

Ordinary Council

MINUTES

FOR THE MEETING HELD
WEDNESDAY, 10 APRIL 2019
IN COUNCIL CHAMBERS,
WALLCLIFFE ROAD, MARGARET RIVER
COMMENCING AT 5:30PM

Meeting Notice

Dear Councillor

I advise that an Ordinary Council Meeting of the Shire of Augusta Margaret River will be held in Council Chambers, Wallcliffe Road, Margaret River on Wednesday 10 April 2019, commencing at 5:30pm.

Yours faithfully



DALE PUTLAND
ACTING CHIEF EXECUTIVE OFFICER

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TABLE OF CONTENTS

ITEM NO. NO.	SUBJECT	PAGE
1.	DECLARATION OF OPENING	4
2.	ATTENDANCE	4
3.	DISCLOSURES OF INTEREST	5
3.1	ITEM 11.4.3 INTEREST FREE LOAN FOR MARGARET RIVER BOWLING CLUB - FINANCIAL INTEREST - CR EARL	5
4.	PUBLIC QUESTIONS	5
4.1.	RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE.....	5
4.2.	PUBLIC QUESTION TIME	5
5.	APPLICATIONS FOR LEAVE OF ABSENCE	5
6.	CONFIRMATION OF MINUTES OF PREVIOUS MEETING	5
6.1	ORDINARY COUNCIL MEETING HELD 27 MARCH 2019	5
7.	DEPUTATIONS	5
8.	PETITIONS	5
9.	ANNOUNCEMENTS FROM THE PRESIDING MEMBER	5
10.	QUESTIONS FROM MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN	5
11.	REPORTS OF COMMITTEES AND EMPLOYEE REPORTS	5
11.1.	CHIEF EXECUTIVE OFFICER	6
11.1.1	MEMBERSHIP WITH THE PERON NATURALISTE PARTNERSHIP.....	7
11.1.2	CAPES REGION ORGANISATION OF COUNCILS (CAPEROC) MINUTES - 8 FEBRUARY 2019	11
11.2.	SUSTAINABLE DEVELOPMENT	16
11.2.1	SMALL BUSINESS FRIENDLY LOCAL GOVERNMENTS CHARTER	17
11.3.	INFRASTRUCTURE SERVICES	20
11.4.	CORPORATE AND COMMUNITY SERVICES	22
11.4.1	LIST OF PAYMENTS FOR FEBRUARY 2019	23
11.4.2	FINANCIAL ACTIVITY STATEMENT REPORT - FEBRUARY 2019.....	26
11.4.3	INTEREST FREE LOAN MARGARET RIVER BOWLING CLUB	36
12.	MOTIONS FROM MEMBERS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN	39
12.1	REFERRAL TO PARLIAMENTARY COMMITTEE – REFORM OF LOCAL GOVERNMENT ACT - CR MELDRUM	39
12.2	TURNER CARAVAN PARK - CR SMART.....	39
13.	MOTIONS FOR CONSIDERATION AT NEXT MEETING	41
14.	NEW BUSINESS OF AN URGENT NATURE	41
14.1	MEMBERS.....	41
14.2	CEO	41
15.	CONFIDENTIAL BUSINESS	41
16.	CLOSURE OF MEETING	41

Minutes of the Ordinary Council Meeting held on Wednesday 10 April 2019, in Council Chambers, 41 Wallcliffe Road, Margaret River, commencing at 5.30pm

Ordinary Council Meeting

1. DECLARATION OF OPENING

The Shire President thanked all in attendance and declared the meeting open at 5.30pm

The Shire President gave an Acknowledgement of Country:

'I acknowledge and respect the traditional custodians of this land and pay our respects to elders past and present and emerging, whose lands we share.'

2. ATTENDANCE

Shire President : Cr Pam Townshend

Councillors : Cr Ian Earl
Cr Naomi Godden
Cr Peter Lane
Cr Pauline McLeod
Cr Julia Meldrum
Cr Mike Smart

Acting Chief Executive Officer : Dr Dale Putland

Acting Director Sustainable
Development : Mr Nick Logan

Director Infrastructure Services : Mr Markus Botte

Acting Director Corporate and
Community Services : Mr Andrew Ross

Governance Officer /
Council Support : Ms Claire Schiller

MEMBERS OF THE PUBLIC : Nil

MEMBERS OF THE PRESS : Nil

2.1 Apologies

Acting Manager Planning and Development, Mr Matt Cuthbert

2.2. Approved Leave of Absence

Nil

3. DISCLOSURES OF INTEREST

3.1 Item 11.4.3 Interest Free Loan Margaret River Bowling Club – Financial Interest – Cr Earl

Cr Earl disclosed a financial interest in Item 11.4.3 Interest Free Loan Margaret River Bowling Club as his business has provided prizes to them.

4. PUBLIC QUESTIONS

4.1. Response to Previous Public Questions Taken on Notice

Nil

4.2. Public Question Time

Nil

5. APPLICATIONS FOR LEAVE OF ABSENCE

Nil

6. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

6.1 Ordinary Council Meeting held 27 March 2019

MOTION / COUNCIL DECISION

CR SMART, CR EARL OM2019/65

That Council confirms the minutes of the Ordinary Council Meeting held on 27 March 2019 to be a true and correct record of the meeting.

CARRIED 7/0

7. DEPUTATIONS

Nil

8. PETITIONS

Nil

9. ANNOUNCEMENTS FROM THE PRESIDING MEMBER

9.1 Letter to the Mayor of Christchurch

The Shire President informed the meeting that she has written to Mayor of Christchurch on behalf of the Shire, offering condolences and solidarity for the sudden deaths of the mosque shootings.

10. QUESTIONS FROM MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

11. REPORTS OF COMMITTEES AND EMPLOYEE REPORTS

11.1. Chief Executive Officer

11.1.1 MEMBERSHIP WITH THE PERON NATURALISTE PARTNERSHIP

LOCATION/ADDRESS	Shire of Augusta Margaret River
APPLICANT/LANDOWNER	Shire of Augusta Margaret River
FILE REFERENCE	ENV/128
REPORT AUTHOR	Megan Smith, Executive Assistant
AUTHORISING OFFICER	Dale Putland, Acting Chief Executive Officer

IN BRIEF

- The Chairman of the Peron Naturaliste Partnership (PNP) has written to the Shire advising that the group is open to future collaboration with the Shire of Augusta Margaret River.
- Council resolved at the 24 October 2018 Ordinary Meeting of Council:

CR MELDRUM, CR LANE OM2018/269

That Council:

- 1. Advises the Chair of the Peron Naturaliste Partnership that it wishes to become a member of the group; and*
- 2. Enters into negotiation with the Peron Naturaliste Partnership to determine the terms and conditions of membership and budgets to pay annual membership fees.*

CARRIED 6/0

- Subsequent correspondence and discussions with the Chairman have identified that membership of the partnership will not directly benefit the Shire as the focus of the group's studies are largely focused on low lying coastal areas that are at risk of future inundation from sea level rise.
- The estimated annual contribution sought from the Shire for 2019-2020 would \$13,500 (exc GST), plus additional funds for projects undertaken by the group.

RECOMMENDATION

That Council advises the Peron Naturaliste Partnership that it does not wish to become a member of the group, but wish to be kept informed of the group's activities.

LOCATION PLAN

Nil

TABLED ITEMS

Nil

BACKGROUND

The Peron Naturaliste Partnership is an incorporated collective group of nine local governments between Cape Peron and Cape Naturaliste in the southwest of Western Australia – Bunbury, Busselton, Capel, Dardanup, Harvey, Mandurah, Murray, Rockingham, Waroona.

The PNP was formed in 2011 through a voluntary agreement, but recognising the long-term benefits of the partnership and the importance of dealing with coastal matters, the PNP became an incorporated group in 2015. Three key documents set out the aims, objectives and current direction of the PNP, and the responsibilities of Member Local Governments:

- A constitution which formally sets out the vision, objectives and operation of the PNP. (Attachment 1)
- A memorandum of understanding which is a non-legally binding document establishes the roles and responsibilities of the PNP and Member Local Governments. (Attachment 2)
- A Strategic Plan 2016 – 2019 establishes the Guiding Principles, Vision, Objectives and Strategic Direction of the PNP for the next four years and informs the annual Operational Plan. The Strategic

Plan provides PNP Member Local Governments, stakeholders and the community with background and current information on the PNP and its strategic direction. (Attachment 3)

Since its inception in 2011, the PNP has been successful in receiving around \$700,000 in funding from State and Commonwealth Government grants.

The PNP is supported by two part-time (0.5 FTE) Coastal Adaptation Coordinators whose salaries are paid from member Council contributions. The coordinators are currently hosted by the City of Mandurah.

Member Local Governments are represented by an elected member at a board level, with meetings also attended by senior technical officers from each local government.

On 9 May 2018, Council received a briefing from representatives of the Peron Naturaliste Partnership outlining the PNP's purpose and activities. During the briefing, Councillors discussed the possibility of the Shire joining the partnership and the potential benefits that might ensue.

On 28 September 2018, the Shire received a letter (Attachment 4) from the Chairman of the PNP stating that the PNP member Councils were open to discussion with the Shire regarding future collaboration between the Shire and the PNP. Subsequent discussions between the Shire's Director Sustainable Development and the PNP Chairperson confirmed that the PNP is open to requests from the Shire to join the PNP as a full member.

On 22 January 2019, the Shire President received a letter (Attachment 5) from the Chairman of the PNP advising that the method to determine member Council contribution is an average of the length of coastline and rates revenue. It acknowledged that much of the August Margret River coastline is unallocated crown land bounded by national park (Leeuwin-Naturaliste National Park) that is managed by the State Government. The PNP had estimated the length of coastline bounded by Shire vested reserves and residential land (including Augusta, Hardy Inlet and Molloy Island) and calculated that the Shire would need to make an approximate annual contribution of \$13,500 (ex GST) for 2019 – 2020.

CONSULTATION

Telephone conversations between the Director Sustainable Development and the Peron Naturaliste Partnership Chairperson and Coastal Adaption Coordinator to discuss the level of collaboration that would likely be supported by the group and potential benefits to the Shire from membership.

DISCUSSION

The PNP, which was formed as an independent body, whose main purpose is to provide a vehicle for a collaborative approach by the Member Councils to identify and address issues related to coastal risk and climate change induced sea level rise has proved a successful collaboration for the Member Councils. In addition to being the successful recipient of around \$700,000 in grant funding, the PNP has also been effective as a lobby and advocacy group for the Member Councils.

During discussions with the Chairperson and Coordinator, both noted that the PNP board made an effort to ensure that the benefits of membership were commensurate with the cost to each member Council, with the larger Councils with larger metropolitan areas on the coast contributing more to the partnership and received more in return. Member costs for smaller Councils with limited coastal infrastructure were significantly lower. Councils could also nominate the areas of coastline to be included in the PNP studies, reducing their contribution.

While there are limited urban areas within AMR Shire that are potentially at future risk from storm surge or sea level rise (notably some parts of Augusta and Molloy Island), there appears to be limited potential for studies to be undertaken in the Shire by the PNP. The Shire has completed a Coastal Hazard Risk management Adaptation Plan and has been successful. Securing and implementing grants for coastal works since this time.

STRATEGIC PLAN / POLICY IMPLICATIONS

Community Strategic Plan 2036 (CSP)

Key result area 1: Valuing the Natural Environment

Outcome 5: Ecological resilience in the face of changing climate

Key result area 3: Ensuring sustainable development

Outcome 3: Climate change mitigation and response

FINANCIAL IMPLICATIONS

The PNP constitution states that the financial contribution by each Member Local Government towards costs of the PNP shall be apportioned on the following basis:

- a) An annual membership fee used for officer wages and administration costs calculated on the average of the coastline length and rates revenue for each Member Local Government shall be determined annually at the Annual General Meeting. (The rates revenue used for such calculation shall be based upon rates revenue figures in the Western Australian Local Government Authority (WALGA) directory of the preceding year).
- b) A further supplementary contribution used for project funding may be sought, calculated on the average of the coastline length and rates revenue for each Member Local government, shall be determined annually at the Annual General Meeting. (The rates revenue used for such calculation shall be based upon rates revenue figures in the Western Australian Local Government Authority (WALGA) directory of the preceding year).

The cost for the Shire in the 2017/2018 financial year was previously estimated to be in the order of \$2,500 to \$5,000. However, the correspondence received on 22nd January 2019 has set out an estimated figure of \$13,500 (excl GST) plus a requirement to contribute funding to PNP projects if required.

SUSTAINABILITY IMPLICATIONS

Environmental

It was anticipated that membership to the PNP would assist the Shire to identify and mitigate the predicted impacts of climate change on coastal and estuarine environments. However the efforts of the group are focused on areas to the north of the Shire.

Social

It was anticipated that membership to the PNP would assist the Shire to identify and plan to responses to the impacts of climate change on community infrastructure, such as coastal access ways, walkways and other coastal and marine infrastructure. However, the group is more focused on quantifying the risk to low-lying coastal areas that are at threat of inundation.

Economic

It was anticipated that membership would improve the Shire's ability to respond to potential impacts through planning and advocacy efforts to ensure that key tourism attributes and facilities are retained. However, these benefits have proved to be less than anticipated.

VOTING REQUIREMENTS

Simple Majority

RECOMMENDATION

That Council advises the Peron Naturaliste Partnership that it does not wish to become a member of the group, but wish to be kept informed of the group's activities.

ADVICE TO APPLICANT / PROPONENT

Nil

ATTACHMENTS

1. Constitution
2. Memorandum of Understanding
3. Strategic Plan
4. Letter from PNP 29 September 2018
5. Letter from PNP 22 January 2019

RECOMMENDATION

CR SMART, CR TOWNSHEND

That Council advises the Peron Naturaliste Partnership that it does not wish to become a member of the group, but wish to be kept informed of the group's activities.

0/0

Cr Townshend moved the following amendment:

AMENDMENT

CR TOWNSHEND, CR

**That the following text be added following the words 'become a member of the group':
'at this time, but requests to attend meetings as an observer.'**

Cr Smart, as mover of the primary recommendation, advised acceptance of the amendment being incorporated into the primary motion:

Debate continued on the primary motion before being put to vote.

PRIMARY MOTION / COUNCIL DECISION

CR SMART, CR TOWNSHEND OM2019/66

That Council advises the Peron Naturaliste Partnership that it does not wish to become a member of the group at this time, but requests to attend meetings as an observer and be kept informed of the group's activities.

CARRIED 7/0

11.1.2 CAPES REGION ORGANISATION OF COUNCILS (CAPEROC) MINUTES - 8 FEBRUARY 2019

LOCATION/ADDRESS	Shire of Augusta Margaret River
APPLICANT/LANDOWNER	Shire of Augusta Margaret River
FILE REFERENCE	COR/22
REPORT AUTHOR	Megan Smith, Executive Assistant
AUTHORISING OFFICER	Dale Putland, Acting Chief Executive Officer

IN BRIEF

- Councils of the Shire of Augusta Margaret River and the City of Busselton established a Voluntary Regional Organisation of Councils known as the Capes Region Organisation of Councils (CapeROC).
- The CapeROC meets on a quarterly basis, to discuss and identify opportunities to enhance the capacity of both local governments in delivering social, economic and environmental benefits to their communities and the region.
- Decisions made at the CapeROC meetings to date are presented to Council to be noted or endorsed for action.

RECOMMENDATION

That Council notes the CapeROC meeting minutes dated 8 February 2019 and the recommendations made at the meeting.

LOCATION PLAN

Nil

TABLED ITEMS

Nil

BACKGROUND

The Councils of the local governments of Augusta Margaret River (AMR Shire) and City of Busselton (CoB) resolved to reactivate and formalise the Voluntary Regional Organisation of Councils to be known as the Capes Region Organisation of Councils (CapeROC).

The objectives of the CapeROC, contained in the Terms of Reference (ToR) adopted 24 September 2009, and further reviewed on 18 August 2018 are outlined below:

- To explore opportunities to foster economic Development in the Capes Region;
- To explore avenues to foster tourism in the Capes Region and improve the coordination of major regional events;
- To safeguard, strengthen and grow the Margaret River and Busselton brands;
- To explore opportunities to undertake projects of mutual benefit to the two local governments e.g. Rails to Trails network, joint waste management facilities, joint funding of infrastructure requirements;
- To develop opportunities to undertake capacity building activities for Councillors and staff in the Shire and the City
- To explore opportunities to develop funding submissions on a regional basis;
- To evaluate possible resource sharing arrangements between the two local governments;
- To identify skill shortages and to undertake workforce planning on a regional basis;
- To explore opportunities to simplify and standardise policies in the region where appropriate;
- To consider the feasibility of establishing a Capes Regional Council.

The CapeROC meets on a quarterly basis or as required. Thirty four meetings have taken place since the formation of the body. The meeting proceedings are conducted in accordance with the accepted rules of conduct for the two local governments Council and Committee meetings.

The CapeROC has no delegated powers and is a facilitation, advocacy and advisory body established to assist both Councils to achieve greater effectiveness and efficiency. CapeROC decisions made are not binding to the two Councils and require endorsement by either Council. This report presents a summary of the CapeROC decisions at the relevant meeting and proposes that Council notes and endorses the decisions for action.

CONSULTATION AND ADVICE

- Acting CEO, Shire of Augusta Margaret River

DISCUSSION / OFFICER COMMENTS

CapeROC members discussed a number of issues including updates and progress on budgeted projects and strategies at the meetings.

Presentations by External Organisations

Tony Brown from WALGA provided an update on the following:

- Future of Local Government Forum
- Economic Development Framework project progress
- Regional Subsidiaries
- Provision of Health Services
- 'Your Everyday' website
- Video presentation highlighting the South West

Business Arising from Previous Meetings

Nil

GENERAL UPDATES

CapeROC Budget

The table below shows CapeROC approved allocations for the 2018-2019 financial year

2018-2019 Proposed Allocations

2018-2019 CapeROC Projects	In Principle Allocation \$100,000	Expenditure (AMR) \$50,000	Expenditure (BSN) \$50,000	Comments
CapeROC Calendar of Events 2018-2019 (Spring, Summer, Autumn and Winter)	\$21,700	\$10,850	\$10,850	Chairperson Townshend requested an update on calendar to be provided
Joint Trail Strategy Development	\$30,000	\$15,000	\$15,000	Contractor being engaged & construction under way
Tourism Signage Strategy	\$30,000	\$15,000	\$15,000	
Joint Public Health Plan	\$18,300	\$9,150	\$9,150	Under way – information can be distributed
Potential Total Expenditure:	\$100,000	\$50,000	\$50,000	Cr Grant Henley requested an update on the current budget and its expenditure which is required prior to the next meeting. Acting CEO Dale Putland advised that he will present at next meeting

Total Unallocated:	\$0	\$0	\$0
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Recommendation

That CapeROC notes the current status of the CapeROC 2018-2019 budget and that Dr Dale Putland to distribute updated budget information to Members prior to next meeting.

REPORTS

Proposal – OUR TOWN Television series – Busselton Augusta Margaret River Episode

The Shire of Augusta Margaret River, the City of Busselton and MRBTA have been approached regarding a filming initiative which proposes a fifteen minute promotional clip compiled by a commercial provider. The promotion requires \$15,000 of funding to be sourced.

Recommendation

- More information is required prior to making a decision, understanding the breakdown of the cost, the proposed time and funding arrangements.
- Identify whether this is best use of \$15,000 spent on promotional material and/or would it be better to spend more for a higher quality and a wider audience.

Capes Regional Signage Review Report – December 2018

Jaylene Chambers, Economic and Business Development Coordinator, City of Busselton, gave a presentation on the signage review. Points to note:

- GHD have now completed the full survey and data collection components of the project and have presented a report highlighting the priority items and guiding principles of tourist and service signage for replacement and future management.
- City of Busselton and Shire of Augusta Margaret River officers have met to discuss the findings and recommendations in the report, and the previous work carried out from 2013 to 2015 which covered a review of existing signage and the development of a strategy to ensure consistent and accurate tourism signage across both local government areas. This previous work has yet to be completed.

Recommendation

That MRBTA be consulted prior to any decision being made.

MAJOR PROJECT UPDATES

Smart Drumline and Spectur Trial – Shire of Augusta Margaret River.

A task force been formed by the Minister in conjunction with the Conservation Council and Sea Shepherd. All tagged sharks will trigger the Spectur alert system and Shire Rangers will be notified to activate system.

GENERAL DISCUSSION ITEMS

National Heritage Listing of Caves Road – Shire of Augusta Margaret River

- The road's original construction was possibly originally a walking track for the Wadandi people.
- The listing would raise the status of the route from a tourism and marketing perspective, which could be of benefit to the region.

Climate Change Summit – Shire of Augusta Margaret River

- This event is an international summit and the first of its kind.
- The event is to be held the day before the WSL Margaret River Pro commences.
- The Shire is currently researching who may be available and be relevant to present.

Communication with Traditional Owners

Various methodologies for improving communications with traditional owners were discussed

Drone use

- There is concern over use over public areas after complaints of privacy and safety issues were received from the public.
- Any craft off the ground is covered by CASA and can't fly over an emergency zone, populated area or airport.

- Only one government body has a policy on the use of drone's without a permit.
- WALGA has recommended that local government take a neutral position with regards to drone use.
- It was suggested CapeROC lobby State Government for the means to regulate drone use over local government reserves without banning the use of drones.
- There is legislation that drones have to be 100ft above wildlife and public areas.
- The potential for drone use in emergency situations such as fire, shark spotting etc. can be useful.

Australian Hotels Association Advertising

- In a recent promotional magazine published by AHWA and Driving WA, Busselton is not mentioned at all. A complaint has been lodged with Tourism WA.
- New tourism material in a two year action plan will be produced - CapeROC needs to ensure that both local governments and MRBTA are involved to ensure that material is accurate.

Contamination at Busselton Tip

The City of Busselton have been transparent with regards to possible legal action from a group of affected residents.

POLICY IMPLICATIONS

The adopted Augusta Margaret River Shire Governance and Business Excellence Policy Manual - 1.9 Council Delegates - provides guidance to Council's delegates in participating and contributing to decision making for external committees and bodies.

PLANNING FRAMEWORK

Community Strategic Plan 2033 (CSP)

Corporate Business Plan 2017-2021

Key Result Area 5: Effective leadership and governance

FINANCIAL IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

Joint media releases following CapeROC meetings will provide a promotional tool to keep the communities informed on CapeROC issues and will demonstrate that the Shire of Augusta Margaret River and the City of Busselton are actively cooperating, sharing resources and identifying issues of commonality to enhance the provision of social, economic and environmental benefits to their communities and region.

VOTING REQUIREMENTS

Simple Majority

RECOMMENDATION

That Council notes the CapeROC meeting minutes dated 8 February 2019 and the recommendations made at the meeting.

ADVICE TO APPLICANT / PROPONENT

Nil

ATTACHMENTS

1. Minutes of the CapeROC meeting held on 8 February 2019

The CEO informed the meeting of an administrative correction to 7.2 of the attachment:

- The wording 'at a cost of \$6,000 per day' has been omitted.

During debate, the following administrative errors were also corrected:

- 8.2 Climate Change Acting Summit – the wording 'this event is an international summit and the first of its kind' was omitted.
- 8.4 Drone Use - Deletion of mover / seconder / voting outcome.

Cr Earl then moved the recommendation:

RECOMMENDATION / COUNCIL DECISION

CR EARL, CR MCLEOD OM2019/67

That Council notes the unconfirmed CapeROC meeting minutes with corrections, dated 8 February 2019 and the recommendations made at the meeting.

CARRIED 7/0

11.2. Sustainable Development

11.2.1 SMALL BUSINESS FRIENDLY LOCAL GOVERNMENTS CHARTER

LOCATION/ADDRESS	Shire of Augusta Margaret River
APPLICANT/LANDOWNER	Shire of Augusta Margaret River
FILE REFERENCE	ECD/26
REPORT AUTHOR	Saul Cresswell, Sustainable Economy Officer
AUTHORISING OFFICER	Nick Logan, Acting Director Sustainable Development

IN BRIEF

- Key functions and duties of the new Sustainable Economy Officer include supporting and engaging with the local business community.
- 97% of the businesses in the Augusta Margaret River Shire are considered small business (0-20 employees).
- The Small Business Development Corporation's *Small Business Friendly Local Governments Initiative* includes a Charter designed to assist Local Government in becoming more supportive of, and demonstrating good will towards, small business.
- The Charter includes basic strategies and actions to support small business, including commitment to paying invoices on time, engaging regularly with the small business community, and putting in place a non-judicial process for resolving disputes.
- Council adoption of the Charter is recommended.

RECOMMENDATION

That Council adopts the Small Business Friendly Local Governments Charter.

LOCATION PLAN

Nil

TABLED ITEMS

Nil

BACKGROUND

The Small Business Development Corporation's (SBDC) *Small Business Friendly Local Governments Initiative* has been developed to:

"Recognise local government authorities in Western Australia that are committed to actively supporting small businesses in their local area.

Local governments are encouraged to sign the Small Business Friendly Local Governments Charter to show they have committed to work with, and support, small business by:

- offering enhanced customer service;
- reducing red tape;
- making on-time payments;
- having a process in place to handle disputes; and
- introducing other activities to improve the operating environment for small businesses in their area.

Participating local governments will provide us with updates on how they are meeting these commitments."

CONSULTATION AND ADVICE

External Consultation

The Sustainable Economy Officer has consulted with a number of business leaders and peak industry bodies.

Internal Consultation

The Sustainable Economy Officer has consulted with the Project and Procurement Officer, the Acting Director of Sustainable Development and the Acting CEO.

DISCUSSION / OFFICER COMMENTS

The vast majority of business in the Augusta Margaret River Shire is either non-employing/sole trader (64%) or small business with 1-20 employees (33%). Comprising, together, 97% of the businesses in the local region, they are vital in providing the goods, services and jobs the local community relies upon.

Recruitment of the Sustainable Economy Officer is a strong first step in helping support the business community to become more resilient, and joining the Small Business Friendly Local Government Initiative is a simple next step. It not only provides a framework for consideration of concrete actions to support small business, but is also a symbolic gesture that the AMR Shire takes economic vitality seriously.

Membership of the initiative is free, and entails adopting the Charter and providing bi-annual updates to SBDC on activities the AMR Shire has undertaken to support small business. In return SBDC will provide a "Small Business Friendly" logo that can be used to promote efforts of the AMR Shire in engaging with and supporting local small business.

STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS

The Small Business Friendly Initiative is a voluntary charter and does not bind the Shire in a legislative sense.

STRATEGIC PLAN / POLICY IMPLICATIONS

Community Strategic Plan 2036 (CSP)

Corporate Business Plan 2018-2022

Key Result Area 4: Vibrant and diverse economy

Key Result Area 5: Effective leadership and governance

Governance Strategy 5.4.4: Encourage and support community – Shire projects and partnerships

PLANNING FRAMEWORK

Nil

FINANCIAL IMPLICATIONS

There are no direct financial implications of adoption of the Small Business Friendly Charter. Any future actions that might arise from pursuing the principles in the Charter will be funded through existing budget allocations or referred to the budget process for consideration. Membership in the initiative may give additional credibility to any potential grant funding applications in the future.

SUSTAINABILITY IMPLICATIONS

Environmental

A thriving small business sector can lead to reduced carbon emissions as producers utilise other local suppliers in lieu of longer, oil-intensive supply chains. Small business owners often also live in the same locality in which the environmental impacts of their business activities have effect, potentially leading to greater awareness of downstream impacts.

Social

Running a small business can be a stressful and tiring endeavour, and feeling supported by Local Government could contribute to a greater sense of wellbeing. In addition, many of the suggested actions in the Small Business Friendly Local Governments Initiative have consequential social benefits. For example, one suggested action is to develop community events that will attract people to the business district. The benefits of community events extends beyond their economic potential, and can include a greater sense of place, community cohesion, inclusion of socially isolated community members, and a more vibrant town centre.

Economic

Greater communication between the AMR Shire and the small business sector can lead to timely resolution of difficulties for small business, and greater understanding both ways. Any actions that the AMR Shire can undertake to reduce the challenges of running a small business will assist the local economy – a diversity of small, locally-owned business has been shown to yield a much higher local multiplier effect, and a higher employment rate per dollar of turnover.

VOTING REQUIREMENTS

Simple Majority

RECOMMENDATION

That Council adopts the Small Business Friendly Local Governments Charter.

ADVICE TO APPLICANT / PROPONENT

Nil

ATTACHMENTS

1. Western Australian Small Business Friendly Local Governments Charter
2. Small Business Friendly Local Governments Initiative: List of potential additional activities

Cr Meldrum left Chambers at 5.52pm

Cr Meldrum re-entered Chambers at 5.53pm

RECOMMENDATION / COUNCIL DECISION

CR MCLEOD, CR EARL OM2019/68

That Council adopts the Small Business Friendly Local Governments Charter.

CARRIED 7/0

11.3. Infrastructure Services

11.3. INFRASTRUCTURE SERVICES

Nil

11.4. Corporate and Community Services

11.4.1 LIST OF PAYMENTS FOR FEBRUARY 2019

LOCATION/ADDRESS	Shire of Augusta Margaret River
APPLICANT/LANDOWNER	Shire of Augusta Margaret River
FILE REFERENCE	FIN/42
REPORT AUTHOR	Belinda Browning, Accounts Payable Officer
AUTHORISING OFFICER	Andrew Ross, Acting Director Corporate Community Services

IN BRIEF

It is a requirement of the *Local Government (Financial Management) Regulations 1996* that payments made under delegated authority by the CEO are reported to Council on a monthly basis showing details of each account paid since the last such list was prepared.

RECOMMENDATION

That Council notes the February 2019 List of Payments for \$3,247,386.07 as certified correct by the Chief Executive Officer.

LOCATION PLAN

Nil

TABLED ITEMS

Nil

BACKGROUND

Where Council has delegated authority to the CEO to make payments from the Shire's bank accounts then under *Local Government (Financial Management) Regulations 1996, Regulation 13 (1)* a list of such payments is to be prepared each month for noting by Council.

CONSULTATION AND ADVICE

External Consultation

Nil

Internal Consultation

Nil

DISCUSSION / OFFICER COMMENTS

Table 1 below provides a summary of the payments made and Table 2 makes comparison between payments for the 2017-18 and 2018-19 financial years.

The List of Payments attachment provides further details as required under Regulation 13 (1). These details are as follows.

- (a) The payee's name;
- (b) The amount of the payment;
- (c) The date of the payment; and
- (d) Sufficient information to identify the transaction.

In order to improve operational efficiency and reduce costs, the Shire's Finance team continually liaise with creditors paid by cheque to encourage them to switch to EFT.

SHIRE OF AUGUSTA MARGARET RIVER
ORDINARY COUNCIL MEETING 10 APRIL 2019

TABLE 1 – SUMMARY OF PAYMENTS MADE IN THE MONTH FEBRUARY 2019

MODE OF PAYMENT	CHEQUE / EFT NUMBERS	SUB-TOTAL	AMOUNT
Cheques (includes reimbursement of credit cards)	42393-42400	\$ 24,695.30	\$ 24,695.30
EFT	69084-69518	\$2,216,133.27	
Direct Debits		\$1,006,557.50	\$3,222,690.77
TOTAL			\$3,247,386.07

TABLE 2 – COMPARISON WITH PRIOR YEAR OF PAYMENTS

MONTH	CHEQUES	EFT/DD	TOTAL PMTS	CUMULATIVE PAYMENTS	CHEQUES	EFT/DD	TOTAL PMTS	CUMULATIVE PAYMENTS
	2017-18	2017-18	2017-18		2018-19	2018-19	2018-19	
JULY	11,911.90	4,058,767.09	4,070,678.99	3,693,703.78	26,103.88	5,421,569.55	5,447,673.43	5,447,673.43
AUGUST	12,189.23	3,345,515.25	3,357,704.48	7,417,044.16	24,324.24	3,479,792.07	3,504,116.31	8,951,789.74
SEPTEMBER	22,462.49	9,460,770.44	9,483,232.93	15,746,398.37	12,292.40	3,829,327.80	3,841,620.20	12,793,409.94
OCTOBER	14,248.57	6,213,632.69	6,227,881.26	20,776,246.78	16,100.80	12,583,756.59	12,599,857.39	25,393,267.33
NOVEMBER	16,796.25	3,002,051.85	3,018,848.10	23,314,937.30	18,922.59	4,513,582.09	4,532,504.68	29,925,772.01
DECEMBER	16,784.55	3,486,311.03	3,503,095.58	26,037,639.47	26,683.06	4,637,340.93	4,664,023.99	34,589,796.00
FEBRUARY	23,253.79	3,016,860.48	3,040,114.27	28,570,044.69	39,638.36	3,969,206.46	4,008,844.82	38,598,640.82
FEBRUARY	8,323.20	3,158,631.14	3,166,954.34	31,081,914.60	24,695.30	3,222,690.77	3,247,386.07	41,846,026.89
MARCH	13,755.44	3,754,347.57	3,768,103.01	33,900,567.24				
APRIL	21,948.61	3,759,184.07	3,781,132.68	38,890,752.20				
MAY	12,777.70	4,065,100.21	4,077,877.91	41,953,695.96				
JULY	63,421.26	7,100,844.90	7,164,266.16	46,063,662.23				
	237,872.99	54,422,016.72	54,659,889.71	54,659,889.71				

STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS

Local Government Act 1995, s 6.10, and
Local Government (Financial Management) Regulations 1996, r 13

STRATEGIC PLAN / POLICY IMPLICATIONS

Community Strategic Plan 2036 (CSP)
Corporate Business Plan 2018-2022

Key Result Area 5: Effective leadership and governance
Community Outcome 2: Effective and integrated strategy, planning,
financial and asset management.

Strategic Response: Ensure the Shire's financial performance is well managed and leads to a strong financial position.

Service level strategy/plan: Continue to monitor and analyse monthly, year to date and annual financial performance.

PLANNING FRAMEWORK

Nil

FINANCIAL IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

Environmental

Nil

Social

Nil

Economic

Nil

VOTING REQUIREMENTS

Simple Majority

RECOMMENDATION

That Council notes the February 2019 List of Payments for \$3,247,386.07 as certified correct by the Chief Executive Officer.

ADVICE TO APPLICANT / PROPONENT

Nil

ATTACHMENTS

1. List of Payments for February 2019

RECOMMENDATION / COUNCIL DECISION

CR MELDRUM, CR LANE OM2019/69

That Council notes the February 2019 List of Payments for \$3,247,386.07 as certified correct by the Chief Executive Officer.

CARRIED 7/0

11.4.2 FINANCIAL ACTIVITY STATEMENT REPORT - FEBRUARY 2019

LOCATION/ADDRESS	N/A
APPLICANT/LANDOWNER	Shire of Augusta Margaret River
FILE REFERENCE	FIN/14
REPORT AUTHOR	Andrew Ross, Acting Director Corporate and Community Services
AUTHORISING OFFICER	Dale Putland, Acting Chief Executive Officer

IN BRIEF

- The monthly financial activity statement report is a standard financial reporting item prepared in accordance with the provisions of the *Local Government Act 1995* and Regulation 34 of the *Local Government (Financial Management) Regulations 1996*.
- Council is to consider the financial results for the period ending 28 February 2019.

RECOMMENDATION

That Council receives the Monthly Financial Report – February 2019 in accordance with Section 6.4 of the *Local Government Act 1995* and Regulation 34 of the *Local Government (Financial Management) Regulations 1996*.

LOCATION PLAN

Nil

TABLED ITEMS

Nil

BACKGROUND

In accordance with Financial Management Regulation 34, the Shire is to prepare each month a Statement of Financial Activity reporting on the sources and applications of funds, as set out in the annual budget under Financial Management Regulation 22(1), for that month with the following details:

- (a) annual budget estimates;
- (b) budget estimates to the end of the month to which the statement relates;
- (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
- (d) material variances between the comparable amounts referred to in (b) and (c); and
- (e) net current assets at the end of the month to which the statement relates.

Also under Financial Management Regulation 34(5) Council are to adopt each year a material variance threshold. At the Ordinary Meeting of Council on 25 July 2018 (**OM2018/186**) Council adopted a monthly variance for reporting of material variances, where financial activity is greater than 10% and \$10,000.

CONSULTATION AND ADVICE

External Consultation

Nil

Internal Consultation

Business unit managers were provided the draft monthly financial reports for their business units and have provided their comments on variances greater than 10% and \$10,000.

DISCUSSION / OFFICER COMMENTS

The commentary contained in the body of this report is in line with Financial Management Regulation (2)(b) that requires commentary on material variances to the Statement of Financial Activity at the nature/type, program or business unit level.

The Statement of Financial Activity shows a year to date actual closing position at 28 February of \$12.927 million (\$0.934 million lower than last month's result of \$13.861 million). This result was higher than the expected year to date budgeted position of \$6.054 million. The following details the main reasons for this favourable variation to Budget.

Operating revenue is \$0.034 million or 0.1% above the amended budget (last month \$0.546 million or 1.8% above budget). The main contributors to this favourable result are:

- fees and charges are \$0.028 million over the amended budget (last month \$0.102 million) with the main over budget variation being in the Waste Services area; and
- interest received on investments are \$0.059 million over the amended budget (last month \$0.114 million).

Income from rates is currently under the amended budget by \$0.027 million (last month \$0.090 million) due to lower than expected interim and back rates.

Operating expenditure on a year to date basis is \$1.377 million or 5.4% below the amended budget (last month \$0.871 million or 3.9% below budget). The main contributing factors are:

- employee expenses being \$0.042 million or 0.4% below the amended budget (last month \$0.149 million or 1.7% below budget);
- materials and contracts are \$1.382 million or 19.2% below the amended budget (last month \$0.602 million or 10.2% below budget);
- utilities are \$0.084 million or 12.8% below the amended budget (last month \$0.040 million or 7.4% below budget);
- other expenses are \$0.055 million or 8.9% below the amended budget (last month \$0.083 million or 14.2% below budget); and
- depreciation is \$0.190 million or 3.1% over budget (last month \$0.192 million or 3.6% over budget).

Timing of staff vacancies and recruitment has contributed to employee expenses being under budget for a number of areas including CEO, Customer Relations, Rangers, Fitness Centre and Parks and Gardens. Training, leave taken, seasonal labour and staff acting in other positions have contributed to under budget employee expenses in areas such as Caravan Parks, Libraries, Information Technology and Records.

The timing of various operating projects has contributed to materials and contracts being under budget and areas with under budget variations greater than \$0.050 million include Asset Services, Augusta Recreation Centre, CEO, Outside School Hours Care, Fire Prevention, Indoor Recreation Centre, Information Technology, Road Maintenance, Parks and Gardens, Planning, Waste Services, Caravan Parks and Community Planning and Development. Over budget materials and contracts expenditure for the Public Works Overheads area partly offset the above.

Variation in the budget profile compared to the actual disbursement of donations, grants and subsidies is the reason other expenses is under budget for the Corporate and Community Services, Members of Council and Landcare areas.

Grants for capital works are \$0.429 million or 9.1% under budget (last month \$0.485 million or 14% under budget). Higher than budgeted developer contributions have offset the impact of grants not yet being received for the HEART project although a \$1.080 million grant instalment was invoiced to the National Stronger Regions Fund during the month.

Capital expenditure of \$1.196 million during the month compared to the budget for the month of \$2.028 million. On a year to date basis capital expenditure is \$5.698 million or 35.3% under budget (last month \$4.866 million or 34.5% under budget). The major causes of this variation are:

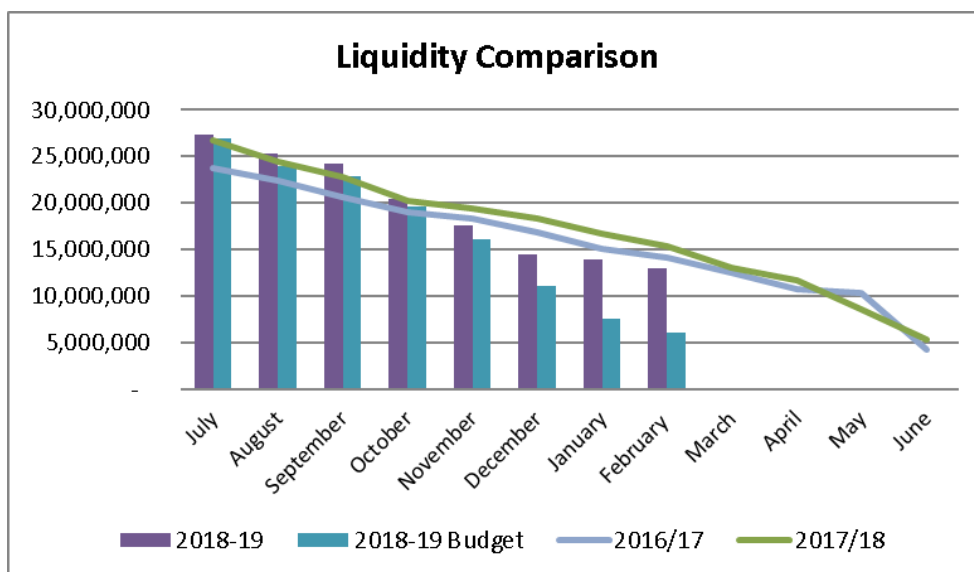
- works for buildings at the Margaret River Youth Precinct;
- the extension for the Wallcliffe Bushfire Brigade shed is not expected to be completed until May;
- various projects for the Rangers have not commenced;
- delivery of shelves for the Augusta Library is expected in April;

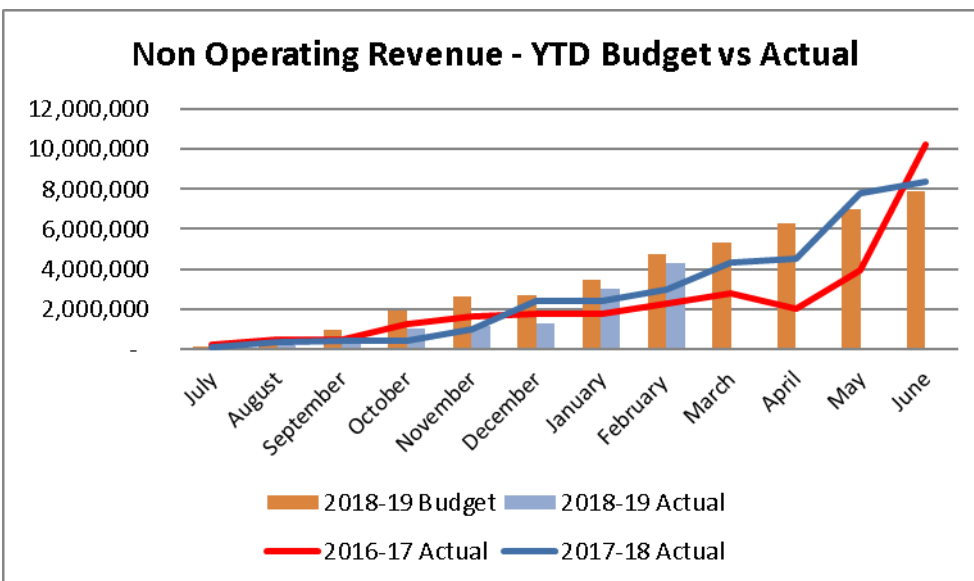
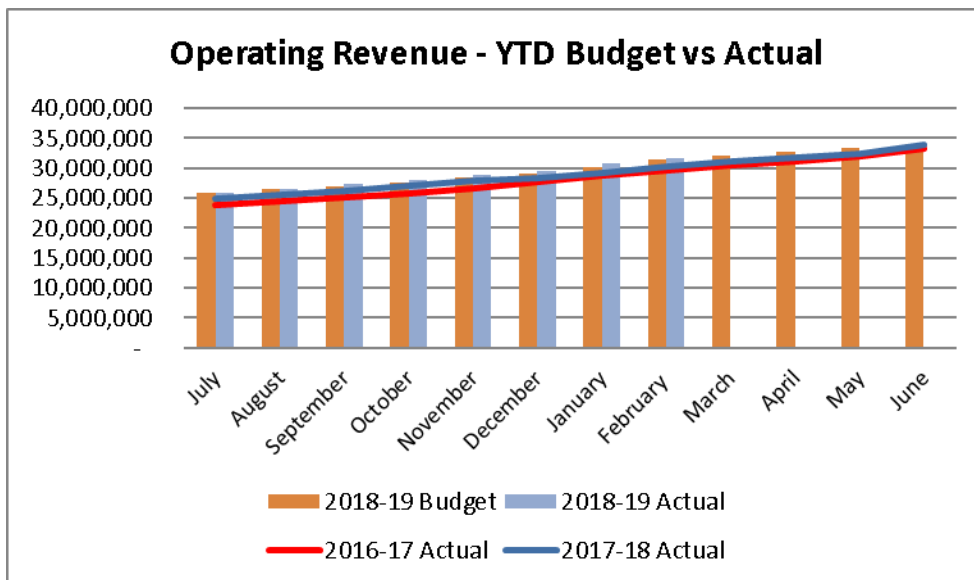
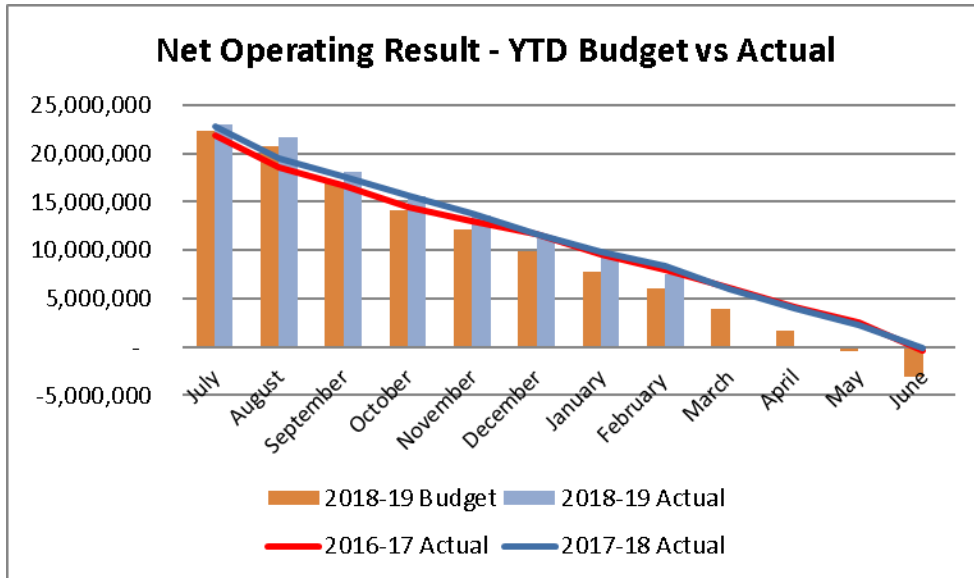
- a number of projects for waste services projects have been delayed as a result of a number of issues including licence approval and the transfer station feasibility study recommendations;
- community buildings expenditure is \$2.671 million under budget projections with the main reasons being the works for the Cowaramup Hall and the cash flow forecast for the HEART project varies to that used for the budget although construction is still scheduled for completion by the end of the financial year;
- some projects for the Margaret River Recreation Centre, Augusta recreation facilities and Gloucester Park have been delayed;
- purchases of kitchen equipment for the HEART building are expected to occur in May or June;
- parks and gardens expenditure is \$0.379 million under budget with the main variations being a result of the timing of actual expenditure compared to budget for the Lower Western Oval project, the renewal of public open space and the John Archibald Drive landscaping project;
- expenditure for Asset Services is \$0.246 million under budget with the main causes being the land purchase process for the Margaret River trail, shelters for the Augusta interpretation plan and delays with the Gnarabup coastal erosion project;
- road and related projects are \$1.312 million under budget with the main variations occurring for drainage expansion, path expansion and road rehabilitation projects as well as the delay to the Margaret River main street upgrade project;
- plant and equipment purchases are \$0.430 million under budget with procurement of a number of plant items in progress; and
- an outstanding invoice for the power upgrade at Turner Caravan Park is a contributing reason for caravan parks expenditure being \$0.206 million under budget.

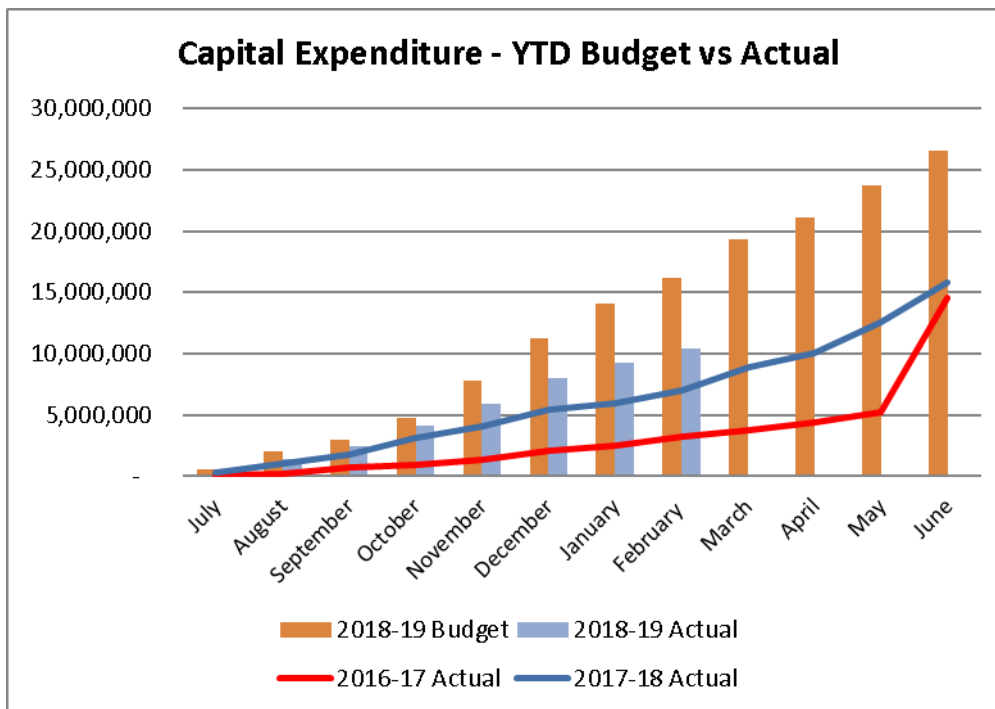
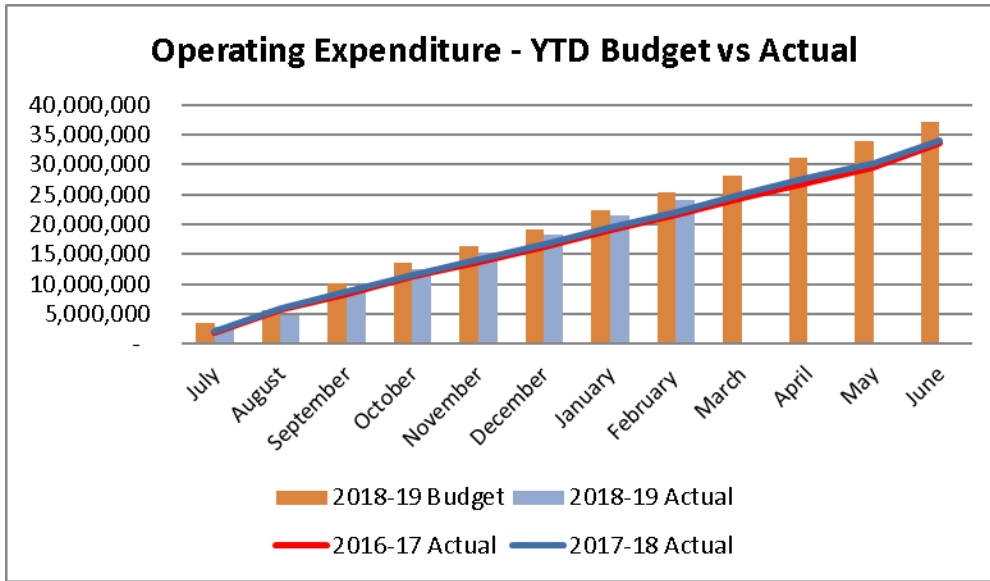
Capital expenditure for the month included the following.

- Purchase of a mobile electronic smartboard for Outside School Hours Care;
- \$0.037 million for various waste management projects;
- \$0.506 million for community building projects including \$0.500 million for the HEART project;
- \$0.079 million on various Parks and Gardens projects including playground equipment, public open space renewal and upgrade works and fencing of the Rapids Landing School Oval;
- \$0.510 million on road related projects of which \$0.136 million was spent on infrastructure upgrade projects and \$0.375 million was spent on infrastructure renewal projects. Path projects, the Margaret River main street upgrade project, depot works, various road reconstruction projects, gravel re-sheeting and drainage renewal were the main areas of expenditure; and
- \$0.036 million to replace the written off Ranger vehicle.

Financial performance against budget are shown in the following charts.







Following is the Statement of Financial Activity for the year ending 28 February 2019.

SHIRE OF AUGUSTA MARGARET RIVER
ORDINARY COUNCIL MEETING 10 APRIL 2019

SHIRE OF AUGUSTA MARGARET RIVER STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDING 28 February 2019							
BUSINESS UNITS	2018-19 Approved Budget	2018-19 Amended Budget	2018-19 Month of Feb	2018-19 YTD Budget	2018-19 YTD Actual	YTD Variance >10% & >\$10,000	Comments
	\$	\$	\$	\$	\$		
Net Current Assets at 1 July surplus/(deficit)	5,103,678	5,254,476		5,254,476	5,254,476		Includes advance payment of FAGs for 2018-19
Revenue from Operating Activities							
Rates	21,769,660	21,777,160	68,947	21,677,660	21,674,922	0	
General Financing	1,492,719	1,636,158	264,909	1,146,530	1,208,982	0	
Members of Council	500	500	0	375	32	0	
Chief Executive Officer	0	0	0	0	3,000	0	
Director Corporate & Community	27,500	27,500	0	25,100	2,610	(2,490)	Timing/Perm: grants for Scott River project
Director Sustainable Development	0	0	0	0	2,882	0	
Director Infrastructure	0	0	0	0	0	0	
Finance	15,941	15,941	0	6,200	9,299	0	
Records	0	0	30	0	340	0	
Corporate Services	1,500	1,500	0	1,500	724	0	
Customer Relations	193,800	183,800	15,073	123,200	126,525	0	
Information Comm. Technology	0	0	0	0	914	0	
Human Resources	20,000	20,000	0	20,000	0	(20,000)	Perm: scheme dividend not expected to be received
Community Planning & Development	43,917	63,188	100	48,032	31,094	(16,938)	Timing: grants to be received
Emergency and Fire Services	305,449	665,942	20,559	392,726	405,053	0	
Rangers	211,700	211,700	7,946	140,250	130,813	0	
Libraries	38,700	45,700	4,229	33,300	35,593	0	
Environmental Health	123,915	129,915	7,943	109,101	116,816	0	
Outside School Hours Care	463,300	518,300	39,228	370,825	402,995	0	
Waste Services	4,927,040	4,858,040	48,911	4,628,367	4,704,941	0	
Town Planning	318,360	318,360	15,160	212,240	191,734	(20,506)	Timing/Perm: planning application fees
Community Buildings	0	0	1,414	0	5,869	0	
MR Recreation Centre	829,900	813,900	60,843	540,250	558,645	0	
Cultural Centre	1,300	1,300	0	200	3,500	0	
Augusta Recreation Centre	41,500	41,500	3,153	27,000	19,941	0	
Gloucester Park	74,500	74,500	5,753	60,750	51,280	0	
Beach Lifeguards	0	0	0	0	0	0	
Parks and Gardens	4,400	4,400	821	4,400	4,338	0	
Asset Services	105,600	105,600	2,143	61,200	54,616	0	
Landcare	25,000	17,807	0	17,807	22,348	0	
Construction	0	10,000	0	10,000	10,000	0	
Maintenance	0	0	0	0	139	0	
Plant Program	2,000	50,000	0	50,000	51,174	0	
Caravan Parks	2,176,194	2,176,194	264,033	1,565,570	1,485,326	0	
Building Control	248,200	248,200	18,766	164,200	147,911	(16,289)	Timing: pool inspection fees
Works Overheads	0	0	0	0	0	0	
Plant Operation Costs	0	0	0	0	2,637	0	
Other Property and Services	20,000	108,000	7,821	102,000	106,233	0	
	33,482,595	34,125,105	857,782	31,538,782	31,573,226	34,444	
Expenditure from Operating Activities							
Revenue	(319,444)	(309,444)	(29,027)	(206,507)	(203,488)	0	
General Financing	(604,642)	(619,642)	(28,454)	(337,842)	(334,852)	0	
Members of Council	(393,224)	(388,224)	(35,061)	(254,316)	(188,675)	65,641	Timing: donations and projects
Chief Executive Officer	(1,356,786)	(1,143,286)	(102,460)	(747,187)	(663,987)	83,200	Perm/Timing: employee costs & projects
Director Corporate & Community	(498,770)	(498,770)	(26,367)	(393,591)	(319,234)	74,357	Timing: projects (Scott River) & contributions (MRREC)
Director Sustainable Development	(686,350)	(656,350)	(41,085)	(439,041)	(400,622)	0	
Director Infrastructure	(385,540)	(385,540)	(23,450)	(260,943)	(195,738)	65,205	Perm/Timing: employee costs
Finance	(966,222)	(986,222)	(39,605)	(838,980)	(809,499)	0	
Records	(194,632)	(194,632)	(13,520)	(135,026)	(124,051)	0	
Corporate Services	(272,840)	(368,340)	(15,340)	(203,280)	(169,167)	34,113	Timing: stationery, utilities, pool vehicle costs
Customer Relations	(547,932)	(517,932)	(34,253)	(346,722)	(335,744)	0	
Information Comm. Technology	(1,158,039)	(1,158,039)	(59,370)	(931,542)	(748,383)	183,159	Timing: software licences, special projects
Human Resources	(665,960)	(665,960)	(46,213)	(461,851)	(422,790)	0	
Community Planning & Development	(727,906)	(727,177)	(40,180)	(467,618)	(384,287)	83,331	Timing: various projects
Emergency and Fire Services	(1,112,859)	(1,445,659)	(84,193)	(911,085)	(849,213)	0	
Rangers	(702,644)	(702,644)	(45,065)	(500,457)	(437,611)	62,846	Timing: contract services
Beach Lifeguards	(126,220)	(126,220)	(18,166)	(84,374)	(49,809)	34,565	Timing: employee costs
Libraries	(987,441)	(994,441)	(72,196)	(674,527)	(612,920)	61,607	Timing: employee costs, contract services
Environmental Health	(570,020)	(560,020)	(43,080)	(386,362)	(359,012)	0	
Outside School Hours Care	(438,968)	(494,968)	(38,231)	(368,952)	(312,766)	56,186	Timing: special projects
Waste Services	(2,811,796)	(2,591,796)	(204,735)	(1,744,098)	(1,576,919)	167,179	Timing: projects, waste collection & disposal
Town Planning	(1,087,572)	(1,072,572)	(91,642)	(715,060)	(662,289)	0	
Landcare	(668,198)	(655,005)	(38,231)	(494,899)	(371,561)	106,420	Timing: contributions & projects
Community Buildings	(1,954,385)	(1,954,385)	(137,930)	(1,314,958)	(1,244,971)	0	
MR Recreation Centre	(2,265,198)	(2,249,198)	(181,265)	(1,546,044)	(1,483,749)	0	
Margaret River Heart	(478,307)	(519,307)	(15,480)	(421,367)	(412,245)	0	
Augusta Recreation Centre	(167,514)	(167,514)	(6,117)	(124,443)	(66,705)	57,737	Timing: maintenance works to occur later in the year
Gloucester Park	(234,304)	(239,804)	(13,880)	(161,036)	(116,309)	44,727	Timing: projects
Parks and Gardens	(2,554,964)	(2,594,964)	(200,860)	(1,732,519)	(1,752,856)	0	
Asset Services	(1,136,808)	(1,123,808)	(89,569)	(810,270)	(638,781)	171,489	Timing: projects
Construction	0	0	0	0	0	0	
Maintenance	(8,508,587)	(8,908,587)	(644,410)	(6,110,654)	(6,180,124)	0	
Plant Program	(169,042)	(89,042)	(2,036)	(44,042)	(51,700)	0	
Caravan Parks	(1,386,056)	(1,463,056)	(106,203)	(989,966)	(772,433)	217,533	Timing: employee costs, maintenance
Building Control	(175,620)	(175,620)	(14,040)	(124,565)	(123,297)	0	
Works Overheads	(75,018)	(75,018)	(13,519)	(79,159)	(532,356)	(453,197)	Timing: under recovery -costs to be allocated to jobs
Plant Operation Costs	209,208	209,208	51,438	123,382	65,937	(57,445)	Timing: balanced recovery, actual costs lower
Other Property and Services	(51,000)	(606,000)	(21,871)	(327,636)	(331,762)	0	
	(36,231,600)	(37,220,478)	(2,552,331)	(25,444,199)	(24,067,546)	1,376,653	

SHIRE OF AUGUSTA MARGARET RIVER
ORDINARY COUNCIL MEETING 10 APRIL 2019

SHIRE OF AUGUSTA - MARGARET RIVER STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDING 28 February 2019						
BUSINESS UNITS	2018-19	2018-19	2018-19	2018-19	2018-19	YTD
	Approved	Amended	Month of	YTD	YTD	Variance
	Budget	Budget	Feb	Budget	Actual	>10% &
	\$	\$	\$	\$	\$	>\$10,000
Operating activities excluded from Budget						
Depreciation on assets	9,146,640	9,096,640	714,502	6,051,760	6,241,672	0
(Profit)/Loss Asset Disposal	147,042	29,042	0	(20,958)	(32,770)	(11,812)
	9,293,682	9,125,682	714,502	6,030,802	6,208,902	178,100
Amount attributable to operating activities	11,648,355	11,284,785	(980,047)	17,379,861	18,969,058	
INVESTING ACTIVITIES						
Non Operating Grants & Contributions						
Emergency and Fire Services	818,078	828,078	0	72,478	57,275	(15,203)
Waste Services	0	0	0	0	0	0
Town Planning	200,000	200,000	2,497	125,000	228,510	103,510
Community Buildings	4,155,268	4,267,268	1,080,000	2,950,000	2,480,000	(470,000)
Gloucester Park	0	0	0	0	0	0
Parks and Gardens	332,207	340,407	0	258,200	257,356	0
Asset Services	45,000	45,000	0	45,000	0	(45,000)
Construction	2,114,039	2,202,539	245,167	1,288,614	1,287,030	0
Other Property & Services	0	0	0	0	0	0
	7,664,592	7,883,292	1,327,664	4,739,292	4,310,172	(429,120)
Capital Investment						
Purchase Land Held for Resale	0	0	0	0	0	0
Purchase Land and Buildings	(11,279,595)	(11,480,895)	(505,676)	(7,567,602)	(4,555,817)	3,011,785
Purchase Infrastructure Assets - Other	(4,528,639)	(3,847,649)	(132,182)	(2,844,417)	(2,018,527)	825,890
Purchase Infrastructure Assets - Roads	(8,273,574)	(8,248,574)	(510,038)	(3,963,519)	(2,651,127)	1,312,392
Purchase Plant and Equipment	(2,204,690)	(2,614,010)	(39,479)	(1,488,410)	(1,058,122)	430,288
Purchase Furniture and Equipment	(341,500)	(357,000)	(9,051)	(284,000)	(166,343)	117,657
Proceeds from Disposal of Assets	1,457,182	1,392,182	0	1,032,182	1,036,529	0
Proceeds from Sale of Land Held for Resale	0	525,000	0	263,636	263,636	0
	(25,170,816)	(24,630,946)	(1,196,426)	(14,852,130)	(9,149,771)	5,698,012
Amount attributable to investing activities	(17,506,224)	(16,747,654)	131,238	(10,112,838)	(4,839,599)	
FINANCING ACTIVITIES						
Repayment of Debentures	(853,730)	(853,730)	(44,231)	(585,601)	(579,269)	0
Advances to Community Groups	0	0	0	0	0	0
Proceeds from Self-Supporting & IF Loans	11,317	11,317	4,500	9,317	12,655	0
Proceeds from New Loan	500,000	500,000	0	500,000	500,000	0
Unspent Loan		(172,000)				
Transfers to Cash Reserves	(3,044,815)	(3,749,815)	(46,140)	(1,136,296)	(1,136,296)	0
Transfers from Cash Reserves	9,245,097	9,727,097	0	0	0	0
Amount attributable to financing activities	5,857,869	5,462,869	(85,870)	(1,212,580)	(1,202,910)	0
Net Current Assets Surplus (Deficit)	0	0	(934,679)	6,054,444	12,926,549	

Investments

At 28 February 2019 the Shire's cash on hand, deposits and investments totalled \$36,787,185 (a decrease of \$1,306,378 to last month's total of \$38,093,563) and total investment interest earned for the year was \$571,293 and exceeded the budget of \$535,600.

Term Deposits – Cash Management

At the end of February the Shire had the following short-term facilities (term deposits).

Term Days	Maturity	Institution (ADI)	Principal \$	Interest Rate	Interest \$
182	2/4/19	Bendigo Bank	1,000,000	2.55%	12,715
182	20/3/19	Bankwest	2,500,000	2.55%	15,719
364	15/3/19	Bankwest	1,500,000	2.50%	37,397
365	11/4/19	National Australia Bank	2,500,000	2.62%	65,500
365	18/7/19	NAB	1,500,000	2.74%	41,100
365	16/8/19	Bankwest	4,000,000	2.76%	110,400
365	6/9/19	Bankwest	2,000,000	2.70%	54,000

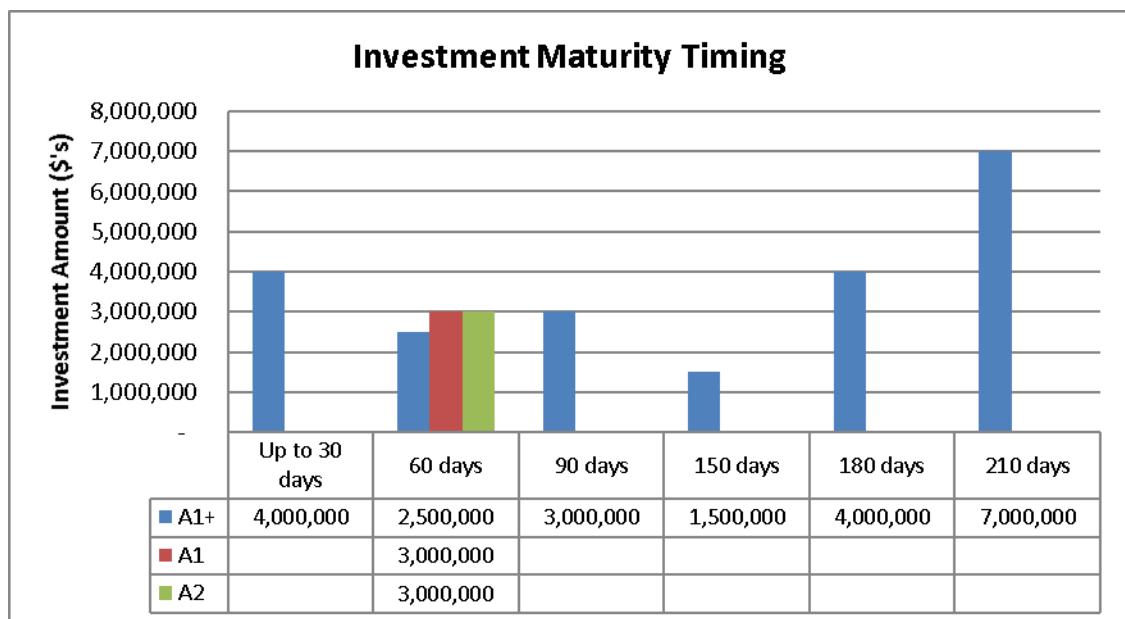
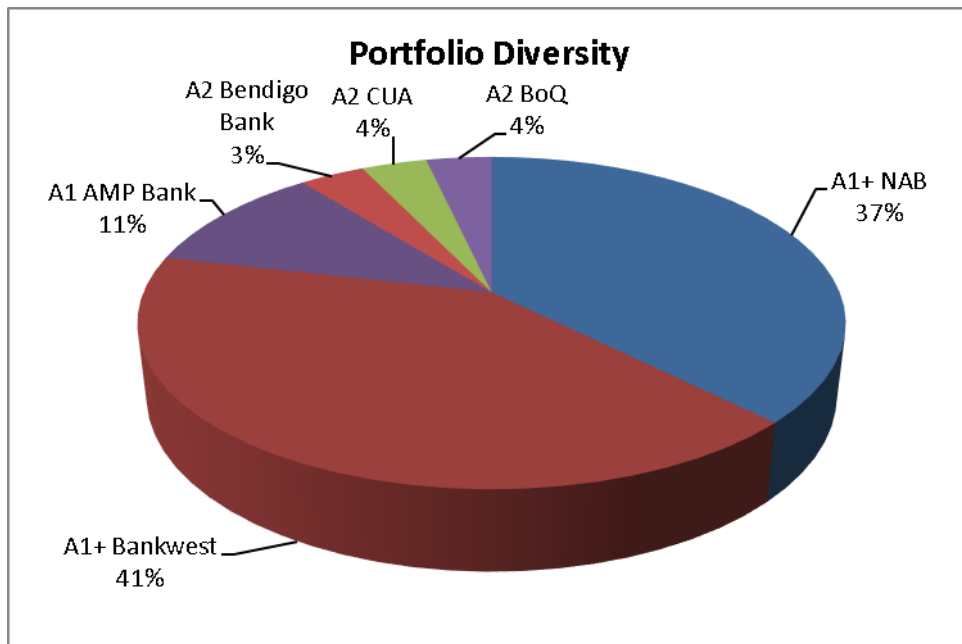
SHIRE OF AUGUSTA MARGARET RIVER
ORDINARY COUNCIL MEETING 10 APRIL 2019

265	13/9/19	National Australia Bank	5,000,000	2.70%	135,500
182	2/4/19	Credit Union Australia	1,000,000	2.65%	13,214
183	9/4/19	Bank of Queensland	1,000,000	2.65%	13,286
183	9/4/19	AMP Bank	3,000,000	2.75%	41,363
90	9/5/19	National Australia Bank	1,500,000	2.68%	9,912
90	6/5/19	Bankwest	1,500,000	2.65%	9,801
			28,000,000		559,907

During the month the following changes occurred to term deposits:

- Bankwest investment of \$1.500 million matured on 5/2/19 and was rolled over for 3 months at 2.65%;
- National Australia Bank investment of \$1.500 million matured on 8/2/19 and was rolled over for 3 months at 2.68%

The average rate of interest to be paid on all of the term deposits is 2.65%.



The Shire also has an Overnight Cash Deposit Facility (OCDF) with WA Treasury Corporation (WATC) which is used to hold the Royalties for Regions funds allocated for the main street redevelopment project. The South West Development Commission are a joint signatory for this facility. During the month interest of \$6,114 was earned and the current balance of the investment, including this interest, is \$5.502 million. The current rate of interest earned on this facility is 1.45% and is set at 5 basis points lower than the Reserve Bank's cash reference rate.

In-Kind Support

At 28 February 2019 fee waivers, donations and financial assistance sponsorships totalled \$12,558 and included \$4,500 of sporting sponsorships, \$7,608 of fee waivers and a \$450 donation.

Reserves

Movement to reserves represent interest earned on reserve funds. During the month no reserve transfers were processed.

STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS

Financial Management Regulation 34 requires a local government to prepare each month a Statement of Financial Activity reporting on the sources and applications of funds, as set out in the annual budget under Financial Management Regulation 22(1).

STRATEGIC PLAN / POLICY IMPLICATIONS

Community Strategic Plan 2036 (CSP)

Corporate Business Plan 2018-2022

Key Result Area 5: Effective leadership and governance

Outcome 6: Measure and report on success and sustainability

Strategy 1: effectively measure our success and progress to a sustainable future

Service level strategy/plan: Continue to monitor monthly, year to date and annual financial performance including preparation of the annual financial report.

PLANNING FRAMEWORK

Nil

FINANCIAL IMPLICATIONS

The overall financial performance of the Shire is as summarised in this report.

SUSTAINABILITY IMPLICATIONS

Environmental

Nil

Social

Nil

Economic

As stated in the report.

VOTING REQUIREMENTS

Simple Majority

RECOMMENDATION

That Council receives the Monthly Financial Report – February 2019 in accordance with Section 6.4 of the *Local Government Act 1995* and Regulation 34 of the *Local Government (Financial Management) Regulations 1996*.

ADVICE TO APPLICANT / PROPONENT

Nil

ATTACHMENTS

1. Monthly Financial Report consisting of:
 - a. Notes to and forming part of the Statement of Financial Activity
 - b. Financial Reports by Business Units

RECOMMENDATION / COUNCIL DECISION

CR LANE, CR MELDRUM OM2019/70

That Council receives the Monthly Financial Report – February 2019 in accordance with Section 6.4 of the *Local Government Act 1995* and Regulation 34 of the *Local Government (Financial Management) Regulations 1996*.

CARRIED 7/0

11.4.3 INTEREST FREE LOAN MARGARET RIVER BOWLING CLUB

LOCATION/ADDRESS	Wallcliffe Road, Margaret River
APPLICANT/LANDOWNER	Shire of Augusta Margaret River
FILE REFERENCE	CPT/17 and REC/36
REPORT AUTHOR	Hannah Waters, Executive Assistant Corporate and Community Services
AUTHORISING OFFICER	Andrew Ross, Acting Director Corporate and Community Services

Cr Earl left Chambers at 6.01pm as he disclosed a financial interest at Item 3.1.

IN BRIEF

- The Margaret River Bowling Club Inc. (the Club) is seeking a \$40,000 interest free loan from the Community Loan Reserve to assist with a capital works improvement program.
- The request for \$40,000 is above the \$20,000 maximum set out in the Shire's CCSP 10 Financial Assistance Policy and Council approval is required.
- An estimated \$27,250 of monetary and in-kind support from Club members including labour and volunteer support hours will be contributed to the project.
- Over the past twelve months the Club have contributed \$192,000 of member's funds towards the replacement of the damaged synthetic greens (\$145,000) and kitchen refurbishments (\$47,000).
- The Club are financially viable and in a position to meet the loan repayments.
- The request was supported at the Shire's Sports and Recreation Advisory Committee meeting held 6 December 2018.

RECOMMENDATION

That Council approves unbudgeted expenditure of a \$40,000 interest free loan to the Margaret River Bowling Club Inc. for a period of five (5) years funded from the Community Loan Reserve.

LOCATION PLAN

Nil

TABLED ITEMS

Nil

BACKGROUND

The Margaret River Bowling club is seeking an interest free loan of \$40,000 to assist with a capital works improvement program to compliment works already completed over the past twelve months. Once the works are complete it is believed that a greater number of members and visitors will be attracted to the club providing an economic contribution to the Shire.

The scope of works is listed in the table below.

Works	Estimate incl GST
Replacement of existing suspended ceiling and installation of insulation	\$10,270
Purchase and installation of security cameras inside and outside the club	\$6,500
Install light pillars to "B" Green and replace existing lights with LED lights	\$9,500
Purchase and install four commercial monitors to advertise carnival fixtures and sponsorship	\$6,000
Upgrade of bar facilities	\$7,730
Total	\$40,000

All interest free loan applications require support from the Sports and Recreation Advisory Committee (SRAC) before being submitted to Council for consideration. At the SRAC meeting held 6 December 2018, the Club advised the committee that they were interested in seeking an interest free loan through the Shire to assist with clubhouse improvements. The estimated figure was \$45,000. The Club delegate was advised that under the terms of the current Financial Assistance Policy interest free loans are capped at \$20,000. Any requests over and above \$20,000 would need to be considered and approved by Council. The committee discussed providing support for the clubs interest free loan application and the following recommendation was moved and supported:

RECOMMENDATION

That the Sports and Recreation Advisory Committee support the Margaret River Bowling Club's submission of an interest free loan to the Shire.

Moved: Nick Dornan

Seconded: Jeanette Smith

Carried: All

Following the SRAC meeting, the Club submitted an Interest Free Loan application on the 27 December 2018 for the amount of \$40,000.

The Club do not currently have any outstanding loans with the Shire.

The repayments on the loan will see an annual payment of \$8,000, with the loan concluding in 2024. Therefore the length of this loan will remain within the five year timeframe stipulated by the Shire's Interest Free Loan Procedure.

CONSULTATION AND ADVICE

External Consultation

Margaret River Bowling Club

Sports and Recreation Advisory Committee delegates

Internal Consultation

Acting Director Corporate and Community Services

Recreation Operations Manager

DISCUSSION / OFFICER COMMENTS

The Club is a valuable and sustainable community organisation having been operating since the 80's when they separated from the Margaret River Districts Club, continually improving the facilities with funds predominantly provided by members.

Additional information was requested from the Club to support their application and members of the Club's executive committee met with Shire staff on the 8 March 2019. Since the installation of the new synthetic greens the Club have received feedback that they are ranked as one of the best clubs within Western Australia. Evidence of sold out events and tournaments at the club are testament to the verbal feedback. As such the club wish to complete the capital works program presented as part of the interest free loan application and detailed below.

Ceiling replacement works

There are sagging panels within the clubhouse ceiling in need of urgent repair. Works to level the existing suspended ceiling framework including repairs/replacement, the purchase of new noise reduction panels and clips and the installation of insulation batts has been included in the \$10,270 replacement costs. Club members will be providing in-kind support to remove all of the existing panels and once the ceiling framework has been completed, members will install both the new ceiling panels and insulation. The estimated in-kind contribution of time and labour is \$4,500. Installation of the insulation will reduce future heating and cooling costs.

Security cameras

The Club is conscious of protecting the newly replaced synthetic greens from vandals. The installation of security cameras act as a deterrent for vandalism as well as incidents of theft from the clubhouse facilities and bar. In the event of an incident, the club is able to provide evidence to the Police and insurer in the event that an incident may be subject to public liability. The proposed security camera

system that will monitor inside and outside the club is estimated at \$6,500. To assist these works the Club will pay for the power requirements and cabling to get the security cameras operational. Power and cabling works are estimated at \$2,500.

Installation of lights and replacement of globes

Corporate Bowls is one of the clubs biggest emerging markets with 128 locals attending every Wednesday evening. Expansion of this popular event is currently limited by the number of teams that can be accommodated on the illuminated green. The installation of lights on Green B will attract more players and allow added matches with a later starting time to be held for those who cannot attend the earlier time slot. In addition to lighting up Green B, the Club are undertaking works to install three light poles on the west side of the site. The intention being that these lights could also provide light to the Margaret River Hockey Club in the future. The Hockey Club hope to secure the site between the club and the Recreation Centre as a home for a training facility and half pitch version of the game for junior members. Works will also include the replacement of the existing globes to LED lights which are more energy efficient. Works are estimated at \$9,500.

Purchase and installation of commercial monitors

The installation of four commercial monitors with network cabling will allow the display of digital club event fixtures, sponsor advertising and club event promotion. This is to replace the existing old screen and provide additional exposure for sponsors throughout the clubhouse. Digital projection of sponsors allows the club to professionally acknowledge the generosity of financial contributors and does not require manual labour for sign erection and maintenance. A firm quote for the monitors that are compatible with the advertising software package are still to be finalised. It is anticipated that the monitors and cabling requirements will total \$10,000 so the Club intend to complete this as a phased project, starting with the purchase of two monitors and network equipment. The Club will be contributing \$3,000 towards the purchase of the monitors and network equipment.

Upgrade of bar facilities

A recent review of the bar facilities identified that staff have their back to patrons due to the location of the taps, the facilities are reaching the end of their useful life and are in need of upgrading. Quotes have been sought for the upgrades including relocation of the bar taps and chiller to the counter, facing the customers, installation of tubing via the floor and a new washout system. The Club have committed to paying for the power supply for the new system, cutting the floor to accommodate the line tubing and remodelling the counter once everything has been installed. The power costs and in-kind labour contribution have been estimated at \$3,250.

The Club are largely self-supporting, requesting little assistance from the Shire over its 30 year history and its members have always been proactive in remaining a viable organisation. The Club attract a range of visitors to the region and wish to continue providing a quality venue and experience for patrons.

STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS

Local Government Act 1995

Section 6.81(1) states that:

“A local government is not to include expenditure from its municipal fund for an additional purpose except where the expenditure –

- (a) is incurred in a financial year before the adoption of the annual budget by the local government;
- or
- (b) is authorised in advance by resolution*; or
- (c) is authorised in advance by the mayor or president in an emergency.”

Point (b) requires the resolution be adopted by an absolute majority of Council.

STRATEGIC PLAN / POLICY IMPLICATIONS

Community Strategic Plan 2036 (CSP)

Corporate Business Plan 2018-2022

Key Result Area 2: Welcoming, inclusive and healthy communities

Community Outcome 2.5: Active, healthy and safe lifestyles

Strategic Response: Enable high standard recreational facilities and sporting grounds

CCSP 10 Financial Assistance Policy
CCSP 25 Physically Active Communities Policy

PLANNING FRAMEWORK

Nil

FINANCIAL IMPLICATIONS

A review of the Club's operating budget indicates that they are in a position to meet the annual repayment of \$8,000. The Club has also provided two guarantors to the loan if there is a default on the loan repayments. The interest free loan will be provided from the Community Loan Reserve which has a balance of \$165,109 at 28 February 2019. There will be no adverse impact on the Shire's forecast financial position for this financial year.

The club have an asset replacement arrangement in place with the Shire and have been contributing towards the Asset Replacement Fund since 2012 as required. The total funds currently in the Asset Replacement account are \$12,594 over and above the required amount.

SUSTAINABILITY IMPLICATIONS

Environmental

Nil

Social

The club provides members of the community the opportunity for socialisation.

Economic

Nil

VOTING REQUIREMENTS

Absolute Majority

RECOMMENDATION

That Council approves unbudgeted expenditure of a \$40,000 interest free loan to the Margaret River Bowling Club Inc. for a period of five (5) years funded from the Community Loan Reserve.

ADVICE TO APPLICANT / PROPONENT

Nil

ATTACHMENTS

Nil

RECOMMENDATION / COUNCIL DECISION

CR MELDRUM, CR MCLEOD OM2019/71

That Council approves unbudgeted expenditure of a \$40,000 interest free loan to the Margaret River Bowling Club Inc. for a period of five (5) years funded from the Community Loan Reserve.

CARRIED BY ABSOLUTE MAJORITY 6/0

Cr Earl re-entered Chambers at 6.05pm

12. MOTIONS FROM MEMBERS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

12.1 Referral to Parliamentary Committee – Reform of Local Government Act – Cr Meldrum

At the 27 March 2019 Ordinary Meeting of Council ,Cr Meldrum gave notice of the following motion:

MOTION

That Council notes that the composition of the current policy reference group for the reform of the Local Government Act excludes the public and councillors and:

- a) Requests that the Minister allow councillors not nominated by WALGA and members of the public to become involved at that level; and
- b) When the current process is finalised and legislation drafted, that it be referred to a Parliamentary Committee to allow public hearings and input into the proposed Act.

MOTION

CR MELDRUM, CR LANE

That Council notes that the composition of the current policy reference group for the reform of the Local Government Act excludes the public and councillors and:

- a) Requests that the Minister allow councillors not nominated by WALGA and members of the public to become involved at that level; and
- b) When the current process is finalised and legislation drafted, that it be referred to a Parliamentary Committee to allow public hearings and input into the proposed Act.

0/0

With consent of the mover and seconder, part c was added:

- c) That the Shire President writes to the Parliament of Western Australia.

MOTION / COUNCIL DECISION

CR MELDRUM, CR LANE OM2019/72

That Council notes that the composition of the current policy reference group for the reform of the Local Government Act excludes the public and councillors and:

- d) Requests that the Minister allow councillors not nominated by WALGA and members of the public to become involved at that level;
- e) When the current process is finalised and legislation drafted, that it be referred to a Parliamentary Committee to allow public hearings and input into the proposed Act; and
- f) That the Shire President writes to the Parliament of Western Australia.

**CARRIED 6/1
CR EARL VOTED AGAINST**

12.2 Turner Caravan Park – Cr Smart

On the 3 April 2019 Cr Smart gave notice of the following motion:

MOTION

That Council:

1. Requests the CEO to ensure that all the necessary steps are taken to enable the construction of three smaller two bedroom chalets in Turners Caravan Park this low peak season. One being on the foreshore and the other two in front of and to the North East of the Dekker's ablution block.
2. Asks that the Turner Park Concept Master Plan and Business Plan be brought to Council in a concept forum for further review with the intent of determining possible variations. Asks that work on the Karri Terrace area apart from planned service upgrades and maintenance be suspended until future direction is determined.

Cr Smart withdrew the motion as a concept forum on the Turner Caravan Park Masterplan has been scheduled for 17 April 2019.

13. MOTIONS FOR CONSIDERATION AT NEXT MEETING

Nil

14. NEW BUSINESS OF AN URGENT NATURE

14.1. Members

Nil

14.2. CEO

Nil

15. CONFIDENTIAL BUSINESS

Nil

16. CLOSURE OF MEETING

The Shire President thanked all in attendance and declared the meeting closed at 6.30pm