

# SHIRE OF LAKE GRACE



# ***Minutes***

Ordinary Council Meeting

23 April 2008

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## SHIRE OF LAKE GRACE

### MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD AT COUNCIL CHAMBERS, 1 BISHOP ST LAKE GRACE ON WEDNESDAY, 23 APRIL 2008.

#### **1.0 OPENING & ANNOUNCEMENT OF VISITORS**

The Chairperson (President) opened the meeting at 1.03pm.

#### **2.0 ATTENDANCE RECORD**

##### **2.1 PRESENT**

Cr AJ Walker	Shire President
Cr IG Chamberlain	Deputy Shire President
Cr JF De Landgraftt	
Cr AJ Dunkeld	
Cr OP Farrelly	
Cr AI Milton	
Cr WA Newman	
Cr DP Sinclair	
Cr RP Taylor	<i>entered the meeting at 1.13pm</i>
Mr HJ Fraser	Chief Executive Officer
Mr MW Burbridge	Manager Corporate Services
Mrs N Owen	Acting Manager Community Services
Mrs J Bennett	Executive Assistant

##### **2.2 APOLOGIES**

Mr LW White	Manager Community Services
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##### **2.3 LEAVE OF ABSENCE PREVIOUSLY GRANTED**

#### **3.0 PUBLIC QUESTION TIME**

##### **3.1 26 MARCH 2008 COUNCIL MEETING AT VARLEY**

Following are the written replies to questions regarding the Varley Hall which were taken on notice at the 26 March 2008 Ordinary Council Meeting held in Varley.

Since the meeting, Varley Specified Area Ratepayers have been mailed a background information newsletter regarding repairs and costs to upgrade the Hall. Mr Neil Flood, an experienced local government officer in health and building areas has been contracted to carry out an independent assessment of

the Hall. The inspection will be carried out on Saturday 24<sup>th</sup> May 2008 and Mr Flood will be available after the inspection to meet with community representatives.

## Shire of Lake Grace

PO Box 50 Lake Grace WA 6353 • Phone 9890 2500 • Fax 9890 2599 • Email: [shire@lakegrace.wa.gov.au](mailto:shire@lakegrace.wa.gov.au)

Please address all correspondence to the Chief Executive Officer

Your Ref:

Our Ref:

0078

Enclosure:

J. Fraser



Mrs Vicki McPhee  
Lake Comm  
via NEWDEGATE WA 6355

Dear Vicki,

### **PUBLIC QUESTION TIME – MARCH 2008 COUNCIL MEETING**

I refer to the questions raised by you at the Ordinary Meeting of Council held in Varley on 26 March 2008 and advise as follows:

It is acknowledged that the Varley Hall has not been maintained to a satisfactory standard over the years and this has resulted in the development of a number of significant issues with the utilisation of the Hall.

Mr Neil Flood who has extensive experience in local government in both health and building has been retained to undertake an inspection of the Hall on Saturday 24<sup>th</sup> May 2008. Following the inspection by Mr Flood the community will be invited to discuss the issues with him and other Council Officers.

Whilst it is acknowledged that there maybe a requirement to utilise the Hall in October 2008 it is unlikely that the accessible toilets will be finalised in time for this event.

Thank you for your interest in this matter and should you require any further information please don't hesitate to contact me on ☎9890 2500 or by email [jim@lakegrace.wa.gov.au](mailto:jim@lakegrace.wa.gov.au).

Yours faithfully,

  
Jim Fraser  
**CHIEF EXECUTIVE OFFICER**

27 April 2008  
hj/je

Shire of Lake Grace – The Growing Centre

# Shire of Lake Grace

PO Box 50 Lake Grace WA 6353 • Phone 9890 2500 • Fax 9890 2599 • Email [shire@lakegrace.wa.gov.au](mailto:shire@lakegrace.wa.gov.au)



Please address all correspondence to the Chief Executive Officer

Your Ref:

Our Ref:

Enquiries:

0078  
J. Fraser

Mrs Margaret Sullivan  
RMB 231  
**HOLT ROCK WA 6355**

Dear Margaret,

### PUBLIC QUESTION TIME – MARCH 2008 COUNCIL MEETING

I refer to the questions raised by you at the Ordinary Meeting of Council held in Varley on 26 March 2008 and advise as follows:

The degree of maintenance required to bring the Hall up to Public Building Standards will require an injection of funds. The maintenance of Halls is funded through Specified Area Rates and will need to be included in the 2008/08 budget.

Staff within the Community Services section of Council's operations are investigating alternative funding sources.

Thank you for your interest and input in this matter and should you require any further information please don't hesitate to contact me on 9890 2500 or by email [jim@lakegrace.wa.gov.au](mailto:jim@lakegrace.wa.gov.au).

Yours faithfully,

Jim Fraser  
**CHIEF EXECUTIVE OFFICER**

22 April 2008  
njfjb

# Shire of Lake Grace

PO Box 50 Lake Grace WA 6353 • Phone 9890 2500 • Fax 9890 2599 • Email [shire@lakegrace.wa.gov.au](mailto:shire@lakegrace.wa.gov.au)



Please address all correspondence to the Chief Executive Officer

Your Ref:

Our Ref:

enquiries:

0078  
J. Fraser

Mr Gary Strother  
Greson Road  
**HOLT ROCK WA 6355**

Dear Gary,

### PUBLIC QUESTION TIME – MARCH 2008 COUNCIL MEETING

I refer to the questions raised by you at the Ordinary Meeting of Council held in Varley on 26 March 2008 and advise as follows:

The ceiling was repaired under insurance and in the circumstances I believe that the job was completed in a satisfactory manner. There were obvious difficulties in that the contractor had to match a gyrock repair with the current plaster board. The fact that neither the 'patch' and/or the rest of the ceiling has not been painted has exacerbated the view that the job was unsatisfactory.

I am unable to comment on the past requests in relation to the Hall. Maintenance of Halls is funded from Specified Area Rates which may have influenced decisions of previous Councils.

Thank you for your interest and input in this matter and should you require any further information please don't hesitate to contact me on 9890 2500 or by email [jim@lakegrace.wa.gov.au](mailto:jim@lakegrace.wa.gov.au).

Yours faithfully,

Jim Fraser  
**CHIEF EXECUTIVE OFFICER**

22 April 2008  
njfjb

# Shire of Lake Grace

PO Box 50 Lake Grace WA 6355 • Phone 9890 2500 • Fax 9890 2599 • Email: [shire@lakegrace.wa.gov.au](mailto:shire@lakegrace.wa.gov.au)



Please address all correspondence to the Chief Executive Officer

Your Ref:  
Our Ref: 0078  
Enquiries: J Fraser

Mr John Cornwall  
RMS 229  
HOLT ROCK WA 6355

Dear John,

### PUBLIC QUESTION TIME – MARCH 2008 COUNCIL MEETING

I refer to the questions raised by you at the Ordinary Meeting of Council held in Varley on 26 March 2008 and advise as follows:

The letter to ratepayers in relation to the Varley Hall has been completed and sent out. I have included a copy for your records.

Mr Neil Hood, an experienced local government officer in health and building areas will carry out an inspection of the Varley Hall on Saturday 24<sup>th</sup> May 2008 and will be available after the inspection to meet with community representatives.

Council is considering amendments to its Specified Area Rates policy in relation to Halls to clarify the cost areas covered. Currently maintenance items are covered by specified area rate and capital items are allocated to general rates.

Thank you for your interest in this matter and should you require any further information please don't hesitate to contact me on 9890 2500 or by email [jim@lakegrace.wa.gov.au](mailto:jim@lakegrace.wa.gov.au).

Yours faithfully,

  
Jim Fraser  
CHIEF EXECUTIVE OFFICER

22 April 2008  
h.f.jb

# Shire of Lake Grace

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Please address all correspondence to the Chief Executive Officer

Your Ref:  
Our Ref: 0078  
Enquiries: J Fraser

Mrs Marianne Rohriach  
Wentack Farms  
Via NEWDEGATE WA 6355

Dear Marianne,

### PUBLIC QUESTION TIME – MARCH 2008 COUNCIL MEETING

I refer to the questions raised by you at the Ordinary Meeting of Council held in Varley on 26 March 2008 and advise as follows:

It is acknowledged that there have been ongoing issues with the allocation of funds for various activities under the Specified Area Rates system adopted by Council. As a result of these ongoing concerns in all areas of the Shire, Council is considering amendments to the Policy. This will enable staff to better present information when compiling the 2008/09 and future budgets.

The specified area rate system was introduced to allow various areas to determine the level of service required as presented through their elected representatives.

Thank you for your interest in this matter and should you require any further information please don't hesitate to contact me on 9890 2500 or by email [jim@lakegrace.wa.gov.au](mailto:jim@lakegrace.wa.gov.au).

Yours faithfully,

  
Jim Fraser  
CHIEF EXECUTIVE OFFICER

22 April 2008  
h.f.jb

#### **4.0 APPLICATIONS FOR LEAVE OF ABSENCE**

Written applications for Leave of Absence were received from Cr De Landgraftt and Cr Farrelly.

##### **MOTION 10588**

Moved Cr Chamberlain  
Seconded Cr Milton

That Leave of Absence be approved for Cr De Landgraftt and Cr Farrelly as follows:

- Cr De Landgraftt for the period 23 June to 26 June 2008
- Cr Farrelly for the period 26 May to 28 June 2008.

**MOTION CARRIED 8/0**

#### **5.0 MINUTES OF PREVIOUS COUNCIL MEETINGS**

##### **5.1 ORDINARY MEETING – 26 MARCH 2008**

Resolution

##### **MOTION 10589**

Moved Cr Newman  
Seconded Cr Farrelly

That the minutes of the Ordinary Meeting of Council held on the 26 March 2008 be confirmed as a true and accurate record.

**MOTION CARRIED 8/0**

#### **6.0 DECLARATIONS OF INTEREST**

##### **6.1 DECLARATIONS OF FINANCIAL INTEREST – LOCAL GOVERNMENT ACT SECTION 5.60A**

##### **6.2 DECLARATIONS OF PROXIMITY INTEREST – LOCAL GOVERNMENT ACT 1995 SECTION 5.60B**

Cr Chamberlain and Cr Newman declared an interest of proximity in Item 12.1

##### **6.3 DECLARATIONS OF IMPARTIALITY INTEREST – ADMINISTRATION REGULATION SECTION 34C**



**7.0 NOTICES OF URGENT BUSINESS**

None.

**8.0 MOTIONS OF WHICH NOTICE HAS BEEN RECEIVED**

None.

**9.0 PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS**

None.

**10.0 MEMBERS' REPORTS****10.1 CR CHAMBERLAIN**

Reported attendance at a Newdegate Water Meeting on 9 April 2008 at the Newdegate Lesser Hall.

David Hillier and Rod Short, Department of Water and Doug Cherry, Water Corporation were present. The meeting was convened to discuss community dams in the Mt Sheridan/Mt Vernon area and Shipley Bores; and extension pipeline to Machetti's Tank. Eighteen people were present, invitations were sent out from the office to a large number of stakeholders and involving neighbouring Shires.

The Department of Water has put on hold the requirement for a community dam in the Mt Vernon Area and stated they will not commit to any further projects until all existing community dam projects are completed i.e. the Magenta, South East Newdegate and Varley Community Dam Projects. Once these existing projects are completed future projects can be considered. There is a need for water in the North Newdegate area.

Doug Cherry, Water Corporation addressed the meeting and advised they will install a bigger reserve tank in the Newdegate townsite and possibly other reserve tanks. There will be no extension of the pipeline until the reserve tanks are in place and the situation monitored.

Cr Chamberlain advised that Council needs to keep the pressure on the Water Corporation to make sure these things progress.

**10.2 CR DE LANDGRAFFT**

Cr De Landgrafft attended the Lake King Progress Association Meeting on 8 April 2008. CEO Jim Fraser also attended. A number of maintenance issues and prospective budget items were raised all of which have been submitted to the Shire in writing.

### 10.3 CR MILTON

Cr Milton reported on a recent St John Ambulance meeting in Lake Grace and confirmed that things are on track for a replacement ambulance to be delivered in September 2008. Lake Grace District High School are organising a CPR course for the community to attend.

Cr Milton reported participation in the Council's annual roads inspection which was held early in April.

On 15 April 2008, Cr Milton attended a public meeting with regard to the Lake Grace Motel Development proposal and where that project is at. The existing roadhouse and motel is on the market. At the meeting a small working party was formed to forward the project, another meeting will be held to look at building alternatives, plans and proposals. Cr Milton is a member of the working party.

### 10.4 CR DUNKELD

Attended and chaired the Annual General Meeting of the Bushfire Advisory Committee – the meeting was unable to appoint a Chief Bushfire Control Officer and it was suggested that Councillors be approached to see if anyone would take it on.

### 10.5 CR WALKER

Cr Walker reported on an Executive Meeting held on Friday 18 April 2008 with Cr Ian Chamberlain and CEO Mr Jim Fraser.

Topics for discussion included:

- Agenda preview for today's meeting
- Varley Hall – community has been promised an inspection, we need to get moving, independent health and building officer to provide a report on structural soundness or lack of on the building, community to be invited to attend a meeting following the inspection; of the view that the Shire should be doing the work to enable the community to have use of the Hall for their celebrations in October.

*The CEO advised that Mr Neil Flood has been contracted to provide an independent report, an inspection will be carried out on 24 May 2008 and the community will be invited to attend a meeting at 11am immediately following the inspection.*

*The CEO also advised he has personally inspected the Varley Hall in recent days – the ceiling repair job done by the contractor is quite good and the main reason everything looks terrible is that where the ceiling has been repaired it has not been painted and all the material that fell out of the ceiling is still sitting in the Hall. A team of professional cleaners will be employed so that the hall is clean and tidy for the 24 May – this will be an additional maintenance cost for the Hall this year.*

- Honesty System at Standpipes – the system is not working, is not fair on the honest users and they are paying too much, the issue needs to be reviewed at budget time.
- Newdegate Water Meeting outcomes discussed
- Newdegate Rejuvenation Project – contact has been made with Wendy Harris WACC, she has advised no further action until the federal budget is handed down and the future of the Rural Medical Infrastructure Fund is secured. Next step is a visit from Architect My Gary Batt to revisit the plans.
- Newdegate Landfill Site – staff have written to the landowners – further research needs to be undertaken and will meet with land owners and progress matter from there.
- Lake King Toilet Block – roof trusses not yet arrived, unclear on development around the shop, needs to be investigated.
- Lake Grace Light Industrial Land – needs to be progressed, has been referred to Town Planner who will provide input before budget process, money has been set aside in this year's budget to start the process.
- Lake Grace Airstrip – there is a requirement that we get on and repair the airstrip as soon as possible, the original intended compound has been changed from an enzyme product to an additive product.

## 11.0 MATTERS FOR CONSIDERATION – WORKS & SERVICES

### 11.1 LAKE GRACE AIRSTRIP – SURFACE REPAIRS

**Applicant:** Works Consultant  
**File No.** 0522  
**Attachments:** N/A  
**Author:** Mr Keith Dickerson  
Works Consultant  
**Disclosure of Interest:** N/A  
**Date of Report:** 14 April 2008  
**Senior Officer:** Mr Jim Fraser  
Chief Executive Officer

#### Summary

Council's consideration and resolution is required regarding this matter as the surface on the runway at the Lake Grace airstrip will deteriorate rapidly without the completion of remedial works.

#### Background

Damage to the surface of the Lake Grace Airstrip was detected in January 2006 following flooding in the area. Council commissioned Golder Associates Pty Ltd to carry out a survey of the runway and submit a report and remedial recommendations to correct the degraded surface of the bitumen airstrip.

The report explained the cause of the damage in detail and offered several correction methods to reinstate the strip back to a sealed runway.

The situation was assessed with regards to the politics of removing the seal. From an engineering perspective soil tests were taken from the site to determine a course of action including an assessment of additives.

Council resolved at its June 2007 meeting that:

*'repairs to the Lake Grace Airstrip be undertaken as a matter of urgency with a gravel reconstruction with chemical stabilization with no seal'*

and that:

*'a suitable sealed run up apron be provided at each end of the airstrip.'*

#### Comment

Council's Works Consultant has inspected the site and reviewed the information available. The following brief scope of works has been prepared and staff now require Council endorsement.

- Close the airstrip and submit a NOTAM (notice to pilots) as required to provide aircraft safety during completion of the project.
- Cover the existing bitumen runway surface with 50mm of new gravel to improve the larger particle and strength component of the material to be treated.
- Reconstruct the runway to a depth of 200mm using the current gravel, bitumen surface and the additional gravel introduced to the surface.
- During reconstruction introduce Claycrete at the rate specified and the method referred to in the technical data received from Claycrete.
- The use of a Bomag will be required to achieve an even mix of existing material and the introduced Claycrete as well as maintaining the correct moisture content.
- To achieve suitable compaction through the 200mm of new construction it will be necessary to use a pad foot roller in conjunction with a smooth drum and rubber roller.
- A grader will be required to trim and finish the surface to the desired shape following the mixing and Claycrete process.
- Following the completion of the Claycrete process lay concrete aircraft run up areas at both ends of the runway. Concrete pads to be 40 metres long by 10 metres wide, 150mm thick with a suitable reinforcement mesh.
- Concrete the 20 metre by 8 metre section of the taxiway adjacent to the runway using the same specifications as the run up areas.
- Backfill all concrete edges to offer an even transition from the running surface to the surrounding natural ground.
- At completion of the project carry out an inspection and clean up the site to ensure aircraft safety.

#### Consultation

External            Details of the change of strip surface from bitumen to gravel will need to be changed in the Local Airstrip Guide.

#### Legal Implications

N/A

#### Policy Implications

There is no policy relating to local airstrips.

### Financial Implications

Costing has been prepared for this project using the method highlighted in the scope of works and the project can be completed within the budget allocation.

Council to contribute 25% of the total repair cost of \$150,000.00 which is allocated in the current budget.

### Strategic Implications

It is appreciated that a sealed runway on the Lake Grace airstrip is an asset to the district; however Council when considering the method of correction for the runway needs to be mindful of the high cost and risk of further failure of the surface if a sealed runway is considered.

### Cultural Implications

N/A

### Voting Requirements

Simple majority required.

### Recommendation/Resolution

#### **MOTION 10590**

Moved Cr Newman  
Seconded Cr Milton

That Council authorise the works to proceed at the Lake Grace airstrip as recommended in the scope of works at the earliest possible opportunity.  
Close the airstrip and submit a NOTAM (notice to pilots) as required to provide aircraft safety during completion of the project.

- Cover the existing bitumen runway surface with 50mm of new gravel to improve the larger particle and strength component of the material to be treated.
- Reconstruct the runway to a depth of 200mm using the current gravel, bitumen surface and the additional gravel introduced to the surface.
- During reconstruction introduce Claycrete at the rate specified and the method referred to in the technical data received from Claycrete.
- The use of a Bomag will be required to achieve an even mix of existing material and the introduced Claycrete as well as maintaining the correct moisture content.
- To achieve suitable compaction through the 200mm of new construction it will be necessary to use a pad foot roller in conjunction with a smooth drum and rubber roller.
- A grader will be required to trim and finish the surface to the desired shape following the mixing and Claycrete process.

**MOTION 10590 continued**

- Following the completion of the Claycrete process lay concrete aircraft run up areas at both ends of the runway. Concrete pads to be up to 40 metres long by 10 metres wide, 150mm thick with a suitable reinforcement mesh.
- Concrete the 20 metre by 8 metre section of the taxiway adjacent to the runway using the same specifications as the run up areas.
- Backfill all concrete edges to offer an even transition from the running surface to the surrounding natural ground.
- At completion of the project carry out an inspection and clean up the site to ensure aircraft safety.

**MOTION CARRIED 9/0**

## 11.2 MAJOR PLANT REQUIREMENTS – CALLING OF TENDERS

1.56pm *Mark Burbridge left the meeting and re-entered at 1.59pm.*

**Applicant:** Chief Executive Officer  
**File No.** 0541  
**Attachments:** Plant replacement schedule 2007/08  
 List of Plant & Equipment from Assets Register  
**Author:** Mr Jim Fraser  
 Chief Executive Officer  
**Disclosure of Interest:** Nil  
**Date of Report:** 14 April 2008  
**Senior Officer:** Mr Jim Fraser  
 Chief Executive Officer

### Summary

This report recommends the calling of tenders for the disposal and acquisition of various items of plant and equipment.

### Background

The attached schedule lists major plant as listed in Council's current asset register. Council is requested to give direction on major plant requirements given that the utilisation of existing plant has reduced for the current financial year.

This can be attributed to both a lack of staff and emphasis on the sealed road network.

Council's works programme for the balance of this financial year will focus on the re-sheeting of roads and improving the ongoing general maintenance of the gravel road network. The emphasis during the warmer months will be on re-sealing projects.

It is considered generally within local government that major items of plant should be utilised for approximately 1,000 to 1,200 hours per year to justify ownership and it is recognised that currently this is not being achieved in some instances. Staff are of the view that there are options available to Council to maintain a suitable major plant inventory over the next three to four years when economic conditions and the sustainability issues may require a significant review of the way local government will operate into the future.

Factors impacting on the utilisation of Council's plant include:

- With the resignation of the Newdegate based grader operator, Mr Rob Godfrey, Council moved to a contract for the provision of maintenance grading for the Newdegate area. Subsequently the John Deere 672B grader has had minimal utilisation.



- Mr Noel Giles retired in December 2007 and Mr Ken Jenks was employed on a temporary basis finishing with Council on 27 February 2008.

Mr Chris Trevenen has been operating a grader previously in tandem with Ken to give him some experience.

A final trim grader operator, Mr Doug Whiting, who has considerable local government experience commenced with Council on 17 April 2008.

### Comment

The plant under review includes:

### **Graders**

The three graders have worked 1239.5 hours for the first six months to December 2007 compared to 4190.7 hours in 2005/06 and 3936.8 hours in 2006/07.

It may be opportune to investigate the financial implications of trading in two graders on a new grader. A review of the plant replacement schedule allows for the outright sale of the John Deere 672H grader in this financial year. The grader was purchased in June 1999.

The Caterpillar 12H grader is due for replacement in the 2009/10 financial year. The grader was purchased in January 2001.

It is recommended that tenders be invited for the outright sale of the Caterpillar 12H and the John Deere 672B graders, and the purchase of a new grader with a fourteen foot mould board.

### **Loaders/Backhoe**

The two Volvo loaders have worked a total of 834 hours up until 31 March 2008 compared to 1271 hours in 2005/06 and 1896 hours in 2006/07.

The backhoe has had minimal utilisation this financial year.

From an operational aspect retaining the two Volvo loaders and disposing of the John Deere backhoe is the recommended course of action.

The Volvo L60 loader is regularly used at the Lake Grace Tip and is used as a back up to the newer Volvo L90 loader. Current management intend to utilise the Volvo L60 in conjunction with an eight wheel tip truck to support the maintenance graders on small re-sheeting jobs. There are many instances within the road network where this type of repair is required and will result in a longer life for the running surface.

### **Trucks**

Council has two prime movers which have worked a combined total of 808.5 hours up to the end of December 2007. This compares to 1,636.5 hours in 2005/06 and 2,607.5 hours in 2006/07.

A Volvo eight wheeler end tipper purchased in June 2002, an Isuzu eight tonne tipper and a Hino water truck (purchased second hand) also form part of the truck fleet.

Associated equipment includes two side tipping semi trailers; a new dolly and a machinery float.

The plant replacement schedule indicates that the Volvo eight wheeler and the Ford Sterling prime mover purchased in December 1999 are due for replacement this financial year. The Hino water truck is also scheduled for disposal however there is no replacement shown.

The ongoing utilisation of the truck fleet is not as definitive as the other items of plant.

In endeavouring to ensure a flexible plant inventory current management recommends the following:

- Replace the Volvo eight wheel tipper with a new eight wheeler incorporating a side tipper/rear tipper/ in lieu of a straight rear tipper capable of towing the machinery float and a side tipping semi trailer.
- Retain Ford Sterling prime mover at this stage.
- Sell the Hino water truck outright
- Purchase a tandem/tri axle water tanker.

To assist in funding the above it is also recommended that tenders be called for the disposal of the following items of plant:

- Loader mounted saw (as is where is, basis)
- John Deere backhoe
- Old dolly (as is where is, basis)
- Old machinery float (as is where is, basis)

#### Legal Implications

Local Government Act 1995 Section 3.57 & 3.58

Local Government (Functions and General) Regulation - Tenders

#### Policy Implications

Nil.

#### Consultation

Internal: Works Overseer  
Plant Mechanic  
Manager Corporate Services

#### Financial Implications

The purchase of a new grader, new truck and second hand water tanker is estimated to cost \$650,000.00.

The disposal of two graders, the eight wheeler, loader mounted saw, dolly and machinery float is expected to net an estimated \$400,000.00.

Strategic Implications

Due to the importance to the social and economic wellbeing of the community, of an efficient transport system, Council is committed to ensuring that the road network is developed and maintained to the highest levels.

Cultural Implications

Nil.

Voting Requirements

Simple majority required.

Recommendation/Resolution

**MOTION 10591**

Moved Cr Newman  
Seconded Cr De Landgraftt

That tenders be called for the disposal and acquisition of the following items of plant and equipment:

- a) One only motor grader fitted with a 14 ft mould board on the basis of trading in the Caterpillar 12H and John Deere 672B motor graders and alternatively the outright purchase of the two graders.
- b) One only eight wheeler tipping truck fitted with a side tipping and end tipping system on the basis of trading a Volvo eight wheel end tipper and alternatively the outright purchase of the truck.
- c) One only second hand tandem or tri-axle semi trailer water tanker (approximate capacity 20,000-30,000 litres).
- d) Outright disposal of Hino water truck (reg no 1BLP 241).
- e) Outright disposal of Wilson loader mounted saw on an as is where is basis.
- f) Outright disposal of old dolly on an as is where is basis.
- g) Outright disposal of old machinery float on an as is where is basis.
- h) Outright disposal of a John Deere backhoe (reg no LG 106).

**MOTION CARRIED 9/0**

## 12.0 MATTERS FOR CONSIDERATION – TOWN PLANNING

### 12.1 NEWDEGATE LIGHT/SERVICE INDUSTRY SITE DEVELOPMENT

1.59pm *Cr Newman and Cr Chamberlain declared proximity interests in Item 12.1 in that they both have shares in the property across the road and left the meeting.*

**Applicant:** Chief Executive Officer  
**File No.** 0360  
**Attachments:** Planwest Report  
**Author:** Mr Jim Fraser  
 Chief Executive Officer  
**Disclosure of Interest:** Nil  
**Date of Report:** 14 April 2008  
**Senior Officer:** Mr Jim Fraser  
 Chief Executive Officer

#### Summary

This report recommends the development of a site within the Newdegate townsite for light/service industry.

#### Background

As indicated in the report prepared by Mr Paul Bashall, Director Planwest (WA) Pty Ltd the provision of industrial land in one form or another has been considered since at least 1983. The appointment of Mr Bashall to assess the various options was to ensure that an independent assessment was made. Mr Bashall has made comment and distinction between “general industry” and “light/service industry” which has been beneficial in assessing future requirements.

It is important to note that the CBH site is currently zoned general industry as are other lots in the general precinct.

#### **Comment**

Staff are of the view that the current requirement is to develop land for light/service industry purposes. On that basis it is recommended that several lots for light/service industry be developed within the Newdegate townsite and generally within Site 2 on figure three (see page 5 Planwest Report)

The land is currently zoned “Conservation” within Local Planning Scheme No 4 (LPS 4).

It is acknowledged that previous reports have raised issues with rare flora however more recent advice indicates that there have been reports of more widespread distribution throughout the Shire. Should Council agree to the recommendation the issue will be investigated as part of the assessment process.

An Amendment to LPS 4 would be required to change the zoning of the site. No cost estimate for this has been sought at this stage pending the decision of Council.

Legal Implications

Planning and Development Act 2005.  
Shire of Lake Grace Local Planning Scheme No 4.

Policy Implications

Nil.

Consultation

External: Paul Bashall Director Planwest  
Joe Douglas Planning Enterprises

Financial Implications

There has been no attempt to quantify the financial implications at this stage.

Strategic implications

The provision of a land bank for a full range of development options is vital to the ongoing expansion of the Shire.

Cultural Implications

N/A

Voting Requirements

Simple majority required.

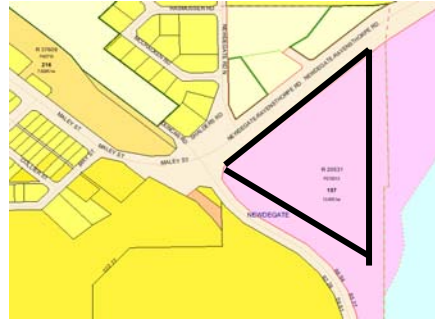
Recommendation/Resolution

**MOTION 10591**

Moved Cr Milton  
Seconded Cr Sinclair

That:

1. A portion of Reserve 20531 (outlined) and being within the Newdegate Townsite be developed for light/service industry subject to an assessment of suitability and cost.
2. No action be taken at this stage to develop a site adjacent to the Newdegate townsite for General Industry purposes.



**MOTION CARRIED 7/0**

2.12pm

*Crs Chamberlain & Newman re-entered the meeting and the Shire President read the resolution.*

**12.2      PROPOSED SUBDIVISION – LOT 2567 MALLEE HILL ROAD & LOT 2581 BURNGUP SOUTH ROAD, MALLEE HILL**

**Correspondent:** Western Australian Planning Commission  
**Applicant:** John Kinnear & Associates on behalf of ALD Hunt, LF Hunt & RW Taylor  
**File No.** 0453/0577  
**Attachments:** Plans 1 to 3  
**Author:** Mr Joe Douglas & Mr Steve Pandevski  
Town Planning Consultant  
**Disclosure of Interest:** Nil  
**Date of Report:** 14 April 2008  
**Senior Officer:** Mr Jim Fraser  
Chief Executive Officer

**Summary**

The following report has been prepared in response to correspondence received from the Western Australian Planning Commission (WAPC) seeking Council's comment on the proposed subdivision of Lot 2567 Mallee Hill Road and Lot 2581 Burngup Road South, Mallee Hill to create two (2) new lots.

Essentially the application seeks the WAPC's approval to the realignment of the existing property boundaries for farm adjustment purposes.

In accordance with the specific requirements of section 142(2) of the Planning and Development Act 2005 the Shire of Lake Grace has forty two (42) days to provide the WAPC with any comments and/or recommendations considered relevant to the proposal, being 24 April 2008. Given that the next scheduled Ordinary Meeting of Council is not until 23 April 2008 the Shire administration wrote to the Western Australian Planning Commission on 1 April 2008 advising that an extension until 2 May 2008 is required for the Shire to provide its comments. At the time of preparing this report the WAPC had not advised of any objections to the timeframes required by the Shire to respond.

This report provides an assessment of the application in the context of current State Government planning policy, the Shire's current Local Planning Strategy and Local Planning Scheme No.4. It also provides a final recommendation regarding the general suitability of the proposal to assist preparation of the necessary response to the WAPC.

### Background

John Kinnear and Associates on behalf of the current landowners, Andrew Lee De Vere Hunt, Linda Francis Hunt and Ross William Taylor, has recently lodged an application with the WAPC seeking approval to subdivide Lot 2567 Mallee Hill Road and Lot 2581 Burngup Road South, Mallee Hill to create two (2) new separately titled rural lots. As previously mentioned the subdivision application simply seeks to realign the existing lot boundaries for farm adjustment purposes.

The subject land is located approximately 25 kilometres west-south-west of the Newdegate townsite in the locality of Mallee Hill. The subject land is bound by Burngup Road South to the east, Mallee Hill Road to the south and private rural land to the north and west. The Silver Wattle Nature Reserve is located further east, on the north-eastern corner of the intersection of Mallee Hill Road and Burngup Road South (see Plan 1 – Location Plan).

According to the latest available aerial photography obtained through Landgate the subject land has been extensively cleared for agricultural purposes. It is estimated that no more than approximately 10% of the subject land contains remnant or regrowth vegetation cover.

The subdivision application form completed by the applicant advises that the subject land also contains two (2) dwellings and two (2) outbuildings, all of which are intended to be retained. It is significant to note that each of the proposed new lots will contain an existing dwelling and outbuilding (i.e. no new dwelling entitlements will be created as a result of the proposed subdivision).

Other improvements on the subject land include dams, access tracks and fencing, all of which are improvements consistent with that of a working broadacre farm. The subject landholdings appear to be used for broadacre agricultural purposes (i.e. cropping & grazing) which is consistent with the general use of surrounding rural properties (see Plan 2 - Aerial Site Plan).

As previously mentioned the application proposes the creation of two (2) new lots from two (2) existing lots (i.e. a boundary re-alignment for farm adjustment purposes) with the proposed lot boundaries taking into consideration the location of existing vegetation and the alignment of existing fencing (see Plan 3 – Plan of Proposed Subdivision).



The following table summarises the land area of the existing and proposed lots:

Lot Particulars	Existing Land Area (Approx.)	Proposed Land Area (Approx.)
Existing Lot 2567	1518 hectares	-
Existing Lot 2581	1543 hectares	-
Proposed Lot A	-	920.27 hectares
Proposed Lot B	-	2140.82 hectares

The applicant has provided the following summary of justifications in support of the proposal:

- Proposal to amend the boundary between Lots 2581 and 2567.
- No additional lots being created.
- No additional dwelling entitlements are created or where dwelling entitlements are removed or reduced. Number of titles remain the same.
- Adjustment proposed to add rear portion of (Lot) 2581 to (Lot) 2567.
- Boundaries to coincide with existing vegetation and fencing.
- The new boundaries reflect good environmental and land management practices. The adjustment will result in new lot boundaries which do not conflict with existing vegetation and maintain access to roads and services.
- The application will facilitate the ongoing agricultural usage on all the lots. The new boundaries are positioned to provide both pasture and remnant bush within each lot. Farming practices will continue as a result of this boundary adjustment.
- Despite Lot 2581 (proposed lot A – 920.27ha) becoming smaller, this is larger than some adjacent and surrounding lots and remains a large farm holding.

#### Comment

In considering the proposed subdivision and formulating an appropriate response to the WAPC Council is required to have due regard for the provisions of the Shire of Lake Grace Local Planning Strategy (LPS) and Local Planning Scheme No.4 (LPS No.4) as well as any relevant policies adopted by the WAPC.

#### **Shire of Lake Grace Local Planning Strategy (LPS) & Local Planning Scheme No.4 (LPS No.4)**

Under the terms of the Shire's current LPS & LPS No.4 all agricultural land within the Shire, including the subject land, is intended to be preserved for agricultural purposes to accommodate the establishment of new agricultural uses and the protection of existing agricultural activities. Furthermore, the fragmentation of existing agricultural landholdings, via subdivision, which has the potential to jeopardise the sustainability and

viability of broadacre farming activities is generally discouraged unless it satisfies the criteria of clause 5.11.12 of LPS no.4, which states:

“Having regard to the prime agricultural importance of land in the General Agriculture zone the local government will only recommend to the Commission support for further subdivision of existing rural lots where the proposed subdivision accords with the provisions of the Scheme, Local Planning Strategy, Local Planning Policies and any relevant Commission Policies applicable at the time.”

Given that the application submitted by John Kinnear and Associates for the subject landholdings seeks to realign lot boundaries for farm adjustment purposes and does not propose the creation of any additional lots or dwelling entitlements, it is considered that the proposal is generally consistent with Council’s planning objectives for agricultural land within the Shire and is unlikely to have any detrimental impacts.

#### **Western Australian Planning Commission Policy No. DC 3.4 – Subdivision of Rural Land**

The Western Australian Planning Commission (WAPC) has recently reviewed this policy and published the updated policy document in January 2008. This latest policy, like its predecessor, adopts a position whereby there is a general presumption against the fragmentation of rural land through subdivision unless it is consistent with the provisions of a local planning scheme, a local planning strategy or a local rural strategy. This revised policy does however provide greater clarity than its predecessor as to what is considered to be fragmentation of rural land and what is not.

The policy under section 4.1 states:

The following forms of subdivision are not fragmentation, do not result in loss of rural character and may be permitted:

- (a) To realign lot boundaries for farming purposes and/or for access to landlocked lots, with no increase in the number of lots.
- (b) To reduce the area of large land parcels which are two or more times the area of typical lots used in the district for farming.
- (c) To protect and actively conserve places of cultural and natural heritage.
- (d) To allow for the efficient provision of utilities and infrastructure and/or for access to natural resources.
- (e) To allow for the continued occupation of existing houses when they are no longer used in a farming operation.
- (f) For other unusual or unanticipated purposes which, in the opinion of the WAPC, do not conflict with policy and are necessary in the public interest.

It is clear that the application falls comfortably within the realm of criteria (a) above in that it seeks to realign lot boundaries for farm adjustment purposes and will not result in an increase in the total number of existing lots. It is therefore concluded that the proposal is consistent with the WAPC's Policy No.DC3.4 – Subdivision of Rural Land.

Finally in reviewing the proposed plan of subdivision in the context of the surrounding local rural road network it is concluded that both Mallee Hill Road and Burngup Road South are both constructed to a suitable gravel standard and do not require upgrading as a result of the subdivision. It is however noted that there is no corner truncation where Mallee Hill Road and Burngup Road South intersect.

The proposed subdivision therefore provides an opportunity for Council to require the creation of a corner truncation. Given the relatively small volume of traffic along both roads it is recommended that a 4.24m truncation (3m x 3m) be required to be provided as a condition of subdivision approval.

### **Conclusion**

It is concluded from an assessment of the application that the proposal to subdivide Lot 2567 Burngup Road South and Lot 2581 Mallee Hill Road, Mallee Hill by realigning their common boundaries for farm adjustment purposes to create two (2) new separately titled lots is consistent with the Shire's Local Planning Strategy, Local Planning Scheme No.4 and the specific criteria contained within the Western Australian Planning Commission's Policy No. DC3.4 – Subdivision of Rural Land.

To that extent Council may exercise its discretion and recommend approval of the application to the WAPC in accordance with the details of the plan submitted subject to a condition recommending the creation of a suitable truncation on the corner of Mallee Hill Road and Burngup Road South.

### Legal Implications

Planning and Development Act 2005  
Shire of Lake Grace Local Planning Scheme No.4

### Policy Implications

WAPC Policy No.DC 3.4 – Subdivision of Rural Land (2008)

### Consultation

Not required.

### Financial Implications

Nil

Strategic Implications

Shire of Lake Grace Local Planning Strategy

Cultural Implications

Nil

Voting Requirements

Simple majority required.

Recommendation/Resolution

**MOTION 10592**

Moved Cr Taylor  
Seconded Cr Farrelly

That Council advise the Western Australian Planning Commission that it supports the application submitted by John Kinnear and Associates on behalf of the current landowners, Andrew Lee De Vere Hunt, Linda Francis Hunt and Ross William Taylor, to subdivide Lot 2567 Mallee Hill Road and Lot 2581 Burngup Road South, Mallee Hill (WAPC Ref: 137174) in accordance with the details of the plan submitted in support of the application subject to the following condition:

1. Proposed Lot B being truncated to a standard of 4.24metres (3m x 3m) at the intersection of Mallee Hill Road and Burngup Road South to the specifications and satisfaction of the Shire.

**MOTION CARRIED 9/0**

### 12.3 FUTURE RESIDENTIAL SUBDIVISION DEVELOPMENT – LAKE GRACE TOWNSITE

**Applicant:** N/A  
**File No.** 0358/0369  
**Attachments:** Plans 4 to 9  
**Author:** Mr Joe Douglas & Mr Carlo Famiano  
 Town Planning Consultant  
**Disclosure of Interest:** Nil  
**Date of Report:** 22 April 2008  
**Senior Officer:** Mr Jim Fraser  
 Chief Executive Officer

#### Summary

This report provides details of four (4) separate subdivision design options for the development of additional residential lots on Lot 1 Griffin Street, Lake Grace to address the current shortage of vacant residential land within the town (see Options A to D attached being Plans 6 to 9).

It is recommended that Council select one of the options to enable the consulting engineer to assess the civil engineering requirements, determine the most efficient staging plan and prepare a construction cost estimate for the next stage of subdivision development. It should be noted that subdivision design selected by Council as its preferred option will eventually need to be adopted as the Guided Development Plan for the land, superseding the previous plan adopted by Council in 1998 (see the current adopted Guided Development Plan attached being Plans 4 & 5).

#### Background

The Shire of Lake Grace has historically undertaken the staged subdivision development of portion of Lot 1 Griffin Street, Lake Grace for residential purposes to satisfy market demand for vacant residential land within the townsite. The current supply of vacant residential land in the Lake Grace townsite has now dropped to a level where the Shire needs to consider developing additional residential land to ensure an adequate supply for the future to satisfy consumer demand.

This report has been prepared to offer Council four (4) subdivision design options for the development of Lot 1 Griffin Street, Lake Grace. The selection of a preferred subdivision design from the four options presented will enable the development process to move forward to the next stage including engineering assessment (including staging arrangements), preparation of a construction cost estimate and formal adoption of the preferred plan under Local Planning Scheme No.4.

### Comment

Lot 1 Griffin Street is located in the eastern-most part of the Lake Grace townsite and is currently owned in fee simple (i.e. freehold) by the Shire of Lake Grace. That portion of Lot 1 set aside for future residential development purposes comprises a total area of approximately 7.85 hectares and is classified 'Residential' zone with a density coding of R20 under the Shire's current operative Local Planning Scheme No.4.

Preparation of a number of revised subdivision design options for the land has been undertaken to incorporate a proposed 20 metre wide landscaping strip (including a 3 metre high earth bund) along the land's frontage to Stubbs Street to provide a suitable noise attenuation buffer between Stubbs Street (on the Lake Grace Newdegate Road) and the proposed residential lots. Noise attenuation is considered to be an important design consideration in the future development of the land given its proximity to Stubbs Street and the large volume of heavy vehicle movements along Stubbs Street which has anecdotally proven to be a nuisance to local residents in the immediate locality.

The subdivision plan selected by Council as its preferred design option will eventually replace the Guided Development Plan for Lot 1 previously adopted by the Lake Grace Shire Council at its Ordinary meeting on the 23 September 1998. Adoption of the preferred design option as a Guided Development Plan under Local Planning Scheme No.4 is required in due course to illustrate the future pattern of subdivision development over the land and will be used as the basis for preparation of a subdivision application to the Western Australian Planning Commission.

The four options prepared for consideration by Council are based on different design philosophies and result in varying lot yields. Generally each design option will result in the creation of predominantly single residential housing lots ranging in size from 666m<sup>2</sup> to 1,414m<sup>2</sup> and offering a variety of housing choices. Each option also includes the provision of a grouped dwelling site within the subdivision area.

The following is a brief outline of the subdivision statistics for each design option:

<b>Option</b>	<b>Single House Lots</b>	<b>Grouped Dwelling Lots</b>
A	54 lots with areas ranging from 763m <sup>2</sup> to 1,339m <sup>2</sup> .	1 lot comprising an area of 3,661m <sup>2</sup> .
B	54 lots with areas ranging from 683m <sup>2</sup> to 1,414m <sup>2</sup> .	1 lot comprising an area of 2,302 m <sup>2</sup> .
C	60 lots with areas ranging from 666m <sup>2</sup> to 1,333m <sup>2</sup> .	1 lot comprising an area of 1,724m <sup>2</sup> .
D	58 lots with areas ranging from 717m <sup>2</sup> to 1,246m <sup>2</sup> .	1 lot comprising an area of 3,661m <sup>2</sup> .

Once a preferred subdivision design option has been selected it is recommended that Council also advise of its preference regarding the location and extent of the next stage of subdivision development so that this information can be conveyed to the consulting civil engineer for assessment and preparation of a preliminary construction cost estimate.

Legal Implications

Planning and Development Act 2005  
Shire of Lake Grace Local Planning Scheme No.4

Policy Implications

Nil

Community Consultation

Not required at this preliminary stage however the preferred subdivision design option will be advertised for public comment in due course as part of the process required to be followed by Council to formally adopt the preferred design option as a Guided Development Plan under Local Planning Scheme No.4.

Financial Implications

The cost of constructing the next stage of the proposed subdivision of Lot 1 will be determined by the consulting civil engineer following receipt of advice regarding Council's preferred design option and preference regarding the location and extent of the next stage of subdivision development.

Strategic Implications

The development of additional residential lots on Lot 1 Griffin Street, Lake Grace is consistent with strategic land use planning direction afforded by the Shire of Lake Grace Local Planning Strategy as this relates to future residential development in the Lake Grace townsite.

Cultural Implications

N/A

Recommendation

That Council consider the four (4) alternative subdivision design options prepared by the Shire's consultant town planner in respect of the future proposed subdivision development of Lot 1 Griffin Street Lake Grace for residential purposes and advise the Shire Administration of Council's:

1. preferred subdivision design option; and
2. preference regarding the location and extent of the next stage of subdivision development,

to enable this information to be conveyed to McDowall Affleck consulting civil engineers for assessment and preparation of a preliminary construction cost estimate for the next stage of subdivision development.

Voting Requirements

Simple majority required.

Resolution

**MOTION 10593**

Moved Cr Newman

Seconded Cr De Landgraft

That the Lake Grace Councillors assess the proposals and bring a recommendation back to Council regarding extension of the residential development at the eastern end of the Lake Grace townsite prior to the 2008/09 budget deliberations.

**MOTION CARRIED 9/0**

***REASON FOR CHANGE***

***Council wish to take the options out to the community for feedback and comment prior to making a final decision.***



**13.0 MATTERS FOR CONSIDERATION – HEALTH & BUILDING**

*No items for consideration.*

## 14.0 MATTERS FOR CONSIDERATION – FINANCE

### 14.1 ACCOUNTS FOR PAYMENT – MARCH 2008

**Applicant:** Shire of Lake Grace  
**File No.** 0277  
**Attachments:** List of Creditors  
**Author:** Ms Rysha Bird  
Finance Officer  
**Disclosure of Interest:** Nil  
**Date of Report:** 15 April 2008  
**Senior Officer:** Mr Jim Fraser  
Chief Executive Officer

#### Summary

For Council to ratify expenditures incurred for the month of March 2008.

#### Background

List of invoices paid for the month of March 2008 through the Municipal Account is attached.

#### Comment

In accordance with the requirements of the Local Government Act 1995, a list of creditors is to be completed for each month showing:

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

The attached list meets the requirements of the Financial Regulations.

#### Legal Implications

Local Government (Financial Management) Regulations 1996 – Reg 12  
Local Government (Financial Management) Regulations 1996 – Reg 13

#### Policy Implications

N/A

#### Consultation

N/A

#### Financial Implications

The list of creditors paid for the month of March 2008 from the Municipal Account amounts to \$634,628.73.

Strategic Implications

N/A

Cultural Implications

N/A

Voting Requirements

Simple majority required.

Recommendation/Resolution

**MOTION 10594**

Moved Cr Milton  
Seconded Cr Newman

That Municipal Account cheques 33072 to 33125, Electronic Funds Transfers EFT3784 to EFT3902 and direct debits to the Municipal Accounts totalling \$634,628.73 having been checked and certified in accordance with the Financial Management Regulation 12, be confirmed, and passed for payment against the respective accounts as shown on the summary of Accounts for Payment schedule.

Cheque number 33098 was cancelled.

**MOTION CARRIED 9/0**

## 14.2 FINANCIAL STATEMENTS – MARCH 2008

**Applicant:** Shire of Lake Grace  
**File No.** 0275  
**Attachments:** Financial Reports  
**Author:** Mrs Danielle Robertson  
Senior Finance Officer  
**Disclosure of Interest:** Nil  
**Date of Report:** 14 April 2008  
**Senior Officer:** Mr Jim Fraser  
Chief Executive Officer

### Summary

Consideration of the financial statements for the month ending 31 March 2008.

### Background

The following financial reports are included for information:

- Monthly Statement of Financial Activity
- Summary of Net Current Assets
- Operating Statement by Programme
- Balance Sheet
- Assets Purchased and Sold
- Capital Road Works, Operating Expenditure and Operating Income Graphs
- Bank Reconciliation

### Legal Implications

Local Government Act 1995 – section 6.4

Local Government (Financial Management) Regulations 1996

### Policy Implications

N/A

### Consultation

N/A

### Financial Implications

Nil.

### Strategic Implications

N/A

### Voting Requirements

Simple majority required.

Recommendation/Resolution

**MOTION 10595**

Moved Cr Milton  
Seconded Cr Farrelly

That the financial reports for the month ending 31 March 2008 as attached be received.

**MOTION CARRIED 9/0**

### 14.3 INVESTMENT OF SURPLUS FUNDS - REPORT

**Applicant:** Manager Corporate Services  
**File No.** 0267  
**Attachments:** Nil  
**Author:** Mr Mark Burbridge  
 Manager Corporate Services  
**Disclosure of Interest:** Nil  
**Date of Report:** 15 April 2008  
**Senior Officer:** Mr Jim Fraser  
 Chief Executive Officer

#### Summary

Report on the investment of surplus funds for the Reserve and Municipal Funds.

#### Background

In accordance with Council Policy 3.5

#### Comment

The following surplus funds have been invested during March 2008:

Financial Institution	Fund	Lodgement	Maturity	Term	Amount	Interest Rate
BankWest	Reserve	18/09/07	17/03/08	6 months	\$1,000,000.00	7.06%
				<i>Re-invested below:</i>		
		17/03/08	16/04/08	30 days	\$1,035,009.86	7.69%

Council currently holds no Municipal funds in term deposits. Approximately \$800,000 is held in Council's Municipal Cheque account to meet upcoming cash expenditure requirements.

As no immediate need is foreseen for the expenditure of Reserve funds, it is anticipated that the deposit of \$1 Million plus interest earned will be re-invested for a further 30 days.

#### Legal Implications

Nil.

#### Policy Implications

As per Council Policy 3.5

#### Consultation

N/A

Financial Implications

N/A

Strategic Implications

N/A

Voting Requirements

Simple majority required.

Recommendation/Resolution

**MOTION 10596**

Moved Cr Newman

Seconded Cr Dunkeld

That the investment report for March 2008 be approved.

**MOTION CARRIED 9/0**

#### 14.4 **EASTERN WHEATBELT DECLARED SPECIES GROUP – FUNDING REQUEST**

**Applicant:** Eastern Wheatbelt Declared Species Group  
**File No.** 0062  
**Attachments:** Letter, Sample Contract  
**Author:** Mr Mark Burbridge  
 Manager Corporate Services  
**Disclosure of Interest:** Nil  
**Date of Report:** 14 April 2008  
**Senior Officer:** Mr Jim Fraser  
 Chief Executive Officer

##### Summary

For Council to consider its ongoing support of the Eastern Wheatbelt Declared Species Group (EWDSG) over the next three years.

##### Background

Council has received a letter from the EWDSG requesting a commitment to funding over the next three years.

Council has supported the EWDSG since the 2003/04 financial year with contributions of \$5000 per year towards wild dog control.

Council, at its July 2007 Council Meeting, delegated Mr Darcy Roberts to be its representative to the EWDSG. Whilst Mr Roberts was a Councillor at the time, it should be noted that the representative need not be a Councillor and should preferably reside in an area that may have had issues with wild dogs.

##### Comment

The EWDSG currently holds a contract with a dogger which expires in July 2008. At its 12 February 2008 meeting, the EWDSG resolved not to extend the existing dogger contract, but rather advertise a new contract position commencing in July 2008.

As part of the new structure, the EWDSG intends to establish a regional Wild Dog Management Plan with input from all land managers, detailing when and where baiting should occur, responsibilities of land managers, the establishment of buffer zones, and the financial requirements of the operation.

A management committee is to be formed consisting of representatives from the Department of Environment, the Department of Agriculture and Food, the Agriculture Protection Board, and the Shires contributing to the scheme – currently anticipated to be: Yilgarn, Narembeen, Westonia, Kondinin, Kulin, Mt Marshall, Merredin, Mukinbudin, and Lake Grace.



The EWDSG seeks a commitment from Council of \$5,000.00 per annum over the next three years, in addition to a commitment of approximately \$300.00 to meet the current years shortfall.

As part of the arrangements Council will be required to enter into a joint contract with a dogging contractor – a sample is attached.

Legal Implications

N/A

Policy Implications

N/A

Consultation

Nil

Financial Implications

Council allows \$5,000.00 contribution to wild dog control in its 2007/08 Budget, which to date has been fully expended.

Should Council agree to provide additional funding this financial year in the vicinity of \$300.00, this could be offset against the \$16,524.00 surplus identified in the 2007/08 Budget Review.

Contributions in future years will need to be allowed for in future budget deliberations.

Strategic Implications

N/A

Cultural Implications

N/A

Voting Requirements

Simple majority required

Recommendation/Resolution

**MOTION 10597**

Moved Cr Taylor  
Seconded Cr Milton

1. That Council advise the Eastern Wheatbelt Declared Species Group (EWDSG) that, subject to the receipt annually of a financial statement detailing the total sum of such funds received and how they were expended:
  - Council is prepared to support EWDSG's Wild Dog control operations over the next three (3) years by way of a financial contribution of \$5000 per annum; and,
  - Council is also prepared to meet a one-off commitment in the vicinity of \$300 to meet EWDSG's current financial deficit.
  
2. That Council authorise the Chief Executive Officer and/or Shire President (as required) to execute the "Declared Species Group & Operator Contract" when it becomes available.

**MOTION CARRIED 9/0**

## 14.5 **SCHEDULE OF FEES & CHARGES 2008/09**

**Applicant:** Manager Corporate Services  
**File No.** 0627  
**Attachments:** Schedule  
**Author:** Mr Mark Burbridge  
 Manager Corporate Services  
**Disclosure of Interest:** Nil  
**Date of Report:** 15 April 2008  
**Senior Officer:** Mr Jim Fraser  
 Chief Executive Officer

### Summary

For Council to accept the Schedule of Fees & Charges to be imposed when adopting the 2008/09 Budget.

### Background

The Schedule of Fees and Charges is submitted to Council for consideration and subsequent inclusion and adoption within the budget process.

Council last considered the Schedule of Fees and Charges whilst adopting the 2007/08 Budget at its Ordinary Meeting of Council held 25 July 2007.

### Comment

Incremental increases have been proposed for the majority of the 2008/09 Schedule of Fees and Charges.

With many of these items not being reviewed since 2001/02, the proposed new fees and charges reflect the increased costs associated with providing these services over time.

Major changes have been proposed in the following areas:

#### **Rating Enquiries**

Removal of the Urgent Enquiry Fee – this is no longer relevant with a newly implemented electronic reporting system which leads to requests being carried out within 7 days under normal circumstances.

#### **Housing**

All rental values have been increased to reflect true market rental prices for Council owned housing. Clauses have been added to the schedules to denote that Staff Housing rental values may be altered depending on employment conditions, and that Community Housing rental values may be reduced by low-income rent assistance requirements of the Department of Housing and Works.

**Refuse Removal Charges**

Refuse Removal Charges (where required of Council other than as part of the weekly collection service) have been increased significantly to reflect the true cost to Council of providing such a service.

**Septage and Grease Waste**

Council does not provide this facility presently - this service is generally undertaken by private contractors and as such Council no longer requires reference to it in the Fees and Charges Schedule.

**Asbestos Waste Disposal**

Fee has been increased significantly to represent the true costs of providing this service, both physically and administratively. The charges have also been amended to the same levels irrespective of whether the customer is a resident of the Shire of Lake Grace or otherwise.

**Town Planning Fees**

New fees have been introduced for submission of Scheme Amendments and Structure Plans. Additional wording has been added in relation to penalties for developments, home occupations, and non-conforming uses that have been initiated without prior approval.

**Cemetery Fees**

Fees involving Council's use of a contractor to carry out burial works have been raised significantly to reflect the cost of providing these services. The costs of providing these services have been averaged out across Council's four cemeteries.

**Swimming Pool Fees**

New fees for Swimming Coaching and One-on-One Swimming Tutoring have been included as these services can now be provided by Council's Swimming Pool Manager from time to time.

The Australia Day Lions Celebration is now identified as "Free Entry till 12 noon" within the Schedule of Fees and Charges, eliminating the need for separate Council approval each year.

**Technical Officer**

These charges have been removed as Council is currently unable to provide this service.

Legal Implications

Local Government Act 1992 Section 6.16  
Local Government (Financial Management) Regulations 1996 –  
Regulations 22(g) and 25

Policy Implications

Nil

Consultation

Consultation has not been carried out regarding the Schedule of Fees and Charges. Where Fees and Charges are adopted along with Council's Annual Budget, consultation is generally not required.

Financial Implications

Anticipated income to be received from fees and charges will be included in Councils forthcoming budget deliberations.

Strategic Implications

Nil

Cultural Implications

Nil

Voting Requirements

Simple majority required.

Recommendation/Resolution

**MOTION 10598**

Moved Cr Farrelly  
Seconded Cr De Landgraft

That the 2008/09 Schedule of Fees and Charges as presented be accepted and prepared for inclusion in Council's 2008/09 Budget.

**MOTION CARRIED 9/0**

## 14.6 ROE 'BE ACTIVE' SCHEME – BUDGET 2007/08 AMENDMENT

**Applicant:** Manager Corporate Services  
**File No.** 0535  
**Attachments:** Nil  
**Author:** Mr Mark Burbridge  
Manager Corporate Services  
**Disclosure of Interest:** Nil  
**Date of Report:** 15 April 2008  
**Senior Officer:** Mr Jim Fraser  
Chief Executive Officer

### Summary

For Council to adopt an amended budget for the Roe 'Be Active' Scheme to 30 June 2008.

### Background

At Council's September 2007 Ordinary meeting, Council agreed to the adoption of a management role in the Roe 'Be Active' Scheme.

An indicative Budget was presented to Council, which following implementation of the scheme has now been reviewed and is submitted to Council for adoption.

### Comment

The revised Budget aims to recognise actual costs that will be incurred by Council to the period ending 30 June 2008.

The budget also recognises the fact that the scheme obtains additional funding from a variety of sources for one-off projects, and that some of this funding will need to be carried forward as unspent grants to the following year.

The proposed budget to 30 June 2008 is as follows:

<b>Account</b>	<b>Description</b>	<b>Actuals to 31/03/08</b>	<b>Proposed Budget</b>
<b>Operating Income</b>			
I148100	Healthways Grant	\$33,333	\$33,333
I148101	Physical Activities Taskforce Grants		\$0
I148102	Fees - Swim to Rotto		\$0
I148103	Fees - School Activities		\$0
I148104	Fees - School Holiday Activities		\$400
I148105	Fees - Winter Warm Up / Step into Spring		\$0
I148106	Fees - Educational Seminars & Courses		\$0
I148107	Fees - New Initiatives		\$0
I148300	Grant - ACE - Active Communities Everyday	\$15,000	\$15,000
I148301	Grant - Women / Youth on the Frontline	\$8,000	\$8,000
I148302	Grant - Royal Life Bronze Rescue Training	\$5,000	\$5,000
I148303	Grant - DPI Bike Week	\$1,200	\$1,200
I148304	Grant - Dept for Communities - Surfing Camp		\$2,000
I148500	Roe Be Active Scheme Contributions	\$4,835	\$34,508
	<b>Total Operating Income</b>	<b>\$67,368</b>	<b>\$99,441</b>
<b>Operating Expenditure</b>			
148100	Wages	\$26,865	\$39,527
148101	Superannuation	\$3,974	\$5,747
148102	Workers Compensation Insurance		\$0
148103	Fringe Benefits Tax		\$0
148200	Vehicle Operation Costs	\$4,147	\$6,059
148201	Promotion / Advertising Costs	\$1,013	\$1,200
148202	Other Administration / Stationary		\$0
148203	Office Equipment	\$708	\$708
148204	Telephone / Internet Costs	\$2,082	\$2,500
148205	Swim to Rotto	\$0	\$250
148206	School Activities	\$962	\$3,750
148207	School Holiday Activities	\$77	\$1,875
148208	Winter Warm Up / Step into Spring		\$3,750
148209	Educational Seminars & Courses		\$1,375
148210	New Initiatives		\$1,500
148300	ACE - Active Communities Everyday	\$6,829	\$15,000
148301	Women / Youth on the Frontline	\$2,103	\$8,000
148302	Royal Life Bronze Rescue Training	\$168	\$1,061
148303	DPI Bike Week	\$0	\$1,200
148304	Dept for Communities - Surfing Camp	\$0	\$2,000
	<b>Total Operating Expenditure</b>	<b>\$48,929</b>	<b>\$95,502</b>
	<b>Net Result Operating Income/Expenditure</b>	<b>\$18,440</b>	<b>\$3,939</b>
	<b>Unspent Grants Transferred to Restricted Cash</b>		<b>-\$3,939</b>
	<b>Closing Position at 30 June 2008</b>		<b>\$0</b>

Legal Implications

Local Government Act 1995 Section 6.8

The Shire has entered into a sponsorship agreement with the Western Australian Health Promotion Foundation (“Healthway”), the requirements of which need to be met in Council’s budget formulation and financial reporting.

Policy Implications

N/A

Consultation

Internal: ‘Be Active’ Coordinator

Financial Implications

It is the intention that the Roe ‘Be Active’ Scheme be revenue neutral to the Council in which it is administered.

This is true of the amended budget which is proposed, however due to the timing of funding arrangements it is likely that Council will be required to carry some unexpended grant funds forward to next financial year as ‘restricted cash’.

A fully costed budget for the 2008/09 financial year will be prepared for adoption as part of the 2008/09 budget deliberations.

Strategic Implications

Participation in the Scheme reinforces Council’s commitment to resource sharing and co-operation with neighbouring Shires.

Cultural Implications

Encouraging participation in sport and recreation is recognised as a positive in the development of communities.

Voting Requirements

Absolute majority (5) required



Recommendation/Resolution

**MOTION 10599**

Moved Cr Milton  
Seconded Cr Newman

That Council approve the revised Roe 'Be Active' Scheme budget for the period ending 30 June 2008, and amend its 2007/08 Budget as follows:

- I148100 - Healthways Grant - \$33333
- I148104 - Fees - School Holiday Activities - \$400
- I148300 - Grant - ACE - Active Communities Everyday - \$15000
- I148301 - Grant - Women / Youth on the Frontline - \$8000
- I148302 - Grant - Royal Life Bronze Rescue Training - \$5000
- I148303 - Grant - DPI Bike Week - \$1200
- I148304 - Grant - Dept for Communities - Surfing Camp - \$2000
- I148500 - Roe Be Active Scheme Contributions - \$34508
- 148100 - Wages - \$39527
- 148101 - Superannuation - \$5747
- 148200 - Vehicle Operation Costs - \$6059
- 148201 - Promotion / Advertising Costs - \$1200
- 148203 - Office Equipment - \$708
- 148204 - Telephone / Internet Costs - \$2500
- 148205 - Swim to Rotto - \$250
- 148206 - School Activities - \$3750
- 148207 - School Holiday Activities - \$1875
- 148208 - Winter Warm Up / Step into Spring - \$3750
- 148209 - Educational Seminars & Courses - \$1375
- 148210 - New Initiatives - \$1500
- 148300 - ACE - Active Communities Everyday - \$15000
- 148301 - Women / Youth on the Frontline - \$8000
- 148302 - Royal Life Bronze Rescue Training - \$1061
- 148303 - DPI Bike Week - \$1200
- 148304 - Dept for Communities - Surfing Camp - \$2000

**MOTION CARRIED BY ABSOLUTE MAJORITY 9/0**

3.05pm Mrs Nadene Owen left the meeting.

## 15.0 MATTERS FOR CONSIDERATION – ADMINISTRATION

### 15.1 AUTHORISED OFFICERS - APPOINTMENTS

<b>Applicant:</b>	Chief Executive Officer
<b>File No:</b>	0052
<b>Attachments:</b>	Correspondence – WA Ranger Services Cemeteries Act 1986 s64
<b>Author:</b>	Mrs Jeanette Bennett Executive Assistant
<b>Disclosure of Interest:</b>	Nil
<b>Date of Report:</b>	15 April 2008
<b>Senior Officer:</b>	Mr Jim Fraser Chief Executive Officer

#### Summary

The purpose of this report is for Council to appoint Authorised Persons to exercise power under the Local Government Act 1995, associated legislation and other Acts, on behalf of the Shire of Lake Grace.

#### Background

In accordance with a number of provisions of various Acts, Regulations and local laws, Council is required to appoint authorised persons to perform various authorised functions.

Council, at its 26 March 2008 Ordinary Meeting appointed Mr Phil Gough of Great Southern Ranger Services to undertake ranger duties within the Shire. For the purposes of clarification and referencing Mr Gough's name re-appears in this list of authorisations.

Authorisations are reviewed on an annual basis and updated to reflect staff changes. Following approval by Council the authorisations are gazetted and published in the Government Gazette.

#### Comment

Section 3.24 of the Local Government Act 1995 enables a local government to expressly authorise a person(s) to exercise its executive powers under Division 3 of the Act.

These authorisations relate to certain provisions about land, including issuance of notices requiring certain things to be done by an owner or occupier of land in accordance with Schedule 3.1

of the Act. These can include matters relating to drainage requirements, safety issues and unsightly land. It is proposed to appoint Mr Jim Fraser and Mr Mark Burbridge.

Part 3 Division 3 Section 3.28 & 3.29 of the Local Government Act 1995 provides for Power of Entry eg. abandoned vehicles or home industry. For this purpose it is proposed to authorise Mr Phil Gough of Great Southern Ranger Services.

Section 3.39 of the Local Government Act 1995 enables Council to appoint an authorised person for the purpose of removing or impounding of goods that are involved in a contravention, as prescribed by regulation or local law, that can lead to impounding. Mr Jim Fraser is the authorised officer and it is proposed to include Mr Phil Gough of Great Southern Ranger Services.

For the purposes of s37 of the Control of Vehicles (Off-road Areas) Act 1978 the following staff members are designated as Authorised Officers – Mr Jim Fraser, Mr Mark Burbridge and Mr Phil Gough.

For the purposes of s26 of the Litter Act 1979, all Councillors and Staff are deemed to be authorised officers. Mr Phil Gough is also included.

Section 9.10 of the Local Government Act 1995 provides for the appointment of authorised persons for the purpose of investigating the suspected commission of an offence against the Local Government Act 1995 and or the Shire's local laws (s9.11 & s9.15). Mr Jim Fraser, Mr Mark Burbridge and Mr Phil Gough are the appointed officers.

For the subsequent issue of infringement notices in accordance with s9.13, s9.16 and 9.17 of that Act, Mr Jim Fraser, Mr Mark Burbridge and Mr Phil Gough are to be appointed.

The extension of the payment period (s9.19) and/or the withdrawal of the notice (s9.20) is to be authorised by the Chief Executive Officer Mr Jim Fraser.

Furthermore, in accordance with s449 of the Local Government (Miscellaneous Provisions) Act 1960, a local government may establish and maintain one or more public pounds and may appoint persons to be keepers of those pounds so as to have care, control and management of those pounds. Mr Gary Seward and Mr Wayne Trawinski are appointed as Pound Keepers. Mr Phil Gough of Great Southern Ranger Services is appointed as Ranger.

Pursuant to the Dog Act 1976 the Shire is required to appoint “Registration Officers” to effect the registration of dogs pursuant to the requirement of the Act. The following staff members along with Mr Phil Gough are appointed as authorised “Registration Officers”:

- Jim Fraser
- Mark Burbridge
- Danielle Robertson
- Rysha Bird
- Jessica De Burgh

Pursuant to s27 of the Health Act 1911 Council may appoint an Environmental Health Officer to perform such duties as the local government from time to time directs and also such as are specifically prescribed by any order of the Executive Director, Public Health. Mr Maurice Walsh is the appointed Environmental Health Officer.

Pursuant to s59(2)(a) of the Bush Fires Act 1954 a local government may institute or carry on proceedings, including the issue of infringement notices, against a person for an offence alleged to have been committed against the Act. For the purposes of proceedings, Council has delegated its authority to the Chief Executive Officer (s59(3)) who has on-delegated (see Delegations Register – Other 03) to the Manager of Corporate Services. Mr Phil Gough is also included.

Pursuant to s17 of the Caravan Parks and Camping Grounds Act 1995 the Chief Executive Officer may appoint such persons to be authorised persons for the purposes of the Act. An authorised person may enter and inspect premises to ensure compliance with the requirements of the Act. The Chief Executive Officer has appointed Mr Maurice Walsh as an authorised person for the purposes of the Caravan Parks and Camping Grounds Act 1995.

#### Community Consultation

N/A

#### Legal Implications

- Local Government Act, 1995
- Local Government (Miscellaneous Provisions) Act 1960
- Bush Fires Act 1954
- Dog Act 1976
- Health Act 1911
- Litter Act 1979
- Control of Vehicles (Off-Road Areas) Act 1978
- Caravan Parks and Camping Grounds Act 1995
- Cemeteries Act 1986

Policy Implications

N/A

Financial Implications

N/A

Strategic Implications

Provides for the good governance of the Shire.

Cultural Implications

N/A

Voting Requirements

Simple majority required.

Recommendation/Resolution

**MOTION 10600**

Moved Cr Newman  
Seconded Cr Dunkeld

That Council appoint the following persons as “Authorised Officers” in respect to the requirements of the specified Acts:

**Local Government Act 1995**, Part 3, Division 3, Subdivision 2, Certain provisions about land - s3.24 (relates to the issuing of notices):

- Jim Fraser
- Mark Burbridge

**Local Government Act 1995**, Part 3 Division 3 Section 3.28 & 3.29 of the Local Government Act 1995 provides for Power of Entry (relates to abandoned vehicles or home industry):

- Phil Gough

**Local Government Act 1995**, Part 3, Division 3, Subdivision 4, impounding goods involved in certain contraventions – s3.39 (relates to the power to remove and impound):

- Jim Fraser
- Phil Gough

**Local Government Act 1995**, Part 9, Division 2, Subdivision 1, Miscellaneous provisions about enforcement – s9.10, s9.11 and s9.15; and **Control of Vehicles (Off-Road Areas) Act 1978** – s37 (relates to the fining of a person committing an offence):

- Jim Fraser
- Mark Burbridge
- Phil Gough

**MOTION 10600 continued**

**Local Government Act 1995**, Part 9, Division 2, Subdivisions 1 & 2, Miscellaneous provisions about enforcement and infringement notices – s9.13, s9.16 and s9.17: (relates to the issuing of notices):

- Jim Fraser
- Mark Burbridge
- Phil Gough

**Local Government Act 1995**, Part 9, Division 2, Subdivision 2, Miscellaneous provisions about enforcement – s9.19 and s9.20 (relates to amendment of notices):

- Jim Fraser

**Local Government (Miscellaneous Provisions) Act 1960** – s449 Local governments may establish pounds, appoint pound keepers and Rangers:

- Wayne Trawinski (Pound Keeper)
- Gary Seward (Pound Keeper)
- Phil Gough (Great Southern Ranger Services)

**Dog Act 1976** – Registration Officers

- Jim Fraser
- Mark Burbridge
- Danielle Robertson
- Rysha Bird
- Jessica De Burgh
- Phil Gough

**Health Act 1911** – s27 Appointment of Environmental Health Officer

- Maurice Walsh

**Bush Fires Act 1954** – s59(2)(a) and (3) – Issue of infringement notices, Council Delegation – Other 03

- Mark Burbridge
- Phil Gough

**Caravan Parks and Camping Grounds Act 1995** – s17 Authorised Persons

- Maurice Walsh

**MOTION CARRIED 9/0**

3.10pm Meeting adjourned for afternoon tea.

3.56pm Meeting resumed with all those previously in attendance present.

## 15.2 POLICY REVIEW – SECTION 3 FINANCE & ACCOUNTING

<b>Applicant:</b>	Shire President
<b>File No.</b>	0055
<b>Attachments:</b>	Policy 3.2 Significant Accounting Policies & Additional Information - Schedule 11
<b>Author:</b>	Mr Jim Fraser Chief Executive Officer
<b>Disclosure of Interest:</b>	Nil
<b>Date of Report:</b>	14 April 2008
<b>Senior Officer:</b>	Mr Jim Fraser Chief Executive Officer

### Summary

This report recommends changes to Policy Area – Section 3 Finance and Accounting.

### Background

The last significant review of policies was undertaken by Council in February 2004 with further ad hoc alterations to December 2005.

In the capacity of Project Officer, the current CEO has previously submitted the following to Council:

- Section 1 Governance – reviewed June 2006
- Section 2 Community Support – reviewed July 2006

The Policy Manual includes reference to the manner in which policy is to be amended and is as follows:

*Additions, deletions or alterations to Council Policy shall only be effected by specific Council resolution stating:*

- *The proposed policy; and,*
- *That the Manual be updated.*

### Comment

The Shire President has requested a review of the Policy Manual with Section 3 – Finance and Accounting being the first section to be reviewed.

Staff submit the following for consideration:

### **Section 3 – Finance/Accounting**

#### **Policy 3.1 - Self Supporting Loans**

### **Existing Policy 3.1**

**POLICY** Council will consider making available loan funds on a “self-supporting” basis to organisations within the district subject to appropriate terms and conditions determined by Council from time to time.

**OBJECTIVES** To identify Council’s willingness to provide support

### **Proposed Amendments Policy 3.1**

#### **Policy**

Council may raise a loan on behalf of a group or organisation with the group or organisation being responsible for the repayment of principal and interest charges subject to terms and conditions determined by Council.

#### **Objectives**

To identify Councils willingness to provide support to groups and organisations within the Shire.

#### **Guidelines**

Approval will be considered where the club or organisation can adequately demonstrate by the provision of forward financial plans covering the life of the loan, a capacity to meet the loan repayments.

The term of the loan should be less than or equal to the half life of the capital works or improvements undertaken. This is to enable the club or organisation sufficient time to set aside a cash reserve for the future refurbishment or replacement of those improvements.

The club or organisation must demonstrate a satisfactory past payment history with at least principal suppliers one of which may be the Shire of Lake Grace where such history exists.

*Note: There has been a significant change to the Guidelines. Several guidelines have been developed to assist both clubs and organisations, and Council in determining applications.*

*The preparation of a deed loan and/or the provision of guarantors has not been included in the guidelines at this stage. It is considered that these matters would be covered in the Policy **terms and conditions** determined by Council.*



## Policy 3.2 - Significant Accounting Policies

### Existing Policy 3.2 – refer page 55 of the Attachments

**NOTE:** Significant Accounting Policies are included as part of the annual budget adoption process. Any changes to the policy will be included as part of that process. It is also noted the Significant Accounting Policies appear in the Annual Report.

Following the adoption of the Annual Budget the Policy Manual can be amended to reflect the current position.

## Policy 3.3 – Specified Area Rating

### Existing Policy 3.3:

#### **POLICY**

That all Shire capital contributions for sport and recreation facilities be funded by way of specified area rate.

That capital projects with a cost greater than \$50,000 (excluding Council works if applicable) be first approved by way of a community survey being a postal vote of ratepayers within the prescribed area.

When voting in ratepayer surveys on capital projects exceeding \$50,000 in cost, each ratepayer in the specified area has one vote. In the case of multiple owners of a property, a maximum of two votes applies and in the case of companies as land owners, two nominees have one vote each.

That the cost of a required survey be borne by the applicant organization.

A “yes” result is more than 50% of returned voters being in favour of the proposal.

#### **OBJECTIVES**

To identify responsibility for the payment of such costs and the need for prior community consultation.

#### **GUIDELINES**

*Local Government Act 1995 – s6.37*

#### **HISTORY**

Motion 8459 Sept 1999

Former policy 3.25, 3.27, 3.31

Motion 9216 June 2002 – Amended to include conditions regarding results and costs of ratepayer surveys in prescribed areas.

Motion 9301 September 2002 – Amended to clarify the voting rights of ratepayers when voting in surveys.

Motion 9671 March 2004 – Vote counting in ratepayer surveys amended to reflect *returned* votes rather than *eligible* votes.

#### **REVIEW**

MANAGER CORPORATE SERVICES

### **Proposed Amendments Policy 3.3**

#### **Policy**

That Specified Area Rates be levied for:

- a) Expenditure incurred with the operation and maintenance of the Lake Grace Sewerage Scheme in the specified area of the Lake Grace townsite.
- b) Defined specified areas of the Shire namely Lake Grace, Newdegate, Lake King and Varley to yield sufficient funds to equal the **operating expenditures** for the specified area as budgeted for the sub programme (Function 11) as classified in the Financial Management Regulations as:
  - o Public Halls and Civic Centres
  - o Swimming Areas and Beaches
  - o Other Recreation and Sport
  - o Libraries
  - o Other Culture
- c) Finance the borrowings for the construction of the Lake Grace and Newdegate Resource Centres in each Specified Area.
- d) All Council capital contributions to recreational and cultural activities. Where Council's contribution to a project under the specified area rate exceeds \$50,000.00, the project is to be first approved by way of a community survey being a postal vote of ratepayers within the prescribed area.
- e) In a community survey (being a postal vote of ratepayers within a prescribed area) each ratepayer has one vote. In the case of multiple owners of a property a maximum of two votes applies and in the case of companies as landowners, two nominees have one vote each.
- f) For a community survey to be successful, greater than 50% of the eligible voters are to participate and more than 50% of returned votes are to be in favour of the proposal.
- g) Where a project is proposed and managed by a community based organisation the cost of a community survey is to be borne by the applicant organisation.

#### **Objectives**

- To ensure that Specified Area Rates are levied so that each locality and/or specified area is responsible for the net costs of an activity such as provision of a sewerage treatment facility and those activities as outlined in *Function 11 Recreation and Culture* within that locality and/or specified area.

- To provide the opportunity for community consultation (being a postal vote of ratepayers within a prescribed area) in relation to the provision of recreational and cultural facilities and infrastructure development.

### **Guidelines**

- Sections 6.32 and 6.37 of the Local Government Act 1995.
- Budget: In accordance with Section 6.32 and 6.37 of the Local Government Act 1995 details of all Specified Area Rates are to be included in the annual adopted budget with the motion to accept the rates to be carried by an Absolute Majority of Council.
- That until Council determines that the Town Halls are of an equal standard capital expenditure included in budgets be funded from general rates.

### **Review**

Manager Corporate Services

### **NOTE:**

Staff assessed the individual accounts within Schedule 11 and comment is provided – refer **Attachments page 60 - Additional Information – Schedule 11**

### **Main Streets Garden Costs**

It is also noted that the costs associated with the median strip and associated town gardens in Lake Grace and the gardens in Maley St Newdegate have been allocated to town street maintenance under Schedule 12.

### **Community Survey**

With regard to the requirement for a community survey, the focus has been put on Council's SAR contribution to the cost of any given project rather than the total cost of the project, as per the current policy.

**Example** - under the current policy re-surfacing of the Varley Bowling Green is a project worth over \$80,000 with Council's SAR contribution being \$25,000.00 and requiring a community survey.

Compare this to a project fully funded through SAR totalling \$49,000.00 - this currently would not require a community survey.

## **Policy 3.4 - Regional Price Preference**

### **Existing Policy 3.4**

#### **POLICY**

Council's Regional Price Preference will apply to all goods and services for which tenders are let, unless the Shire of Lake Grace determines otherwise, and is to be:

Up to 10% when the contract is for goods and services, up to a maximum price reduction of \$50,000.

Up to 5% when the contract is for construction (building) services, up to a maximum price reduction of \$50,000.

Up to 10% when the contract is for goods and services, including construction (building) services, up to a maximum price reduction of \$500,000 if the local government is seeking tenders from the private sector for the provision of those goods and services for the first time. That is, when a function is being outsourced by the Shire.

**OBJECTIVES** To establish Council's support for local business

**GUIDELINES** *Local Government Act 1995 – s3.57 Tenders*  
*Local Government (Functions & General) Regulations 2000 - Part 4A*  
*Local Government (Administration) Amendment Regulations 2000 – s29*

### **Proposed Amendments Policy 3.4**

Title: **Policy 3.4 Local Price Preference**

#### **Policy**

##### 1. General Purchasing (other than tenders)

That when officers seek quotations or purchase goods or services, quotes must be obtained from businesses (if in existence) that could provide the good or service required that are located within the Shire of Lake Grace.

<b>Amount of Purchase (excluding GST)</b>	<b>Purchasing Method</b>
Up to \$5,000	2 verbal quotations to be obtained and documented by a responsible officer
\$5,001 to \$20,000	3 written quotations to be obtained
\$20,001 to \$99,999	3 written quotations to be obtained with written specifications
\$100,000 and above	Conduct a public tender process.

##### 2. When the provision of goods or services is not being sought by tender the following preference will be provided to local suppliers whose business is based within the Shire of Lake Grace and the product quality is comparable:

- 5% for any purchase up to \$20,000.00
- 2% for any purchase between \$20,001.00 and \$99,999.00

#### **Objectives**

To establish Council's support for local business.

#### **Guidelines**

Local Government Act 1995 – Section 3.57

Local Government (Functions and General) Regulations 2000 – Part 4A

Local Government (Administration) Amendment Regulations 2000 – section 29

#### **Review**

Manager Corporate Services

## **Policy 3.5 Investments**

### **Existing Policy 3.5**

- POLICY** Council delegates to the Chief Executive Officer to ensure that Council is obtaining the best return for its investments having regard to:
- Maintaining an appropriate cash flow for the continued good management of Council.
  - Maintaining records of investment particulars in line with the Local Government (Financial Management) Regulations 1996.
  - Recognising the advantage of diversifying investments; and
  - Assessing the risk, income return and length of investment(s).
  - No funds will be invested with organizations with a Standard & Poors rating below A.
- In recognizing the advantages of diversifying investments, with the exception of the bank which operates Council's municipal fund, no more than 75% of funds may be invested in one organisation without Council approval.
- OBJECTIVES** To provide guidelines for investment of Council's funds which are surplus to immediate requirements.
- To have access to funds for any day to day requirements without penalty.
- GUIDELINES** In ensuring that Council conforms to its fiduciary responsibilities under Section 6.14 of the Local Government Act 1995, Staff and Councillors will act in accordance with the Prudent Person Rule.
- The main features of the Prudent Person Rule include:
- Exercising care, diligence and skill that a prudent person would exercise in managing the affairs of other persons.
  - A duty to invest funds in investments that are not speculative or hazardous.
  - To take a conservative approach to investments but with a focus to add value through prudent investment of funds.
  - There is a need to minimize risks through consideration of:
    - a) the purpose of the investment and the needs and circumstances.
    - b) the need to maintain the real value of the capital and income.
    - c) the length of the term of the proposed investment.
    - d) the nature and risk associated with existing investments.
    - e) the aggregate value of investment.
    - f) A monthly management report outlining current investments will be presented to council including total funds invested by account type.

g) Authorized investments include but are not necessarily limited to:

- Total funds invested by institution
- Bank accepted/endorsed bank bills
- Bank negotiable Certificates of Deposit
- Bank interest bearing deposits
- Managed funds having a credit rating of A or better (based on Standard and Poors Australian Ratings).

Notwithstanding the introduction of this Policy Document, the General Financial Management obligations imposed on Chief Operating Officers under the Local Government Act 1995 and the Local Government (Financial Management). Regulations 1996 should at all times be complied with.

**HISTORY** Adopted Motion 10257 August 2006

**REVIEW** Manager Corporate Services

**NOTE:** The policy was amended in August 2006 to reflect the then “Prudent Person Rule”.

With more recent issues within local government generally where some Councils have been affected by their investment portfolios the Department for Local Government and Regional Development has prepared a new guideline.

It is recommended that the current policy remain in place until such time as the Audit Committee has an opportunity to assess the new guidelines and from that assessment prepare a new policy for consideration by Council.

### **Policy 3.6 - Authorised Use of Credit Card**

#### **Existing Policy 3.6**

**POLICY** To govern the issue, use and reporting requirements of a corporate credit card for the Shire of Lake Grace.

**OBJECTIVES** To provide details for the use, allocation, control and safe custody of corporate credit cards.

**GUIDELINES** **Definitions**

“Credit Card” is defined as a facility allowing the cardholder to pay for goods and services on credit.

“Business Expense” is defined as any expense necessary to the conduct of the business or for the benefit of the Shire of Lake Grace, is under the terms of the employee’s contract of employment with the Shire of Lake Grace or relevant Council policies.

**Guidelines:**

The following guidelines governs the issue and use of corporate credit cards:

1. Credit Card to be issued to the Chief Executive Officer (CEO) only.
2. The use of the credit card by the CEO is restricted to business expenses only. The use of corporate credit cards for any item of personal expenditure is disallowed.
3. All credit card receipts are to be handed to the Finance Department for reconciliation and allocation purposes.
4. The CEO when utilising the corporate credit card to purchase goods and services must provide an invoice, or documentation to support the request, to the Finance Department before any payment is made via credit card.
5. Council can revoke any delegation if any of the policy conditions are breached.
6. A list of expenses incurred on credit is to be presented to Council with normal monthly municipal expenditure and is to be clearly marked that the purchase has been made via a credit card.

Corporate credit cards are issued with a maximum credit of \$5,000.

**HISTORY** Adopted Motion 10337 December 2006

**REVIEW** Manager Corporate Services

**NOTE:** The policy was reviewed in December 2006 and it is recommended that the guidelines be amended to increase the maximum credit available from \$5,000.00 to \$10,000.00.

**Proposed Amendments Policy 3.6**

**Policy**

To govern the issue, use and reporting requirements of a corporate credit card for the Shire of Lake Grace.

**Objectives**

To provide details for the use, allocation, control and safe custody of corporate credit cards.

**Guidelines**

The following guidelines govern the issue and use of corporate credit cards:

1. Credit Card to be issued to the Chief Executive Officer (CEO) only.
2. The use of the credit card by the CEO is restricted to business expenses only. The use of corporate credit cards for any item of personal expenditure is disallowed.
3. All credit card receipts are to be handed to the Finance Department for reconciliation and allocation purposes.

4. The CEO when utilising the corporate credit card to purchase goods and services must provide an invoice, or documentation to support the request, to the Finance Department before any payment is made via credit card.
5. Council can revoke any delegation if any of the policy conditions are breached.
6. A list of expenses incurred on credit is to be presented to Council with normal monthly municipal expenditure and is to be clearly marked that the purchase has been made via a credit card.

Corporate credit cards are issued with a maximum credit of \$10,000.

## **Policy 3.7 – Purchasing**

### **Existing Policy 3.7**

<b>POLICY</b>	The Purchasing Policy as per Attachment 3.7 on the following pages is adopted as Council Policy.
<b>OBJECTIVES</b>	<p>To provide compliance with the Local Government Act 1995 and the Local Government (Functions and General) Regulations, 1996 (as amended).</p> <p>To provide clear guidelines to the Council and its officers for purchasing goods and services where the value of goods will be less than \$100,000.</p> <p>To ensure consistency for all purchasing activities that integrates within all the Local Government operational areas.</p>
<b>GUIDELINES</b>	<p>Local Government Act 1995 – s3.57 (as amended).</p> <p>Local Government (Functions and General) Regulations 1996 (as amended).</p> <p>Shire of Lake Grace Policy 3.4 – Regional Price Preference.</p>
<b>HISTORY</b>	<p>The Local Government (Functions and General) Amendment Regulations 2007 increased the tender threshold to \$100,000 and require local governments to have a purchasing policy for amounts under the new threshold.</p> <p>Adopted Motion 10376 March 2007.</p>
<b>REVIEW</b>	Manager Corporate Services

### **ATTACHMENT 3.7 - Purchasing**

#### **Summary**

An official Shire of Lake Grace Purchase Order will be issued for all purchases on behalf of the Shire of Lake Grace unless otherwise specified.

The Purchase Order will include the general ledger account or job number to which the costs of the goods shall be charged.

If a purchase order is not quoted on the invoice for the goods or services, the Finance Officer will forward the invoice to the appropriate officer with a request to immediately issue a purchase order.



### Principles, Standards and Behaviours

The following principles, standards and behaviours must be observed and enforced through all stages of the purchasing process to ensure the fair and equitable treatment of all parties:

- full accountability shall be taken for all purchasing decisions and the efficient, effective and proper expenditure of public monies based on achieving value for money;
- all purchasing practices shall comply with relevant legislation, regulations, and requirements consistent with the Local Government policies and code of conduct;
- purchasing is to be undertaken on a competitive basis in which all potential suppliers are treated impartially, honestly and consistently;
- all processes, evaluations and decisions shall be transparent, free from bias and fully documented in accordance with applicable policies and audit requirements;
- any actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed; and
- any information provided to the Local Government by a supplier shall be treated as commercial-in-confidence and should not be released unless authorised by the supplier or relevant legislation.

### Purchases where a Purchase Order is not required

The Shire of Lake Grace has identified the following as not requiring the issue of an official order:

- Supply of government utilities and services i.e. water, electricity and telephone charges;
- Insurance i.e. property, plant, public liability, workers compensation;

### Officers Authorised to Issue Orders

All officers are permitted to obtain verbal or written quotations for goods and services for the Shire, however the following officers are permitted to issue purchase orders on behalf of the Shire of Lake Grace within the financial limits specified:

Officer	Purchase Order Value
Chief Executive Officer	Unlimited (within adopted budget and guidelines)
Executive Assistant	\$2,000
Manager of Works	\$50,000
Building Maintenance Officer	\$1,000
Mechanic	\$5,000
Manager Corporate Services	\$50,000
Senior Administration Officer	\$5,000
Manager Community Services	\$50,000

### Orders only to be issued within area of budget responsibility.

An officer of the Shire of Lake Grace may only issue an order for goods committing the Shire to expenditure from an allocation within the budget for which they have direct budgetary control.

### Thresholds for Quotations

The following thresholds shall apply for the purchase of goods and services:

Amount of Purchase (excluding GST)	Purchasing Method Required
Up to \$5,000	2 verbal quotations to be obtained and documented by responsible officer
\$5,001 to \$20,000	3 written quotations to be obtained
\$20,001 to \$99,999	3 written quotations to be obtained with written specifications
\$100,000 and above	Conduct a public tender process.

### Up to \$5,000

Where the value of procurement of goods or services does not exceed \$5,000, purchase on the basis of at least two verbal quotations is permitted. However it is recommended to use professional discretion and occasionally undertake market testing with a greater number or more formal forms of quotation to ensure best value is maintained.

The general principles for obtaining verbal quotations are:

- Ensure that the requirement/specification is clearly understood by the Local Government employee seeking the verbal quotations.
- Ensure that the requirement is clearly, accurately and consistently communicated to each of the suppliers being invited to quote.
- Read back the details to the Supplier contact person to confirm their accuracy.
- Written notes detailing each verbal quotation must be recorded.

#### **\$5,001 to \$20,000**

At least three written quotations are required. Where this is not practical, (e.g. due to limited suppliers) this must be noted.

#### **\$20,001 to \$99,999**

For the procurement of goods or services where the value exceeds \$20,000 but is less than \$99,999, it is required to obtain at least three written quotes with written specifications for the goods or service required. The responsible officer is expected to demonstrate due diligence seeking quotes and to comply with any record keeping and audit requirements.

The general principles relating to written quotations are:

- An appropriately detailed specification should communicate requirement(s) in a clear, concise and logical fashion.
- The request for written quotation should include as a minimum:
  - Written Specification
  - Selection Criteria to be applied
  - Price Schedule
  - Conditions of responding
  - Validity period of offer
- Invitations to quote should be issued simultaneously to ensure that all parties receive an equal opportunity to respond.
- Offer to all prospective suppliers at the same time any new information that is likely to change the requirements.
- Responses should be assessed for compliance, then against the selection criteria, and then value for money and all evaluations documented.
- Respondents should be advised in writing as soon as possible after the final determination is made and approved.

#### **Note:**

1. All quotation/tender documentation received are records of the Shire of Lake Grace and as such are accessible to the public under the Freedom of Information Act;
2. All documentation of verbal quotes and/or written quotes are to be attached to the copy of the order and forwarded to the Finance Officer and shall be retained as part of the support documentation for the payment of goods and services

#### **Authorisation of Invoices for Payment**

All invoices must be authorised for payment prior to payment being made. An invoice may only be authorised for payment by the officer who ordered the goods.

#### **Tenders – Administrative Procedures**

The following procedures are intended to provide an outline of the administrative procedures to be followed in the calling of tenders, and who is the responsible officer for each step.

Where monies have been provided in Council's budget for the supply of goods or services and the anticipated costs of those goods or services is likely to be \$100,000 or more, the officer responsible for that work shall obtain the written approval of the Chief Executive Officer to commence advertising the tender, unless previously approved by Council.

When seeking the approval of the Chief Executive Officer, the officer shall make a written request using the attached pro forma and include copies of the selection criteria for assessing all tenders.

When the approval of the Chief Executive Officer has been obtained, the officer shall request the Executive Assistant to allocate a tender number from the tender register.

The Executive Assistant shall enter the tender number and description of the goods or services on the tender cover form for inclusion in the tender register.

The officer calling the tender shall then provide the draft advertisement containing tender number, closing date etc to the Executive Assistant who will then arrange for the advertisement to be published. Tenders are to be advertised in a state wide publication e.g. “The West Australian” newspaper, Local Government Tenders section, preferably on a Wednesday or Saturday. The tender must remain open for at least 14 days after the date the tender is advertised.

The advertisement must include:

- a brief description of the goods or services required;
- information as to where and how tenders may be submitted;
- the date and time after which tenders cannot be submitted;
- particulars identifying a person from whom more detailed information as to tendering may be obtained.

A copy of the tender documentation shall be given to the Executive Assistant to keep with the tender register. At the close of the tender period, the tenders shall be opened by the Executive Assistant and the officer who called the tender with the Executive Assistant responsible for ensuring the tender cover sheet is completed. Members of the public are entitled to be present at the opening of tenders. There is no obligation for officers to disclose or record tendered prices at the opening, however if in the opinion of the officers it is practical to do so and does not breach commercial-in-confidence principles, an indication of the tender price may be given.

The officer who called the tender shall then be responsible for coordinating the assessment of the tenders and preparing an item for submission to Council.

Once the tender has been approved by Council, all documentation from both the successful tenderer and unsuccessful tenderer(s) shall be given to the Executive Assistant for filing in accordance with Council’s General Disposal Authority.

The officer who initiated the tender shall then be responsible for advising all tenderers in writing the outcome of the tender process.

#### **No Tenders Received**

Where the Local Government has invited tenders, however no compliant submissions have been received; direct purchases can be arranged on the basis of the following:

- a sufficient number of quotations are obtained;
- the process follows the guidelines for seeking quotations between \$20,001 & \$99,999 (listed above);
- the specification for goods and/or services remains unchanged;
- purchasing is arranged within 6 months of the closing date of the lapsed tender.

#### **Records Management**

All records associated with the tender process or a direct purchase process must be recorded and retained. For a tender process this includes:

- Tender documentation;
- Internal documentation;
- Evaluation documentation;
- Enquiry and response documentation;
- Notification and award documentation.

For a direct purchasing process this includes:

- Quotation documentation (as at Attachment 1);
- Internal documentation;
- Order forms and requisitions.

Record retention shall be in accordance with the minimum requirements of the State Records Act 2000, and the Local Government’s internal records management policy.

#### **Anti-Avoidance**

The Local Government shall not enter two or more contracts of a similar nature for the purpose of splitting the value of the contracts to take the value of consideration below the level of \$100,000, thereby avoiding the need to publicly tender.

**NOTE:** The Purchasing Policy was reviewed in March 2007 to reflect the increase in the tender threshold from \$50,000.00 to \$100,000.00 and to ensure compliance with the Regulations which require local governments to have a purchasing policy in place for amounts under \$100,000.00.

**Proposed Amendments to Attachment 3.7 (refer to Recommendation below)** – Attachment 3.7 has been amended by the deletion of the administrative process for the calling of tenders as these are regulated.

Legal Implications

There are no legal requirements pertaining to the review of the Policy Manual.

Policy Implications

The Policy Manual will be amended to reflect the decisions of Council.

Consultation

Internal: Manager Corporate Services

Financial Implications

The proposed changes will have minimal impact on the financial operations of Council.

Strategic Implications

Nil.

Cultural Implications

Nil.

Voting Requirements

Simple majority required.

Resolution

**MOTION 10601**

Moved Cr Chamberlain  
Seconded Cr Newman

That Policies:

- 3.1 - Self Supporting Loans
- 3.3 - Specified Area Rating
- 3.4 - Regional Price Preference
- 3.6 - Authorised Use of Credit Card; and,
- 3.7 - Purchasing Policy

as reviewed be adopted and subsequently endorsed by the Shire President and Chief Executive Officer, and the Policy Manual updated accordingly:

**POLICY 3.1 – SELF SUPPORTING LOANS**

**Policy**

Council may raise a loan on behalf of a group or organisation with the group or organisation being responsible for the repayment of principal and interest charges subject to terms and conditions determined by Council.

**Objectives**

To identify Council's willingness to provide support to groups and organisations within the Shire.

**Guidelines**

Approval will be considered where the club or organisation can adequately demonstrate by the provision of forward financial plans covering the life of the loan, a capacity to meet the loan repayments.

The term of the loan should be less than or equal to the half life of the capital works or improvements undertaken. This is to enable the club or organisation sufficient time to set aside a cash reserve for the future refurbishment or replacement of those improvements.

The club or organisation must demonstrate a satisfactory past payment history with at least principal suppliers one of which may be the Shire of Lake Grace where such history exists.

**Review**

Manager Corporate Services

**MOTION 10601 continued:****POLICY 3.3 - SPECIFIED AREA RATING****Policy**

That Specified Area Rates be levied for:

- a) Expenditure incurred with the operation and maintenance of the Lake Grace Sewerage Scheme in the specified area of the Lake Grace townsite.
- b) Defined specified areas of the Shire namely Lake Grace, Newdegate, Lake King and Varley to yield sufficient funds to equal the **operating expenditures** for the specified area as budgeted for the sub programme (Function 11) as classified in the Financial Management Regulations as:
  - Public Halls and Civic Centres
  - Swimming Areas and Beaches
  - Other Recreation and Sport
  - Libraries
  - Other Culture
- c) Finance the borrowings for the construction of the Lake Grace and Newdegate Resource Centres in each Specified Area.
- d) All Council capital contributions to recreational and cultural activities. Where Council's contribution to a project under the specified area rate exceeds \$50,000.00, the project is to be first approved by way of a community survey being a postal vote of ratepayers within the prescribed area.
- e) In a community survey (being a postal vote of ratepayers within a prescribed area) each ratepayer has one vote. In the case of multiple owners of a property a maximum of two votes applies and in the case of companies as landowners, two nominees have one vote each.
- f) \*For a community survey to be successful, greater than 50% of the eligible voters are to participate and more than 50% of returned votes are to be in favour of the proposal.\*
- g) Where a project is proposed and managed by a community based organisation the cost of a community survey is to be borne by the applicant organisation.

**MOTION 10601 continued:****Objectives**

- To ensure that Specified Area Rates are levied so that each locality and/or specified area is responsible for the net costs of an activity such as provision of a sewerage treatment facility and those activities as outlined in *Function 11 Recreation and Culture* within that locality and/or specified area.
- To provide the opportunity for community consultation (being a postal vote of ratepayers within a prescribed area) in relation to the provision of recreational and cultural facilities and infrastructure development.

**Guidelines**

- Sections 6.32 and 6.37 of the Local Government Act 1995.
- Budget: In accordance with Section 6.32 and 6.37 of the Local Government Act 1995 details of all Specified Area Rates are to be included in the annual adopted budget with the motion to accept the rates to be carried by an Absolute Majority of Council.
- \*That until Council determines that the Town Halls (Lake Grace Town Hall, Newdegate Town Hall, Lake King Town Hall, Varley Town Hall) are of an equal standard capital expenditure included in budgets be funded from general rates.\*

**Review**

Manager Corporate Services

**POLICY 3.4 - LOCAL PRICE PREFERENCE**

1. General Purchasing (other than tenders)  
That when officers seek quotations or purchase goods or services, quotes must be obtained from businesses (if in existence) that could provide the good or service required that are located within the Shire of Lake Grace.

<b>Amount of Purchase (excluding GST)</b>	<b>Purchasing Method</b>
Up to \$5,000	2 verbal quotations to be obtained and documented by a responsible officer
\$5,001 to \$20,000	3 written quotations to be obtained
\$20,001 to \$99,999	3 written quotations to be obtained with written specifications
\$100,000 and above	Conduct a public tender process.

1. When the provision of goods or services is not being sought by tender the following preference will be provided to local suppliers whose business is based within the Shire of Lake Grace and the product quality is comparable:
  - 5% for any purchase up to \$20,000.00
  - 2% for any purchase between \$20,001.00 and \$99,999.00

**MOTION 10601 continued:**

**Objectives**

To establish Council's support for local business.

**Guidelines**

Local Government Act 1995 – Section 3.57

Local Government (Functions and General) Regulations 2000 – Part 4A

Local Government (Administration) Amendment Regulations 2000 – section 29

**Review**

Manager Corporate Services

**POLICY 3.6 - AUTHORISED USE OF CREDIT CARD**

**Policy**

To govern the issue, use and reporting requirements of a corporate credit card for the Shire of Lake Grace.

**Objectives**

To provide details for the use, allocation, control and safe custody of corporate credit cards.

**Guidelines**

The following guidelines govern the issue and use of corporate credit cards:

1. Credit Card to be issued to the Chief Executive Officer (CEO) only.
2. The use of the credit card by the CEO is restricted to business expenses only. The use of corporate credit cards for any item of personal expenditure is disallowed.
3. All credit card receipts are to be handed to the Finance Department for reconciliation and allocation purposes.
4. The CEO when utilising the corporate credit card to purchase goods and services must provide an invoice, or documentation to support the request, to the Finance Department before any payment is made via credit card.
5. Council can revoke any delegation if any of the policy conditions are breached.
6. A list of expenses incurred on credit is to be presented to Council with normal monthly municipal expenditure and is to be clearly marked that the purchase has been made via a credit card.

Corporate credit cards are issued with a maximum credit of \$10,000.



**MOTION 10601 continued:**

**POLICY 3.7 – PURCHASING**

**Policy**

The Purchasing Policy as per Attachment 3.7 on the following pages is adopted as Council Policy.

**Objectives**

To provide compliance with the Local Government Act 1995 and the Local Government (Functions and General) Regulations, 1996 (as amended).

To provide clear guidelines to the Council and its officers for purchasing goods and services where the value of goods will be less than \$100,000.

To ensure consistency for all purchasing activities that integrates within all the Local Government operational areas.

**Guidelines**

Local Government Act 1995 – s3.57 (as amended).

Local Government (Functions and General) Regulations 1996 (as amended).

Shire of Lake Grace Policy 3.4 – Local Price Preference.

**Review**

Manager Corporate Services

**ATTACHMENT 3.7 – Purchasing**

**Summary**

An official Shire of Lake Grace Purchase Order will be issued for all purchases on behalf of the Shire of Lake Grace unless otherwise specified.

The Purchase Order will include the general ledger account or job number to which the costs of the goods shall be charged.

If a purchase order is not quoted on the invoice for the goods or services, the Finance Officer will forward the invoice to the appropriate officer with a request to immediately issue a purchase order.

**Principles, Standards and Behaviours**

The following principles, standards and behaviours must be observed and enforced through all stages of the purchasing process to ensure the fair and equitable treatment of all parties:

- full accountability shall be taken for all purchasing decisions and the efficient, effective and proper expenditure of public monies based on achieving value for money;

**MOTION 10601 continued:**

- all purchasing practices shall comply with relevant legislation, regulations, and requirements consistent with the Local Government policies and code of conduct;
- purchasing is to be undertaken on a competitive basis in which all potential suppliers are treated impartially, honestly and consistently;
- all processes, evaluations and decisions shall be transparent, free from bias and fully documented in accordance with applicable policies and audit requirements;
- any actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed; and
- any information provided to the Local Government by a supplier shall be treated as commercial-in-confidence and should not be released unless authorised by the supplier or relevant legislation.

**Purchases where a Purchase Order is not required**

The Shire of Lake Grace has identified the following as not requiring the issue of an official order:

- Supply of government utilities and services i.e. water, electricity and telephone charges;
- Insurance i.e. property, plant, public liability, workers compensation;

**Officers Authorised to Issue Orders**

All officers are permitted to obtain verbal or written quotations for goods and services for the Shire, however the following officers are permitted to issue purchase orders on behalf of the Shire of Lake Grace within the financial limits specified:

<b>Officer</b>	<b>Purchase Order Value</b>
Chief Executive Officer	Unlimited (within adopted budget and guidelines)
Executive Assistant	\$2,000
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Building Maintenance Officer	\$1,000
Mechanic	\$5,000
Manager Corporate Services	\$50,000
Senior Administration Officer	\$5,000
Manager Community Services	\$50,000

**Orders only to be issued within area of budget responsibility.**

An officer of the Shire of Lake Grace may only issue an order for goods committing the Shire to expenditure from an allocation within the budget for which they have direct budgetary control.

**MOTION 10601 continued:****Thresholds for Quotations**

The following thresholds shall apply for the purchase of goods and services:

<b>Amount of Purchase (excluding GST)</b>	<b>Purchasing Method Required</b>
Up to \$5,000	2 verbal quotations to be obtained and documented by responsible officer
\$5,001 to \$20,000	3 written quotations to be obtained
\$20,001 to \$99,999	3 written quotations to be obtained with written specifications
\$100,000 and above	Conduct a public tender process <u>*in accordance with Regulations*</u> .

**Up to \$5,000**

Where the value of procurement of goods or services does not exceed \$5,000, purchase on the basis of at least two verbal quotations is permitted. However it is recommended to use professional discretion and occasionally undertake market testing with a greater number or more formal forms of \*quotation to ensure best value is maintained.

The general principles for obtaining verbal quotations are:

- Ensure that the requirement/specification is clearly understood by the Local Government employee seeking the verbal quotations.
- Ensure that the requirement is clearly, accurately and consistently communicated to each of the suppliers being invited to quote.
- Read back the details to the Supplier contact person to confirm their accuracy.
- Written notes detailing each verbal quotation must be recorded.

**\$5,001 to \$20,000**

At least three written quotations are required. Where this is not practical, (e.g. due to limited suppliers) this must be noted.

**\$20,001 to \$99,999**

For the procurement of goods or services where the value exceeds \$20,000 but is less than \$99,999, it is required to obtain at least three written quotes with written specifications for the goods or service required. The responsible officer is expected to demonstrate due diligence seeking quotes and to comply with any record keeping and audit requirements.

The general principles relating to written quotations are:

- An appropriately detailed specification should communicate requirement(s) in a clear, concise and logical fashion.
- The request for written quotation should include as a minimum:
  - Written Specification
  - Selection Criteria to be applied
  - Price Schedule
  - Conditions of responding
  - Validity period of offer

**MOTION 10601 continued:**

- Invitations to quote should be issued simultaneously to ensure that all parties receive an equal opportunity to respond.
- Offer to all prospective suppliers at the same time any new information that is likely to change the requirements.
- Responses should be assessed for compliance, then against the selection criteria, and then value for money and all evaluations documented.
- Respondents should be advised in writing as soon as possible after the final determination is made and approved.

**Note:**

1. All quotation/tender documentation received are records of the Shire of Lake Grace and as such are accessible to the public under the Freedom of Information Act;
2. All documentation of verbal quotes and/or written quotes are to be attached to the copy of the order and forwarded to the Finance Officer and shall be retained as part of the support documentation for the payment of goods and services

**Authorisation of Invoices for Payment**

All invoices must be authorised for payment prior to payment being made. An invoice may only be authorised for payment by the officer who ordered the goods.

**Records Management**

All records associated with the direct purchase process must be recorded and retained which includes:

- Record retention shall be in accordance with the minimum requirements of the State Records Act 2000, and the Local Government's internal records management policy.

**Anti-Avoidance**

The Local Government shall not enter two or more contracts of a similar nature for the purpose of splitting the value of the contracts to take the value of consideration below the level of \$100,000, thereby avoiding the need to publicly tender.

**MOTION CARRIED 9/0**

**CHANGES TO OFFICER RECOMMENDATION**

**Changes to original Officer Recommendation are denoted in the Resolution as follows: \*            \***

**16.0 URGENT BUSINESS BY DECISION OF THE MEETING**

None.

**17.0 SCHEDULING OF MEETING**

**17.1 MAY 2008 ORDINARY MEETING**

**Motion 10528 November 2008 states:**

An Ordinary Meeting of Council will be held on Wednesday 28 May 2008, commencing at 6.00pm at the Newdegate Library Telecentre, Collier St, Newdegate.

**18.0 CONFIDENTIAL BUSINESS – As per Local Government Act s.5.23 (2)**

None.

**19.0 CLOSURE**

There being no further business, the Chairperson closed the meeting at 5.25 pm.

**20.0 CERTIFICATION**

I \_\_\_\_\_ certify that the minutes of the meeting held on the 23 April 2008 as shown were confirmed as a true record at the meeting held on the 28 May 2008.

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Date