

Please note: These minutes are yet to be confirmed as a true record of proceedings

CITY OF BUSSELTON

MINUTES FOR THE COUNCIL MEETING HELD ON 28 NOVEMBER 2018

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MINUTES

MINUTES OF A MEETING OF THE BUSSELTON CITY COUNCIL HELD IN COUNCIL CHAMBERS, ADMINISTRATION BUILDING, SOUTHERN DRIVE, BUSSELTON, ON 28 NOVEMBER 2018 AT 5.30PM.

1. DECLARATION OF OPENING ACKNOWLEDGEMENT OF COUNTRY / ACKNOWLEDGEMENT OF VISITORS / DISCLAIMER / NOTICE OF RECORDING OF PROCEEDINGS

The Presiding Member opened the meeting at 5.30pm.

2. ATTENDANCE

Presiding Member:

Cr Grant Henley Mayor

Members:

Cr John McCallum Deputy Mayor
Cr Coralie Tarbotton
Cr Ross Paine
Cr Rob Bennett
Cr Robert Reekie
Cr Kelly Hick
Cr Lyndon Miles

Officers:

Mr Tony Nottle, Director, Finance and Corporate Services
Mr Oliver Darby, Director, Engineering and Works Services
Mr Paul Needham, Director, Planning and Development Services
Mrs Naomi Searle, Director, Community and Commercial Services
Ms Sarah Pierson, Manager, Governance and Corporate Services
Miss Kate Dudley, Administration Officer, Governance

Apologies:

Cr Paul Carter
Mr Mike Archer, Chief Executive Officer

Approved Leave of Absence:

Nil

Media:

"Busselton-Dunsborough Times"
"Busselton-Dunsborough Mail"

Public:

0

3. PRAYER

The prayer was delivered by Captain Jason Dannock of the Salvation Army. The Presiding Member thanked Captain Dannock for his service.

4. APPLICATION FOR LEAVE OF ABSENCE**COUNCIL DECISION****C1811/232**

Moved Councillor R Paine, seconded Councillor J McCallum

That Leave of Absence be granted for Councillor Grant Henley for the Council meeting held on 12 December 2018

CARRIED 8/0**5. DISCLOSURE OF INTERESTS**

The Mayor noted that a declaration of impartiality interest had been received from:

- Cr Kelly Hick in relation to Agenda Item 8.3 Minutes of the Airport Advisory Committee held on 21 November 2018

The Mayor advised that in accordance with the *Local Government (Rules of Conduct) Regulations 2007* this declaration would be read out immediately before Item 8.3 was discussed.

6. ANNOUNCEMENTS WITHOUT DISCUSSION**Announcements by the Presiding Member**

The Director Community and Commercial Services presented the Australian Airports Association Innovation and Excellence Award for Infrastructure Development for the 'BMRA Airside and Landside Projects', which was won by the City of Busselton.

7. QUESTION TIME FOR PUBLIC**Question Time for Public****Nil****8. CONFIRMATION AND RECEIPT OF MINUTES****Previous Council Meetings****8.1 Minutes of the Council Meeting held 14 November 2018****COUNCIL DECISION****C1811/233**

Moved Councillor J McCallum, seconded Councillor R Reekie

That the Minutes of the Council Meeting held 14 November 2018 be confirmed as a true and correct record.

CARRIED 8/0

Committee Meetings8.2 Minutes of the Finance Committee meeting held on 15 November 2018**COUNCIL DECISION****C1811/234**

Moved Councillor J McCallum, seconded Councillor C Tarbotton

That the Minutes of the Finance Committee Meeting held 15 November 2018 be noted.

CARRIED 8/0

DISCLOSURE OF INTEREST	
Date	28 November 2018
Meeting	Council
Name/Position	Councillor Kelly Hick
Item No./Subject	8.3 Minutes of the Airport Advisory Committee
Type of Interest	Impartiality Interest
Nature of Interest	I accepted a gift valued at \$50 for a short helicopter ride by Jackson McLeod Scenic Helicopters, which relates to item 6.4 Busselton Margaret River Airport - Helicopter Operation Expression of Interest of the Airport Advisory Committee minutes.

8.3 Minutes of the Airport Advisory Committee held on 21 November 2018**COUNCIL DECISION****C1811/235**

Moved Councillor J McCallum, seconded Councillor C Tarbotton

That the Minutes of the Airport Advisory Committee held on 21 November 2018 be noted.

CARRIED 8/08.4 Minutes of the Audit Committee meeting held 21 November 2018**Council Decision****C1811/236**

Moved Councillor K Hick, seconded Councillor J McCallum

That the Minutes of the Audit Committee meeting held 21 November 2018 be noted.

CARRIED 8/0**9. RECEIVING OF PETITIONS, PRESENTATIONS AND DEPUTATIONS****Petitions**

Nil

Presentations

Nil

Deputations

Nil

10. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN (WITHOUT DISCUSSION)**11. ITEMS BROUGHT FORWARD****For the convenience of the Public**

Nil

Adoption by Exception Resolution

At this juncture the Mayor advised the meeting that with the exception of the items identified to be withdrawn for discussion, that the remaining reports, including the Committee and Officer Recommendations, will be adopted en bloc, i.e. all together.

Council Decision and Officer Recommendation

C1811/237 Moved Councillor C Tarbotton , seconded Councillor J McCallum

That the Committee and Officer Recommendations in relation to the following agenda items be carried en bloc:

- 12.1 Finance Committee - 15/11/2018 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 31 OCTOBER 2018
- 12.5 Audit Committee - 21/11/2018 - CITY OF BUSSELTON 2017/2018 ANNUAL FINANCIAL REPORT, AUDITORS REPORT AND MANAGEMENT LETTER
- 15.1 SETTLEMENT ART PROJECT UPDATE
- 17.1 Councillors' Information Bulletin

CARRIED 8/0

EN BLOC

12. REPORTS OF COMMITTEE

12.1 Finance Committee - 15/11/2018 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 31 OCTOBER 2018

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Manager Financial Services - Kim Dolzadelli
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Statement of Financial Activity - Period Ending 31 October 2018 
	Attachment B Investment Report - Period Ending 31 October 2018 

This item was considered by the Finance Committee at its meeting on 15 November 2018, the recommendations from which have been included in this report.

PRÉCIS

Pursuant to Section 6.4 of the Local Government Act ('the Act') and Regulation 34(4) of the Local Government (Financial Management) Regulations ('the Regulations'), a local government is to prepare, on a monthly basis, a statement of financial activity that reports on the City's financial performance in relation to its adopted/ amended budget.

This report has been compiled to fulfil the statutory reporting requirements of the Act and associated Regulations, whilst also providing the Council with an overview of the City's financial performance on a year to date basis for the period ending 31 October 2018.

BACKGROUND

The Regulations detail the form and manner in which financial activity statements are to be presented to the Council on a monthly basis; and are to include the following:

- Annual budget estimates
- Budget estimates to the end of the month in which the statement relates
- Actual amounts of revenue and expenditure to the end of the month in which the statement relates
- Material variances between budget estimates and actual revenue/ expenditure/ (including an explanation of any material variances)
- The net current assets at the end of the month to which the statement relates (including an explanation of the composition of the net current position)

Additionally, and pursuant to Regulation 34(5) of the Regulations, a local government is required to adopt a material variance reporting threshold in each financial year. At its meeting of 25 July 2018, the Council adopted (C1807/138) the following material variance reporting threshold for the 2018/19 financial year:

"That pursuant to Regulation 34(5) of the Local Government (Financial Management) Regulations, the Council adopts a material variance reporting threshold with respect to financial activity statement reporting for the 2018/19 financial year as follows:

- *Variiances equal to or greater than 10% of the year to date budget amount as detailed in the Income Statement by Nature and Type/ Statement of Financial Activity report, however variiances due to timing differences and/or seasonal adjustments are to be reported on a quarterly basis; and*
- *Reporting of variiances only applies for amounts greater than \$25,000.”*

STATUTORY ENVIRONMENT

Section 6.4 of the Local Government Act and Regulation 34 of the Local Government (Financial Management) Regulations detail the form and manner in which a local government is to prepare financial activity statements.

RELEVANT PLANS AND POLICIES

Not applicable.

FINANCIAL IMPLICATIONS

Any financial implications are detailed within the context of this report.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

Any financial implications are detailed within the context of this report.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Leadership’ and more specifically Community Objective 6.1 - ‘Governance systems, process and practices are responsible, ethical and transparent’.

RISK ASSESSMENT

Risk assessments have been previously completed in relation to a number of ‘higher level’ financial matters, including timely and accurate financial reporting to enable the Council to make fully informed financial decisions. The completion of the monthly Financial Activity Statement report is a control that assists in addressing this risk.

CONSULTATION

Not applicable

OFFICER COMMENT

In order to fulfil statutory reporting requirements, and to provide the Council with a synopsis of the City’s overall financial performance on a full year basis, the following financial reports are attached here to:

- Statement of Financial Activity

This report provides details of the City’s operating revenues and expenditures on a year to date basis, by nature and type (i.e. description). The report has been further extrapolated to include details of non-cash adjustments and capital revenues and expenditures, to identify the City’s net current position; which reconciles with that reflected in the associated Net Current Position report.

▪ Net Current Position

This report provides details of the composition of the net current asset position on a full year basis, and reconciles with the net current position as per the Statement of Financial Activity.

▪ Capital Acquisition Report

This report provides full year budget performance (by line item) in respect of the following capital expenditure activities:

- Land and Buildings
- Plant and Equipment
- Furniture and Equipment
- Infrastructure

▪ Reserve Movements Report

This report provides summary details of transfers to and from reserve funds, and also associated interest earnings on reserve funds, on a full year basis.

Additional reports and/or charts are also provided as required to further supplement the information comprised within the statutory financial reports.

COMMENTS ON FINANCIAL ACTIVITY TO 31 OCTOBER 2019

The Statement of Financial Activity for the period ending 31 October 2018 shows a better than expected Net Current Position "Surplus" of \$35.826M being \$9.387M higher than year to date budget (YTD budget) of \$25.951M.

The following summarises the major variances in accordance with *Council's adopted material variance reporting threshold* that collectively make up the above difference:

Description	2018/2019 Actual	2018/2019 Amended Budget YTD	2018/2019 Amended Budget	2018/19 YTD Bud Variance	2018/19 YTD Bud Variance
	\$	\$	\$	%	\$
Revenue from Ordinary Activities					
Operating Grants, Subsidies and Contributions	1,142,163	898,249	3,958,925	27.15%	243,914
Other Revenue	442,456	107,615	337,740	311.15%	334,841
Interest Earnings	863,837	683,424	2,283,760	26.40%	180,413
Expenses from Ordinary Activities					
Materials & Contracts	(4,430,590)	(6,178,445)	(18,833,959)	28.29%	1,747,855
Utilities (Gas, Electricity, Water etc)	(737,697)	(856,129)	(2,569,240)	13.83%	118,432
Depreciation on non current assets	(7,433,425)	(6,472,786)	(19,070,922)	-14.84%	(960,639)
Insurance Expenses	(712,563)	(576,357)	(698,808)	-23.63%	(136,206)
Other Expenditure	(828,122)	(1,513,508)	(4,819,009)	45.28%	685,386
Allocations	424,450	567,535	1,723,162	25.21%	(143,085)
Borrowings Cost Expense					
Interest Expenses	(361,589)	(401,291)	(1,374,387)	9.89%	39,702
Non-Operating Grants, Subsidies and Contributions					
	1,614,638	4,741,643	32,402,981	-65.95%	(3,127,005)

Adjustments for Non-cash Revenue & Expenditure					
Depreciation	7,433,425	6,472,786	19,070,922	14.8%	960,639
Donated Assets	(42,000)	(5,000)	(8,365,000)	740.0%	(37,000)
Description	2018/2019 Actual	2018/2019 Amended Budget YTD	2018/2019 Amended Budget	2018/19 YTD Bud Variance	2018/19 YTD Bud Variance
Capital Revenue & (Expenditure)					
Land & Buildings	(343,558)	(5,216,982)	(17,902,816)	93.41%	4,873,424
Plant & Equipment	(947,492)	(1,953,000)	(6,880,100)	51.49%	1,005,508
Furniture & Equipment	(95,800)	(309,164)	(883,640)	69.01%	213,364
Infrastructure	(6,454,034)	(11,964,251)	(37,259,070)	46.06%	5,510,217
Proceeds from Sale of Assets	291,090	555,650	1,045,950	-47.61%	(264,560)
Transfer to Restricted Assets	(643,776)	(182,664)	(551,000)	-252.44%	(461,112)
Transfer from Restricted Assets	3,411,252	4,690,120	14,423,922	-27.27%	(1,278,868)

Operating Income:

Year to date actual Income from ordinary activities is \$984K more than expected when compared to YTD budget with the following items meeting the material variance reporting threshold set by Council for the 2018/2019 Financial Year.

Description	2018/2019 Actual	2018/2019 Amended Budget YTD	2018/2019 Amended Budget	2018/19 YTD Bud Variance	2018/19 YTD Bud Variance
	\$	\$	\$	%	\$
Revenue from Ordinary Activities					
Operating Grants, Subsidies and Contributions	1,142,163	898,249	3,958,925	27.15%	243,914
Other Revenue	442,456	107,615	337,740	311.15%	334,841
Interest Earnings	863,837	683,424	2,283,760	26.40%	180,413

Operating Grants:

The main items affected are listed below:

Cost Code	Cost Code Description	Variance YTD
<u>Planning and Development Services</u>		
10942	Bushfire Risk Management Planning - DFES	141,285
<u>Engineering and Works Services</u>		
M9970	Tree Removal and Clean up	127,893

Other Revenue:

The main items affected are listed below:

Cost Code	Cost Code Description	Variance YTD
<u>Finance and Corporate Services</u>		
10250	Information & Communication Technology Services - Sundry Income (GST) – Note offset with Lease payments	277,171

<u>Engineering and Works Services</u>		
G0030	Busselton Transfer Station - Sale of Scrap Materials	50,169
G0031	Dunsborough Waste Facility - Sale of Scrap Materials	21,860

Interest Earnings:

Interest earnings are better than YTD Budget by \$180K, this is better than expected interest errant on restricted assets YTD.

Operating Expenditure:

Expenditure from ordinary activities, excluding depreciation, is \$2.44M less than expected when compared to YTD budget with the following items meeting the material variance reporting threshold set by Council for the 2018/2019 Financial Year.

Materials and Contracts:

The main items affected are listed below:

Cost Code	Cost Code Description / GL Activity	Variance YTD
<u>Finance and Corporate Services</u>		
10250	Information & Communication Technology Services	(44,571)
10251	Business Systems	59,697
10500	Legal and Compliance Services	35,582
<u>Community and Commercial Services</u>		
10591	Geographe Leisure Centre	48,587
10600	Busselton Jetty Tourist Park	59,263
10900	Cultural Planning	33,478
10980	Other Law, Order & Public Safety	48,324
11151	Airport Operations	35,340
<u>Planning and Development Services</u>		
10830	Environmental Management Administration	29,712
11170	Meelup Regional Park	47,251
<u>Engineering and Works Services</u>		
11101	Engineering Services Administration	63,231
11160	Busselton Jetty	261,264
11300	Sanitation Waste Services Administration	44,461
11301	Regional Waste Management Administration	40,000
12620	Rural-Tree Pruning	(59,000)
A9999	Miscellaneous Bridge Maintenance	44,114
B1000	Administration Building- 2-16 Southern Drive	31,421
B1401	Old Butter Factory	(72,923)
B1514	Asbestos Removal & Replacement	29,995
G0031	Dunsborough Waste Facility	(32,662)
G0032	Rubbish Sites Development	33,332
G0034	External Waste Disposal	37,768
G0042	BTS External Restoration Works	(26,983)

R0004	Bsn Foreshore Precinct (not including Skate Park)	70,607
R0820	Almond Green Park (Provence)	24,783
5280	Transport - Fleet Management	136,373

Utilities:

There is an overall variance in utility charges of \$118K this variance is spread over 364 individual line items with an average variance of only \$324 per item.

Depreciation:

There is an overall variance in depreciation of \$960K, it should be noted that this is a non-cash item and does not impact on the City's surplus position. The variance can be attributed to the fact that Fair Valuation of infrastructure assets was completed post budget adoption and the increase in valuation was unable to be included in the 2018/2018 budget.

Insurance:

There is an YTD variance in insurance costs of \$136K, this is of a timing issue only.

Other Expenditure:

There is an YTD variance in other costs of \$685K, this is considered a timing issue only, and the main items affected are listed below:

Cost Code	Cost Code Description / GL Activity	Variance YTD
<u>Executive Services</u>		
10001	Office of the CEO	25,947
<u>Finance and Corporate Services</u>		
10000	Members of Council	52,511
10151	Rates Administration	27,255
<u>Community and Commercial Services</u>		
10530	Community Services Administration	50,950
11156	Airport Development Operations	500,000
<u>Engineering and Works Services</u>		
B1223	Micro Brewery - Public Ablution	40,000

Allocations:

Allocations are running \$143K under YTD budget; these items are an internal allocation of administrative costs from the Finance and Corporate Services division.

Borrowing Costs – Interest Expenses:

Interest expenses are \$39k less than YTD budget, no new loans have been taken at this point in time.

Non-Operating Grants, Subsidies and Contributions:

Non-Operating Grants, Subsidies and Contributions are less than YTD budget by \$3.127M with the main items impacting on the above result being the timing of the receipt of "Airport Development - Project Grant" with a current negative result of \$2.73M and Contributions – Public Art \$371K less than YTD Budget.

Capital Expenditure

As at 31 October 2018, there is a variance of -59.67% or -\$11.66M in total capital expenditure with YTD actual at -\$7.84M against an YTD budget of -\$19.44M. The airport development makes up for \$4.91M, Busselton Tennis Club – Infrastructure \$1.24M, Plant and Equipment Purchases \$1M Council Roads Initiative projects \$933K, Eastern Link - Busselton Traffic Study \$900K, Main Roads projects \$716K, Sanitation Infrastructure \$640K, Parks Gardens and Reserves \$457K Senior Citizens Building project, Beach Restoration \$250K, Furniture and Equipment \$213K, Dunsborough Cycleway \$213K and Busselton Jetty Precinct (769,723). These items of under expenditure also assists in explaining the above current YTD shortfall in Non-Operating Grants.

The attachments to this report include detailed listings of the following capital expenditure (project) items, to assist in reviewing specific variances.

Investment Report

Pursuant to the Council's Investment Policy, a report is to be provided to the Council on a monthly basis, detailing the investment portfolio in terms of performance and counterparty percentage exposure of total portfolio. The report is also to provide details of investment income earned against budget, whilst confirming compliance of the portfolio with legislative and policy limits.

As at 31st October 2018 the value of the City's invested funds totalled \$83.3M, up from \$80.8M as at 30th September. The increase is due to the inflow of funding associated with the annual rate levies.

During the month of October two term deposits held with two different institutions totalling \$4.5M matured. All were renewed for a further 152 days at 2.67% (on average).

The balance of the 11am account (an intermediary account which offers immediate access to the funds compared to the term deposits and a higher rate of return compared to the cheque account) increased by \$2.5M.

The balance of the Airport Development ANZ cash account remained steady this month.

The RBA left official rates on hold during October. Future movements remain uncertain at this point.

Chief Executive Officer – Corporate Credit Card

Details of monthly (September to October) transactions made on the Chief Executive Officer's corporate credit card are provided below to ensure there is appropriate oversight and awareness of credit card transactions made.

Date	Amount	Payee	Description
29-Sep-18	\$110.00	Riverview On Mount Street	Accommodation - Cr McCallum Attending Tennis Awards
26-Sep-18	\$158.00	Aloft Perth	Accommodation - Maxine Palmer Attending Tennis Awards
01-Oct-18	\$280.00	Tennis West Burswood	Tennis Industry Awards 2018 x 2 Registrations
08-Oct-18	\$185.00	Local Government Managers Asscn.	LG Professionals Membership T King
08-Oct-18	\$80.00	NPA WA West Perth	Attend Nationals WA Sundowner (Mayor)
08-Oct-18	\$59.99	Snapfish Australia	Departure Gift – Cliff Frewing Canvas Print
15-Oct-18	\$56.30	Tall Timbers Manjimup	Lunch Meeting with Minister (CEO/Mayor)

Date	Amount	Payee	Description
15-Oct-18	\$156.55	Kingsley Motel Manjimup	Accommodation For Mayor
16-Oct-18	\$95.10	The Good Egg	Lunch CEO, Mayor and City of Bunbury
25-Oct-18	\$486.00	Spice Odysee	Council Meeting Dinner
26-Oct-18	\$25.00	Local Government Managers Assocn.	Refunded next period

**Funds debited against CEO Annual Professional Development Allowance as per employment Contract Agreement*

+ Allocated against CEO Hospitality Expenses Allowance

CONCLUSION

As at 31 October 2018, the City's financial performance is considered satisfactory.

COUNCIL DECISION/COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION



C1811/238 Moved Councillor C Tarbotton , seconded Councillor J McCallum

That the Council receives the statutory financial activity statement reports for the period ending 31 October 2018, pursuant to Regulation 34(4) of the Local Government (Financial Management) Regulations.

CARRIED 8/0

EN BLOC

12.5 Audit Committee - 21/11/2018 - CITY OF BUSSELTON 2017/2018 ANNUAL FINANCIAL REPORT, AUDITORS REPORT AND MANAGEMENT LETTER

SUBJECT INDEX:	Financial Operations
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Manager Financial Services - Kim Dolzadelli
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A 2017/2018 Annual Financial Report Including Auditors Report 
	Attachment B 2017/2018 Management Letter 

This item was considered by the Audit Committee at its meeting on 21 November 2018, the recommendations from which have been included in this report.

PRÉCIS

The 2017/18 Annual Financial Statement, Auditors Report and Management Letter was received from Council's appointed Auditor, Mr Tim Partridge from AMD Chartered Accountants on 26 October 2018, and is provided to Committee Members as attachments to this report.

Pursuant to its Instrument of Appointment, it is relevant that the Audit Committee considers the 2017/18 Annual Financial Statement, Auditors Report and Management Letter and where appropriate, makes recommendation/s in respect of these reports.

BACKGROUND

Pursuant to Section 7.9 of the Local Government Act (the 'Act'), an Auditor is required to examine the accounts and annual financial report submitted by a local government for audit. The Auditor is also required, by 31 December following the financial year to which the accounts and report relate, to prepare a report thereon and forward a copy of that report to:

- (a) The Mayor or President
- (b) The Chief Executive Officer; and
- (c) The Minister

Furthermore, in accordance with Regulation 10 (4) of the Local Government (Audit) Regulations, where it is considered appropriate to do so, the Auditor may prepare a Management Report to accompany the Auditor's Report, which is also to be forwarded to the persons specified in Section 7.9 of the Act.

The Management Report provides an overview of the audit process and outcomes, whilst also identifying any matters that, whilst generally not material in relation to the overall audit of the financial report, are nonetheless considered relevant to the day to day operations of the City.

STATUTORY ENVIRONMENT

Matters pertaining to the financial audit of a local government authority are detailed within:

- Local Government Act 1995 Section 7.9 and Section 7.12A.
- Local Government (Financial Management) Regulations 1996.

- Local Government (Audit) Regulations 1996 – Regulation 16.

RELEVANT PLANS AND POLICIES

There are no plans or policies relevant to this matter

FINANCIAL IMPLICATIONS

There are no financial implications associated with the officer recommendation.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

There are no long term financial plan implications associated with the officer recommendation

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 –Leadership of the City’s Strategic Community Plan 2017 and more specifically Community Objective 6.1: Governance systems, process and practices are responsible, ethical and transparent.

RISK ASSESSMENT

There are no identified risks of a medium or greater level.

CONSULTATION

No external consultation was considered necessary in relation to this matter.

OFFICER COMMENT

The Audit Committee should note the following Auditors comments:

“Opinion

We have audited the annual financial report of the City of Busselton which comprises the Statement of Financial Position as at 30 June 2018, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In our opinion the annual financial report of the City of Busselton:

- (i) is based on proper accounts and records; and*
- (ii) fairly represents, in all material respects, the results of the operations of the City of Busselton for the year ended 30 June 2018 and its financial position at the end of that period in accordance with the Local Government Act 1995 (the Act) and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.*

Report on Other Legal and Regulatory Requirements

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

- (i) In our opinion, there are no significant adverse trends in the financial statements of the City of Busselton;*
- (ii) The following instance of non-compliance with Part 6 of the Local Government Act 1995, the Local Government (Financial Management) Regulations 1996 or applicable*

financial controls of any other written law were identified during the course of my audit:

- *The monthly financial statements for July 2017 and August 2017 were not presented at an ordinary council meeting within two months after the end of the month to which the financial statements relate; as required by Regulation 34(4) of the Local Government (Financial Management) Regulations 1996.”*

(iii) All required information and explanations were obtained by us.

(iv) All audit procedures were satisfactorily completed.

(v) In our opinion, the asset consumption ratio and the asset renewal funding ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

The Auditor’s Management Report provides an overview of the approach undertaken in respect of the annual audit process, and the associated outcomes of the audit. The Management Report also identifies any findings that, whilst not material in relation to the overall audit of the financial report, are considered relevant to the day to day operations of the City.

As part of the 2017/18 Financial Audit, the Auditor made 5 findings as follows, full details and City of Busselton Management comments can be seen in Attachment B 2017/2018 Management Letter:

- a) Compliance Audit Return,
- b) Condition Assessment of Infrastructure Assets,
- c) Liability for Time Off in Lieu,
- d) A finding relating to excessive leave balances, and
- e) Terminated Employee Checklist

Comments on Findings

- a) The Compliance Audit Return (CAR) was considered by the Audit Committee at its meeting on 14 March 2018 and adopted by Council at its meeting held 28 March 2018. The CAR was subsequently signed and lodged with the Department 9 April 2017; this late lodgment was as a result of illness of a staff member and further complicated by the Easter Public holidays of Friday 30 March and Monday 2 April 2018.
- b) Regulation 17A (4)(b) of the Local Government (Financial Management) Regulations 1996 has since been amended to allow for Fair Value of Assets to be undertaken within a period of at least 3 years but no more than 5 years after the day on which the asset was last valued or revalued. Officers believe that this amendment supports the actions of the City with respect to re-assessment of asset conditions.
- c) New processes will be put into place to ensure entitlement balances are regularly reconciled and updated for any change to pay rates.
- d) The finding in relation to excessive leave balances for some employees is acknowledged and a process has been put in place following similar findings over the last few years.

The City continues to adopt an approach of endeavoring to achieve an overall reduction in long outstanding leave balances while still meeting the needs of the organisation. It should be noted this is an issue in relation to a few employees only; and the City does not generally have a problem with excessive leave balances.

This issue will obviously be the subject of continual review prior to and at next year's financial audit.

- e) The City endeavors to ensure that termination checklists are completed following the departure of employees, this instance is believed to be of minor consequence and removal of building and IT access rights, amendment of payroll records indeed did occur, albeit a checklist could not be located.

CONCLUSION

The City achieved a clear audit for the financial year ending 30 June 2018 with only 5 findings reported in the Management Report.

OPTIONS

The Audit Committee may determine to make specific recommendations in relation to the audit findings and the actions identified by management in addressing these. Given the relatively minor nature of the issues that have arisen and the actions which are proposed or are underway, officers do not think specific resolutions are necessary.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Not applicable.

COUNCIL DECISION/COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION

C1811/239

Moved Councillor C Tarbotton , seconded Councillor J McCallum

That the Council accept the 2017/18 Annual Financial Report including Auditors Report and Audit Management Report.

CARRIED 8/0

EN BLOC

15. COMMUNITY AND COMMERCIAL SERVICES REPORT

15.1 SETTLEMENT ART PROJECT UPDATE

SUBJECT INDEX:	Arts and Culture
STRATEGIC OBJECTIVE:	A community with access to a range of cultural and art, social and recreational facilities and experiences.
BUSINESS UNIT:	Community Services
ACTIVITY UNIT:	Community Services
REPORTING OFFICER:	Cultural Development Officer - Jacquie Happ
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

PRÉCIS

The Settlement Art Project (SAP) is a public art initiative commemorating the successful establishment of Busselton as one of the first settlements outside Perth. The project involves the commissioning of six life-sized bronze sculptures (one per year) at a total cost of approximately \$770,000 (inc GST) with fundraising by a community fundraising group.

The Settlement Art Project Steering Committee (SAPSC) manages the project on behalf of the Council to commission and raise funds for the sculptures.

The purpose of this report is to provide Council with an update on the project as per requirements of Terms of Reference of the SAPSC.

BACKGROUND

In November 2011 Council awarded Tender 1/11 to Greg James (C1111/342) for the commissioning of SAP sculptures. In June 2013, the SAPSC was established (C1306/139) to provide a vehicle by which the commissioning of the sculptures could be overseen; and to initiate and coordinate fundraising activities.

At a formal meeting of the SAPSC on 9 January 2014 (BSA1401/010) the Committee recommended that the order of commissioning for the first three sculptures be changed to:

1. Whaler's Wife installed on 14 March 2014
2. Timber Worker installed on 5 September 2015.
3. John Garrett (JG) Bussell installed on 3 September 2016.

The fourth sculpture, the Spanish Settler, was recommended to be commissioned by the SAPSC on 8 September 2016 (SAP1609/022) and was installed on 14 October 2017.

The fifth sculpture, Gaywal, the Aboriginal sculpture, was recommended to be commissioned by the SAPSC on 2 February 2017 (SAP1702/024). The sculpture was commissioned in January 2018 and is currently completed to clay form with unveiling planned for 19 January 2019. It will be installed on the corner of Adelaide Street and Queen Street (on the pathway adjacent to the Department of Biodiversity, Conservation and Attractions).

The sixth and final sculpture, the Pioneer Woman, following Council approval, is anticipated to be commissioned in February 2019 with installation in November 2019. The sculpture will feature a woman holding onto her hat with a basket of produce on her arm. The proposed location is on the corner of Adelaide and Queen Streets, outside the Weld Theatre.

STATUTORY ENVIRONMENT

Under Section 5.8 of the *Local Government Act 1995* (the Act), a local government, by absolute majority, may establish committees of three or more persons to assist the Council, and to exercise the powers and discharge the duties of the local government that can be delegated to committees.

Authority can be delegated to formally constituted Committees of Council in accordance with Sections 5.16 and 5.17 of the Act.

RELEVANT PLANS AND POLICIES

It is the goal of the City's Social Plan (2015-2025) that our culture is celebrated, valued and retained. The SAP is in line with goal.

FINANCIAL IMPLICATIONS

The Committee have raised \$3,126.90 in the 2018/19 financial year of which \$476.90 was deposited to the National Trust Appeal Account and \$2,650 allocated to the City's Public Art Reserve. Further fundraising is planned. Funding for completion of the Aboriginal man and commissioning of the Pioneer Woman has been allocated in the 2018/19FY budget.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

There is a budget provision of \$20,000 in the 2019/20 LTFP for completion of the Pioneer Woman statue. There are no long term financial plan implications associated with the officer recommendation.

STRATEGIC COMMUNITY OBJECTIVES

This project aligns with Key Goal Area 1 – Community of the City of Busselton Strategic Community Plan 2017 and specifically community objective 1.3: A community with access to a range of cultural and art, social and recreational facilities and experience.

RISK ASSESSMENT

An assessment of the potential implications of implementing the officer recommendation have been undertaken using the City's risk assessment framework, and no risks were identified where the residual risk, once controls are considered, is medium or greater.

CONSULTATION

Aboriginal Community Representatives have been consulted with regards to the sculpture and have written the interpretation text for the plaque, to be provided in English and Aboriginal language. Cultural custodians have been contacted to provide cultural information for the sculpture.

The South West Aboriginal Land and Sea Council have been updated on the project and have provided guidance on the unveiling ceremony along with cultural protocols to be observed. They have also referred Council to the Noongar Language Centre for correct spelling of Aboriginal language for the interpretive plaque.

OFFICER COMMENT

The SAPSC have commissioned the Aboriginal sculpture of Gaywal, according to the outcomes of the consultation with Aboriginal community members undertaken in early 2017. The sculpture is expected to be completed for installation on the corner of Adelaide Street and Queen Street, Busselton with the unveiling ceremony on 19 January 2019.

There have been delays in completing the sculpture due to illness and confirmation of the cultural information that was required for elements of the sculpture, however these have now been resolved and the sculpture is on track for completion in January 2019. The Aboriginal Representative Group have viewed and approved the clay frame.

The SAPSC have continued their fundraising efforts with further activities planned.

CONCLUSION

This report provides an update on the Settlement Art Project.

OPTIONS

N/A

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

N/A

COUNCIL DECISION AND OFFICER RECOMMENDATION

C1811/240 Moved Councillor C Tarbotton , seconded Councillor J McCallum



That the Council receives the project update report.

CARRIED 8/0

EN BLOC

17. CHIEF EXECUTIVE OFFICER'S REPORT

17.1 COUNCILLORS' INFORMATION BULLETIN

SUBJECT INDEX:	Councillors' Information Bulletin
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Governance Services
ACTIVITY UNIT:	Governance Services
REPORTING OFFICER:	Administration Officer - Governance - Kate Dudley
AUTHORISING OFFICER:	Chief Executive Officer - Mike Archer
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Planning Applications received by the City between 16 October, 2018 and 31 October, 2018  Attachment B Planning Applications determined by the City between 16 October, 2018 and 31 October, 2018 

PRÉCIS

This report provides an overview of a range of information that is considered appropriate to be formally presented to the Council for its receipt and noting. The information is provided in order to ensure that each Councillor, and the Council, is being kept fully informed, while also acknowledging that these are matters that will also be of interest to the community.

Any matter that is raised in this report as a result of incoming correspondence is to be dealt with as normal business correspondence, but is presented in this bulletin for the information of the Council and the community.

INFORMATION BULLETIN

17.1.1 Planning & Development Services Statistics

Planning Applications

Attachment A is a report detailing all Planning Applications received by the City between 16 October, 2018 and 31 October, 2018. A total of 44 formal applications were received during this period.

Attachment B is a report detailing all Planning Applications determined by the City between 16 October, 2018 and 31 October, 2018. A total of 31 applications (including subdivision referrals) were determined by the City during this period with 30 approved / supported and 1 refused / not supported.

17.1.2 Tender Updates

RFT08/18 SUPPLY OF SOILS AND MULCH

- The evaluation has been completed and a preferred tenderer has been recommended.
- A contract was awarded by the CEO in November 2018 to Landsave Organics Pty Ltd.

RFT09/18 PROVENCE ESTATE LANDSCAPE MAINTENANCE

- The evaluation has been completed and a preferred tenderer has been recommended.
- A contract was awarded by the CEO in October 2018 to Landscape and Maintenance Solutions Pty Ltd.

RFT12/18 CONSTRUCTION OF BUSSELTON TENNIS CLUBHOUSE

- Negotiations as to variations to the contract with I.C. Developments Pty Ltd T/A Innovest Construction (Innovest) have been finalised and the contract was awarded by the CEO in October 2018 to Innovest.

RFT13/18 PROVISION OF GYM EQUIPMENT FOR GEOGRAPHE LEISURE CENTRE, BUSSELTON

- The evaluation has been completed and a preferred tenderer has been recommended.
- It is anticipated that a contract will be awarded by the CEO in November 2018.

RFT14/18 CONTAMINATED SITES INVESTIGATION WORKS

- The evaluation has been completed and two preferred tenderers have been recommended.
- A contract for the first task in the project was awarded by the CEO in November 2018 to Welarm Pty Ltd and a contract for the second task was awarded by the CEO in November 2018 to Senversa Pty Ltd.

RFT15/18 CONSTRUCTION OF FREIGHT HUB CIVIL AND SERVICES INFRASTRUCTURE

- Requirement – the construction of the freight hub civil and services infrastructure at Busselton-Margaret River Airport.
- A Request for Tender was advertised on 10 October 2018 with a closing date of Tuesday 30 October 2018.
- A total of 3 tenders were received.
- The value of the contract is expected to exceed the CEO's delegated authority under Delegation LG3J.
- A report was presented to Council at the Council Meeting of 14 November 2018.
- Council endorsed the officer recommendation to delegate authority to the CEO to negotiate and agree final terms and conditions and to award a contract with Ertech Pty Ltd and that if, in the discretion of the CEO, agreement cannot be reached with Ertech Pty Ltd then the CEO may negotiate and agree final terms and conditions and enter into a contract with APH Contractors Pty Ltd.
- It is anticipated that a contract will be awarded in November 2018.

RFT16/18 OLD BUTTER FACTORY REPAIR WORKS

- Requirement – repair and rectification works to the Old Butter Factory following fire damage to the building.
- A Request for Tender was advertised on 20 October 2018 with a closing date of 9 November 2018.
- No submissions were received.
- The CEO will determine how best to proceed with procurement of these works.

RFT17/18 PORT GEOGRAPHE FINGER JETTY REPLACEMENT

- Requirement – the demolition of existing finger jetty or jetties (as determined by the City) located at the Port Geographe Marina boat launching facility in Busselton and the replacement of such jetty or jetties with floating pontoon style finger jetty or jetties.
- A Request for Tender was advertised on 3 November 2018 with a closing date of 20 November 2018.
- The value of the contract is not expected to exceed the CEO's delegated authority under Delegation LG3J.
- It is anticipated that a contract will be awarded in December 2018.

17.1.3 Donations Contributions and Subsidies Fund – October 2018

The Council allocates an annual budget allowance to the Donations, Contributions and Subsidies (Sponsorship Fund). This is provided such that eligible groups and individuals can apply for and receive sponsorship to assist them in the pursuit of endeavours that bring direct benefit to the broader community. Allocation of the funds is delegated to the Chief Executive Officer, in accordance with published guidelines and funding availability.

Nine applications were supported in October 2018, totalling \$2,950.00 as outlined in the table below:

App. No.	Recipient	Purpose	Amount
October 2018			
25/18-19	Dunsborough & Districts Progress Association	Funding to assist with costs for running the free community event 'Hannay Lane Street Party' to celebrate and support local business in Dunsborough.	\$1,000.00
26/18-19	Busselton RSL	Funding to cover the cost of purchasing materials for local groups and schools to make poppies for the Remembrance Day Service.	\$600.00
27/18-19	Busselton Primary School	Year 6 graduation assembly award. The City's sponsorship recognises student achievement.	\$100.00
28/18-19	Busselton Population Medical Research Institute	Funding to cover the cost of hiring the Ballarat room - venue for the Relaunch of the Baby Boomer Study held on 13 October 2018.	\$175.00
30/18-19	Yallingup Steiner School	Year 6 graduation assembly award. The City's sponsorship recognises student achievement.	\$100.00
31/18-19	Our Lady of the Cape Primary School	Year 6 graduation assembly award. The City's sponsorship recognises student achievement.	\$100.00
32/18-19	St Mary MacKillop College	Year 6 and Year 12 graduation assembly awards. \$100 for primary and \$200 for high school. The City's sponsorship recognises student achievement.	\$300.00
33/18-19	Geographe Education Support	Funds to cover hire fee of the Undalup Room - venue for end of year awards ceremony and celebration.	\$275.00

App. No.	Recipient	Purpose	Amount
34/18-19	Georgiana Molloy Anglican School	Year 6 and Year 12 graduation awards \$100 for primary and \$200 for high school. The City's sponsorship recognises student achievement.	\$300.00
		October Total	\$2,950.00

COUNCIL DECISION AND OFFICE RECCOMENDATION

C1811/241 Moved Councillor C Tarbotton , seconded Councillor J McCallum

That the items from the Councillors' Information Bulletin be noted:

- [17.1.1 Planning & Development Services Statistics](#)
- [17.1.2 Tender Updates](#)
- [17.1.3 Donations Contributions and Subsidies Fund – October 2018](#)

CARRIED 8/0

EN BLOC

12. REPORTS OF COMMITTEE

12.2 Finance Committee - 15/11/2018 - BUDGET AMENDMENT REQUEST / REVIEW

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Finance and Corporate Services
REPORTING OFFICER:	Manager Financial Services - Kim Dolzadelli
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	

This item was considered by the Finance Committee at its meeting on 15 November 2018, the recommendations from which have been included in this report.

PRÉCIS

This report seeks recommendation of the Finance Committee to Council for the approval of budget amendments as detailed in this report. Adoption of the Officers recommendation will result in no change to the City's current amended budgeted surplus position of \$0.

BACKGROUND

Council adopted its 2018/2019 municipal budget on Wednesday, 25 July 2018 with a balanced budget position.

Since this time Council has been advised of certain funding changes that have positively impacted the original budget and Council is now being asked to consider budget amendments for the following key areas/projects:

1. Funds Held in Trust
2. Recognition of income for shared Library Consortia resource
3. Recognition of Income - Regional Every Club Funding Program
4. Recognition of Income – Community Child Care Fund Sustainability Support
5. Busselton Lion Club – Youth Activities

STATUTORY ENVIRONMENT

Section 6.8 of the Local Government Act refers to expenditure from the municipal fund that is not included in the annual budget. In the context of this report, where no budget allocation exists, expenditure is not to be incurred until such time as it is authorised in advance, by an absolute majority decision of the Council.

RELEVANT PLANS AND POLICIES

There are multiple plans and policies that support the proposed budget amendments.

FINANCIAL IMPLICATIONS

Budget amendments being sought will result in no change to Council's budget surplus position of \$0.

LONG TERM FINANCIAL PLAN IMPLICATIONS

There are no Long Term Financial Plan implications in relation to this item.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Leadership’ and more specifically Community Objective 6.1 - ‘Governance systems, process and practices are responsible, ethical and transparent’.

RISK ASSESSMENT

There is a risk to the City, as there is with all projects undertaken, that the final cost could exceed budget. If this looks to be the case Council will be notified so a suitable offset / project scope back can be identified.

CONSULTATION

Consultation has occurred with the appropriate Council officers.

OFFICER COMMENT

The Officer recommends the following requested budget amendments to the Finance Committee for consideration and recommendation to Council.

1. “Funds Held in Trust”

Community Appeals Trust:

The City currently holds \$1,000.40 in the Community Appeals Trust which dates back to 2002, this amount represents the balance Council Funds placed into trust to be used to support victims of the Bali bombings, the last payment from this fund was made in October 2005.

Officers recommend that the amount of \$1,000.40 be transferred from the Community Appeals Trust fund to Council Reserve Fund “Emergency Disaster Recovery Reserve”.

Sundry Other Trusts:

The City currently holds \$24,240.63 held in the Sundry Other Trusts which is made up of \$1400 – BSN BMX Club (2006) and \$22,840.63 is from the Yallingup Hall Committee (2015).

It is understood that the BMX Club have not been in operation since 2006, former members of the club committee have been contacted by City officers and it is recommended that these funds be transferred to the Municipal fund and utilised on rails for trails expenditure.

Further to the above the Yallingup Hall Committee handed back the hall to Council and disbanded in 2015 and the City of Busselton since then has been fully responsible for the hall. This being the case it is recommended that the \$22,840.63 be transferred from trust into the City’s “Building Asset Renewal Fund” for use on the hall when required.

Planned Expenditure Items

Officers propose that the 2018/2019 adopted budget be amended to reflect the following funding charges, shown in Table 1.

Table 1:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Transfers from Trust				
Trust Transfer	Community Appeals Trust	0	(1,000.40)	(1,000.40)
Trust Transfer	Sundry Other Trusts	0	(24,240.63)	(24,240.63)
Expenditure				
C3122	Rails to Trails	248,723	1,400	250,123
Transfers to Reserve				
Building Asset Renewal Fund	Transfer to	890,864	22,840.63	913,704.63
Emergency Disaster Recovery Reserve	Transfer to	20,936	1,000.40	21,936.40
	Net Total	1,160,523.00	0	1,160,523.00

Proposed Outcome

Transfer of defunct Trust funds held.

2. "Recognition of income for shared Library Consortia resource"

The City is a member of the SW Library Consortia (SWLC), consisting of 12 members. In 2017, the SWLC successfully procured and went on to implement across 22 libraries a shared library management system and associated operating procedures. This achieved significant savings for members who were able to divest of outdated and unsupported library software and moved to the latest in cloud-based technology.

The new system has also reduced IT support requirements for individual libraries but resourcing of day to day issues,(usually user error), training and deployment of new functionality and system upgrades is still required. It is inefficient and a duplication of overheads for each member library to individually resource this core function and therefore the Consortia approached all participating members with a proposal for a dedicated consortia resource to manage these issues and deploy new features. The Consortia requested a contribution from each member based population.

The City has allocated \$14,800 in the 2018/19 budget for its share of the resource; as this resource is to be hosted by the City of Busselton a budget amendment to recognise the other Consortia member contributions to the resource and associated expense is required.

Planned Expenditure Items

The amendments shown below in Table 2 will reflect the other Consortia member contributions and associated offset expenditure.

Table 2:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
233-10380-xxxx	Contributions – other Consortia Members	0	(39,000)	(39,000)
233- 10380-3295	Library Services - Other Computing Costs	14,800	39,000	53,800
	Net Total	14,800	0	14,800

Proposed Outcome

Provide financial support to the Library Consortia which in turn will enhance patrons experience, address duplication across the 12 member Local Governments and provide dedicated support to member Local Governments. There will be no impact on the adopted budget.

3. “Recognition of Income - Regional Every Club Funding Program”

The City has been successful in securing a grant for \$40,000 over 2 years from the Department of Local Government, Sport and Cultural Industries to deliver a range of strategic planning workshops and community workshops for sports in the region.

This project has been developed in partnership with the surrounding City of Busselton Local Government Authorities (Shires of Capel and Augusta Margaret River), with the key outcome being to educate the club volunteers and to have sustainable associations and clubs by conducting strategic planning workshops. The project is also designed to assist targeted sporting associations and clubs to plan their resources and growth and will also support the development of the City of Busselton’s Recreation Facilities Strategy.

Planned Expenditure Items

Year 1 funding agreement is from 1 September 2018 to 31 August 2019. (\$20,000)

Year 2 funding agreement is from 1 September 2019 to 31 August 2019. (\$20,000)

Expenditure will be used for contractor and staff time, meeting and workshop facilitation.

The amendments shown in Table 3 are sought for approval.

Table 3:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
332-10540-1239-9353	Operating Grants & Subsidies-other	0	(20,000)	(20,000)
Expenditure				
332-10540-3260-9353	Consultancy	20,000	20,000	40,000
	Net Total	20,000	0	20,000

Proposed Outcome

Recognition of Grant Funding and programme activities.

4. “Recognition of Income – Community Child Care Fund Sustainability Support”

The City has been successful in securing a grant for \$64,000 over 2 years from the Commonwealth Department of Education and Training to deliver a range of strategies aimed at assisting the sustainability of the outside school hours care vacation care program at Naturaliste Community Centre.

This projects key outcomes are to formulate and implement a number of business, programming, marketing, training and staffing strategies with the aim to increase utilisation and improve service sustainability. Part of the process will be to engage a consultant to review the service and make recommendations regarding policy and procedure, target marketing, compliance and training.

Planned Expenditure Items

Year 1 funding agreement is from 1 July 2018 to 30th June 2019. (\$41,000)

Year 2 funding agreement is from 1 July 2019 to 30 June 2020. (\$23,000)

Expenditure will be used for the following over the 2 years in accordance with the grant agreement

1. Consultants /professional fees (\$15,000)
2. Transport costs (\$5,000)
3. Changes to business practices (\$4,000)
4. Additional operating costs (\$2,000)
5. Additional target marketing (\$10,000)
6. Educational resources and materials (\$23,000)
7. Wages and training (\$5,000)

The amendments shown in Table 4 are sought for approval.

Table 4:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
336- 10590- 1239 -7007	Operating Grants & Subsidies-other	0	(41,000)	(41,000)
Expenditure				
336-10590-3038-7007	Wages	157,950	3,000	160,950
336-10590-3376-7007	Holiday Program activities	6,000	17,000	23,000
336-10590-3623-7007	Marketing and promotions	3,000	6,000	9,000
336-10590-3301-7007	Furniture and off equip purchases	1,500	15,000	16,500
	Net Total	168,450	0	168,450

Proposed Outcome

Recognition of Grant Funding and programme activities.

5. “Busselton Lion Club – Youth Activities”

The City of Busselton was presented with a cheque for \$3,000 by the Busselton Lions Club at the Youth Centre on Friday 2nd November 2018. The Lions Club are keen to support youth initiatives.

Planned Expenditure Items

The funding is to be used to support the youth cooking program at the Youth Centre and will include the purchase of cooking equipment and a lockable storage cupboard. The purpose of this proposed budget amendment is to include this funding as revenue and corresponding expenditure in Council’s 2018/19 Budget.

The amendments shown in Table 4 are sought for approval.

Table 5:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
330 B1361 1239 000	Operating Grants & subsidies - other	(29,000)	(3,000)	(32,000)
Expenditure				
330 B1361 3413 000	Youth Services Programs and Activities	37,460	3,000	40,460
	Net Total	8460	0	8,460

Proposed Outcome

Recognition of Grant Funding and programme activities.

CONCLUSION

Council's approval is sought to amend the budget as per the details contained in this report. Upon approval the proposed works will be planned, organised and completed.

OPTIONS

The Council could decide not to go ahead with any or all of the proposed budget amendment requests.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Should the Officer Recommendation be endorsed, the associated budget amendment will be processed within a month of being approved.

COUNCIL DECISION/COMMITTEE RECOMMENDATION AND OFFICE RECOMMENDTION

C1811/242 Moved Councillor G Henley, seconded Councillor P Carter

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That Council endorse the requested budget amendments outlined in tables 1 to 5 below, resulting in no change to an amended budgeted surplus position of \$0.

Table 1:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Transfers from Trust				
Trust Transfer	Community Appeals Trust	0	(1,000.40)	(1,000.40)
Trust Transfer	Sundry Other Trusts	0	(24,240.63)	(24,240.63)
Expenditure				
C3122	Rails to Trails	248,723	1,400	250,123
Transfers to Reserve				
Building Asset Renewal Fund	Transfer to	890,864	22,840.63	913,704.63
Emergency Disaster Recovery Reserve	Transfer to	20,936	1,000.40	21,936.40
	Net Total	1,160,523.00	0	1,160,523.00

Table 2:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
233-10380-xxxx	Contributions – other Consortia Members	0	(39,000)	(39,000)
233- 10380-3295	Library Services - Other Computing Costs	14,800	39,000	53,800
Net Total		14,800	0	14,800

Table 3:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
332-10540-1239-9353	Operating Grants & Subsidies-other	0	(20,000)	(20,000)
Expenditure				
332-10540-3260-9353	Consultancy	20,000	20,000	40,000
Net Total		20,000	0	20,000

Table 4:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
336- 10590- 1239 -7007	Operating Grants & Subsidies-other	0	(41,000)	(41,000)
Expenditure				
336-10590-3038-7007	Wages	157,950	3,000	160,950
336-10590-3376-7007	Holiday Program activities	6,000	17,000	23,000
336-10590-3623-7007	Marketing and promotions	3,000	6,000	9,000
336-10590-3301-7007	Furniture and off equip purchases	1,500	15,000	16,500
Net Total		168,450	0	168,450

Table 5:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
330 B1361 1239 000	Operating Grants & subsidies - other	(29,000)	(3,000)	(32,000)
Expenditure				
330 B1361 3413 000	Youth Services Programs and Activities	37,460	3,000	40,460
Net Total		8460	0	8,460

CARRIED 8/0
BY ABSOLUTE MAJORITY
EN BLOC

12.3 Airport Advisory Committee - 21/11/2018 - HANGAR PARKING AT BUSSELTON MARGARET RIVER AIRPORT

SUBJECT INDEX:	Busselton Margaret River Airport
STRATEGIC OBJECTIVE:	An innovative and diversified economy that provides a variety of business and employment opportunities as well as consumer choice.
BUSINESS UNIT:	Commercial Services
ACTIVITY UNIT:	Busselton Margaret River Airport
REPORTING OFFICER:	Project Officer Contracts and Tendering - Ben Whitehill
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Nil

This item was considered by the Airport Advisory Committee at its meeting on 21 November 2018, the recommendations from which have been included in this report.

PRÉCIS

This report provides the Council with recommended Fees and Charges for Hangar Parking at Busselton Margaret River Airport. It is proposed these Fees and Charges would apply from 1 April 2019.

BACKGROUND

The City purchased two hangar buildings at Busselton Margaret River Airport in May 2018. Each hangar building is separated into individual compartments. The majority of the individual hangars are leased to individuals until 31 March 2019 as part of the deal negotiated to purchase the hangars.

It is the City's intention to use the existing hangar buildings to create an emergency services precinct and officers are currently negotiating with relevant emergency services providers for long term leasing arrangements (up to twenty years) in the existing buildings.

The existing hangar owners have been made aware of the City's intentions and have been encouraged to take up leases in the new general aviation precinct north of the existing terminal, which has been purpose built as part of the Airport Development Project.

In general it is not practical having emergency services operations mixed in with general aviation. However in the short term it is unlikely that emergency services operators will lease all of the space available within the existing hangar buildings. Officers are proposing that the vacant hangar space should be made available to operators for aircraft parking; providing an additional revenue stream for the City whilst emergency service operators are sought.

STATUTORY ENVIRONMENT

Section 6.16(3) of the Local Government Act (the "Act") states that a schedule of fees and charges is to be adopted by the Council when adopting the annual budget, however fees and charges may also be imposed during a financial year.

Section 6.16 of the Act states that a local government may impose and recover a fee or charge for any goods or services it provides or proposes to provide, other than a service for which a service charge is imposed.

Section 6.17 of the Act further states that in determining the amount of a fee or charge for goods and services, a local government is to take in to consideration the following factors:

- 1) The cost to the local government of providing the service or goods;
- 2) The importance of the service or goods to the community; and
- 3) The price at which the service or goods could be provided by an alternative provider.

Section 6.18 of the Act clarifies that if the amount of any fee or charge is determined under another written law, then a local government may not charge a fee that is inconsistent with that law.

Pursuant to Section 6.19 of the Act, local public notice must be given should fees and charges be adopted outside of the annual budget adoption process.

The above matters have been considered as part of the development of the new fees and charges in this report.

Clause 1.5 *Busselton Regional Airport Local Law 2012* states that the Local Government Property Local Law applies to the Airport as if the Airport Land were 'local government property' for the purposes of that local law. The new fees and charges will be managed through the issue of permits under the *Busselton Regional Airport Local Law 2012* and the *Local Government Property Local Law 2010*.

RELEVANT PLANS AND POLICIES

There are no plans or policies relevant to this matter.

FINANCIAL IMPLICATIONS

The adoption of the new fees and charges has the potential to create additional revenue for Council.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

The adoption of the new fees and charges has the potential to create additional revenue for Council.

STRATEGIC COMMUNITY OBJECTIVES

The officer recommendation principally aligns with Key Goal Area 4 – Economy (Diverse, resilient, prosperous) of the City's Strategic Community Plan 2017 and more specifically the following community objectives:

- 4.1: An innovative and diversified economy that provides a variety of business and employment opportunities as well as consumer choice.
- 4.2: A community where local business is supported and in turn drives our economy.

RISK ASSESSMENT

An assessment of the potential implications of implementing the officer recommendation have been undertaken and no risks were identified where the residual risk, once controls are considered, is rated as medium or high.

CONSULTATION

It is not considered that external consultation is necessary.

OFFICER COMMENT

The leases of the individual compartments in the existing hangar buildings expire on 31 March 2018. The City is working with emergency service providers to enter into longer term leases and create an emergency services precinct at the airport.

In the short to medium term there is likely to be some hangar parking space available in the existing hangar buildings which the City could make available to operators to generate additional revenue. The proposed mechanism for achieving this is by introducing a new fee and charge for hangar parking at Busselton Margaret River Airport.

When setting the level for the new fee and charge officers have taken into account the following factors:

- 1) the cost of providing the goods and services including that electricity, council rates and other outgoings will not be charged to persons paying the parking fee;
- 2) the price of the service or goods from alternative suppliers;
- 3) the requirement of a minimum 200m² parking space.

The City of Geraldton imposes a hangar parking fee of \$2.00 per square metre per week and offers longer term hangar parking arrangements by negotiation. The City of Geraldton fee is not subject to a minimum size parking space. Due to the compartmentalised design of the existing hangar buildings at Busselton Margaret River Airport officers propose to impose a minimum parking space of 200m² consequently the City has reduced the rate per square metre (in comparison to Geraldton).

Finally the recommended fee and charge is at a level that is likely to (in the short to medium term) incentivise general aviation operators to relocate to the new general aviation precinct where tenants will be able to have certainty of tenure for up to twenty years and pay a cheaper ground rental (compared to the Hangar Parking Fee in the existing hangar buildings). This will serve the dual benefit of separating general aviation from emergency services and encouraging new development in the new general aviation precinct.

On the basis of the above the following new fees and charges are proposed:

DESCRIPTION	DRAFT FEE 2018/19 (Excl GST)	GST	DRAFT FEE 2018/19 (Inc GST)
<u>BUSSELTON MARGARET RIVER AIRPORT</u>			
-			
Hangar Hire Parking Fee (minimum 200m ²)	-	-	-
Rate per square metre per week	\$1.00	\$0.10	\$1.10
Long Term Hangar Parking Fee – by negotiation	-	-	-

The new fees and charges for hangar parking have been designed to provide an opportunity for operators to pay a fee to park aircraft in the existing hangar buildings whilst giving the City flexibility to transition hangar space to emergency services operators in a timely manner.

CONCLUSION

It is recommended that Council adopt the new Fees and Charges in this report for hangar parking at Busselton Margaret River Airport to commence 1 April 2019. Adoption of the new fee will allow operators to pay a fee to park aircraft in the existing hangar buildings whilst giving the City flexibility to transition hangar space to emergency services operators in a timely manner as opportunities arise.

OPTIONS

The Council may decide to wait until all Fees and Charges for the City's services are reviewed for adoption in line with the budget development process for 2019/20. However this may have a negative impact on the revenue for the Airport.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

If adopted by Council, the Schedule of new Fees and Charges for the Airport will become effective from 1 April 2019. Public Notices of the new Fees and Charges will published immediately.

COUNCIL DECISION/COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION

C1811/243

Moved Councillor J McCallum, seconded Councillor K Hick

That the Council endorses the Fees and Charges as detailed in the "Draft Fee 2018/19 (excl. GST)" column of the following Schedule of Fees and Charges; effective from and including 1 April 2019:




DESCRIPTION	DRAFT FEE 2018/19 (Excl GST)	GST	DRAFT FEE 2018/19 (Inc GST)
<u>BUSSELTON MARGARET RIVER AIRPORT</u>			
-			
Hangar Hire Parking Fee (minimum 200m ²)	-	-	-
Rate per square metre per week	\$1.00	\$0.10	\$1.10
Long Term Hangar Parking Fee – by negotiation	-	-	-

CARRIED 8/0

BY ABSOLUTE MAJORITY

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12.4 Airport Advisory Committee - 21/11/2018 - LEASING AT BUSSELTON MARGARET RIVER AIRPORT

SUBJECT INDEX:	Busselton Margaret River Airport
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Commercial Services
ACTIVITY UNIT:	Busselton Margaret River Airport
REPORTING OFFICER:	Project Officer Contracts and Tendering - Ben Whitehill
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Attachment A LG3P Disposing of Property (General Aviation Precinct leases) 
	Attachment B Disposing of Property (Leases at Busselton Margaret River Airport) 
	Attachment C LG3P Disposing of Property (General Aviation Precinct leases) - Committee Recommended 

This item was considered by the Airport Advisory Committee at its meeting on 21 November 2018, the recommendations from which have been included in this report.

PRÉCIS

Officers are seeking a Delegation of Authority from Council to the CEO to enter into certain lease agreements at Busselton Margaret River Airport (LG30 Disposing of Property - Leases at Busselton Margaret River Airport) (Attachment B). The report also recommends the rescission of existing delegation LG3P Disposing of Property (General Aviation Precinct leases) (Attachment A).

BACKGROUND

Busselton Margaret River Airport is a significant commercial operation of Council. The airport has an extensive range of leasing opportunities including up to 36 individual hangar sites in the new general aviation precinct, up to 12 hangars within the existing hangar buildings owned by the City, leases within the new and existing terminal buildings and other sites on the airport precinct.

Under the standard process for disposing of property by way of lease there is a significant time cost and administrative burden. Typically it involves the following steps:

- initial engagement with potential tenant and negotiation of key terms (2 weeks);
- local public notice of proposed disposition (minimum 2 weeks);
- preparation of Council report and consideration by Council (minimum 4 weeks).

This means that to enter into a routine, simple lease a potential tenant can be left waiting for up to two months after the key terms have been negotiated. This does not meet the expectations of individuals and smaller businesses who want to be able enter into a lease soon after finalising negotiations.

The existing delegation LG3P 'Disposing of Property (General Aviation Precinct leases) for leases in the new general aviation precinct improves efficiency in the new general aviation precinct, however this does not address other leases on the airport site for example the existing hangar buildings now owned by the City.

Officers are proposing a new delegation of authority (LG30) 'Disposing of Property (Leases at Busselton Margaret River Airport) (Attachment B) to improve the efficiency for all routine commercial leases at Busselton Margaret River Airport. Significant commercial and strategic leasing opportunities, for example the Qantas Pilot Training Academy, would still be subject to consideration by Council.

STATUTORY ENVIRONMENT

Section 5.42(1)(a) of the Local Government Act 1995 (Act) allows Council to delegate to the CEO the exercise of any of its powers or the discharge of any of its duties under the Act, other than those referred to in section 5.43. The Act prescribes that any such delegation requires an absolute majority vote of Council.

Section 3.58 of the Act deals with the disposition of property by public auction, tender and otherwise which requires the Local Government to advertise for public comment the proposed disposition of property (by way of lease) for a minimum of 14 days and include details of the parties, the consideration of the disposal and consider any public comment prior to entering into the proposed lease agreement.

RELEVANT PLANS AND POLICIES

Delegation LG3C – Disposing of Property, the proposed delegation is in addition to the powers and duties relating to other dispositions of property that are specified in Delegation LG3C.

FINANCIAL IMPLICATIONS

There are no direct financial implications contained within this report.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

There are no direct financial implications contained within this report.

STRATEGIC COMMUNITY OBJECTIVES

The new delegation aligns to the Council's Key Goal Areas 4 - Economy and 6 - Leadership and specifically, the following Community Objective/s:

- a. 4.2: A community where local business is supported and in turn drives our economy;
- b. 6.1: Governance systems, process and practices are responsible, ethical and transparent.

RISK ASSESSMENT

There are no identified risks of a medium or greater level associated with the Officer recommendation.

CONSULTATION

No external consultation is required in relation to the Officer recommendation.

OFFICER COMMENT

The purpose of the new delegation is to improve the administrative efficiency of leasing at Busselton Margaret River Airport. Individuals and small businesses expect to be able to enter into leases in a timely manner. Therefore to ensure that potential leasing opportunities are not lost as a result of administrative inefficiencies officers are proposing a new delegation for leasing at the airport.

The delegation is proposed to be limited as follows:

1. the property being land located at Busselton Margaret River Airport;
2. the means of disposal being a lease;
3. the term of the lease (including options) being up to a maximum of 20 years;
4. the initial annual market rental value of the lease being less than:
 - a) \$10,000.00 for a ground lease; and
 - b) \$50,000.00 for any other lease.
5. At least every six months City officers must provide Councillors a summary and update of leases entered into under this delegation.

Public notice for a minimum of two weeks inviting submissions is still required pursuant to section 3.58 of the Act.

If the delegation is not adopted Officers believe there is a risk that potential leasing opportunities will be lost as parties become frustrated with the time required to enter into a lease.

The delegation will significantly reduce the turnaround time and improve efficiency for routine leasing matters maximising the likely success of commercial negotiations allowing the Council and officers to focus on strategic opportunities at the airport.

CONCLUSION

The rescinding of existing delegation LG3P and the adoption of the new delegation LG3O will improve the efficiency of leasing at Busselton Margaret River Airport. It will significantly reduce turnaround times on routine leasing matters at Busselton Margaret River Airport allowing Council to more effectively use its time to undertake a more strategic role.

OPTIONS

The Council may decide not to rescind the existing delegation, not approve the new delegation or amend the proposed or existing delegation.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The rescinding of Delegation LG3P and adoption of new delegation LG3O will become effective the day following the decision of Council.

COUNCIL DECISION/COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION**C1811/244**

Moved Councillor J McCallum, seconded Councillor K Hick



That the Council:

1. Rescinds Delegation LG3P – Disposing of Property (General Aviation Precinct Leases) (Attachment A)
2. Adopt new Delegation LG3O – Disposing of Property (Leases at Busselton Margaret River Airport) with the inclusion of “the disposition not being of a significant commercial and strategic nature; and” included to the conditions as point 5 and renumber point 5 to point 6 (Attachment C)

CARRIED 8/0
BY ABSOLUTE MAJORITY**EN BLOC**

16. FINANCE AND CORPORATE SERVICES REPORT

16.1 STANDING ORDERS AMENDMENT LOCAL LAW

SUBJECT INDEX:	Local Laws
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Corporate Services
ACTIVITY UNIT:	Legal Services
REPORTING OFFICER:	Legal Officer - Briony McGinty
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Attachment A Amendment Local Law  Attachment B First Report 

PRÉCIS

Council previously resolved to authorise the preparation and advertising of the proposed *City of Busselton Standing Orders Amendment Local Law 2018 (Proposed Local Law)*. The purpose of this report is for Council to consider submissions received in relation to the Proposed Local Law and to consider whether to make the Proposed Local Law pursuant to Section 3.12 of the *Local Government Act 1995 (the Act)*.

It is recommended that Council resolve to make the Proposed Local Law.

BACKGROUND

The *City of Busselton Standing Orders Local Law 2018* was published in the government gazette on 4 April 2018. Following gazettal, the Standing Orders were sent to the Joint Standing Committee on Delegated Legislation (JSC). On 25 July 2018 the Council resolved to provide the following undertakings to the JSC:

“That the Council undertakes to the Joint Standing Committee on Delegated Legislation that:

1. *within six months, the City will make the following amendments to the City of Busselton Standing Orders Local Law 2018:*
 - (a) *Amend clause 6.7(6)(c) to read as follows:*

the member of the public asks a question that is offensive or defamatory in nature or is one which, if asked by a member, would be in breach of these standing orders or any other law, provided that the presiding member has taken all reasonable steps to assist the member of the public to phrase the question in a manner that is not offensive or defamatory, or does not breach these Standing Orders or any other law.
 - (a) *Amend clause 5.10(6) by deleting the words ‘Local Government’.*
 - (b) *Amend clause 8.16(1) by deleting the figure ‘16’ and inserting ‘15’ in its place.*
 - (c) *Amend clause 10.18(2) by deleting the phrase ‘, the member’.*
 - (d) *Amend clause 11.6(2) by deleting the figure ‘5.6’ and inserting ‘5.10’ in its place.*

2. *until the Local Law is amended in accordance with undertaking 1, the City will:*
- (a) *not enforce the Local Law in a manner contrary to undertaking 1.*
 - (b) *where the Local Law is made publicly available, whether in hard copy or electronic form (including on the City's website), ensure that it is accompanied by a copy of these undertakings."*

In order to effect this undertaking, a draft local law incorporating the requirements of the JSC was presented to Council. As the draft was being prepared it was also considered an opportunity to amend two other matters that had been identified by the City with regard to the Standing Orders. The two issues were the Order of Business and the timing of Notices of Motion. These two issues were discussed in the report which was presented to the Council at its meeting on 12 September 2018. See Attachment B.

Council resolved on 12 September 2018:

That the Council:

- (1) *That the Council commences the law-making process, for the City of Busselton Standing Orders Amendment Local Law 2018, the purpose and effect of the local law being as follows:*

Purpose: To clarify requirements in relation to public question time and to make minor drafting and operational amendments.

Effect: To ensure public question time is effective and to improve the operation of the Standing Orders.

- (2) *That the Council authorises the CEO to carry out the law-making procedure under section 3.12(3) of the Local Government Act, by –*
- (i) *giving Statewide public notice and local public notice of the Amendment Local Law; and*
 - (ii) *giving a copy of the Amendment Local Law and public notice to the Minister for Local Government.*
- (3) *That the CEO, after the close of the public consultation period, submits a report to the Council on any submissions received on the Amendment Local Law to enable the Council to consider the submissions made and to determine whether to make the local law in accordance with section 3.12(4) of the Act.*

Pursuant to abovementioned Council Resolution the Proposed Local Law was published for public comment and a copy given to the Minister for Local Government. No public submissions have been received. The response from the Department of Local Government, Sport and Cultural Industries (DLGSC) is discussed under the OFFICER COMMENT section of this report.

The advice and comments received from DLGSC did not result in any changes being made to the original version of the local law which was presented to Council at its 12 September 2018 meeting. The Proposed Local Law is now referred back to Council to consider whether or not to make the Proposed Local Law.

STATUTORY ENVIRONMENT

Section 3.5 of the Act provides Council with the head of power for making a standing orders local law.

The procedure for making local laws is set out in section 3.12 of the Act and Regulation 3 of the *Local Government (Functions and General) Regulations 1996*. Under section 3.12(4) of the Act, Council is to consider any submissions made and may make the local law as proposed or make a local law that is not significantly different from what was originally proposed. A decision to make a local law has to be supported by an absolute majority of Council.

If Council resolves to make the Proposed Local Law then the process required under section 3.12(5) and (6) of the Act needs to be carried out. Section 3.12(5) requires that the local law be published in the *Government Gazette* and a copy be provided to the Minister for Local Government. Section 3.12(6) requires that after the local law has been published in the *Government Gazette*, the City must give local public notice stating the title of the local law, summarising the purpose and effect of the local law and advising that copies of the local law may be inspected or obtained from the City offices.

In accordance with section 3.14 of the Act the local law will come into operation 14 days after publication in the *Government Gazette*.

RELEVANT PLANS AND POLICIES

The City has adopted a Code of Conduct to be observed by Council members in accordance with Section 5.103(1) of the Act.

The Council policy 'Meetings, Information Sessions and Decision-making Processes' sets out the guidelines for provision of information to Councillors and the Council and other matters relating to the various forums utilised.

FINANCIAL IMPLICATIONS

Costs associated with the advertising and gazettal of the Proposed Local Law will come from the Legal budget. These costs are unlikely to exceed \$2,000 and there are sufficient funds in the legal budget for this purpose. Making and implementing the Proposed Local Law should not have any other financial implications for the City.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

There are no long term financial plan implications associated with the Officer recommendation.

STRATEGIC COMMUNITY OBJECTIVES

The proposal aligns with Key Goal Area 6 – Leadership of the City of Busselton Strategic Community Plan 2017 and specifically community objective 6.1: Governance systems, processes and practices are responsible, ethical and transparent.

RISK ASSESSMENT

The Proposed Local Law does not involve major departures from current practices and is therefore considered low risk.

CONSULTATION

The Proposed Local Law was advertised publicly in both local and state-wide newspapers from Wednesday 26 September 2018 for a minimum of 6 weeks in accordance with the requirements under section 3.12(3)(a) of the Act. No public submissions have been received.

In accordance with section 3.12(3)(b) of the Act a copy of the Proposed Local Law was forwarded for consideration and comment to the Minister for Local Government. The DLGSC responded on behalf of its Minister and suggested one minor changes to the Proposed Local Law, discussed under OFFICER COMMENT below.

OFFICER COMMENT

The DLGSC suggested amending clause 3 (the “Principal Local Law” clause) by inserting “as published in the *Government Gazette* on 4 April 2018” after the citation title.

However, it is considered that this suggestion is unnecessary, and may lead to confusion if further amendments are made in the future. Accordingly, the Proposed Local Law remains as was originally presented to the Council.

CONCLUSION

The City has previously undertaken to the JSC to amend the Standing Orders Local Law 2018. The Proposed Local Law has been prepared and advertised publicly in accordance with the Act. No significant changes have been recommended to the Proposed Local Law. It is recommended that Council resolve to make the Proposed Local Law.

OPTIONS

As the City has previously provided an undertaking to the JSC in relation to this matter it is not recommended to pursue other options with regard to those matters contained in the undertaking.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Should Council resolve to make the Proposed Local Law it will need to be gazetted and will come into operation 14 days after publication. The timeframe for completion of the gazettal process is approximately thirty days from the date of the Council resolution.

COUNCIL DECISION AND OFFICER RECOMMENDATION

C1811/245 Moved Councillor J McCallum, seconded Councillor K Hick

That the Council:

1. Resolves to make the *City of Busselton Standing Orders Amendment Local Law 2018* in accordance with section 3.12(4) of the *Local Government Act 1995*.
2. Authorises the Chief Executive Officer to carry out the processes required to make the *City of Busselton Standing Orders Amendment Local Law 2018* in accordance with section 3.12(5) and section 3.12(6) of the *Local Government Act 1995*.

CARRIED 8/0

BY ABSOLUTE MAJORITY

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18. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

19. URGENT BUSINESS

Nil

20. CONFIDENTIAL REPORTS

Nil

21. CLOSURE

The Presiding Member wished the Councillors a Merry Christmas and closed the meeting at 5.38pm.

THESE MINUTES CONSISTING OF PAGES 1 TO 45 WERE CONFIRMED AS A TRUE AND CORRECT RECORD ON WEDNESDAY, 12 DECEMBER 2018.

DATE: _____ PRESIDING MEMBER: _____