



## **Shire of Wandering**

### **Ordinary Council Meeting 19 March 2015**

#### **NOTICE OF MEETING**

Dear Elected Member

The next ordinary council meeting of the Shire of Wandering will be held on Thursday 19 March 2015 in the Council Chambers, Watts Street, Wandering commencing at 1.30pm.

Chief Executive Officer  
11 March 2015

# Agenda

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# Ordinary Council Meeting

## Agenda

1. **DECLARATION OF OPENING /ANNOUNCEMENT OF VISITORS**
2. **RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE**
3. **DISCLOSURE OF INTERESTS**

### **DECLARATION OF INTERESTS (NOTES FOR YOUR GUIDANCE) *(updated 13 March 2000)***

A member who has a Financial Interest in any matter to be discussed at a Council or Committee Meeting, which will be attended by the member, must disclose the nature of the interest:

- (a) In a written notice given to the Chief Executive Officer before the Meeting or;
- (b) At the Meeting, immediately before the matter is discussed.

A member, who makes a disclosure in respect to an interest, must not:

- (c) Preside at the part of the Meeting, relating to the matter or;
- (d) Participate in, or be present during any discussion or decision-making procedure relative to the matter, unless to the extent that the disclosing member is allowed to do so under Section 5.68 or Section 5.69 of the Local Government Act 1995.

### **NOTES ON FINANCIAL INTEREST (FOR YOUR GUIDANCE)**

The following notes are a basic guide for Councillors when they are considering whether they have a Financial Interest in a matter. I intend to include these notes in each agenda for the time being so that Councillors may refresh their memory.

1. A Financial Interest requiring disclosure occurs when a Council decision might advantageously or detrimentally affect the Councillor or a person closely associated with the Councillor and is capable of being measure in money terms. There are exceptions in the Local Government Act 1995 but they should not be relied on without advice, unless the situation is very clear.
2. If a Councillor is a member of an Association (which is a Body Corporate) with not less than 10 members i.e. sporting, social, religious etc), and the Councillor is not a holder of office of profit or a guarantor, and has not leased land to or from the club, i.e., if the Councillor is an ordinary member of the Association, the Councillor has a common and not a financial interest in any matter to that Association.
3. If an interest is shared in common with a significant number of electors or ratepayers, then the obligation to disclose that interest does not arise. Each case needs to be considered.
4. If in doubt declare.
5. As stated in (b) above, if written notice disclosing the interest has not been given to the Chief Executive Officer before the meeting, then it **MUST** be given when the matter arises in the Agenda, and immediately before the matter is discussed.

6. Ordinarily the disclosing Councillor must leave the meeting room before discussion commences. The only exceptions are:

**6.1** Where the Councillor discloses the extent of the interest, and Council carries a motion under s.5.68(1)(b)(ii) or the Local Government Act; or

**6.2** Where the Minister allows the Councillor to participate under s5.69 (3) of the Local Government Act, with or without conditions.

#### **INTERESTS AFFECTING IMPARTIALITY**

**DEFINITION:** An interest that would give rise to a reasonable belief that the impartiality of the person having the interest would be adversely affected, but does not include an interest as referred to in Section 5.60 of the 'Act'.

A member who has an Interest Affecting Impartiality in any matter to be discussed at a Council or Committee Meeting, which will be attended by the member, must disclose the nature of the interest;

(a) in a written notice given to the Chief Executive Officer before the Meeting; or

(b) at the Meeting, immediately before the matter is discussed.

#### **IMPACT OF AN IMPARTIALITY CLOSURE**

There are very different outcomes resulting from disclosing an interest affecting impartiality compared to that of a financial interest. With the declaration of a financial interest, an elected member leaves the room and does not vote.

With the declaration of this new type of interest, the elected member stays in the room, participates in the debate and votes. In effect then, following disclosure of an interest affecting impartiality, the member's involvement in the Meeting continues as if no interest existed.

#### **4. PUBLIC QUESTION TIME**

#### **5. APPLICATIONS FOR LEAVE OF ABSENCE**

#### **6. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

6.1 Shire of Wandering Audit Committee Minutes 19 February 2015

Attachment 1

6.2 Shire of Wandering Ordinary Meeting – 19 February 2015

Attachment 2

6.3 Shire of Wandering Special Meeting of Council 5 March 2015

Attachment 3

#### **7. ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION**

#### **8. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS**

#### **9. REPORTS OF COMMITTEES**

## 10. REPORTS OF OFFICERS

### 10.1 CHIEF EXECUTIVE OFFICER

#### 10.1.1 LOCAL GOVERNMENT COMPLIANCE AUDIT RETURN

|                                    |  |
|------------------------------------|--|
| <b>File Reference:</b>             | 1.1.26                                     |
| <b>Applicant:</b>                  | N/A  |
| <b>Disclosure of Interest:</b>     | Nil  |
| <b>Date:</b>                       | 11 March 2015                              |
| <b>Previous Meeting Reference:</b> | N/A  |
| <b>Author Name and Position:</b>   | Amanda O'Halloran, Chief Executive Officer |

#### **Summary**

It is a requirement that each local Government is to carry out a Compliance Audit Return annually. The Compliance Audit Return for the 2014 year is presented for adoption.

#### **Background**

The 2014 Local Government Compliance Audit Return for the period 1 January 2014 to the 31 December 2014 is attached. Attachment 4

The Compliance Audit Return is to assist Council in monitoring its organisational functions. Council is required to note any area of non-compliance and endorse remedial action.

The Audit is a standard document provided by the Department of Local Government and is the same audit that every local government is required to complete. The Department considers from a large range of issues it can audit, which ones will be specific to the year in question (i.e. each year the audit questions can change).

This year there were 78 questions over nine different governance areas.

#### **Comment**

Areas of non-compliance and additional information are detailed below:

#### **Section 2 Delegation of Power/Duty**

Questions: No 2, 5,6,7,8,9,10,12

- All relate to the delegation of powers and duties. In all instances the Council was noncompliant in the 2013/14 year as it did not review the delegations during this time. It is a requirement that the delegations are reviewed annually and this unfortunately has not occurred.

Action to be taken: The delegations will be presented to Council for review and adoptions at the May 2015 Council Meeting; from there other actions that were non-compliant in the audit can be rectified in accordance with the *Act 1995*.

### **Section 3 Disclosure of Interest**

Questions: No1, 10, 15, 16

- No 1 refers to members remaining in the room to participate in the discussion relating to the matter in which the interest was disclosed. This occurred on a number of occasions and there is no recording on whether the Council voted to approve the member to participate in the discussion or not.
- No 10 relates to the presence of a register for financial interests – there isn't a register in operation in Wandering.
- No 15 relates to disclosure of interests and the documentation relating to the extent of that interest. In many instances the extent and nature of the interest isn't recorded.
- No 16 Has the CEO kept a register of all notifiable gifts received by Council members and employees – there is no register in place at Wandering and whilst it could be said that no gifts have been received there does under the *Act* need to be a policy and register in place.

Action to be taken: Council will need to undertake training regarding disclosure of interests throughout 2015 and Staff will implement a register for the recording of financial interests under sections 5.65, 5.70 and 5.71 and the recording of gifts under s 5.10

### **Section 6 Finance**

Questions: 7

- Relates to the annual financial audit being concluded by the 31 December 2014.

Action to be taken: Council have committed to work with the Auditor this financial year to achieve a final audit report by September 2015.

### **Section 8 Official Conduct**

Questions: 2,3,5,6

- Relate to the keeping of a complaints register, mechanism for recording complaints, noting action and feedback.
- 

Action to be taken: Council has noted the need for a formal complaints register and feedback mechanism. This will be implemented by August 2015.

### **Section 9 Tenders for Providing Goods and Services**

Questions: 1 & 8

- Relates to the calling for tenders for all expenditure over \$100,000.00 on all occasions and was the tender register maintained and all information recorded as required in financial Regulations 17. Council didn't call for tenders on all occasions and hasn't maintained the tender register thoroughly to obtain compliance.

Action to be taken: Ensure that all planned and unplanned works over \$100,000 are tendered as per s 3.57 of the *Act*. Review and maintain the tender register to bring it as up to date as possible and work towards compliance.

A time line will be established and presented to Council to demonstrate the operational commitment to achieving compliance with the Local Government Statutory requirements.

### **Consultation**

Department of Local Government Representatives

### **Statutory Environment**

**Compliance audits by local governments.** Prescribed actions are detailed at Regulation 14 of the *Local Government (Audit) Regulations 1996*.

The return is to be signed by the Shire President and the CEO prior to it being forwarded to the Department by 31 March 2015.

### **Policy Implications**

Nil

### **Financial Implications**

Operational resources required to achieve compliance are mostly provided for in the 2014/15 Budget

### **Strategic Implications**

#### **Community Strategic Plan 2013-2023**

#### **Goal 5 – A strong and Effective Organisation**

Outcome 5.2: Accountable decision making and resource allocation through effective governance.

**Strategy 5.2.1:** Ensure Councils decision making process is effective and transparent

**Strategy 5.2.2:** Ensure the organisations governance structure, policies and procedures are current and relevant

### **Voting Requirements**

Simple Majority

### **Officer Recommendation**

That Council:

1. That a Certified Copy of the Compliance Audit Return for the period 1 January 2014 to 31 December 2014 be ENDORSED by Council and any additional information explaining or quantifying the compliance audit is to be submitted to the Director General of the Department of Local Government and Communities before 31 March 2015.
2. Council NOTE the areas of non-compliance.

**10.1.2 AUTHORISATION OF LEASE AGREEMENT FOR 128 DUNMALL DRIVE – DEPARTMENT OF HOUSING**

**Applicant:** N/A  
**File Reference:** 8.1.1  
**Disclosure of Interest:** Nil  
**Previous Council Meeting Reference :** 15 November 2012 Item 7.5  
**Date:** 28 February 2015  
**Author:** Amanda O'Halloran, Chief Executive Officer

**Summary**

**Council entered into a Proposal to Lease Property with the Government Housing Authority on 13 February 2013. This gave Council confidence and security to build a dwelling, which would have a five (5) year income provided through the agreement.**

**The Authority commenced a formal lease with the Council on the 15 January 2015 and the formal lease requires authorisation and the seal affixed.**

**Background**

At the Ordinary Meeting of Council on the 15 November 2012, council recommended to proceed with the construction of a dwelling on lot 128 Dunmall Drive on the condition that an agreement with the Governments housing authority be secured to provide Council with an income on the property.

The agreement was secured and signed by Council and the Department on the 13 February 2013.

Council proceeded to construct a 4 x 2 dwelling on lot 128 Dunmall Drive to meet the conditions of the agreement. The house was finished construction on the 20 January and the Housing Authority began renting the property from that time.

**Comment**

The lease agreement schedule and conditions are in keeping with the Proposal to Lease Property that the Council entered into with the Housing Authority in 2013.

Attachment 5

The lease is for 5 years, rent is \$600.00 per week and rent is reviewed every 12 months at date of anniversary.

It is recommended that Council authorise the execution of the lease agreement

**Consultation**

Housing Authority  
Manager Finance & Administration

### **Statutory Environment**

*Local Government (functions and General) Regulation 1996 –*

r30. Dispositions of property excluded from Act s.3.58

(1) A disposition that is described in this regulation as an exempt disposition is excluded from the application of section 3.58 of the Act.

(2) A disposition of land is an exempt disposition if —

(a) the land is disposed of to an owner of adjoining land (in this paragraph called the transferee) and —

- (i) its market value is less than \$5 000; and
- (ii) the local government does not consider that ownership of the land would be of significant benefit to anyone other than the transferee; or

(b) the land is disposed of to a body, whether incorporated or not —

- (i) the objects of which are of a charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and
- (ii) the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions;

or

(c) the land is disposed of to —

- (i) the Crown in right of the State or the Commonwealth; or
- (ii) a department, agency, or instrumentality of the Crown in right of the State or the Commonwealth; or
- (iii) another local government or a regional local government;

### **Policy Implications**

Nil

### **Financial Implications**

Council has budgeted to receive rental income from the agreement in question. The income support the payment of the loan entered into by Council to construct the house.

### **Strategic Implications**

Community Strategic Plan 2013-2023

#### **Goal 5 – A strong and Effective Organisation**

Outcome 5.2: Accountable decision making and resource allocation through effective governance.

**Strategy 5.2.1:** Ensure Councils decision making process is effective and transparent

**Strategy 5.2.2:** Ensure the organisations governance structure, policies and procedures are current and relevant

### **Voting Requirements**

Absolute Majority

**Officer Recommendation**

That Council:

1. Endorse the Lease for Rental Accommodation at 128 Dunmall Drive, Wandering WA 6308 between the Shire of Wandering and the Housing Authority; and
2. Authorises the Shire President and the Chief Executive Officer to affix the Common Seal to, and execute the Lease for Rental Accommodation at 128 Dunmall Drive, Wandering WA 6308 between the Shire of Wandering and the Housing Authority, for a period of 5 years.

### 10.1.3 WASTE DISPOSAL AGREEMENT – PERTHWASTE

**Applicant:** N/A  
**File Reference:** 13.1.6  
**Disclosure of Interest:** Nil  
**Date:** 25 February 2015  
**Author:** Amanda O'Halloran, Chief Executive Officer

#### **Previous Meeting**

**Reference:** Minute 10.1.4 – 19 February 2015; Minute 13.7 21 November 2013

#### **Summary**

Council has been working to establish a waste transfer Station in Wandering over the last 12 months. Council has agreed to all provisions and budget allocation has been approved.

Negotiations with PerthWaste PTY LTD have been ongoing during this time regarding the disposal of the Wandering putrescible (household) waste.

An agreement has been reached and this item seeks Councils endorsement of the agreement and execution of the associated documents.

#### **Background**

At the 19 February 2015 Council Meeting, Council recommended to accept the budget amendments proposed in relation to the commencement of waste transfer station services at Wandering.

Fees and Charges have also been endorsed and Perthwaste are operational and ready to accept the delivery of Wandering's waste.

Councillors and Offices of the Shire attended the Perthwaste site on Albany Highway a fortnight ago and were orientated to the services.

#### **Comment**

Attached for Councils review and endorsement is the proposed agreement for the disposal of waste at the PerthWaste site on Albany Highway in the location of Bannister.

Attachment 6

The agreement has been reviewed and checked for legal implications and cleared as a reasonable agreement with minimal impost on Council.

The agreement is for a three (3) year period with satisfactory termination clauses. The agreed waste disposal cost is understood to be reasonable.

It is anticipated by calculation of approximate waste tonnage, that this agreement will amount to \$25 – 30,000.00 per annum.

#### **Consultation**

Shire President  
Councillors  
Perth Waste Representatives

**Statutory Environment**

Nil applicable

**Policy Implications**

Nil applicable

**Financial Implications**

The revenue raised from Fees & Charges set by Council will underpin its ability to provide Services and facilities for the remainder of the 2014/2015 financial year and into the future.

The increased costs incurred by this agreement were endorsed by Council at the 19 February Meeting 2015. The new costs have also been incorporated in the Annual Budget Review.

The Contact terms will likely have an annual impost on Council in the vicinity of \$25 - 30,000.00 per annum dependent on waste disposed.

**Strategic Implications**

Community Strategic Plan 2013-2023

**Goal 3 – Development that is in keeping with the Rural Landscape**

Outcome 3.2: Enhanced Waste Facilities

Strategy: 3.2.1: Manage existing waste facility in accordance with State Legislation

**Goal 5 – A strong and Effective Organisation**

Outcome 5.2: Accountable decision making and resource allocation through effective governance.

**Strategy 5.2.1:** Ensure Councils decision making process is effective and transparent

**Strategy 5.2.2:** Ensure the organisations governance structure, policies and procedures are current and relevant

**Voting Requirements**

Simple Majority

**Officer Recommendation**

That Council

1. Endorse the Waste Disposal Agreement between the Shire of Wandering and PerthWaste for the disposal of waste collected from Wandering and surrounds; and
2. Authorise the CEO to execute the Waste Disposal Agreement between PerthWaste and the Shire of Wandering for a period of three (3) years.

## 10.4 CORPORATE SERVICES

### 10.4.1 2014/15 ANNUAL BUDGET REVIEW

|                                |  |
|--------------------------------|--|
| <b>File Reference:</b>         | 10.1.18  |
| <b>Disclosure of Interest:</b> | Nil  |
| <b>Date:</b>                   | 12 February 2015   |
| <b>Author:</b>                 | Amanda O'Halloran, Chief Executive Officer &<br>Durga Ojha, Manager Finance & Administration |

#### **Summary**

To present the Budget Review for 2014/15 in accordance with the Local Government Act (Financial Management) Regulations 1996.

The Budget has undergone a significant number of variations, and unfortunately is demonstrating that the Shire will be likely to in deficit at the close of the financial year.

#### **Background**

The requirement for a local government to carry out an annual budget review is prescribed via Regulation 33A of the Local Government (Financial Management) Regulations (the 'Regulations').

A copy of the review, including the Council's determination in respect of the review, is to be provided to the Department of Local Government and Communities within 30 days of the date of the applicable Council Resolution.

The Regulations require that the budget review must:

- (a) consider the local government's financial performance in the period beginning on 01 July and ending no earlier than 31 December in that financial year; and
- (b) consider the local government's financial position as at the date of the review; and
- (c) review the outcomes for the end of the financial year that are forecast in the budget Essentially, the purpose of an annual budget review is to ensure that a local government conducts a review of its financial performance at an appropriate time in the financial year such that any significant budget variances can be identified and remedial action instigated as necessary.

The Shire of Wandering has carried out its annual budget review as at the end of January, as this is considered optimal timing cognisant of the intent of the review.

#### **Comment**

The budget review process was undertaken capturing the data as at 31 January 2015 and completed on the 11 March 2015 with full involvement of the Management Team. The anticipated end of financial year budget position is expected to provide a deficit in the vicinity of \$427,488. This appears to be a direct result of the following circumstances:

- Audited 2013/14 end of year surplus decreased by \$121,061 providing a direct reduction in income.

## AGENDA FOR THE MEETING TO BE HELD 19 MARCH 2015

- \$126,172 Over budget expenditure on the construction of the Dunmall Drive House(\$93,672.00), Humes Way (\$15,000)House and the purchase of the CEO swimming pool (\$17,500.00).
- \$ 232,713 Over budget expenditure on Road Maintenance. Due the change in management at the Shire in January, the full reason for this over run is not available at this time, other than to say a considerable amount of time has been spent grading Council roads.

*\*\*Whilst there have been other material over runs – there are corresponding reductions as well and these are noted in the budget papers and further commentary is provided in the main spreadsheet for a more detailed review by Councillors.*

The Management team have interrogated the budget vigorously and have found that there is little opportunity to claw back the anticipated deficit. A significant portion of the remaining projects and areas of significant expenditure are funds that are tied to grants that require Councils contribution in order to be acquitted and for Council to receive the vital granted funds to ensure cash flow till the end of the financial year.

However going forward the Management team will ensure that strict financial controls are in place for the remaining portion of the year to ensure that savings are made where possible and that no further over runs occur.

The Management team have contributed significant time and effort to better understanding their budgets and are working to ensure greater controls and effort is utilised to manage and adjust productivity and performance. It is hoped that this will support the team to move into proactive budget utilisation and less reactive, often to late budget management.

### **Attachment 7**

Attached are detailed schedules showing the 30 June 2014 forecast and explanations for variance

#### **Consultation**

Shire President  
Councillors  
Finance and Administration Manager  
Works Manager  
Community Resource Centre Coordinator

#### **Statutory Environment**

Local Government (Financial Management) Regulations 1996 Regulation33A – Review of Budget

Regulation 33A of the Local Government (Financial Management) Regulations 1996 requires local governments to conduct a budget review between 1 January and 31 March or each financial year.

Regulations 33(2) & (3) require the results of the review to be submitted to Council within 30 days of the review. Council is then to consider the review to determine whether or not to adopt the review, any part of the review or any recommendations made in the review. If Council does this at this meeting, it will meet the required timeframe. If Council is not in a position to adopt a special meeting will need to be considered to ensure compliance to statutory timeframes.

Regulation 33A(4) requires a copy of the determination to be provided to the Department of Local Government and Communities.

**Policy Implications**

Nil applicable

**Financial Implications**

Any financial implications attributable to this review are addressed within the context of this report.

**Strategic Implications**

Community Strategic Plan 2013-2023

**Goal 5 – A strong and Effective Organisation**

Outcome 5.2: Accountable decision making and resource allocation through effective governance.

**Strategy 5.2.1:** Ensure Councils decision making process is effective and transparent

**Strategy 5.2.2:** Ensure the organisations governance structure, policies and procedures are current and relevant

**Voting Requirement**

Absolute Majority Required

**Officer Recommendation**

That Council adopts the 2014/15 Annual Budget Review and approves the 30 June 2015 forecast as the amended Budget for 2014/15 as per **Attachment 7** (under separate cover).

AGENDA FOR THE MEETING TO BE HELD 19 MARCH 2015

**10 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**11 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**

**12 CONFIDENTIAL ITEMS**

Nil

**13 TIME AND DATE OF NEXT MEETING**

Next Ordinary Council meeting to be held on Thursday 16 April 2015 at 1:30pm

**14 CLOSURE OF MEETING**