reserve \$74,259

Western Power has indicated the headwork cost quoted for the two appliance bay shed at Howatharra is the maximum and this may be reduced. However, is subject to full design works and detailed costs being completed.

STATUTORY ENVIRONMENT

Fire & Emergency Services Act 1998 – Section 36A – Emergency Services Levy Purposes

POLICY IMPLICATIONS

No existing Policy or Procedure affected.

FINANCIAL IMPLICATIONS

Local Governments capital and operational costs (other than depreciation and some other minor items) for the fire fighting equipment, building, etc., are covered under the Emergency Services Levy, which local governments collect through the annual rating process on behalf of the State Government (DFES). These funds are then allocated to the various authorities through the annual DFES *Local Government Grants Scheme* using historical data and the *RtR* criteria, amongst other guidelines set by State Emergency Services Committee.

STRATEGIC IMPLICATIONS

Objective	Strategy	Actions
We need good services to support our development as a Shire	Maintain existing services and facilities	Provide and maintain community buildings and facilities, including roads

CONSULTATION

Consultation has occurred between DFES, Western Power, Norwest Building Group and staff by Chief Executive Officer on this matter.

RISK ASSESSMENT

There is a risk of the Howatharra Bush Fire Brigade area being under-equipped in accordance with the Resource to Risk if the Rural Fire Appliance (2.4 Broadacre Tanker) is not provided.

There is also a risk of criticism if the Two Appliance Bay Facility is established in 14/15, yet the equipment to be stored here are not provided by DFES.

VOTING REQUIREMENTS

Staff Recommendation 1 - Simple Majority

Staff Recommendation 2 - Absolute Majority as this is a Budget variation.

COUNCIL RESOLUTION / STAFF RECOMMENDATION 1 – (Simple Majority Required)

MOVED: CR FORRESTER

SECONDED: CR HUMPHREY

Council endorses the application submitted under the 2015/2016 Department of Fire & Emergency Services (DFES) Local Government Grants Scheme as follows:

- Operation Grant - \$32,260 (as recommended by DFES)
- Capital Grant - Apply for a Rural Fire Appliance (2.4 Broadacre Tanker) for the Howatharra Brigade.

**Voting 7/0
CARRIED
Minute Reference 02/15-11**

COUNCIL RESOLUTION / STAFF RECOMMENDATION 2 – (Absolute Majority Required)

MOVED: CR HUMPHREY

SECONDED: CR MALUISH

Council agrees to cover Western Power headwork cost for the establishment of the two appliance bay shed at the Howatharra Bush Fire Brigade from the Shire Building Reserve.

**Voting 7/0
CARRIED
Minute Reference 02/15-12**

The Agenda Report included my interpretation of the legislation in regards to the tenure of a person appointed to a Committee, which has since been determined by the Department of Local Government & Communities (DLGC) as being incorrect. The issue is the voting requirements of the legislation for a local government authority to remove a person from a Committee.

The advice given by the DLGC was it requires an *Absolute Majority* to remove a person from a Committee as required by *Section 52 (1) of the Interpretation Act 1984*, not a Simple Majority as I stated in the Agenda Report I put to Council in December.

Section 5.10 of the LG Act refers to the Interpretations Act; however, my interpretation of this that as this section is referring specifically to the **appointment of a person to a committee**, not the **removal** and therefore the Interpretations Act is not relevant. The removal of a person from a committee is dealt with under section 5.11 of the LG Act, which does not refer to the Interpretations Act at all. However, this differs from the DLGC's interpretation as the Section 52 of the *Interpretations Act* states "*Power to appoint includes power to remove, suspend, appoint acting officer etc.*"

COMMENT

I am prepared to concede my original interpretation could be contested and therefore have decided to bring this matter back to Council for reconsideration. This will hopefully remove any ambiguities and/or challenges of procedural illegalities.

I have discussed this with the DLGC and it is agree the most appropriate path forward to resolve this matter is to simply present Council Resolution/Staff Recommendation 1 (Minute Ref: 12/14-20) to Council again, exactly as it was presented to the December 2014 OCM, and seek an Absolute Majority for this decision to be legally valid.

As the situation stands now:

- i. The Council Resolution/Elected Members Recommendation (Minute Ref: 12/14-19) resolved by Council remains valid, yet can only be implemented if the subsequent Council Resolution/Staff Recommendation 1 (Minute Ref: 12/14-20) is carried by an Absolute Majority i.e.

"Council resolves to amend the elected member representation on the Bill Hemsley Park Management Committee to ensure Council representatives are not also members of the Parkfalls Residents Association"

If Council Resolution/Staff Recommendation 1 (Minute Ref: 12/14-20) is not successfully carried by an Absolute Majority then the Council Resolution/Elected Members Recommendation (Minute Ref: 12/14-19) will only become actionable when Council reviews its Committee Representation (i.e. after the October 2015 Ordinary Elections). This will also mean the original Committee representation and structure must remain until this time (i.e. Cr Wood would stay as the Shire representative until the Committee Review is undertaken in October 2015 and Cr Forrester's appointment would not take affect).

- ii. Council Resolution/Staff Recommendation 1 (Minute Ref: 12/14-20) stated:

"Council remove Elected Member(s) from the Bill Hemsley Park Management Committee who are also members of the Parkfalls Residents Association as Council representative(s) on this Committee"

As Council Resolution/Staff Recommendation 1 (Minute Ref: 12/14-20) did not obtain the required Absolute Majority it cannot be implemented and (as previously mentioned) Cr Wood actually remains a member of the BHPMC and Council Resolution/Staff Recommendation 2 (Minute Ref: 12/14-21) is not actionable. Therefore, I have presented Council Resolution/Staff Recommendation 1 (Minute Ref: 12/14-20) back to Council seeking the required Absolute Majority for it to be actionable.

- iii. If the Absolute Majority is achieved for Council Resolution/Staff Recommendation 1 (Minute Ref: 12/14-20) then the Council Resolution/Staff Recommendation 2 (Minute Ref: 12/14-21) can be implemented, which will result in Cr Wood being removed from the BHPMC and Cr Forrester's appointment being implemented.

STATUTORY ENVIRONMENT

Local Government Act, 1995

5.8. Establishment of committees

A local government may establish committees of 3 or more persons to assist the council and to exercise the powers and discharge the duties of the local government that can be delegated to committees.*

** Absolute majority required.*

5.9. Committees, types of

(1) *In this section —*

other person means a person who is not a council member or an employee.

(2) *A committee is to comprise —*

- (a) *council members only; or*
- (b) *council members and employees; or*
- (c) *council members, employees and other persons; or*
- (d) *council members and other persons; or*
- (e) *employees and other persons; or*
- (f) *other persons only.*

5.10. Committee members, appointment of

(1) *A committee is to have as its members —*

- (a) *persons appointed* by the local government to be members of the committee (other than those referred to in paragraph (b)); and*
- (b) *persons who are appointed to be members of the committee under subsection (4) or (5).*

** Absolute majority required.*

(2) *At any given time each council member is entitled to be a member of at least one committee referred to in section 5.9(2)(a) or (b) and if a council member nominates himself or herself to be a member of such a committee or committees, the local government is to include that council member in the persons appointed under subsection (1)(a) to at least one of those committees as the local government decides.*

(3) *Section 52 of the Interpretation Act 1984 applies to appointments of committee members other than those appointed under subsection (4) or (5) but any power exercised under section 52(1) of that Act can only be exercised on the decision of an absolute majority of the local government.*

(4) *If at a meeting of the council a local government is to make an appointment to a committee that has or could have a council member as a member and the mayor or president informs the local government of his or her wish to be a member of the committee, the local government is to appoint the mayor or president to be a member of the committee.*

(5) *If at a meeting of the council a local government is to make an appointment to a committee that has or will have an employee as a member and the CEO informs the local government of his or her wish —*

- (a) *to be a member of the committee; or*
- (b) *that a representative of the CEO be a member of the committee,*

the local government is to appoint the CEO or the CEO's representative, as the case may be, to be a member of the committee.

5.11. Committee membership, tenure of

(1) *Where a person is appointed as a member of a committee under section 5.10(4) or (5), the person's membership of the committee continues until —*

- (a) *the person no longer holds the office by virtue of which the person became a member, or is no longer the CEO, or the CEO's representative, as the case may be; or*
- (b) *the person resigns from membership of the committee; or*
- (c) *the committee is disbanded; or*
- (d) *the next ordinary elections day,*

whichever happens first.

(2) *Where a person is appointed as a member of a committee other than under section 5.10(4) or (5), the person's membership of the committee continues until —*

- (a) *the term of the person's appointment as a committee member expires; or*
- (b) *the local government removes the person from the office of committee member or the office of committee member otherwise becomes vacant; or*

- (c) *the committee is disbanded; or*
 - (d) *the next ordinary elections day,*
- whichever happens first.*

Interpretations Act, 1984

52. Power to appoint includes power to remove, suspend, appoint acting officer etc.

- (1) *Where a written law confers a power or imposes a duty upon a person to make an appointment to an office or position, including an acting appointment, the person having such power or duty shall also have the power —*
 - (a) *to remove or suspend a person so appointed to an office or position, and to reappoint or reinstate, any person appointed in exercise of such power or duty; and*
 - (b) *where a person so appointed to an office or position is suspended or unable, or expected to become unable, for any other cause to perform the functions of such office or position, to appoint a person to act temporarily in place of the person so appointed during the period of suspension or other inability but a person shall not be appointed to so act temporarily unless he is eligible and qualified to be appointed to the office or position; and*
 - (c) *to specify the period for which any person appointed in exercise of such a power or duty shall hold his appointment.*

POLICY IMPLICATIONS

No Policy relevant or affected.

FINANCIAL IMPLICATIONS

No affect

- **Long Term Financial Plan (LTFP):**

No Affect.

STRATEGIC IMPLICATIONS

It is important there is no ambiguity associated with decisions of Council and therefore I am concurring with the latest legislative interpretation as stated by the DLGC.

- **Strategic Community Plan/Corporate Business Plan:**

Not applicable.

CONSULTATION

The Chief Executive Officer has had extensive discussions and consultation with the DLGC on this issue and the consensus is the path forward being as presented in this report.

RISK ASSESSMENT

The risk associated with this issue is the inability to implement the resolutions of Council if an Absolute Majority is not achieved. However, this is considered a low risk as the BHPMC will still function as it has in the past with the initially appointed members.

VOTING REQUIREMENTS

Absolute Majority

COUNCIL RESOLUTION / STAFF RECOMMENDATION

MOVED: CR MALUSH

SECONDED: CR WOOD

Council remove Elected Member(s) from the Bill Hemsley Park Management Committee who are also members of the Parkfalls Residents Association as Council representative(s) on this Committee.

Voting 3/4

LOST

Minute Reference 02/15-13

For - Cr Farrell, Cr Forrester, Cr Humphrey

Against: - Cr Collingwood, Cr Malush, Cr Wood and Cr Warr

FORESHADOWED MOTION

MOVED: CR FARRELL

Cr Wood be removed from the Bill Hemsley Park Management Committee.

Cr Collingwood did not accept the foreshadowed motion as this had the same effect as the substantive motion.

AGENDA ITEM:	9.3.5
SUBJECT:	FINANCE & AUDIT COMMITTEE MINUTES
PROPONENT:	SHIRE OF CHAPMAN VALLEY
SITE:	SHIRE OF CHAPMAN VALLEY
FILE REFERENCE:	403.05
PREVIOUS REFERENCE:	NIL
DATE:	2 FEBRUARY 2015
AUTHOR:	MAURICE BATTILANA, CHIEF EXECUTIVE OFFICER

DISCLOSURE OF INTEREST

Nil

BACKGROUND

The Shire of Chapman Valley Finance & Audit Committee met on the 2nd February 2015 in the Council Chambers Nabawa. The Minutes of the meeting have been included as **Attachment 1**.

COMMENT

The Minutes and recommendations from the Finance & Audit Committee meeting dated 2nd February 2015 are presented for Council consideration.

STATUTORY ENVIRONMENT

Local Government Act 1995 & Local Government Audit Regulations 1996

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Not Applicable

CONSULTATION

Committee Members and staff have discussed the Finance and management Audits with the Auditors (UHY Haines Norton) with the outcome being the Shire is in quite a sound financial position.

RISK ASSESSMENT

Low risk as it is considered the Council remains in a sound financial position.

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION / COMMITTEE RECOMMENDATION

MOVED: CR WARR

SECONDED: CR MALUISH

That Council receives the Minutes of the Finance and Audit Committee meeting held on the 2nd February 2015 and the following recommendations from this Committee meeting:

- i. The Finance and Audit Committee recommends to Council the Management Report for year ending 30 June 2014 be received and, other than monitoring the levels and trends of all ratios, there are no actions required out of the report;
- ii. The Finance and Audit Committee recommends to Council the Final Audit Report of the Chief Executive Officer the year ending 30 June 2014 be received and it be noted there are no further actions required from the report;
- iii. That the Finance and Audit Committee Recommends to Council that:
 - The 2014 Compliance Audit Return be signed by the CEO and Shire President
 - The 2014 Compliance Audit Return be received and recorded in the minutes of Council
 - The 2014 Compliance Audit Return be submitted to the Department of Local Government;
- iv. The Committee recommends Council receives the Internal Audit Report as presented and request the Chief Executive Officer implement necessary actions to address items identified in the Report requiring attention.

**Voting 7/0
CARRIED
Minute Reference 02/15-14**



Shire of
Chapman Valley
Love the Rural Life

UNCONFIRMED MINUTES

**FINANCE & AUDIT COMMITTEE MEETING
MONDAY 2ND FEBRUARY 2015
COUNCIL CHAMBERS NABAWA
10.30AM**

The Finance and Audit Committee is comprised of:-

Cr John Collingwood
Cr Pauline Forrester
Cr Ian Maluish
Cr Kirrilee Warr

Chief Executive Officer	(Advisor)
Manager Finance & Corporate Services	(Advisor)
Accountant	(Advisor)
Executive Assistant	(Minute Taker)
Greg Godwin - UHY Haines Norton	(Auditor)

DISCLAIMER



No responsibility whatsoever is implied or accepted by the Shire of Chapman Valley for any act, omission or statement or intimation occurring during Council Meeting. The Shire of Chapman Valley disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council or Committee Meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council Meeting does so at that person's or legal entity's own risk.

The Shire of Chapman Valley warns that anyone who has any application or request with the Shire of Chapman Valley must obtain and should rely on

WRITTEN CONFIRMATION

Of the outcome of the application or request of the decision made by the Shire of Chapman Valley.



Maurice Battilana
CHIEF EXECUTIVE OFFICER

**UNCONFIRMED MINUTES FINANCE & AUDIT COMMITTEE MEETING HELD IN
THE COUNCIL CHAMBERS, NABAWA MONDAY 2ND FEBRUARY 2015 AT
10.28AM**

ORDER OF BUSINESS

1.0 Declaration of Opening / Announcements of Visitors

The Chairman, Cr Collingwood welcomed Elected Members and Staff and declared the meeting open at 10.28am.

2.0 Record of Attendance

2.1 Present

a. Councillors

Member	Ward
Cr John Collingwood - President	North East Ward
Cr Ian Maluish	South West Ward
Cr Kirilee Warr	North East Ward
Cr Pauline Forrester	North East Ward

b. Staff

Officer	Position
Mr Maurice Battilana	Chief Executive Officer
Mrs Dianne Raymond	Manager of Finance & Corporate Services
Mrs Kristy Williams	Accountant
Mrs Karen McKay	Executive Assistant (Minute Taker)

c. Visitors

Name	
Mr Greg Godwin	UHY Haines Norton – Auditor (via phone link) from 10.30am to 11.07am

2.2 Apologies

Member	Ward
Nil	

3.0 Applications for Leave of Absence

Nil

4.0 Disclosure of Interest

Nil

5.0 Petitions / Deputations / Presentations

Nil

6.0 Confirmation of Minutes from previous meetings

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Finance and Audit Committee Meeting held on Thursday 6th February 2014

'Recommend that the minutes of the Finance and Audit Committee of the Shire of Chapman Valley held on Thursday 6th February 2014 be confirmed as a true and accurate record of proceedings.'

COMMITTEE RECOMMENDATION

MOVED: CR WARR

SECONDED: CR FORRESTER

That the minutes of the Finance and Audit Committee of the Shire of Chapman Valley held on Thursday 6th February 2014 be confirmed as a true and accurate record of proceedings.

CARRIED
Voting 4/0
Minute Reference FAC 02/15 - 1

Mr Godwin joined the meeting via teleconference at 10.30am

Mr Godwin explained various items within the Audit & Management Reports with Committee members asking question during this presentation.

Mr Godwin advised that the reval of roads will happen in this financial year and the Tender register was not completely up to date at the time of the audit – he advised that this is a public document and should be available with the successful tenderers name and the amount should be listed.

Cr Forrester left Chambers at 10.35am in at 10.36am

Mr Godwin advised that there were no issues with the Management Report which gives a fair view of Councils operations and finance and compliance within various areas.

Discussion was held regarding the asset renewal program and the Debt service cover ratio – Mr Godwin gave an explanation – with a number of year's history it is easier to look at trends. The ratio is telling us operating surplus exceeds operating expense

Mr Godwin stated that it is currently a good time to be borrowing with the interest rates so low and advised to look at the logic of borrowing vs increasing rates which can keep ratios at good level.

7.0 Agenda Items

- | | | |
|------------|---------------------------------------|----------------|
| 7.1 | Management Report 30 June 2014 | Page 32 |
| 7.2 | Audit Report 30 June 2014 | Page 38 |
| 7.3 | Compliance Audit Return 2014 | Page 41 |
| 7.4 | Internal Control Audit | Page 49 |

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UNCONFIRMED MINUTES

**FINANCE & AUDIT COMMITTEE MEETING
THURSDAY 6TH FEBRUARY 2014
COUNCIL CHAMBERS NABAWA
2.00PM**

The Finance and Audit Committee is comprised of:-

Cr John Collingwood
Cr Pauline Forrester
Cr Ian Maluish
Cr Kirrilee Warr

Chief Executive Officer	(Advisor)
Office Manager	(Advisor)
Mid-West Regional Council	(Advisor)
Executive Assistant	(Minute Taker)
Greg Godwin - UHY Haines Norton	(Auditor)

DISCLAIMER



No responsibility whatsoever is implied or accepted by the Shire of Chapman Valley for any act, omission or statement or intimation occurring during Council Meeting. The Shire of Chapman Valley disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council or Committee Meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council Meeting does so at that person's or legal entity's own risk.

The Shire of Chapman Valley warns that anyone who has any application or request with the Shire of Chapman Valley must obtain and should rely on

WRITTEN CONFIRMATION

Of the outcome of the application or request of the decision made by the Shire of Chapman Valley.

A handwritten signature in black ink, appearing to read 'M. Battilana', written over a faint circular watermark or background.

Maurice Battilana
CHIEF EXECUTIVE OFFICER

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**UNCONFIRMED MINUTES FINANCE & AUDIT COMMITTEE MEETING HELD IN
THE COUNCIL CHAMBERS, NABAWA THURSDAY 6TH FEBRUARY 2014 AT
2.06PM**

ORDER OF BUSINESS

1.0 Election of Presiding Member and Deputy Presiding Member of Shire of Chapman Valley Finance and Audit Committee (S5.12 Local Government Act)

Mr Battilana opened the meeting and called for nominations for Presiding Member.

Cr Collingwood nominated himself and there being no further nominations was elected unopposed as Presiding Member of the Shire of Chapman Valley's Finance and Audit Committee.

Cr Collingwood took the Chair and a decision was made not to have a Deputy Presiding Member.

2.0 Declaration of Opening / Announcements of Visitors

Cr Collingwood welcomed Elected Members and staff to the Finance and Audit Committee meeting.

3.0 Record of Attendance

3.1 Present

a. Councillors

Member	Ward
Cr John Collingwood - President	North East Ward
Cr Ian Maluish	South West Ward
Cr Kimlee Warr	North East Ward

b. Staff

Officer	Position
Mr Maurice Battilana	Chief Executive Officer
Mrs Karen McKay	Executive Assistant (Minute Taker)
Mrs Dianne Raymond	Office Manager

c. Visitors

Name	
Mr Greg Godwin	UHY Haines Norton – Auditor (via phone link)
Mrs Kristy Williams	Mid West Regional Council

3.2 Apologies

Member	Ward
Cr Pauline Forrester	North East Ward

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4.0 Applications for Leave of Absence

Nil

5.0 Petitions / Deputations / Presentations

Nil

6.0 Confirmation of Minutes from previous meetings

Finance and Audit Committee Meeting held on Wednesday 10th July 2013

'Recommend that the minutes of the Finance and Audit Committee of the Shire of Chapman Valley held on Wednesday 10th July 2013 be confirmed as a true and accurate record of proceedings.'

COMMITTEE RECOMMENDATION

MOVED: CR WARR SECONDED: CR MALUISH

That the minutes of the Finance and Audit Committee of the Shire of Chapman Valley held on Wednesday 10th July 2013 be confirmed as a true and accurate record of proceedings.

CARRIED
Voting 3/0
Minute Reference FAC 02/14-2

Mr Godwin joined the meeting via teleconference at 2.10pm.

Mr Godwin explained various items within the Audit & Management Reports with Committee members asking question during this presentation.

When questioned on the state of the Shire's financial and management position Mr Godwin stated the Shire is in the top half of all local governments in regards reaching a compliant position i readiness for audit to be completed. Also the Shire is about average in regards to the industry standards for Ratio linked to the financial position of local government authorities across the State.

Mr Godwin departed the meeting via teleconference at 2.50pm.

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Chief Executive Officer February 2014

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7.0 AGENDA ITEMS

- 7.1 Management Report 30 June 2013
- 7.2 Audit Report 30 June 2013
- 7.3 Compliance Audit Report

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AGENDA ITEM:	7.1
SUBJECT:	MANAGEMENT REPORT 30 JUNE 2013
PROPONENT:	FINANCE & AUDIT COMMITTEE
SITE:	COUNCIL CHAMBERS
FILE REFERENCE:	305.05
PREVIOUS REFERENCE:	N/A
DATE:	6 FEBRUARY 2014
AUTHOR:	MAURICE BATTILANA & KRISTY WILLIAMS

DISCLOSURE OF INTEREST

Nil

BACKGROUND

The Shire of Chapman Valley has received the Management Report from its Auditors UHY Haines Norton. (Please refer to Management Report Letter submitted as **Attachment 2**).
The following Management Issues were raised:

- Debt Service Cover Ratio
- Operating Surplus Ratio
- Own Resource Revenue Coverage Ratio
- Revaluation of Road Infrastructure Assets

COMMENT

Below is an extract from the Management Report and Staff Comments associated with each issue raised:

- Debt Service Cover Ratio

"This ratio measures Council's ability to service debt out of its uncommitted or general purpose funds available from its operations.

The Debt Service Cover Ratio for the year ending 30 June 2013 is 7.00 (2012: 5.744, 2011: 11.753), however, if the Debt Service Cover Ratio did not include the effect of the initial recognition of Land under the Shire's control as required by the Local Government (Financial Management) Regulations, 1996, and the expense relating to the reduction in fair value of the Shire's plant and equipment, the debt service cover ratio would be 1.219, below the industry benchmark of 5. In addition, we noted the Shire has budgeted to borrow an additional \$160,000 in the budget for the year ended 30 June 2014.

This may indicate debt management to be an issue and should be considered in the context of overall financial position of Council."

- Operating Surplus Ratio

"The Operating Surplus Ratio measures Council's financial sustainability having regard to the asset management and community's service level needs.

The Operating Surplus Ratio for the year ended 30 June 2013 has been reported as 0.069 (2012: 0.111, 2011: 0.528), however, if Council's operating revenue and operating expenses did not include the items mentioned above, the Operating Surplus Ratio for the year ending 30 June 2013 would be -0.373, a deterioration from prior years and below the industry benchmark of 0.000.

A negative ratio indicates the local government is experiencing an operating deficit. A sustained period of deficits will erode Council's ability to maintain both its operating service level and asset base over the longer term, whilst a positive ratio which is consistently above

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0.15 provides the Shire with greater flexibility in meeting operational service levels and asset management requirements.

Council and management should monitor this ratio and take corrective action as deemed necessary"

▪ Own Resource Revenue Coverage Ratio

"The Own Resource Revenue Coverage Ratio measures the Shire's ability to cover operating expenses from its own resource revenue. The higher the ratio, the more self-reliant the Shire is.

The Own Resource Revenue Coverage Ratio for the year ended 30 June 2013 is 0.434 (2012: 0.470, 2011: 0.794), however, if Council's operating expenses did not include the item mentioned above, the Own Resource Revenue Coverage Ratio for the year ended 30 June 2013 would be 0.506.

As the ratio is below the industry benchmark of 0.6, Council needs to examine the level of its own source revenue given current levels of operating expenses in order to maintain and/or improve the current service level of its asset base."

"We suggest it prudent for Council and management to monitor the levels and trends of all ratios as they strive to manage the scarce resources of the Shire"

• Revaluation of Road Infrastructure Assets

"For the year ending 30 June 2013, the Shire of Chapman Valley has elected to maintain road assets carried at a previous revalued amount.

This matter was raised in our management report for the year ending 30 June 2012 and it is acknowledges management have planned a revaluation of roads for the year ending 30 June 2015 when all infrastructure assets are planned to be valued in accordance with new regulations.

Whilst compliance with the Australian Accounting Standards would require the revaluation of the Shire's road infrastructure to occur within 5 years of the last revaluation, given the current valuation is within materiality guidelines, this approach has been considered acceptable by us"

STATUTORY ENVIRONMENT

Part 7 Local Government Act 1995 and the Local Government (Audit) Regulations 1996

POLICY IMPLICATIONS

None applicable

FINANCIAL IMPLICATIONS

The long term financial viability of the Shire is of importance for future service delivery levels provided to the Shire's constituents.

STRATEGIC IMPLICATIONS

None applicable

VOTING REQUIREMENTS

Simple Majority

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COMMITTEE / STAFF RECOMMENDATION

MOVED: CR WARR SECONDED: CR MALUISH

The Finance and Audit Committee recommends to Council the Management Report for year ending 30 June 2013 be received and, other than monitoring the levels and trends of all ratios, there are no actions required out of the report.

CARRIED
Voting 3/0
Minute Reference FAC 02/14 - 3

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Kristy's Comments

	2013	2012	Impact on adjusting 2012	
Operating Surplus	1,258,124	1,087,560	1,087,560	
Add back Interest	25,584	32,045	32,045	
Add back Deprn	1,157,518	679,984	679,984	
Less Non-Op Grants	-2,204,838	-817,797	-817,797	
			-855,000	Flood damage grant funding
			-300,000	Royalties for Regions grant funding
Net	236,388	881,792	-173,208	Is the expense in there or was it capitalised?
Principal	166,367	138,878	138,878	
Interest	25,584	32,045	32,045	
Total	183,951	170,923	170,923	
Debt Service Ratio	1.219	5.744	-1.013	

Benchmark 5

This ratio is well below the benchmark indicates Council's debt levels are too high when comparing to the industry. I would recommend Council re-evaluate the decision to raise a new loan for \$180,000 as budgeted.

(CCO's Comments: The only other option if a loan is not taken out is to increase rate next year and fund from Municipal Funds resources (i.e. cash) or not replace the plant until Debt Ratio is improved. The latter option will result in older plant and higher maintenance costs)

	2013	2012	Impact on adjusting 2012	
Operating Revenue	6,276,271	6,257,383	6,257,383	
Operating Expenses	-5,018,147	-5,169,823	-5,169,823	
Less specific purpose grants	-2,204,838	-817,797	-817,797	
			-855,000	Flood damage grant funding
			-300,000	Royalties for Regions grant funding
Net	-946,714	268,763	-885,237	Is the expense in there or was it capitalised?
Own Source Revenue	2,540,983	2,428,081	2,428,081	
Operating Surplus Ratio (Benchmark 0)	-0.373	0.111	-0.385	

The operating surplus ratio is below the benchmark. Operating expenses are however affected by depreciation which is a non-cash item.

Control measures are in place to reduce operating expenditure so I should expect to see an improvement in this ratio in 13/14.

A rate increase would also improve this ratio.

The own source revenue coverage ratio is below the benchmark. A rate increase would improve this ratio as too would a reduction in operating expenditure.

Comparison to previous year.

In comparing to the previous year the most noticeable difference was that \$855,000 of flood damage funding and \$300,000 of Royalties for Regions funding was included in the operating grants. If these items are excluded from last year the ratios have not deteriorated as they currently indicate. This may or may not be a classification error; it depends where the cost was allocated for the grants – capital or operating. It is a mismatch if the revenue went in operating and the cost went in capital and will impact on the ratios.

Regardless of the answer, the ratios for 12/13 are a concern. My recommendation is that every effort needs to be made to reduce operating costs or Council will be left with no alternative than to increase rates.

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4 December 2013

Cr J Collingwood
The Shire President
Shire of Chapman Valley
PO Box 1
NABAWA WA 6532

Dear Cr Collingwood

MANAGEMENT REPORT FOR THE YEAR ENDED 30 JUNE 2013

We advise that we have completed our audit procedures for the year ended 30 June 2013 and enclose our Audit Report.

We are required under the Local Government Audit Regulations to report certain compliance matters in our audit report. Other matters which arise during the course of our audit that we wish to bring to Council's attention are raised in this management report.

It should be appreciated that our audit procedures are designed primarily to enable us to form an opinion on the financial statements and therefore may not bring to light all weaknesses in systems and procedures which may exist. However, we aim to use our knowledge of the Shire's organisation gained during our work to make comments and suggestions which, we hope, will be useful to you.

COMMENTS ON RATIOS

Due to legislative changes, this year saw the introduction of six new ratios in the financial report. Seven of the eight reported in previous years were removed with only the current ratio remaining.

Whilst we accept it may take some time for the implication of these newer ratios to be fully understood, we thought we would take this opportunity to highlight those ratios which are currently outside industry benchmarks.

Debt Service Cover Ratio

This ratio measures Council's ability to service debt out of its uncommitted or general purpose funds available from its operations.

The Debt Service Cover Ratio for the year ended 30 June 2013 is 7.000 (2012: 5.744, 2011: 11.753), however, if the Debt Service Cover Ratio did not include the effect of the initial recognition of Land under the Shire's control as required by the Local Government (Financial Management) Regulations 1996 and the expense relating to the reduction in the fair value of the Shire's plant and equipment, the debt service cover ratio would be 1.219, below the industry benchmark of 5. In addition, we noted the Shire has budgeted to borrow an additional \$160,000 in the budget for the year ended 30 June 2014.

This may indicate debt management to be an issue and should be considered in the context of the overall financial position of Council.

Operating Surplus Ratio

The Operating Surplus Ratio measures Council's financial sustainability having regard to asset management and the community's service level needs.

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COMMENTS ON RATIOS (CONTINUED)

Operating Surplus Ratio (Continued)

The Operating Surplus Ratio for the year ended 30 June 2013 has been reported as 0.069 (2012: 0.111, 2011: 0.528), however, if Council's operating revenue and operating expenses did not include the items mentioned above, the Operating Surplus Ratio for the year ended 30 June 2013 would be -0.373, a deterioration from prior years and below the industry benchmark of 0.000.

A negative ratio indicates the local government is experiencing an operating deficit. A sustained period of deficits will erode Council's ability to maintain both its operational service level and asset base over the longer term, whilst a positive ratio which is consistently above 0.15 provides the Shire with greater flexibility in meeting operational service levels and asset management requirements.

Council and management should monitor this ratio and take corrective action as deemed necessary.

Own Source Revenue Coverage Ratio

The Own Source Revenue Coverage Ratio measures the Shire's ability to cover operating expenses from its own source revenue. The higher the ratio, the more self-reliant the Shire is.

The Own Source Revenue Coverage Ratio for the year ended 30 June 2013 is 0.434 (2012: 0.470, 2011: 0.794), however, if Council's operating expenses did not include the item mentioned above, the Own Source Revenue Coverage Ratio for the year ended 30 June 2013 would be 0.506.

As this ratio is below the industry benchmark of 0.6, Council needs to examine the level of its own source revenue given current levels of operating expenses in order to maintain and/or improve the current service level of its asset base.

We suggest it prudent for Council and management to monitor the levels and trends of all ratios as they strive to manage the scarce resources of the Shire.

REVALUATION OF ROAD INFRASTRUCTURE ASSETS

For the year ended 30 June 2013, the Shire of Chapman Valley has elected to maintain road assets carried at a previously revalued amount.

This matter was raised in our management report for the year ended 30 June 2012 and it is acknowledged management have planned a revaluation of roads for the year ended 30 June 2015 when all infrastructure assets are planned to be valued in accordance with new regulations.

Whilst compliance with the Australian Accounting Standards would require the revaluation of the Shire's road infrastructure to occur within 5 years of the last revaluation, given the current valuation is within materiality guidelines, this approach has been considered acceptable by us.

There were no other matters we wish to bring to your attention.



UNCORRECTED MISSTATEMENTS

We advise there were no uncorrected misstatements noted during the course of our audit.

We take this opportunity to thank the Chief Executive Officer, the manager of finance & administration and all staff for the assistance provided during the audit.

Should you wish to discuss any matter relating to the audit or any other matter, please do not hesitate to contact us.

Yours faithfully


GREG GOODWIN
PARTNER
Encl.

AGENDA ITEM:	7.2
SUBJECT:	AUDIT REPORT 30 JUNE 2013
PROPONENT:	FINANCE & AUDIT COMMITTEE
SITE:	COUNCIL CHAMBERS
FILE REFERENCE:	403.05 & 305.12
PREVIOUS REFERENCE:	N/A
DATE:	6 FEBRUARY 2014
AUTHOR:	MAURICE BATTILANA

DISCLOSURE OF INTEREST

Nil

BACKGROUND

The Shire of Chapman Valley has received the Final Audit Report from its Auditors UHY Haines Norton. (Please refer to Final Audit Report submitted as **Attachment 3**).

COMMENT

As the Final Audit Report didn't highlight any issues there is nothing to report on or bring to Council attention for further action.

STATUTORY ENVIRONMENT

Part 7 *Local Government Act 1995* and the Local Government (Audit) Regulations 1996

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

STAFF RECOMMENDATION

The Finance and Audit Committee recommends to Council the Final Audit Report of the Chief Executive Officer the year ending 30 June 2013 be received and it be noted there are no further actions required from the report.

COMMITTEE / STAFF RECOMMENDATION

MOVED: CR COLLINGWOOD SECONDED: CR MALUISH

The Finance and Audit Committee recommends to Council the Final Audit Report of the Chief Executive Officer the year ending 30 June 2013 be received and it be noted there are no further actions required from the report.

CARRIED
Voting 3/0
Minute Reference FAC 02/14 - 4



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**INDEPENDENT AUDITOR'S REPORT
TO THE ELECTORS OF THE SHIRE OF CHAPMAN VALLEY**

REPORT ON THE FINANCIAL REPORT
We have audited the accompanying financial report of the Shire of Chapman Valley, which comprises the statement of financial position as at 30 June 2013, statement of comprehensive income by nature or type, statement of comprehensive income by program, statement of changes in equity, statement of cash flows and the rate setting statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by Chief Executive Officer.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL REPORT
Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended) and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY
Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Shire's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial report.

We believe the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

AUDITOR'S OPINION
In our opinion, the financial report of the Shire of Chapman Valley is in accordance with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended), including:

- a. giving a true and fair view of the Shire's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards, the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

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**INDEPENDENT AUDITOR'S REPORT
TO THE ELECTORS OF THE SHIRE OF CHAPMAN VALLEY (CONTINUED)**

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) There are no matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Shire.
- b) No other matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) In relation to the Supplementary Ratio Information presented at page 60 of this report, we have reviewed the calculations as presented and nothing has come to our attention to suggest they are not:
 - i) reasonably calculated; and
 - ii) based on verifiable information.
- d) All necessary information and explanations were obtained by us.
- e) All audit procedures were satisfactorily completed in conducting our audit.

UHY HAINES NORTON
CHARTERED ACCOUNTANTS


GREG GODWIN
PARTNER

Date: 4 December 2013
Perth, WA

AGENDA ITEM:	7.3
SUBJECT:	COMPLIANCE AUDIT RETURN (2013)
PROponent:	FINANCE & AUDIT COMMITTEE
SITE:	COUNCIL CHAMBERS
FILE REFERENCE:	403.05 & 305.12
PREVIOUS REFERENCE:	N/A
DATE:	6 FEBRUARY 2014
AUTHOR:	MAURICE BATTILANA

DISCLOSURE OF INTEREST

Nil

REPORT PURPOSE

To present the 2013 Compliance Audit Return to the Audit Committee first then Council for adoption, and then forward a certified copy to the Department of Local Government.

BACKGROUND

Every Local Government Authority in Western Australia is required to complete the Compliance Audit Return (CAR) each year.

COMMENT

A Draft copy of the Shire of Chapman Valley 2013 Compliance Audit Return has been provided to Councillors as an **Attachment 4**.

STATUTORY ENVIRONMENT

Local Government Act 1995

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIRMENTS

Simple Majority

COMMITTEE / STAFF RECOMMENDATION

MOVED: CR WARR SECONDED: CR MALUISH

That the Finance and Audit Committee Recommends to Council that:

- The 2013 Compliance Audit Return be signed by the CEO and Shire President
- The 2013 Compliance Audit Return be received and recorded in the minutes of Council
- The 2013 Compliance Audit Return be submitted to the Department of Local Government.

CARRIED

Voting 3/0

Minute Reference FAC 02/14 - 5

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Department of Local Government - Compliance Audit Return



Chapman Valley - Compliance Audit Return 2013

Commercial Enterprises by Local Governments

No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a)(D)(i) F&G Reg 7.9	Has the local government prepared a business plan for each major trading undertaking in 2013.	N/A		Maurice Battilana
2	s3.59(2)(a)(D)(i) F&G Reg 7.10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2013.	N/A		Maurice Battilana
3	s3.59(2)(a)(D)(i) F&G Reg 7.10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2013.	N/A		Maurice Battilana
4	s3.59(4)	Has the local government given Statewide public notice of each proposal to commence a major trading undertaking or enter into a major land transaction for 2013.	N/A		Maurice Battilana
5	s3.59(5)	Did the Council, during 2013, resolve to proceed with each major land transaction or trading undertaking by absolute majority.	N/A		Maurice Battilana

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Delegation of Power / Duty

No	Reference	Question	Response	Comments	Respondent
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority.	Yes		Maurice Battilana
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing.	No	No record of written delegation to Landcare Committee. Now addressed.	Maurice Battilana
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17.	Yes		Maurice Battilana
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations.	Yes		Maurice Battilana
5	s5.18	Has Council reviewed delegations to its committees in the 2012/2013 financial year.	Yes		Maurice Battilana
6	s5.42(1), 5.43, Admin Reg 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act.	Yes		Maurice Battilana
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority.	Yes		Maurice Battilana
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing.	Yes		Maurice Battilana
9	s5.44(2)	Were all delegations by the CEO to any employee in writing.	Yes		Maurice Battilana
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority.	Yes		Maurice Battilana
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees.	Yes		Maurice Battilana
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2012/2013 financial year.	Yes		Maurice Battilana
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record as required.	No	No evidence of written record. Now addressed.	Maurice Battilana

Disclosure of Interest

No	Reference	Question	Response	Comments	Respondent
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68).	Yes		Maurice Battilana
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings.	Yes		Maurice Battilana

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No	Reference	Question	Response	Comments	Respondent
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made.	Yes		Maurice Battilana
4	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day.	Yes		Maurice Battilana
5	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day.	Yes		Maurice Battilana
6	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2013.	Yes		Maurice Battilana
7	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2013.	Yes		Maurice Battilana
8	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's return) on all occasions, give written acknowledgment of having received the return.	Yes		Maurice Battilana
9	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76	Yes		Maurice Battilana
10	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70 and 5.71, in the form prescribed in Administration Regulation 28.	Yes		Maurice Battilana
11	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76.	Yes		Maurice Battilana
12	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee.	Yes		Maurice Battilana
13	s5.103 Admin Reg 34C & Rules of Conduct Reg 11.	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes.	Yes		Maurice Battilana
14	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report.	Yes		Maurice Battilana

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No	Reference	Question	Response	Comments	Respondent
15	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee.	Yes		Maurice Battilana
16	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees.	Yes		Maurice Battilana

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was local public notice given prior to disposal for any property not disposed of by public auction or tender (except where excluded by Section 3.58(5)).	Yes		Maurice Battilana
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property.	Yes		Maurice Battilana

Elections

No	Reference	Question	Response	Comments	Respondent
1	Elect Reg 30G (1)	Did the CEO establish and maintain an electoral gift register and ensure that all 'disclosure of gifts' forms completed by candidates and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the candidates.	Yes		Maurice Battilana

Finance

No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act.	Yes		Maurice Battilana
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority.	N/A		Maurice Battilana
3	s7.3	Was the person(s) appointed by the local government to be its auditor, a registered company auditor.	Yes		Maurice Battilana
4	s7.3	Was the person(s) appointed by the local government to be its auditor, an approved auditor.	Yes		Maurice Battilana
5	s7.3, 7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council.	Yes		Maurice Battilana

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No	Reference	Question	Response	Comments	Respondent
6	Audit Reg 10	Was the Auditor's report for the financial year ended 30 June 2013 received by the local government within 30 days of completion of the audit.	Yes		Maurice Battilana
7	s7.9(1)	Was the Auditor's report for 2012/2013 received by the local government by 31 December 2013.	Yes		Maurice Battilana
8	S7.12A(3), (4)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken by the local government, was that action undertaken.	N/A	No matters raised in Audit Report	Maurice Battilana
9	S7.12A(3), (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9 (1) of the Act) required action to be taken by the local government, was a report prepared on any actions undertaken.	N/A	No matters raised in Audit Report	Maurice Battilana
10	S7.12A(3), (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9 (1) of the Act) required action to be taken by the local government, was a copy of the report forwarded to the Minister by the end of the financial year or 6 months after the last report prepared under s7.9 was received by the local government whichever was the latest in time.	N/A	No matters raised in Audit Report	Maurice Battilana
11	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit.	Yes		Maurice Battilana
12	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit.	Yes		Maurice Battilana
13	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit.	Yes		Maurice Battilana
14	Audit Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor.	Yes		Maurice Battilana
15	Audit Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor.	Yes		Maurice Battilana



Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position of CEO was advertised.	Yes		Maurice Battilana
2	s5.36(4) s5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), 5.37(3) and Admin Reg 18A.	Yes		Maurice Battilana
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position of CEO under section 5.36(4).	Yes		Maurice Battilana
4	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only).	Yes		Maurice Battilana
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss a designated senior employee.	Yes		Maurice Battilana

Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer.	N/A	CEO is designated Complaints Officer	Maurice Battilana
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(4)(b) or (c).	Yes		Maurice Battilana
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made.	Yes		Maurice Battilana
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint.	Yes		Maurice Battilana
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred.	Yes		Maurice Battilana
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(4)(b) (c).	Yes		Maurice Battilana

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Tenders for Providing Goods and Services

No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2)).	Yes	This was based upon expenditure within the Financial Year, not over an infinite period as is being advocated by the DLG&C Probity Auditors. Otherwise everything would need to go to tender.	Maurice Battilana
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract.	Yes		Maurice Battilana
3	F&G Reg 14(1)	Did the local government invite tenders via Statewide public notice.	Yes		Maurice Battilana
4	F&G Reg 14, 15 & 16	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16.	Yes		Maurice Battilana
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer, notice of the variation.	N/A	No variations sought.	Maurice Battilana
6	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender.	N/A		Maurice Battilana
7	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria.	Yes		Maurice Battilana
8	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17.	Yes	Register included consideration of all tenders, not just the successful tender.	Maurice Battilana
9	F&G Reg 19	Was each tenderer sent written notice advising particulars of the successful tender or advising that no tender was accepted.	Yes		Maurice Battilana
10	F&G Reg 21 & 22	Did the local government's advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22.	N/A		Maurice Battilana
11	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice.	N/A		Maurice Battilana

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No	Reference	Question	Response	Comments	Respondent
12	FBG Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services.	N/A		Maurice Battilana
13	FBG Reg 24	Was each person who submitted an expression of interest, given a notice in writing in accordance with Functions & General Regulation 24.	N/A		Maurice Battilana
14	FBG Reg 24E	Where the local government gave a regional price preference in relation to a tender process, did the local government comply with the requirements of FBG Reg 24E in relation to the preparation of a regional price preference policy (only if a policy had not been previously adopted by Council).	N/A		Maurice Battilana
15	FBG Reg 11A	Does the local government have a current purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$100,000 or less.	Yes		Maurice Battilana

COPY ONLY

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8.0 Information Items

Nil

9.0 General Business

Nil

10.0 Closure

The Chairman thanked Elected Members and Staff for their attendance and closed the meeting at 3.11pm

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Chief Executive Officer February 2015

Contents

7.0 AGENDA ITEMS

- 7.1 Management Report 30 June 2014
- 7.2 Audit Report 30 June 2014
- 7.3 Compliance Audit Report
- 7.4 Internal Audit

AGENDA ITEM:	7.1
SUBJECT:	MANAGEMENT REPORT 30 JUNE 2014
PROPONENT:	FINANCE & AUDIT COMMITTEE
SITE:	COUNCIL CHAMBERS
FILE REFERENCE:	305.05
PREVIOUS REFERENCE:	N/A
DATE:	2 nd FEBRUARY 2015
AUTHOR:	MAURICE BATTILANA & KRISTY WILLIAMS

DISCLOSURE OF INTEREST

Nil

BACKGROUND

The Shire of Chapman Valley has received the Management Report from its Auditors UHY Haines Norton. (Please refer to Management Report Letter submitted as **Attachment 2**).
The following Management Issues were raised:

- Debt Service Cover Ratio
- Asset Renewal Funding Ratio
- Revaluation of Road Infrastructure Assets
- Tender Register

COMMENT

Below is an extract from the Management Report and Staff Comments associated with each issue raised:

- Debt Service Cover Ratio

This ratio is below the target level but is trending upwards, however, this ratio is budgeted to trend downwards in 2014-15.

This ratio measures Council's ability to service debt out of its uncommitted or general purpose funds available from its operations.

Whilst the reduction in the ratio is due to a reduction in the operating surplus rather than an increase in debt repayments, Council should consider all required uses of its operating funds when making decisions on acceptable debt levels.

Comments

As stated in the Management Report the Department of Local Government & Community (DLG&C) Target for *Debt Service Cover Ratio* is ≥ 5 .

UHY Haines Norton recommends this Target should be ≥ 15 (based on their experience).

No action is considered necessary as the Shire's current *Debt Service Cover Ratio* is 5.449, which is consistent with the Target set by the DLG&C.

Situation will continue to be monitored.

- Asset Renewal Funding Ratio

This ratio is below the target level but is trending upwards.

This ratio indicates whether Council's planned capital renewal expenditure over the next 10 years per its Long Term Financial Plan is sufficient to meet the required capital renewal expenditure over the next 10 years per its Asset Management Plans.

Interpretation of this ratio should be considered together with the Asset Sustainability Ratio (ASR) (Low risk at 2.146) and the Asset Consumption Ratio (ACR) (Low risk at 0.785).

Whilst both the ASR and ACR for the year suggest Council is currently replacing or renewing its existing assets at an acceptable rate, Council should identify the reasons why its Asset Management Plans require more renewal expenditure than is provided for in its Long Term Financial Plan.

Comments

As this Ratio is trending in the right direction no immediate action is considered necessary.

A review of the Shire's Long Term Financial Plan may also have a positive effect on this ratio.

Situation will continue to be monitored.

- Revaluation of Road Infrastructure Assets

Council has adopted a policy of re-valuing roads with sufficient regularity to ensure the carrying amount of each road asset is fairly stated at reporting date. We note the last revaluation was carried out in 2007.

This matter was raised in our prior year management report and it was noted the matter has been deferred further to allow for it to be performed with the mandatory requirement to adopt fair value accounting for infrastructure in 2014-15.

Comments

Funding has been allocated in the 14/15 Financial Year to undertake the revaluation.

- Tender Registration

For tenders 3-2013/14, 4/2013/14, 5-2013/14 and 6-2013/14, the following items were not included in the register:

- i) The amount of the consideration or a summary of the amounts of consideration sought in the tender accepted by Council; and
- ii) The name of the successful tenderer.

To help ensure compliance with Local Government (Function and General) Regulation 17, a process should be implemented to help ensure the tender register is promptly updated and these requirements are correctly addressed.

Comments

Internal procedures have been introduced to ensure the Tender Register complies with legislation

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STATUTORY ENVIRONMENT

Part 7 *Local Government Act 1995* and the Local Government (Audit) Regulations 1996

POLICY IMPLICATIONS

None applicable

FINANCIAL IMPLICATIONS

The long term financial viability of the Shire is of importance for future service delivery levels provided to the Shire's constituents.

STRATEGIC IMPLICATIONS

None applicable

VOTING REQUIREMENTS

Simple Majority

COMMITTEE / STAFF RECOMMENDATION

MOVED: CR FORRESTER

SECONDED: CR MALUISH

The Finance and Audit Committee recommends to Council the Management Report for year ending 30 June 2014 be received and, other than monitoring the levels and trends of all ratios, there are no actions required out of the report.

CARRIED
Voting 4/0
Minute Reference FAC 02/15 - 2



1 December 2014

Cr J Collingwood
The Shire President
Shire of Chapman Valley
PO Box 1
NABAWA WA 6532

Dear Cr Collingwood

MANAGEMENT REPORT FOR THE YEAR ENDED 30 JUNE 2014

We advise that we have completed our audit procedures for the year ended 30 June 2014 and enclose our Audit Report.

We are required under the Local Government Audit Regulations to report certain compliance matters in our audit report. Other matters which arise during the course of our audit that we wish to bring to Council's attention are raised in this management report.

It should be appreciated that our audit procedures are designed primarily to enable us to form an opinion on the financial statements and therefore may not bring to light all weaknesses in systems and procedures which may exist. However, we aim to use our knowledge of the Shire's organisation gained during our work to make comments and suggestions which, we hope, will be useful to you.

COMMENT ON RATIOS

Last year (the year ended 30 June 2013) saw the introduction of new financial reporting ratios for local governments in Western Australia.

This year (the year ended 30 June 2014) is the second year of these new ratios and the information relating to these ratios is summarised below:

	Target Ratio ¹	Council's Actual Ratios			3 Year Trend ²
		2014	2013	2012	
Current Ratio	≥ 1	1.563	1.844	1.160	↑
Asset Sustainability Ratio	≥ 1.1	2.146	1.467	2.801	↑
Debt Service Cover Ratio	≥ 15	5.449	1.219*	5.744	↑
Operating Surplus Ratio	≥ 0.15	0.013	(0.373)*	0.111	↑
Own Source Revenue Coverage Ratio	≥ 0.9	0.819	0.506*	0.470	↑
Asset Consumption Ratio	≥ 0.75	0.785	0.825	N/A	↓
Asset Renewal Funding Ratio	≥ 1.05	0.703	0.686	N/A	↑

Key

Above target as per guidelines	Within acceptable banding as per guidelines	Below acceptable banding as per guidelines
--------------------------------	---	--

¹ Target ratios per Department of Local Government and Communities Guidelines (DLGC) except the Debt Service Cover Ratio which is a target devised by UHY Haines Norton (and based on experience). For information, DLGC Guidelines establish a target Debt Service Cover Ratio of 5.

² The 3 year trend compares the 2014 ratio to the average of the last 3 years (except for the Asset Consumption and Asset Renewal Funding Ratios which are the 2 year trend).

* Adjusted for "one-off" non-cash items.

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COMMENT ON RATIOS (CONTINUED)

Ratios provide useful information when compared to industry and internal benchmarks and assist in identifying trends. Whilst not conclusive in themselves, understanding ratios, their trends and how they interact is beneficial for the allocation of scarce resources and planning for the future.

We provide commentary on specific ratios that are below target (identified as red in the table above) as follows:

Debt Service Cover Ratio

This ratio is below the target level but is trending upwards, however, this ratio is budgeted to trend downwards in 2014-15.

This ratio measures Council's ability to service debt out of its uncommitted or general purpose funds available from its operations.

Whilst the reduction in the ratio is due to a reduction in the operating surplus rather than an increase in debt repayments, Council should consider all required uses of its operating funds when making decisions on acceptable debt levels.

Asset Renewal Funding Ratio

This ratio is below the target level but is trending upwards.

This ratio indicates whether Council's planned capital renewal expenditure over the next 10 years per its Long Term Financial Plan is sufficient to meet the required capital renewal expenditure over the next 10 years per its Asset Management Plans.

Interpretation of this ratio should be considered together with the Asset Sustainability Ratio (ASR) (Low risk at 2.146) and the Asset Consumption Ratio (ACR) (Low risk at 0.785).

Whilst both the ASR and ACR for the year suggest Council is currently replacing or renewing its existing assets at an acceptable rate, Council should identify the reasons why its Asset Management Plans require more renewal expenditure than is provided for in its Long Term Financial Plan.

Summary

Whilst all ratios (with the exception of the Current Ratio) are new and it may take some time for their implication to be fully understood, they should be duly considered in the context of the Shire's particular circumstances as part of its overall financial management.

We will continue to monitor the ratios in future financial years and suggest it is prudent for Council and management to do so also as they strive to manage the scarce resources of the Shire.

REVALUATION OF ROAD INFRASTRUCTURE ASSETS

Council has adopted a policy of re-valuing roads with sufficient regularity to ensure the carrying amount of each road asset is fairly stated at reporting date. We note the last revaluation was carried out in 2007.

This matter was raised in our prior year management report and it was noted the matter has been deferred further to allow for it to be performed with the mandatory requirement to adopt fair value accounting for infrastructure in 2014-15.

TENDER REGISTER

For tenders 3-2013/14, 4/2013/14, 5-2013/14 and 6-2013/14, the following items were not included in the register:

- i) The amount of the consideration or a summary of the amounts of consideration sought in the tender accepted by Council; and
- ii) The name of the successful tenderer.

To help ensure compliance with Local Government (Function and General) Regulation 17, a process should be implemented to help ensure the tender register is promptly updated and these requirements are correctly addressed.

There were no other matters we wish to bring to your attention.

UNCORRECTED MISSTATEMENTS

We advise there were no uncorrected misstatements noted during the course of our audit.

We take this opportunity to thank the Chief Executive Officer, the manager of finance & corporate services and all staff for the assistance provided during the audit.

Should you wish to discuss any matter relating to the audit or any other matter, please do not hesitate to contact us.

Yours faithfully


GREG GODWIN
PARTNER
Encl.

AGENDA ITEM:	7.2
SUBJECT:	AUDIT REPORT 30 JUNE 2014
PROPONENT:	FINANCE & AUDIT COMMITTEE
SITE:	COUNCIL CHAMBERS
FILE REFERENCE:	403.05 & 305.12
PREVIOUS REFERENCE:	N/A
DATE:	2 nd FEBRUARY 2015
AUTHOR:	MAURICE BATTILANA

DISCLOSURE OF INTEREST

Nil

BACKGROUND

The Shire of Chapman Valley has received the Final Audit Report from its Auditors UHY Haines Norton. (Please refer to Final Audit Report submitted as **Attachment 3**).

COMMENT

As the Final Audit Report didn't highlight any issues there is nothing to report on or bring to Council attention for further action.

STATUTORY ENVIRONMENT

Part 7 *Local Government Act 1995* and the Local Government (Audit) Regulations 1996

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

COMMITTEE / STAFF RECOMMENDATION

MOVED: CR WARR

SECONDED: CR MALUISH

The Finance and Audit Committee recommends to Council the Final Audit Report of the Chief Executive Officer the year ending 30 June 2014 be received and it be noted there are no further actions required from the report.

CARRIED
Voting 4/0
Minute Reference FAC 02/15 - 3



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**INDEPENDENT AUDITOR'S REPORT
TO THE ELECTORS OF THE SHIRE OF CHAPMAN VALLEY**

REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report of the Shire of Chapman Valley, which comprises the statement of financial position as at 30 June 2014, statement of comprehensive income by nature or type, statement of comprehensive income by program, statement of changes in equity, statement of cash flows and the rate setting statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by Chief Executive Officer.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL REPORT

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended) and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Shire's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

We believe the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

AUDITOR'S OPINION

In our opinion, the financial report of the Shire of Chapman Valley is in accordance with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended), including:

- a) giving a true and fair view of the Shire's financial position as at 30 June 2014 and of its financial performance and its cash flows for the year ended on that date; and
- b) complying with Australian Accounting Standards (including Australian Accounting Interpretations).

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**INDEPENDENT AUDITOR'S REPORT
TO THE ELECTORS OF THE SHIRE OF CHAPMAN VALLEY (CONTINUED)**

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) There are no matters that in our opinion indicate significant adverse trends in the financial position or financial management practices of the Shire.
- b) No matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) In relation to the Supplementary Ratio Information presented at page 63 of this report, we have reviewed the calculation as presented and nothing has come to our attention to suggest it is not:
 - i) reasonably calculated; and
 - ii) based on verifiable information.
- d) All necessary information and explanations were obtained by us.
- e) All audit procedures were satisfactorily completed in conducting our audit.

UHY HAINES NORTON
CHARTERED ACCOUNTANTS


GREG GODWIN
PARTNER

Date: 1 December 2014
Perth, WA

AGENDA ITEM:	7.3
SUBJECT:	COMPLIANCE AUDIT RETURN (2014)
PROPONENT:	FINANCE & AUDIT COMMITTEE
SITE:	COUNCIL CHAMBERS
FILE REFERENCE:	403.05 & 305.12
PREVIOUS REFERENCE:	N/A
DATE:	2 nd FEBRUARY 2015
AUTHOR:	MAURICE BATTILANA

DISCLOSURE OF INTEREST

Nil

REPORT PURPOSE

To present the 2014 Compliance Audit Return to the Audit Committee first then Council for adoption, and then forward a certified copy to the Department of Local Government.

BACKGROUND

Every Local Government Authority in Western Australia is required to complete the Compliance Audit Return (CAR) each year.

COMMENT

A Draft copy of the Shire of Chapman Valley 2014 Compliance Audit Return has been provided to Councillors as an **Attachment 4**.

STATUTORY ENVIRONMENT

Local Government Act 1995

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIRMENTS

Simple Majority

COMMITTEE / STAFF RECOMMENDATION

MOVED: CR FORRESTER

SECONDED: CR MALUISH

That the Finance and Audit Committee Recommends to Council that:

- The 2014 Compliance Audit Return be signed by the CEO and Shire President
- The 2014 Compliance Audit Return be received and recorded in the minutes of Council
- The 2014 Compliance Audit Return be submitted to the Department of Local Government.

CARRIED
Voting 4/0
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Department of Local Government and Communities - Compliance Audit Return


 Government of Western Australia
 Department of Local Government and Communities

Chapman Valley - Compliance Audit Return 2014

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a)(b)(c) F&G Reg 7,9	Has the local government prepared a business plan for each major trading undertaking in 2014.	N/A		Maurice Battilana
2	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2014.	N/A		Maurice Battilana
3	s3.59(2)(e)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2014.	N/A		Maurice Battilana
4	s3.59(4)	Has the local government given Statewide public notice of each proposal to commence a major trading undertaking or enter into a major land transaction for 2014.	N/A		Maurice Battilana
5	s3.59(5)	Did the Council, during 2014, resolve to proceed with each major land transaction or trading undertaking by absolute majority.	N/A		Maurice Battilana

Delegation of Power / Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority.	Yes		Maurice Battilana
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing.	N/A		Maurice Battilana
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17.	N/A		Maurice Battilana
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations.	N/A		Maurice Battilana
5	s5.18	Has Council reviewed delegations to its committees in the 2013/2014 financial year.	Yes		Maurice Battilana
6	s5.42(1),5.43 Admin Reg 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act.	Yes		Maurice Battilana
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority.	Yes		Maurice Battilana
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing.	Yes		Maurice Battilana
9	s5.44(2)	Were all delegations by the CEO to any employee in writing.	Yes		Maurice Battilana

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10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority.	Yes	Maurice Battilana
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees.	Yes	Maurice Battilana
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2013/2014 financial year.	Yes	Maurice Battilana
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record as required.	Yes	Maurice Battilana

Disclosure of Interest					
No	Reference	Question	Response	Comments	Respondent
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68).	Yes		Maurice Battilana
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings.	Yes		Maurice Battilana
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made.	Yes		Maurice Battilana
4	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day.	Yes		Maurice Battilana
5	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day.	Yes		Maurice Battilana
6	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2014.	Yes		Maurice Battilana
7	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2014.	Yes		Maurice Battilana
8	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's return) on all occasions, give written acknowledgment of having received	Yes		Maurice Battilana

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		the return.			
9	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76	Yes		Maurice Battilana
10	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70 and 5.71, in the form prescribed in Administration Regulation 28.	Yes		Maurice Battilana
11	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76.	Yes		Maurice Battilana
12	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee.	Yes		Maurice Battilana
13	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes.	Yes		Maurice Battilana
14	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report.	Yes		Maurice Battilana
15	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee.	Yes		Maurice Battilana
16	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees.	Yes		Maurice Battilana

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was local public notice given prior to disposal for any property not disposed of by public auction or tender (except where excluded by Section 3.58(5)).	Yes		Maurice Battilana
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property.	Yes		Maurice Battilana



Elections					
No	Reference	Question	Response	Comments	Respondent
1	Elect Reg 30G (1)	Did the CEO establish and maintain an electoral gift register and ensure that all 'disclosure of gifts' forms completed by candidates and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the candidates.	Yes		Maurice Battilana

Finance					
No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act.	Yes		Maurice Battilana
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority.	N/A		Maurice Battilana
3	s7.3	Was the person(s) appointed by the local government to be its auditor, a registered company auditor.	Yes		Maurice Battilana
4	s7.3	Was the person(s) appointed by the local government to be its auditor, an approved auditor.	Yes		Maurice Battilana
5	s7.3, 7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council.	Yes		Maurice Battilana
6	Audit Reg 10	Was the Auditor's report for the financial year ended 30 June 2014 received by the local government within 30 days of completion of the audit.	Yes		Maurice Battilana
7	s7.9(1)	Was the Auditor's report for 2013/2014 received by the local government by 31 December 2014.	Yes		Maurice Battilana
8	S7.12A(3), (4)	Where the local government determined that matters raised in the auditor's report prepared under s7.9(1) of the Act required action to be taken by the local government, was that action undertaken.	N/A		Maurice Battilana
9	S7.12A(3), (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9(1) of the Act) required action to be taken by the local government, was a report prepared on any actions undertaken.	N/A		Maurice Battilana
10	S7.12A(3), (4)	Where the local government	N/A		Maurice Battilana

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		determined that matters raised in the auditor's report (prepared under s7.9(1) of the Act) required action to be taken by the local government, was a copy of the report forwarded to the Minister by the end of the financial year or 6 months after the last report prepared under s7.9 was received by the local government whichever was the latest in time.			
11	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit.	Yes		Maurice Battilana
12	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit.	Yes		Maurice Battilana
13	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit.	Yes		Maurice Battilana
14	Audit Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor.	Yes		Maurice Battilana
15	Audit Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor.	Yes		Maurice Battilana

Local Government Employees

No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position of CEO was advertised.	N/A		Maurice Battilana
2	s5.36(4) s5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), 5.37(3) and Admin Reg 18A.	N/A		Maurice Battilana
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position of CEO under section 5.36(4).	N/A		Maurice Battilana
4	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only).	N/A		Maurice Battilana
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss a designated senior employee.	N/A		Maurice Battilana



Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer.	N/A		Maurice Battilana
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c).	Yes		Maurice Battilana
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made.	Yes		Maurice Battilana
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint.	Yes		Maurice Battilana
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred.	Yes		Maurice Battilana
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b)(c).	Yes		Maurice Battilana

Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2)).	Yes		Maurice Battilana
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract.	N/A		Maurice Battilana
3	F&G Reg 14(1)	Did the local government invite tenders via Statewide public notice.	Yes		Maurice Battilana
4	F&G Reg 14, 15 & 16	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16.	Yes		Maurice Battilana

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5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer, notice of the variation.	Yes	Maurice Battilana
6	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender.	Yes	Maurice Battilana
7	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria.	Yes	Maurice Battilana
8	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17.	Yes	Maurice Battilana
9	F&G Reg 19	Was each tenderer sent written notice advising particulars of the successful tender or advising that no tender was accepted.	Yes	Maurice Battilana
10	F&G Reg 21 & 22	Did the local governments's advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22.	Yes	Maurice Battilana
11	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice.	Yes	Maurice Battilana
12	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services.	Yes	Maurice Battilana
13	F&G Reg 24	Was each person who submitted an expression of interest, given a notice in writing in accordance with Functions & General Regulation 24.	Yes	Maurice Battilana
14	F&G Reg 24E	Where the local government gave a regional price preference in relation to a tender process, did the local government comply with the requirements of F&G Reg 24E in relation to the preparation of a regional price preference policy (only if a policy had not been previously adopted by Council).	Yes	Maurice Battilana
15	F&G Reg 11A	Does the local government have a current purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$100,000 or less.	Yes	Maurice Battilana

AGENDA ITEM:	7.4
SUBJECT:	INTERNAL AUDIT
PROPONENT:	FINANCE & AUDIT COMMITTEE
SITE:	COUNCIL CHAMBERS
FILE REFERENCE:	305.00
PREVIOUS REFERENCE:	N/A
DATE:	2 nd FEBRUARY 2015
AUTHOR:	MAURICE BATTILANA

DISCLOSURE OF INTEREST

Nil

REPORT PURPOSE

To comply with the requirements the *Local Government (Audit) Regulations, 1996* for an internal control audit to be undertaken at least once every two years.

BACKGROUND

The State Government gazetted new legislation in February 2013 under Clause 17 of the *Local Government (Audit) Regulations, 1996*, which requires a local government authority to undertake internal control audit at least once every two years, with the first of these audits to be completed by the 31st December 2014.

An Agenda Item was presented to the December 2014 OCM with the following being resolved:

"Council receives the Internal Audit Report as presented and request the Chief Executive Officer present this to the Finance & Audit Committee in accordance with Clause 17 (3) of the Local Government (Audit) Regulations, 1996 for review, comments and recommendations to back to Council for consideration."

COMMENT

The Local Government Act 1995 (the Act) requires that all local governments establish an audit committee. An audit committee plays a key role in assisting a local government to fulfil its governance and oversight responsibilities in relation to financial reporting, internal control structure, risk management systems, legislative compliance, ethical accountability and the internal and external audit functions.

The CEO is required to provide biennial reviews of the appropriateness and effectiveness of the Shire's systems and procedures in regard to risk management, internal control and legislative compliance to the Audit Committee, who will review this along with the results of the annual Compliance Audit Return.

The biennial review will require an internal audit carried out by a person who is not involved in the operational management of the Shire or the functions being audited. Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. The attached reporting tool has been developed by an external local government consultant (in good faith) to assist local governments in addressing the legislative requirements of Regulation 17 of *Local Government (Audit) Regulations, 1996*.

The reporting tool will assist local governments to assess and report on their internal environment, functions and procedures for inclusion in the CEO biennial review, and to support organisational development and continuous improvement.

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After discussions with the local government consultant it was agreed Kristy Williams was far enough removed from the Shire of Chapman Valley's operational management and functions as well as being familiar with the Shire to be able to independently undertake the audit.

The intention of this Agenda Item is to present the Internal Audit Report to the Finance & Audit Committee for review, comments and recommendations back to Council for consideration.

STATUTORY ENVIRONMENT

Local Government (Audit) Regulations, 1996

17. CEO to review certain systems and procedures
- (1) The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —
 - (a) risk management; and
 - (b) internal control; and
 - (c) legislative compliance.
 - (2) The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review at least once every 2 calendar years.
 - (3) The CEO is to report to the audit committee the results of that review.

[Regulation 17 inserted in Gazette 8 Feb 2013 p. 868.]

POLICY IMPLICATIONS

No existing policy/procedure affected.

FINANCIAL IMPLICATIONS

Nil affect

Long Term Financial Plan (LTFP):

Nil affect

STRATEGIC IMPLICATIONS

It is sound practice to undertake an internal review of operations to ensure maximum compliance and efficiencies are in place and adhered to.

Strategic Community Plan/Corporate Business Plan:

Nil affect

VOTING REQUIREMENTS

Simple Majority

Mr Godwin left the meeting at 11.07am

COMMITTEE / STAFF RECOMMENDATION

MOVED: CR FORRESTER

SECONDED: CR WARR

The Committee recommends Council receives the Internal Audit Report as presented and request the Chief Executive Officer implement necessary actions to address items identified in the Report requiring attention.

CARRIED
Voting 4/0
Minute Reference FAC 02/15 - 5
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Internal Audit - Addressing WA Local Government (Audit) Regulations 1996	Audit Start Date: 20th November 2014	Author: Krisy Williams	Audit End Date: 20th November 2014	Comments
<p>The Local Government Act 1995 (the Act) requires that all local governments establish an audit committee. An audit committee plays a key role in assisting a local government to fulfil its governance and oversight responsibilities in relation to financial reporting, internal control structure, risk management systems, legislative compliance, ethical accountability and the internal and external audit functions. The CEO is required to provide Biennial reviews of the appropriateness and effectiveness of the Shire's systems and procedures in regard to risk management, internal control and legislative compliance to the Audit Committee, who will review this, along with the results of the annual CEO report and Compliance Audit Return. The Biennial review will require an internal audit carried out by a person who is not involved in the operational management of the Shire or the functions being audited. Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. This tool has been developed in good faith, addressing Appendix 3 of the Local Government Operational Guidelines - Number 9 - Audit in local government. This tool is used in conjunction with the internal environment, functions and procedures for inclusion in the CEO Biennial review, and to support organisational development and continuous improvement. This tool is to be used in conjunction with Section 7 (Internal Control Framework) of the Western Australian Local Government Accounting Manual which provides guidance on specific areas of controls to review.</p>				
Risk Management				
Risk Management Systems and Processes				
Internal control and risk management systems and programs are a key expression of a local government's culture and values. Senior audit committee members are monitoring internal control and risk management programs.	Yes	Yes	Yes	Adopted June 2014.
Does the Shire have an organisational wide risk management framework in place?	Yes	Yes	Yes	Implemented in April 2014 and reviewed every 6 months.
Does the Shire have a risk register that is regularly reviewed to ensure that risks are addressed and closed out?	Yes	Yes	Yes	Council and management staff are aware of the policy. Responsibility has been assigned to remaining staff adequately or included in the induction process.
Is this policy communicated to all current staff, and included in induction processes with responsibility assigned?	Yes	Yes	Yes	This is a process included in the review of Council's Strategic Plan.
Are strategic risks considered, evaluated and reviewed in annual planning processes?	Yes	Yes	Yes	To be considered
Are strategic reporting data appropriately considered in the Shire?	Yes	Yes	Yes	Not currently an agenda item, however it is being considered to include at future project management meetings.
Does risk management form part of the Council agenda item requirements?	Yes	Yes	Yes	To be considered in future position description reviews.
Is risk management a key performance indicator on all senior management position descriptions?	Yes	Yes	Yes	Review and reporting process is in place for existing staff, however there is not a process in place for identifying risks relating to new projects. This is to be considered as part of the project management meetings.
Does the Shire have a regular risk identification, review and reporting process overseen by senior management?	Yes	Yes	Yes	May 2015 - CEO.
Does the Shire have a business continuity plan?	Yes	Yes	Yes	Plan is not yet in place to test.
Is the Business Continuity Plan tested from time to time?	Yes	Yes	Yes	Local Emergency Management Arrangements.
Does the Shire have a disaster recovery plan?	Yes	Yes	Yes	As an example: Corralton Beach Evacuation Plan.
Is the Disaster Recovery Plan tested from time to time?	Yes	Yes	Yes	A "Dates to Remember" list for all recurring legislative and policy requirements.
Does the Shire have a system or processes to ensure compliance with legislative regulations, Standards and Shire Policies?	Yes	Yes	Yes	This is not formally written however it is addressed as part of the regular budget review process.
Does the Shire have a process to address accounting judgments or estimates that prove to be wrong?	Yes	Yes	Yes	No formal process is in place. The CEO has a delegation to issue infringements and commence any proceedings with budget constraints.
Does the Shire have a formal process to deal with claims and litigation?	Yes	Yes	Yes	Complaints and Grievance Procedures, Sexual Harassment Policy, Bullying Policy. There is a segregation of accounting procedures to reduce theft risk. Fuel cards and fuel meters are used to reduce fuel theft risk. CEO to determine if all vessels used to transport fuel are marked "Shire of Chapman Valley".
Is there a process in place to identify misconduct, fraud or theft risks that require monitoring, review and a treatment plan should they eventuate?	Yes	Yes	Yes	This is set out in the risk register as per the templates supplied by LGES.
Does the Shire have systems and processes to prevent or uncover misconduct, fraud and theft?	Yes	Yes	Yes	Services provided by LGES.
Does the Shire have systems in place to address Occupational Safety and Health risks?	Yes	Yes	Yes	Eg. environmental clearances for roadworks, plans, bunding around fuel and waste oil and transfer stations.
Does the Shire have systems in place to address environmental risks?	Yes	Yes	Yes	Set in the risk register.
Does the Shire have systems and processes in place to address business risks?	Yes	Yes	Yes	Set in the risk register and reviewed annually with the insurance review.
Does the Shire have a process to manage insurable risks and ensure the adequacy of insurance?	Yes	Yes	Yes	Regulations require a four-yearly internal audit of financial management procedures. The Audit Committee meets with the external auditor once per year and discusses the audit.
Does the Shire have formal processes to review the effectiveness of the internal control systems with management, internal and external auditors?	Yes	Yes	Yes	This is covered with the procurement policy. The electronic purchase order system also ensures staff do not spend outside the authorised budget.
Does management have controls in place for unusual types of transactions or transactions that may carry more than acceptable degrees of risk?	Yes	Yes	Yes	Procurement Policy is in place and the WALEA tender process is used.
Does the Shire have a formal tender and procurement system and process in place with a focus on quality and transparency of all procurement?	Yes	Yes	Yes	Creditors debt checks purchase orders however a checklist needs to be included with the purchase order to ensure compliance with the entire procurement policy. Eg if the purchase is for more than \$3,000 purchasing staff should be signing off on getting the requirement number of quotes and reasons for choosing a particular supplier.
Does the Shire have a process in place to return the tender and procurements, policies and processes as being applied at all times?	Yes	Yes	Yes	

8.0 Information Items

Nil

9.0 General Business

Nil

10.0 Closure

The Chairman thanked Elected Members and Staff for their attendance and closed the meeting at 11.17am.

AGENDA ITEM:	9.3.6
SUBJECT:	PLANT REPLACEMENT PROGRAM
PROPONENT:	CHIEF EXECUTIVE OFFICER
SITE:	WHOLE OF SHIRE
FILE REFERENCE:	1018.00
PREVIOUS REFERENCE:	NIL
DATE:	18th FEBRUARY 2015
AUTHOR:	MAURICE BATTILANA, CHIEF EXECUTIVE OFFICER

DISCLOSURE OF INTEREST

Nil

BACKGROUND

The Shire's Plant Replacement Program is reviewed annually to assist with the development of the Annual Budget for the forthcoming year. This review is also to take into account the effect of the Long Term Financial Plan (LTFP) which has plant replacement as an aspect to its overall costs estimates within the Plan.

COMMENT

The concern I have with the current and proposed Plant Replacement Programs is the extension of the plant life before change-overs are scheduled. This creates a situation where Council's major items of plant and equipment are not changed over at the optimum times, which will result in the maintenance component of Council plant operating costs increasing.

STATUTORY ENVIRONMENT

Not relevant

POLICY IMPLICATIONS

No existing Policy effected.

FINANCIAL IMPLICATIONS

It is important Council annually review its Plant Replacement Program to ensure an informed decision making process is evident when allocating resources in both the Long Term Financial Plan and the Annual Draft Budget for the change-over/upgrading of Council's plant & equipment.

- **Long Term Financial Plan (LTFP):**

Any amendment to the Plant Replacement Program will affect the LTFP and any decision to do so will flow on as part of the review of the LTFP.

STRATEGIC IMPLICATIONS

It is strategically sound for Council to have a robust and realistic Plant Replacement Program.

- **Strategic Community Plan/Corporate Business Plan:**

We need good services to support our development as a Shire	Maintain existing services and facilities	Essential services help us to grow and prosper as a community
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CONSULTATION

The Chief Executive Officer consulted with the Manager Works & Services and Leading Hand when developing the Proposed Plant Replacement Program presented to Council.

RISK ASSESSMENT

There is a risk with the Current & Proposed Plant Replacement Programs extending the optimum life of plant before change-overs are scheduled resulting in the maintenance component of Council plant operating costs increasing.

The risk could be offset by taking advantage of the current very low interest rate on borrowing funds to assist with the replacement of some of the major plant items earlier than programmed.

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION / STAFF RECOMMENDATION

MOVED: CR FORRESTER

SECONDED: CR MALUISH

Council receive the Proposed Plant Replacement Program as presented and request the Chief Executive Officer use this Plan as a basis for resources to be allocated in the forthcoming budget under the condition:

- The Chief Executive Officer to investigate all funding options available to possibly bring forward the change-over of item(s) to be included in the Draft Budget for Council consideration.

**Voting 7/0
CARRIED
Minute Reference 02/15-15**

ATTACHMENT ONE
CURRENT 10 YEAR PLANT REPLACEMENT PROGRAM
2014/15 to 2023/24

Asset No	Reg No	Plant No	SHIRE OF CHAPMAN VALLEY 10 YEAR PLANT REPLACEMENT SCHEDULE.												
			CAPITAL PURCHASE EXPENDITURE		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
			Existing Plant Type	Proposed Pant Type/Comments											
TRUCKS															
290	CV540	P540	2000 Isuzu NPR 250 2T tipper truck	2t Tipper Truck	\$ 65,000					\$ 77,613					
330	CV867	P867	2006 Mitsubishi Fuso Crew Cab Truck	Crew Cab Truck	\$ 150,000								\$ 190,016		
372	CV2630	P22	2006 Colombia Freightliner Primemover 6x4			\$ 290,000								\$ 367,363	
362	CV131	P131	2008 Iveco Powerstar 8 x 4 Tip Truck				\$ 298,700								
364	CV918	P918	2008 Iveco Powerstar 8 x 4 Tip Truck				\$ 307,661								
393	CV69	P35	2010 Caterpillar Primemover						\$ 316,891						
GRADERS															
310	CV573	P573	2005 120H Caterpillar Grader			\$ 365,545								\$ 463,062	
334	CV288	P0288	2006 John Deere 670D Grader				\$ 376,512								
374	CV573	P23	2007 140HNA Caterpillar Grader				\$ 387,807								
ROLLERS															
51	CV1029	P1029	1976 Multi Tyred Roller - tow along							\$ 50,000					
373	CV2658	P24	1999 SM Multipac VP2400 roller	Steel Drum Vibe Roller	\$ 170,000										
298	CV299	P299	2004 Case sv212 self propelled Vibe Roller			\$ 175,100									
342	CV2570	P2570	2007 Amman pneumatic Multi Tyred Roller						\$ 191,336						
137	NA	P162	McDonalds Cricket Pitch Roller	(No Change-Over)											
LOADERS															
369	CV2560	P20	2005 Komatsu Backhoe	Backhoe	\$ 104,539						\$ 128,570				
331	CV745	P745	2006 Volvo loader L90E			\$ 316,693								\$ 401,177	
389	CV541	P33	2008 Caterpillar 226B2 skid steer bobcat	Skid Steer Loader	\$ 46,371					\$ 53,757					
385	950CV	P26	2008 Caterpillar 950H wheel loader						\$ 291,357						
TRACTORS															
224	CV474	P474	1993 Case 595 sx2wd Tractor			\$ 40,000									
MOWERS															
355	CV2591	P2591	2008 Kubota Mower CV2591	RO Mower	\$ 27,463					\$ 31,837					
394	NA	P006	2011 John Deere 0 Steer Mower (Z445)				\$ 29,136				\$ 33,776				
TRAILERS (HEAVY)															
227	9RG148	P148	2001 Low bed tilt trailer				\$ 30,000								
314	ITBM245	P245	1977 Water tanker trailer	New Water Tanker Purchase 13/14											
343	CV7723	P7723	2008 Howard Porter side tipping trailer										\$ 128,570		
344	CV7724	P7724	2008 Side tipping trailer											\$ 132,427	
371	CV728	P21	2002 Side tipper trailer	New Side Tipper Purchaswe 13/14											
358	CV7725	P7725	2007 Dolly									\$ 62,319			
363	CV7716	P7716	2008 Dolly											\$ 64,188	
TRAILERS (OTHER)															
77	CV1922	P1922	1990 Trailer - Papas (Tandem)	Tandem Trailer	\$ 2,000										
68	CV7559	P7559	1998 Trailer - Rubbish (with hoist)			\$ 3,500									
199	CV7589	P7589	1999 Trailer Tanker (Fuel) - exMRWA				\$ 5,000								
282	CV7670	P7670	2003 Trailer - (with Generator)					\$ 5,000							
177	CV7810	P709	2003 Trailer - Papas Tandem Axle (Spraying)						\$ 2,500						
304	CV96	P96	2005 Trailer - Tandem (Small)						\$ 2,750						
311	CV619	P619	2006 Trailer & Water Tank (Coro Beach)	Incorrect Asset No.						\$ 3,000					
191	CV7717	P7717	2007 Trailer (Water Pump)								\$ 3,000				
396	CV7800	P37	2012 Trailer - Plant (Coast MAC 4.5t for Skid Steer)									\$ 15,000			
329	CV7750	P7750	2006 Trailer (SAM - Shred with Shire of NR)	(No Change-Over)											
375	CV7729	P25	2009 Trailer (Mobile Standpipe)	(No Change-Over)											
LIGHT VEHICLES															
126	CV654	P654	1993 Suzuki ute CV654	Utility 4x4	\$ 25,000				\$ 28,138				\$ 31,669		
3	CV2544	P2544	2001 Mazda Bravo ute tray top			\$ 28,000				\$ 31,514				\$ 35,470	
392	CV321	P34	2007 Toyota Hilux tray top ute 4x4 Auto-Service ute				\$ 30,000				\$ 33,765				
391	CV002	P32	2011 Toyota Hilux Dual cab 4x4 (Works Super)	New Vehicle purchased 13/14				\$ 49,522			\$ 55,738				
390	CV424	P31	2011 Toyota Hilux dual cab 4x4 (Leading Hand)				\$ 30,000				\$ 33,765				
MV04	CV1	P41	2012 Toyota Prado GXL CEO CV 1				\$ 63,028				\$ 70,939				
MV03	CV013	P40	2012 Ford PX Ranger Dual Cab (Mgr Planning)					\$ 33,765				\$ 38,003			
MV01	CV580	P38	2012 Ford Ranger XL crew cab 4x4 (Building Surveyor)					\$ 33,765				\$ 38,003			
405	CV345	P30	2012 Toyota Landcruiser 4x4 V8 diesel workmate						\$ 34,778				\$ 39,143		
MV05	CV396	P43	2013 Ford PX Ranger 4X2 2.2Li Turbo Diesel(Gardener)						\$ 34,778					\$ 39,143	
387	CV594	P28	2010 Ford Ranger XL crew cab 4x4 (NRMO)	(No Change-Over)											
FIRE CONTROL VEHICLES															
309	CV19	P19	2000 Fire Truck - Toyota Landcruiser (Naraling)												
288	CV059	P059	2005 Fire Truck - Toyota Landcruiser (Howatharra)												
FV01	IBKF117	P17	2002 Fire Truck - Toyota Landcruiser (Yetha)	Not changed over at Shire expense. Forms part of DFES Resource to Risk Replacement Program funded via ESL Grants.											
MV02	CV434	P39	2012 Fire Truck - Toyota Landcruiser (Nabawa)												
293	CV815	P815	1995 Fire Truck - Isuzu 2.4LTR Tanker (Nabawa)												
MV06	1ERG565	P44	2013 Fire Truck - Toyota Landcruiser (Yuna)												
TOTAL CAPITAL PURCHASES EXCLUDING GST						\$ 649,411	\$ 1,296,722	\$ 992,613	\$ 899,273	\$ 951,500	\$ 204,637	\$ 219,083	\$ 297,090	\$ 466,717	\$ 1,502,830
TOTAL CAPITAL PURCHASES INCLUDING GST						\$ 649,411	\$ 1,296,722	\$ 992,613	\$ 899,273	\$ 951,500	\$ 225,100	\$ 240,991	\$ 326,800	\$ 513,388	\$ 1,653,113

CAPITAL TRADE-IN INCOME														
Existing Plant Type			Proposed Pant Type/Comments											
TRUCKS														
290	CV540	P540	2000 Isuzu NPR 250 2T tipper truck	2t Tipper Truck	\$15,000					\$55,000				
330	CV867	P867	2006 Mitsubishi Fuso Crew Cab Truck	Crew Cab Truck	\$50,000						\$60,000			
372	CV2630	P22	2006 Colombia Freightliner Primemover 6x4			\$50,000					\$60,000			
362	CV131	P131	2008 Iveco Powerstar 8 x 4 Tip Truck				\$90,000							
364	CV918	P918	2008 Iveco Powerstar 8 x 4 Tip Truck					\$92,000						
393	CV69	P35	2010 Caterpillar Primemover						\$92,000					
GRADERS														
310	CV573	P573	2005 120H Caterpillar Grader			\$90,000					\$114,009			
334	CV288	P0288	2006 John Deere 670D Grader				\$90,000							
374	CV573	P23	2007 140HNA Caterpillar Grader					\$92,000						
ROLLERS														
51	CV1029	P1029	1976 Multi Tyred Roller - tow along											
373	CV2658	P24	1999 SM Multipac VP2400 roller	Steel Drum Vibe Roller	\$25,000									
298	CV299	P299	2004 Case sv212 self propelled Vibe Roller				\$40,000							
342	CV2570	P2570	2007 Amman pneumatic Multi Tyred Roller					\$30,000						
137	NA	P162	McDonalds Cricket Pitch Roller	(No Change-Over)										
LOADERS														
369	CV2560	P20	2005 Komatsu Backhoe	Backhoe	\$30,000					\$32,000				
331	CV745	P745	2006 Volvo loader L90E			\$90,000					\$55,000			
389	CV541	P33	2008 Caterpillar 226B2 skid steer bobcat	Skid Steer Loader	\$15,000				\$17,500					
385	950CV	P26	2008 Caterpillar 950H wheel loader					\$40,000						
TRACTORS														
224	CV474	P474	1993 Case 595 sx 2wd Tractor					\$6,500						
MOWERS														
355	CV2591	P2591	2008 Kubota Mower CV2591		\$5,000				\$6,000					
394	NA	P006	2011 John Deere 0 Steer Mower (Z445)					\$5,500		\$6,500				
TRAILERS (HEAVY)														
227	9RG148	P148	2001 Low bed tilt trailer					\$6,500						
314	ITBM245	P245	1977 Water tanker trailer	New Water Tanker Purchase 13/14										
343	CV7723	P7723	2008 Howard Porter side tipping trailer							\$25,000				
344	CV7724	P7724	2008 Side tipping trailer								\$26,000			
371	CV7728	P21	2002 Side tipper trailer	New Side Tipper Purchase 13/14										
358	CV7725	P7725	2007 Dolly							\$5,000				
363	CV7716	P7716	2008 Dolly								\$5,000			
TRAILERS (OTHER)														
77	CV1922	P1922	1990 Trailer - Papas (Tandem)	Tandem Trailer										
68	CV7559	P7559	1998 Trailer - Rubbish (with hoist)											
199	CV7589	P7589	1999 Trailer Tanker (Fuel) - ex MRWA											
282	CV7670	P7670	2003 Trailer - (with Generator)											
177	CV7810	P709	2003 Trailer - Papas Tandem Axle (Spraying)											
304	CV96	P96	2005 Trailer - Tandem (Small)											
311	CV619	P619	2006 Trailer & Water Tank (Coro Beach)	Incorrect Asset No.										
191	CV7717	P7717	2007 Trailer (Water Pump)											
396	CV7800	P37	2012 Trailer - Plant (Coast MAC 4.5t for Skid Steer)											
329	CV7750	P7750	2006 Trailer (SAM - Shred with Shire of NR)	(No Change-Over)										
375	CV7729	P25	2009 Trailer (Mobile Standpipe)	(No Change-Over)										
LIGHT VEHICLES														
126	CV654	P654	1993 Suzuki ute CV654	Utility 4x4	\$0			\$7,000			\$8,000			
3	CV2544	P2544	2001 Mazda Bravo ute tray top			\$5,000			\$7,000		\$9,000			
392	CV321	P34	2007 Toyota Hilux tray top ute 4x4 Auto-Service ute				\$6,000			\$16,000				
391	CV002	P32	2011 Toyota Hilux Dual cab 4x4 (Works Super)	New Vehicle purchased 13/14				\$15,000		\$17,000				
390	CV424	P31	2011 Toyota Hilux dual cab 4x4 (Leading Hand)				\$15,000		\$15,000	\$16,000				
MV04	CV1	P41	2012 Toyota Prado GXL CEO CV 1				\$36,000			\$40,000				
MV03	CV013	P40	2012 Ford PX Ranger Dual Cab (Mgr Planning)					\$15,000		\$17,000				
MV01	CV580	P38	2012 Ford Ranger XL crew cab 4x4 (Building Surveyor)					\$15,000		\$17,000				
405	CV345	P30	2012 Toyota Landcruiser 4x4 V8 diesel workmate					\$15,000		\$17,000				
MV05	CV396	P43	2013 Ford PX Ranger 4X2 2.2L Turbo Diesel (Gardener)						\$16,000		\$17,500			
387	CV594	P28	2010 Ford Ranger XL crew cab 4x4 (NRMO)	(No Change-Over)										
FIRE CONTROL VEHICLES														
309	CV19	P19	2000 Fire Truck - Toyota Landcruiser (Naraling)											
288	CV059	P059	2005 Fire Truck - Toyota Landcruiser (Howatharra)											
FV01	IBKF117	P17	2002 Fire Truck - Toyota Landcruiser (Yetna)	Not changed over at Shire expense. Forms part of DFES Resource to Risk Replacement Program funded via ESL Grants.										
MV02	CV434	P39	2012 Fire Truck - Toyota Landcruiser (Nabawa)											
293	CV815	P815	1995 Fire Truck - Isuzu 2.4LTR Tanker (Nabawa)											
MV06	1ERG565	P44	2013 Fire Truck - Toyota Landcruiser (Yuna)											
TOTAL CAPITAL INCOME EXCL GST					\$140,000	\$235,000	\$295,500	\$259,000	\$169,000	\$46,500	\$127,000	\$89,500	\$115,000	\$286,509
TOTALS CAPITAL INCOME INCL GST					\$154,000	\$258,500	\$325,050	\$284,900	\$185,900	\$51,150	\$139,700	\$98,450	\$126,500	\$315,160
TOTAL NET CHANGEOVER EXCL GST					\$450,373	\$943,838	\$606,876	\$558,521	\$696,000	\$158,137	\$92,083	\$207,590	\$351,717	\$1,216,321
TOTAL NET CHANGEOVER INCL GST					\$495,411	\$1,038,222	\$667,563	\$614,373	\$765,600	\$173,950	\$101,291	\$228,350	\$386,888	\$1,337,953

OPTIUM REPLACEMENT TIMING FOR PLANT & EQUIPMENT		
Group/Type	Years	Kms/Hours
Backhoe Loader	7	5,000
Grader	10	8,000
Loader	8	8,000
Mower (RO)	5	2,000
Truck Heavy (22,500 GGVM)	8	500,000
Truck Medium (15,000GGVM)	8	200,000
Truck Light (8,000GGVM)	6	150,000
Roller (Large)	10	5,000
Skid Steer	5	5,000
Trailer (Heavy)	15	NA
Trailer (Light)	10	NA
Tractor (Medium)	8	5,000
Light Vehicle - Car (4 Cylinder)	4	80,000
Light Vehicle - Car (6 Cylinder)	5	120,000
Light Vehicle - 4WD Diesel	4	120,000

ATTACHMENT TWO
PROPOSED 10 YEAR PLANT REPLACEMENT PROGRAM
2015/16 to 2024/25



SHIRE OF CHAPMAN VALLEY 10 YEAR PLANT REPLACEMENT SCHEDULE.

Asset No	Reg No	Plant No	Existing Plant Type	Proposed Plant Type/Comments	Optimum C/O Period	Program C/O Period	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
CAPITAL PURCHASE EXPENDITURE																	
TRUCKS																	
290	CV540	P540	2000 Isuzu NPR 250 2T tipper truck		6	14	\$65,000										\$85,000
330	CV867	P867	2006 Mitsubishi Fuso Crew Cab Truck	Crew Cab Truck	6	10		\$150,000									
372	CV2630	P22	2006 Colombia Freightliner Primemover 6x4		8	11				\$290,000							
364	CV918	P918	2008 Iveco Powerstar 8 x 4 Tip Truck		8	11						\$299,000					
362	CV131	P131	2008 Iveco Powerstar 8 x 4 Tip Truck		8	13								\$308,000			
393	CV69	P35	2010 Caterpillar Primemover		8	13										\$310,000	
GRADERS																	
310	CV573	P573	2005 120H Caterpillar Grader		10	13					\$366,000						
334	CV288	P0288	2006 John Deere 670D Grader		10	14						\$377,000					
374	CV573	P23	2007 140HNA Caterpillar Grader		10	15								\$388,000			
ROLLERS																	
51	CV1029	P1029	1976 Multi Tyred Roller - tow along		10	48											\$65,000
373	CV2658	P24	1999 SM Multipac VP2400 roller	Steel Drum Vibe Roller	10	17			\$170,000								
298	CV299	P299	2004 Case s212 self propelled Vibe Roller		10	13				\$175,000							
342	CV2570	P2570	2007 Amman pneumatic Multi Tyred Roller		10	17											\$200,000
137	NA	P162	McDonalds Cricket Pitch Roller	(No Change-Over)	NA	NA											
LOADERS																	
369	CV2560	P20	2005 Komatsu Backhoe		8	10		\$105,000									
331	CV745	P745	2006 Volvo loader L90E		8	12					\$317,000						
389	CV541	P33	2008 Caterpillar 226B2 Skid Steer Loader		5	8			\$46,000								
385	950CV	P26	2008 Caterpillar 950H wheel loader		8	15										\$320,000	
TRACTORS																	
224	CV474	P474	1993 Case 595 s x 2wd Tractor		8	12		\$40,000									
MOWERS																	
355	CV2591	P2591	2008 Kubota Mower CV2591	RO Mower	5	6	\$27,463										
394	NA	P006	2011 John Deere 0 Steer Mower (Z445)		5	8						\$29,000					
TRAILERS (HEAVY)																	
227	9RG148	P148	2001 Low bed tilt trailer		15	18						\$30,000					
MV09	1TPF027	P45	2014 Water Tanker Trailer (Howard Porter)		15	15											
343	CV7723	P7723	2008 Howard Porter side tipping trailer		15	15										\$110,000	
344	CV7724	P7724	2008 Side tipping trailer		15	16											\$110,000
MV08	1TPF026	P46	2014 Side Tipper Trailer (Howard Porter)		15	15											
P46358	CV7725	P7725	2007 Dolly		20	20											
363	CV7716	P7716	2008 Dolly		20	20											
TRAILERS (OTHER)																	
77	CV1922	P1922	1990 Trailer - Papas (Tandem)	Tandem Trailer	AS REQUIRED	AS REQUIRED	\$2,000										
68	CV7559	P7559	1998 Trailer - Rubbish (with hoist)						\$3,500								
199	CV7589	P7589	1999 Trailer Tanker (Fuel) - ex MRWA									\$5,000					
282	CV7670	P7670	2003 Trailer - (with Generator)										\$5,000				
177	CV7810	P709	2003 Trailer - Papas Tandem Axle (Spraying)														
304	CV96	P96	2005 Trailer - Tandem (Small)														
318	CV619	P619	2006 Trailer & Water Tank (Coro Beach)														
191	CV7717	P7717	2007 Trailer (Water Pump)														
396	CV7800	P37	2012 Trailer - Plant (Coast MAC 4.5t for Skid Steer)														
			2015 Trailer - Spray (Custom Built)														
329	CV7750	P7750	2006 Trailer (SAM - Shred with Shire of NR)	(No Change-Over)													
375	CV7729	P25	2009 Trailer (Mobile Standpipe)	(No Change-Over)													
LIGHT VEHICLES																	
126	CV654	P654	1993 Suzuki ute CV654	Utility 4x4	NA	NA		\$25,000									
3	CV2544	P2544	2001 Mazda Bravo ute tray top		4	15			\$28,000								
392	CV321	P34	2007 Toyota Hilux tray top ute 4x4 Auto-Service ute		4	13						\$30,000					
391	CV002	P32	2011 Toyota Hilux Dual cab 4x4 (Works Super)		4	5	\$50,000										
390	CV424	P31	2011 Toyota Hilux dual cab 4x4 (Leading Hand)		4	5						\$30,000					
MV04	CV1	P41	2012 Toyota Prado GXL CEO CV1		5	4		\$63,000									
MV03	CV013	P40	2012 Ford PX Ranger Dual Cab (Mgr Planning)		5	4		\$50,000									
MV01	CV580	P38	2012 Ford Ranger XL crew cab 4x4 (Building Surveyor)		5	4			\$35,000								
405	CV345	P30	2012 Toyota Landcruiser 4x4 V8 diesel workmate		4	4											
MV05	CV396	P43	2013 Ford PX Ranger 4x2 2.2L Turbo Diesel (Gardener)		4	5											
	CV2732	P48	2014 Mazda BT50 4x4 Utility (Ranger)		4	5	\$33,012										
FIRE CONTROL VEHICLES																	
309	CV19	P19	2000 Fire Truck - Toyota Landcruiser (Naraling)		AS REQUIRED	AS REQUIRED											
288	CV059	P059	2005 Fire Truck - Toyota Landcruiser (Howatharra)														
FV01	IBKF117	P17	2002 Fire Truck - Toyota Landcruiser (Yetha)	Not changed over at Shire expense. Forms part of DFES Resource to Risk Replacement Program funded via ESL Grants.													
MV02	CV434	P39	2012 Fire Truck - Toyota Landcruiser (Nabawa)														
293	CV815	P815	1995 Fire Truck - Isuzu 4.4LTR Tanker (Nabawa)														
MV06	1ERG565	P44	2013 Fire Truck - Toyota Landcruiser (Yuna)														
			NEW 2.4 Fire Truck - 2.4LTR Tanker (Howatharra)				\$350,000										
TOTAL CAPITAL PURCHASES INCLUDING GST							\$158,910	\$861,300	\$310,750	\$511,500	\$751,300	\$465,300	\$420,200	\$338,800	\$426,800	\$814,000	\$506,000

CAPITAL TRADE-IN INCOME				Optimum C/O Period	Program C/O Period														
Existing Plant Type				Proposed Plant Type/Comments															
TRUCKS																			
290	CV540	P540	2000 Isuzu NPR 250 2T tipper truck		6	14	\$15,000											\$20,000	
330	CV867	P867	2006 Mitsubishi Fuso Crew Cab Truck	Crew Cab Truck	6	10		\$50,000											
372	CV2630	P22	2006 Colombia Freightliner Primemover 6x4		8	11			\$75,000										
362	CV131	P131	2008 Iveco Powerstar 8 x 4 Tip Truck		8	11				\$75,000									
364	CV918	P918	2008 Iveco Powerstar 8 x 4 Tip Truck		8	13								\$50,000					
393	CV69	P35	2010 Caterpillar Primemover		8	13												\$50,000	
GRADERS																			
310	CV573	P573	2005 120H Caterpillar Grader		10	13				\$90,000									
334	CV288	P0288	2006 John Deere 670D Grader		10	14					\$75,000								
374	CV573	P23	2007 140HNA Caterpillar Grader		10	15												\$90,000	
ROLLERS																			
51	CV1029	P1029	1976 Multi Tyred Roller - tow along		10	48												\$0	
373	CV2658	P24	1999 SM Multipac VP2400 roller	Steel Drum Vibe Roller	10	17		\$25,000											
298	CV299	P299	2004 Case sv212 self propelled Vibe Roller		10	13			\$40,000										
342	CV2570	P2570	2007 Amman pneumatic Multi Tyred Roller		10	17												\$50,000	
137	NA	P162	McDonalds Cricket Pitch Roller	(No Change-Over)	NA	NA													
LOADERS																			
369	CV2560	P20	2005 Komatsu Backhoe		7	10		\$30,000											
331	CV745	P745	2006 Volvo loader L90E		8	12				\$90,000									
389	CV541	P33	2008 Caterpillar 226B2 Skid Steer Loader		5	8			\$15,000										
385	950CV	P26	2008 Caterpillar 950H wheel loader		8	15												\$100,000	
TRACTORS																			
224	CV474	P474	1993 Case 595 sx2wd Tractor		8	12		\$5,000											
MOWERS																			
355	CV2591	P2591	2008 Kubota Mower CV2591	RO Mower	5	6	\$5,000												
394	NA	P006	2011 John Deere 0 Steer Mower (Z445)		5	8					\$5,000								
TRAILERS (HEAVY)																			
227	9RG148	P148	2001 Low bed tilt trailer		15	18					\$7,000								
MV09	1TPF027	P45	2014 Water Tanker Trailer (Howard Porter)		15	15													
343	CV7723	P7723	2008 Howard Porter side tipping trailer		15	15													
344	CV7724	P7724	2008 Side tipping trailer		15	16												\$30,000	
MV08	1TPF026	P46	2014 Side Tipper Trailer (Howard Porter)		15	15												\$30,000	
P46358	CV7725	P7725	2007 Dolly		20	20													
363	CV7716	P7716	2008 Dolly		20	20													
TRAILERS (OTHER)																			
77	CV1922	P1922	1990 Trailer - Papas (Tandem)	Tandem Trailer			\$0												
68	CV7559	P7559	1998 Trailer - Rubbish (with hoist)						\$0										
199	CV7589	P7589	1999 Trailer Tanker (Fuel) - ex MRWA								\$0								
282	CV7670	P7670	2003 Trailer - (with Generator)									\$0							
177	CV7810	P709	2003 Trailer - Papas Tandem Axle (Spraying)																
304	CV96	P96	2005 Trailer - Tandem (Small)																
318	CV619	P619	2006 Trailer & Water Tank (Coro Beach)																
191	CV7717	P7717	2007 Trailer (Water Pump)																
396	CV7800	P37	2012 Trailer - Plant (Coast MAC 4.5t for Skid Steer)																
0	0	0	2015 Trailer - Spray (Custom Built)																
329	CV7750	P7750	2006 Trailer (SAM - Shred with Shire of NR)	(No Change-Over)															
375	CV7729	P25	2009 Trailer (Mobile Standpipe)	(No Change-Over)															
LIGHT VEHICLES																			
126	CV654	P654	1993 Suzuki ute CV654	Utility 4x4	NA	NA	\$0												
3	CV2544	P2544	2001 Mazda Bravo ute tray top		4	15		\$5,000											
392	CV321	P34	2007 Toyota Hilux tray top ute 4x4 Auto-Service ute		4	13					\$6,000								
391	CV002	P32	2011 Toyota Hilux Dual cab 4x4 (Works Super)		4	5	\$0												
390	CV424	P31	2011 Toyota Hilux dual cab 4x4 (Leading Hand)		4	5					\$10,000								
MV04	CV1	P41	2012 Toyota Prado GXL CEO CV 1		5	4	\$36,000												
MV03	CV013	P40	2012 Ford PX Ranger Dual Cab (Mgr Planning)		5	4	\$25,000												
MV01	CV580	P38	2012 Ford Ranger XL crew cab 4x4 (Building Surveyor)		5	4			\$15,000										
405	CV345	P30	2012 Toyota Landcruiser 4x4 V8 diesel workmate		4	4													
MV05	CV396	P43	2013 Ford PX Ranger 4X2 2.2L Turbo Diesel (Gardener)		4	5													
0	CV2732	P48	2014 Mazda BT50 4x4 Utility (Ranger)		4	5													
FIRE CONTROL VEHICLES																			
309	CV19	P19	2000 Fire Truck - Toyota Landcruiser (Naraling)																
288	CV059	P059	2005 Fire Truck - Toyota Landcruiser (Howatharra)																
FV01	IBKF117	P17	2002 Fire Truck - Toyota Landcruiser (Yelna)	Not changed over at Shire expense.															
MV02	CV434	P39	2012 Fire Truck - Toyota Landcruiser (Nabawa)	Forms part of DFES Resource to Risk Replacement Program funded via ESL Grants.															
293	CV815	P815	1995 Fire Truck - Isuzu 4.4LTR Tanker (Nabawa)																
MV06	HERG565	P44	2013 Fire Truck - Toyota Landcruiser (Yuna)																
0	0	0	NEW 2.4 Fire Truck - 2.4LTR Tanker (Howatharra)				\$350,000												
TOTAL CAPITAL INCOME EXCL GST							\$20,000	\$496,000	\$60,000	\$115,000	\$180,000	\$103,000	\$75,000	\$50,000	\$90,000	\$180,000	\$100,000		
TOTALS CAPITAL INCOME INCL GST							\$22,000	\$545,600	\$66,000	\$126,500	\$198,000	\$113,300	\$82,500	\$55,000	\$99,000	\$198,000	\$110,000		
TOTAL NET CHANGE OVER EXCL GST							\$124,463	\$287,000	\$222,500	\$350,000	\$503,000	\$320,000	\$307,000	\$258,000	\$298,000	\$560,000	\$360,000		
TOTAL NET CHANGE OVER INCL GST							\$136,910	\$310,000	\$245,000	\$365,000	\$515,000	\$352,000	\$337,700	\$283,800	\$327,800	\$616,000	\$396,000		

AGENDA ITEM:	9.3.7
SUBJECT:	NABAWA OVAL & SURROUNDS - WATERING
PROPONENT:	CHIEF EXECUTIVE OFFICE /MANAGER WORKS & SERVICES
SITE:	NABAWA OVAL
FILE REFERENCE:	A1327
PREVIOUS REFERENCE:	NIL
DATE:	18th FEBRUARY 2015
AUTHOR:	MAURICE BATTILANA, CHIEF EXECUTIVE OFFICER

DISCLOSURE OF INTEREST

Nil

BACKGROUND

Council water the Nabawa oval and surrounds from a Bore located adjacent to the recreational precinct (see map below).



This bore appears to no longer be able to maintain the quantity of water required to adequately cater for the watering needs of the oval and surrounds.

COMMENT

The state of the oval has deteriorated over the past few years and all attempts to adjust the watering sequence/schedules have not resolved the issue.

Advice has been sought from experts in watering and reticulation (Great Northern Rural Services) with a copy of the outcomes from this advice attached to this report for Council information.

In addition to the discussion with Great Northern Rural Services dialogue has also been undertaken with Water Corporation to determine if the Shire could access water from any of their unused Bores located adjacent to the Nabawa Townsite.

Discussions with Water Corporation have revealed:

- Bores 4 and 6 are dry and not available;
- Bore 8 is still fully fitted and operational.

Samples of the water from Bore 8 have been sent to Great Northern Rural Services to determine if the quality is suitable for use on the Nabawa oval and surrounds. The response from Great Northern Rural Services is this water is suitable for the oval and surrounds watering. Therefore, based on this advice, further discussions have been entered into with Water Corporation to ascertain if it would be financially viable for the Shire to access the water from Bore 8 (see map below) to complement the existing Shire Bore to meet the needs of the oval and surrounds watering.



Water Corporation has informally advised the estimated cost per kilolitre (kl) for the Shire to access water from Bore 8 will be between \$1.50 and \$2.05 per kl. This appears excessive as the current cost for the Shire to access the existing Water Corporation scheme water used to water the turf wicket is \$2.05/kl.

Base upon the abovementioned estimated cost range provided by Water Corporation for access to water from Bore 8 and the requirement of up to 50kl/day for six days a week (i.e. 300kl/week) the cost would be in the range in the table below:

Maximum Requirement 50kl/day x 6 days/wk	Charge per kl	Cost per week	* Average 35 Peak Watering Weeks per year
300	@ \$1.50	\$450	\$15,750 pa
300	@ \$2.05	\$615	\$21,525 pa
Minimum Requirement 20kl/day x 6 days/wk	Charge per kl	Cost per week	Average 35 Peak Watering Weeks per year
120	@ \$1.50	\$180	\$6,300 pa
120	@ \$2.05	\$246	\$8,610 pa

*Note: The 35 peak watering weeks per annum is an estimate only and this may vary; however, should be considered a worst case scenario

Based upon the above estimates I do not believe it would be financially prudent to use water from Bore 8 for a sustained period. However, if the infrastructure costs to link the water from Bore 8 to the Oval Tank is minimal then this could be considered a short-term solution to allow Council staff more time to investigate an alternative water source (i.e. establish a new shire owned and operated bore).

Council staff have been carting 20kl of water per day to replenish the tank during watering times as an interim solution to ensure the oval doesn't die. However, such a practice is not considered appropriate as it is a cost and removes staff from core road works projects. The carting of water will continue until another solution is found.

STATUTORY ENVIRONMENT

Though there will be an additional cost associated with access to water from the Water Corporation Bore 8 in 14/15 it is anticipated this cost could be absorbed into the current overall operational costs of the Nabawa Sporting facilities for the balance on 2014/2015. Therefore it is not a statutory requirement to seek a budget variation at this stage. However, if this appears additional funds will be required at some time during the balance of the 2014/2015 financial year this will be brought back to Council for consideration of a budget variation.

POLICY IMPLICATIONS

No Policy effected.

FINANCIAL IMPLICATIONS

The Budget allocation covering the expense areas of the Nabawa oval and surrounds is under Chart of Account (COA) no 114820. Below is a copy of the Year to Date (YTD) expenditure for this COA at the time of writing this report.

Account Enquiry - 114820 - Sporting Clubs Expenses						
Desc	Original Budget	Current Budget	Actual	Order Value	Total	Last Years Actual
01 Employee Costs	7877.18	7877.18	4467.87	0.00	4467.87	8120.44
02 Materials And Contracts	20496.00	20496.00	9246.75	0.00	9246.75	21377.72
03 Utility Charges	13600.00	13600.00	4679.78	0.00	4679.78	14714.54
04 Insurance	10387.00	10387.00	10387.00	0.00	10387.00	10991.01
10 Ranger's Allocation	1856.00	1856.00	846.93	0.00	846.93	1875.69
30 Labour Overhead	5930.16	5930.16	2971.99	0.00	2971.99	4581.02
31 Internal Plant Hire	9599.65	9599.65	1331.51	0.00	1331.51	-219.79
33 Internal Plant Depreciation	2464.94	2464.94	0.00	0.00	0.00	0.00
Total	72210.93	72210.93	33931.83	0.00	33931.83	61440.63

The *Materials & Contracts* component of the budgeted amount for COA 114820 is where Council needs to focus on as possible available funds and this is comprised of the following:

- General Maintenance \$2,000
 - New Bore Pump \$3,000
 - Sprinklers, solenoid valves, cable wire \$2,945
 - Contractor Great Northern Rural Services (Oval Maintenance & Care) \$4,455
 - Annual contribution to Geraldton Regional Cricket Board (Turf Wicket) \$8,096
- Total \$20,496**

The amount of \$8,096 for the annual contribution to Geraldton Regional Cricket Board (maintaining the turf wicket) is quarantined and subject to a binding agreement Council has with the Board, so are not funds Council has at its disposal in the 2014/2015 Budget. The annual payment has been made to the Board and forms part of the *Actual* expenditure listed in the table above (i.e. the amount of \$9,246.75). The funds which would be available to allocate towards access to Bore 8 would be:

- New Bore Pump \$3,000
- Contractor Great Northern Rural Services (Oval Maintenance & Care) \$4,455
- Total \$7,455**

There also appears to be some scope within the *Materials & Contract* budgeted funds allocated under COA 127520 for the Nabawa Sporting Complex i.e.

Account Enquiry - 127520 - Nabawa - Sport Complex Expense						
Description	Original Budget	Current Budget	Actual	Order Value	Total	Last Years Actual
01 Employee Costs	354.55	354.55	302.57	0.00	302.57	293.76
02 Materials And Contracts	11250.00	11250.00	584.90	0.00	584.90	4543.40
03 Utility Charges	0.00	0.00	0.00	0.00	0.00	0.00
10 Ranger's Allocation	1136.00	1136.00	518.52	0.00	518.52	1148.36
30 Labour Overhead	266.92	266.92	263.22	0.00	263.22	154.22
31 Internal Plant Hire	0.00	0.00	660.40	0.00	660.40	582.43
33 Internal Plant Depreciation	0.00	0.00	0.00	0.00	0.00	0.00
Total	13007.47	13007.47	2329.61	0.00	2329.61	6722.17

The *Materials & Contracts* component of the budgeted amount for COA 127520 is comprised of the following:

- Repairs & Maintenance \$ 6,750
- New Shed to house turf wicket roller \$ 4,500
- Total \$11,250**

There may be some savings in to build the new shed to house the turf wicket roller as this will now be built by the Prison Crew, therefore the cost will be for materials only.

It is anticipated there will also be savings of approximately \$6,000 in the following Capital works projects budgeted for under COA 2834:

- Decking at Nabawa Stadium;
- Upgrade power board;
- Concrete outside change rooms

Savings for two of these projects (decking & concrete) are a result of the Prison Crew labour to undertake the works.

• **Long Term Financial Plan (LTFP):**

Though there is no noticeable immediate affect on the LTFP it is important to ensure the Nabawa oval and surrounds is adequately maintained otherwise significant cost may be required to recover the area if the grass dies

STRATEGIC IMPLICATIONS

The option of Council establishing a second bore to accommodate the watering requirements of the oval and surrounds has not been investigated to any great length at this stage.

If it is affordable for the Shire to utilise Water Corporation Bore 8 as a back up water source during the peak watering periods this may give Council a preferred option to establishing another bore, or will give Council more time to investigate the additional bore option.

• **Strategic Community Plan/Corporate Business Plan:**

We need good services to support our development as a Shire	Maintain existing services and facilities	Essential services help us to grow and prosper as a community
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CONSULTATION

Extensive consultation has occurred between Shire staff, Great Northern Rural Service and Water Corporation to determine possible solutions to the current watering problem Council has at the Nabawa oval and surrounds. Results of these consultations are the attached reports for both Great Northern Rural Service and Water Corporation Reports.

RISK ASSESSMENT

There is a High Risk the Nabawa oval and surrounds grass will die if adequate watering is not introduced which will result in significant community backlash and be detrimental to ongoing sporting activities at the Sporting Complex.

VOTING REQUIREMENTS

Simple Majority

STAFF RECOMMENDATION

Council

- i. endorses the immediate use of Water Corporation Bore 8 to supplement the Shire owned bore for watering the Nabawa oval and surrounds to be funded from within current budget for 2014/2015;
- ii. staff continue investigations into the establishment of a new Shire Bore to improve water supply to the Nabawa oval and surrounds as an option for the future in comparison to the ongoing use of Water Corporation Bore 8.

COUNCILLORS RESOLUTION

MOVED: CR FARRELL

SECONDED: CR FORRESTER

Council

- i. endorses the immediate use of Water Corporation Bore 8 or access to an alternative water source (e.g. Cooper's Bore) to supplement the Shire owned bore for watering the Nabawa oval and surrounds to be funded from within current budget savings;
- ii. staff continue investigations into the establishment of a new Shire Bore or access to an alternative water sources (e.g. Cooper's Bore) to improve water supply to the Nabawa oval and surrounds as an option for the future in comparison to the ongoing use of Water Corporation Bore 8.

Comment

The above amendment may result in additional capital cost being required to establish a new long term watering system. If this is the case these costs will be brought to Council for consideration either this financial year or allocation made in the draft 15/16 Budget for Council consideration.

**Voting 7/0
CARRIED
Minute Reference 02/15-16**

GREAT NORTHERN RURAL SERVICES



Parkquest Pty Ltd ABN 788 2067 7449
 31 Boyd Street (PO Box 2078) Geraldton WA 6530
 Telephone (08) 9964 1274 Facsimile (08) 9921 5274
 Email: john@greatnorthernrural.com.au



LOCALLY OWNED AND OPERATED

Date: 9th February 2015

Attn: Maurice Battilana
Re: Nabawa Oval

Maurice,

In relation to the oval at Nabawa and the water short fall to keep the state of oval at an acceptable condition, and the new irrigation system compared to the old system please note the following.

Old installation Pre Pop up Sprinklers:

Details are from Memory as old record discarded

Watering was done by a S.X Cross travelling irrigator, with a performance of

Oval Diameters: 190 m length by width 143 m

Tank capacity : 54 000 litres

Bores : Fill rate was estimated at 75 lpm this was from two bores

Irrigator : Delivering 185 lpm at 413 kpa travelling at 18 metres per hour with a spray coverage of 50 metre diameter per run. In 11 hour run the irrigator would apply 16mm precipitation.

From memory the irrigator was manually positioned 3 times per week in summer to run for 10 hours per run by 6 runs. Its path of watering could be changed due to wind directions during the week.

Water usage:

Irrigator	:	185 lpm by 600 minutes	111 000 litres
Tank capacity	:		54 000 litres
Water recovery	:	75 lpm x 600 minutes	45 000 litres
Short fall	:		12 000 litres
Recovery time	:	14 hours	

Estimated Usage per Week		666 000 litres
Estimated precipitation per week		32mm

The new System when installed was based on

Storage Tank	:	130 000 litres
Bore refill	:	5 100 lph (85 lpm) bore was report to be capable of 110 lpm in 2007

- 3) Use Bore water from Water Corporation bore Number 8 that has been offered
- The water sample provided By Water Corporation shows it to be quite suitable for use on oval.
 - Pipe work already exist to Work depot (to be confirmed)
 - Extend pipe work to tank
 - Add a telemetry system at tank to operate bore (cost \$900.00 plus electrical work at bore controls)
 - Increase run times on oval to bring up to 40mm application per week in summer months
 - This will give allowance to reduce strain on existing bore and allow for any breakdowns

I hope the above information is helpful. When the actual locations of pipe work, the flow rate and the cost associated for the supply of water from Bore no 8 are determined we can over more costing when needed.

Please feel to contact myself on the above numbers for any more information

Regards

John Mckay
Water Manager

Management Committee and amend Arrangements, Policies, etc., to reflect this regional organisation.

Voting 8/0
CARRIED
Minute Reference 07/14-5

The State Emergency Management Committee (SEMC) has rejected the application from the Shires of Chapman Valley and Northampton to merge the two LEMC (excluding Kalbarri) because their policy only allows for whole local government districts to merge LEMC, not individual LEMC (i.e. the issue is the exclusion of the Kalbarri LEMC from the proposed merger).

I have expressed my displeasure with SEMC on what I consider simply bureaucratic nonsense on their behalf which is getting in the way of a common sense approach to reducing administrative duplication for LEMC operations.

Though I have no formal advice I believe the Shire of Northampton is considering the option of merging the Northampton and Kalbarri LEMC into one and making Kalbarri a sub-committee, rather than a stand-alone LEMC. If this does occur it removes the anomaly we are faced with of not being able to merge the Chapman Valley and Northampton LEMC due to the aforementioned SEMC policy.

In addition to the possible action being considered by the Shire of Northampton there is a push (which I advocated and encouraged) to look at a greater merger of LEMC within the Midwest.

Grant funding has been requested by the Mid-West & Gascoyne Regional Emergency Management Committee to investigate the logistics of larger LEMC's covering more local governments in the mid-west. I believe this has even greater merit than simply the Chapman Valley/Northampton proposed LEMC merger as it will reduce the administrative burden even more and provide greater access to resources for both administration and recovery requirements across the local governments in the event of an incident.

STATUTORY ENVIRONMENT

- ~ *Emergency Management Act, 2005*
- ~ *Shire of Chapman Valley Local Emergency Management Arrangements*

POLICY IMPLICATIONS

The Shire of Chapman Valley Local Emergency Management Arrangements determines how the Shire is to coordinate the emergency management requirements of this district.

FINANCIAL IMPLICATIONS

Regional Local Emergency Management Committee

No significant cost associated with the LEMC recommendations; however, in the event of a Regional Local Emergency Management Committee being established there may be some administrative and operational cost savings recognised.

- **Long Term Financial Plan (LTFP):**

No affect on Council's LTFP

STRATEGIC IMPLICATIONS

Resource sharing and cross-boundary cooperation is strategically sound as this will result in participating local governments reducing administrative burdens and red-tape obligations.

- **Strategic Community Plan/Corporate Business Plan:**

We want a representation and governance model that reflects our community's unique attributes	The President and Councillors to be representative of the community and provide strong leadership	Develop Council appropriate policies that enable governance, development, services and growth
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VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION / COMMITTEE RECOMMENDATION

MOVED: CR FORRESTER

SECONDED: CR HUMPHREY

Council receives the Minutes of the Shire of Chapman Valley Local Emergency Management Committee held on the 10th February 2015 and endorses the recommendation within i.e.

- *That the Shire of Chapman Valley LEMC recommends that Council broaden its decision for the proposed Chapman Valley and Northampton merged LEMCs to investigating all other merger options across the Midwest for a combined LEMC which incorporates Chapman Valley.*

**Voting 7/0
CARRIED
Minute Reference 02/15-17**



LOCAL EMERGENCY MANAGEMENT COMMITTEE

UNCONFIRMED MINUTES – 1st Calender Meeting

Meeting held on Tuesday 10 February 2015 commencing at 11.00am
Shire of Chapman Valley Chambers, Nabawa

1. OPENING – Cr John Collingwood (Chairman)

The Chairman welcomed all those present and opened the meeting at 11.00am

2. ANNOUNCEMENT BY THE PERSON PRESIDING

Nil

3. RECORD OF ATTENDANCE & APOLOGIES

Present

Member	Organisation
Cr John Collingwood	President – Shire of Chapman Valley
Cr Peter Humphrey	Councillor – Shire of Chapman Valley
Cr Pauline Forrester	Councillor – Shire of Chapman Valley
Mr Maurice Battilana	CEO – Shire of Chapman Valley
Ms Jonelle Tyson	State Emergency Management Committee Secretariat
Sgt Stuart Gerryn	Northampton Police
Mr Keith Shaw	Department of Child Protection
Mr Nic Chadbourne	St John Ambulance WA
Mrs Karen McKay	Minute Taker (observer only)

Apologies

Mr Gerard Williamson	Chapman Valley St John Ambulance
Mr Ian Thompson	DFES

4. DECLARATIONS OF INTEREST

Nil

5. BUSINESS ARISING

5.1 Confirmation of prior meeting minutes

MOVED: CR FORRESTER SECONDED: CR HUMPHREY

That the minutes of the 26 November 2014 Local Emergency Management Committee meeting be confirmed as a true and accurate record.

**Voting 7/0
 CARRIED
 LEMC 02/15-01**

5.2 Action Item List

Every Meeting Agenda Items:

- **Confirmation of LEMA Contact Details and Key Stakeholders (attached);**
Amendments – Appendix 7

Remove Mr Steve McDonald and add Mr Ian Thompson – DFES Area Manager

Remove Mr Owen Bell, Principal Yuna Primary School and add Mrs Shirley MacLeod
- **Review any of Post-Incident Reports and Post Exercise Reports generated since last meeting;**

Nil
- **Progress of Emergency Risk Management (ERM) process;**

N/A
- **Progress of Treatment Strategies arising from Emergency Risk Management (ERM) process;**

N/A
- **Progress of development or review of LEMA; and**

Nil
- **Other matters as determined by the Local Government.**

Nil

First Calendar Quarter Agenda Items:

- Development and approval of next financial year LEMC exercise schedule (to be forwarded to relevant DEMC);

Mr Battilana asked if the LEMC wanted to hold a desktop or field exercise and suggested that the Coronation Beach Nature Based Camping Ground and Other Nodes Evacuation Plan 2014 could be used.

Ms Tyson advised that another exercise is not due till 2015/2016

Mr Battilana suggested that this be brought back to the third quarter meeting
- Begin developing annual business plan.

This is currently being undertaken

6. CORRESPONDENCE IN

6.1 MIDWEST GASCOYNE DISTRICT EMERGENCY MANAGEMENT COMMITTEE

Nil

6.2 DEMC Minutes (Provided upon receipt)

Nil – Ms Tyson advised that the next Meeting is scheduled for the 4th March

7. CORRESPONDENCE OUT

Nil

8. PRESENTATIONS

Ms Tyson advised that she had attended the Shire of Northampton LEMC earlier and that the issue of the amalgamation of the Shire of Chapman Valley and Shire of Northampton LEMC's was once again raised.

Mr Battilana stated that the SEMC policy currently states that the amalgamation of LEMC's would have to incorporate whole of district not just the Northampton LEMC with Kalbarri standing alone.

Sgt Gerryn mentioned that the Shire of Northampton are the administrative agent for both LEMC's and that some members have to attend two meetings for the one Shire.

Ms Tyson stated that there are currently three issues concerning the merger of the Chapman Valley and Northampton LEMC's;

- The Chair of the Northampton LEMC believes that there should only be the one LEMC and that at the Kalbarri LEMC meeting to be held later today that they would be advised that the Kalbarri LEMC is operational only and that they become a Sub Committee.
- Once this is endorsed then can proceed with SEMC as the Shire's then meet their guidelines.
- With the evolving merger of Chapman Valley and Northampton LEMC's and the AWARE application there has been further discussion of further mergers over the Midwest/Gascoyne areas.

Cr Collingwood questioned how does the merger of the LEMC's work?

Sgt Gerryn advised that individual Councils are still responsible for their boundaries but they have a bigger voice and more resources at hand.

Ms Tyson advised that CEO's and Chairs of LEMC's are now invited to DEMC meetings which will involve a greater voice and influence and that she is also trying to involve business/industry and non-for-profit organisations for better funding opportunities.

MOVED: CR FORRESTER SECONDED CR HUMPHREY

That the Shire of Chapman Valley LEMC recommends that Council broaden its decision for the proposed Chapman Valley and Northampton merged LEMCs to investigating all other merger options across the Midwest for a combined LEMC which incorporates Chapman Valley.

**Voting 7/0
CARRIED
LEMC 02/15-02**

Ms Tyson presented three documents to the LEMC

- Local Recovery Guidelines
- Traffic Management during Emergencies Guide 2014; and
- Western Australia Community Evacuation in Emergencies Guide

These documents are also available on the SEMC website

Ms Tyson also advised that DFES are currently operating on reduced capabilities due to the fires in the South of the State and that there is currently a fire ban in place across the whole state. Application for exemptions can be made using the form 22C.

9. STANDING ITEMS

Nil

10. NEXT MEETING DATE

Next meeting to be held in the Shire of Chapman Valley Council Chambers on 12 May 2015

11. CLOSURE

The Chairman thanked members for their attendance and closed the meeting at 11.45am

11.0 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

11.1 Elected Member Reports

MOVED: CR FORRESTER SECONDED: CR FARRELL

That a Late Item regarding Mrs Pam Batten being awarded an OAM be discussed.

**Voting 7/0
CARRIED
Minute Reference 02/15-18**

MOVED: CR WARR SECONDED: CR FARRELL

Council endorse a letter of congratulations sent to Mrs Pam Batten on her recent Order of Australia Medal and minute the recognition of this award being presented to Mrs Batten.

**Voting 7/0
CARRIED
Minute Reference 02/15-19**

12.0 URGENT BUSINESS APPROVED BY THE PRESIDING MEMBER OR BY A DECISION OF THE COUNCIL

13.0 MATTERS FOR WHICH MEETING TO BE CLOSED TO MEMBERS OF THE PUBLIC

- 13.1 Copyright Claim – R Holdaway
- 13.2 Green Drive Subdivision

COUNCIL RESOLUTION

MOVED: CR FARRELL SECONDED: CR WARR

Council closes the meeting to the public for the following Agenda Items in accordance with the *Local Government Act, 1995* – Item 13.1 per Section 5.23(2)(d) legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting and Item 13.2 - Sections 5.23(2)(c) and 5.23(2)(e)(ii) as this item involves commercial information and a contract which may be entered into by the local government and which relates to a matter to be discussed at the meeting.

**Voting 7/0
CARRIED
Minute Reference 02/15-20**

AGENDA ITEM:	13.1
SUBJECT:	COPYRIGHT INFRINGEMENT CLAIM
PROPONENT:	ROSE HOLDAWAY
SITE:	SHIRE OF CHAPMAN VALLEY
FILE REFERENCE:	411.00
PREVIOUS REFERENCE:	NA
DATE:	18 th FEBRUARY 2015
AUTHOR:	MAURICE BATTILANA, CHIEF EXECUTIVE OFFICER

COUNCIL RESOLUTION

MOVED: CR MALUISH

SECONDED: CR FARRELL

Council:

1. Agree to paying the amount being claimed by Rose Holdaway as fair compensation for the use of her artwork as part of the “*Shire of Chapman Valley Community Cultural Plan*” to date;
2. Remove all reference to the artwork submissions and appendixes showing this artwork from the “*Shire of Chapman Valley Community Cultural Plan*”.
3. Destroy all copies of the existing “*Shire of Chapman Valley Community Cultural Plan*”.

**Voting 7/0
CARRIED
Minute Reference 02/15-21**

AGENDA ITEM	13.2
SUBJECT:	SUBDIVISION - GREEN DRIVE, NABAWA
PROPONENT:	LANDCORP
SITE:	LOT 9500 GREEN DRIVE, NABAWA
FILE REFERENCE:	A1662
PREVIOUS REFERENCE:	05/08-13, 12/13-6, 02/14-6 & 11/14-5
DATE:	28 JANUARY 2015
AUTHOR:	SIMON LANCASTER

VOTING REQUIREMENTS (STAFF RECOMMENDATION 1)

Absolute majority (as per Section 6.8(1)(b) of the *Local Government Act 1995*).

COUNCIL RESOLUTION / STAFF RECOMMENDATION 1

MOVED: CR FARRELL

SECONDED: CR HUMPHREY

That Council authorise purchase from LandCorp of a residential lot from the Lot 9500 Green Drive, Nabawa subdivision for the agreed price of \$60,000 to be funded from Land Development Reserve Account GL6511.

**Voting 7/0
CARRIED
Minute Reference 02/15-22**

VOTING REQUIREMENTS (STAFF RECOMMENDATION 2)

Simple majority

COUNCIL RESOLUTION / STAFF RECOMMENDATION 2

MOVED: CR FORRESTER

SECONDED: CR HUMPHREY

That Council:

- 1 Authorise the Shire President and Chief Executive Officer to sign the Contract for Sale of Land and Conditions documentation for Lot 9500 Green Drive, Nabawa on the understanding that the balance Lot 9000 will be returned to the Shire at the purchase price of one dollar.
- 2 Advise LandCorp that Council's preference is for the purchase of Lot 59 at the previously agreed price of \$60,000.

- 3 In the event that advice is received from LandCorp that Lot 59 is unavailable, advise LandCorp that Council's preference is for Lot 60.

**Voting 5/2
CARRIED
Minute Reference 02/15-23**

COUNCIL RESOLUTION

MOVED: CR FARRELL

SECONDED: CR MALUISH

That Council reopen the meeting to the public.

**Voting 7/0
CARRIED
Minute Reference 02/15-24**

14.0 CLOSURE

The Chairman thanked the Elected Members and Staff for their attendance and the meeting was closed at 11.53am.