



Shire of Pingelly

Minutes

Ordinary Council Meeting
19 February 2020

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1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Chairman declared the meeting open at 2.03pm.

2. ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the Noongar people of this area and recognise their continuing connection to land, waters and community. We pay respect to both the Aboriginal and non-Aboriginal people past and present and emerging.

3. ANNOUNCEMENTS BY THE PRESIDING MEMBER

3.1 Council Agenda Reports

Please note that all elected members have been provided with the relevant information pertaining to each Officers reports within today's Agenda and the Officer Recommendations are based on Council Policy and or State Acts and Legislation.

4. RECORD OF ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE

MEMBERS PRESENT

Cr W Mulroney	(President)
Cr J McBurney	(Deputy President)
Cr D Freebairn	
Cr K Hastings	
Cr B Hotham	
Cr P Narducci	
Cr A Oliveri	
Cr P Wood	

STAFF IN ATTENDANCE

Ms J Burton	Chief Executive Officer
Mr S Billingham	Director Corporate and Community Services
Ms K Rigg	Customer Services Officer

APOLOGIES

Mrs L Boddy	Executive Assistant
Mr D Watkins	Director Technical Services

OBSERVERS & VISITORS

Mr Ray Marshall

5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

10. PETITIONS / DEPUTATIONS / PRESENTATIONS / SUBMISSIONS

11. REPORTS OF COMMITTEES OF COUNCIL

- | | |
|--|---|
| • Audit Committee | Full Council |
| • Pingelly Recreation & Cultural Committee | Member – Shire President
Deputy – Deputy President |
| • Bushfire Advisory Committee | Member – Cr Freebairn
Deputy – Cr Hotham |
| • Chief Executive Officer Performance Review Committee | Member – Shire President
Member – Deputy President
Member – Cr Hastings |

12. REPORTS OF COUNCIL DELEGATES ON EXTERNAL COMMITTEES

- | | |
|---|--|
| • Central Country Zone of WALGA | Delegate – Shire President
Delegate – Deputy President
Deputy – Cr Wood |
| • Hotham-Dale Regional Road Sub-Group | Delegate – Shire President
Deputy – Cr Oliveri |
| • Development Assessment Panel | Delegate – Shire President
Delegate – Cr Wood

Deputy – Cr McBurney
Deputy – Cr Hotham |
| • Pingelly Tourism Group | Delegate – Cr Hotham
Deputy – Cr Oliveri |
| • Regional Waste Group | Delegate – Cr Mulroney
Deputy – Cr Wood |
| • Shires of Pingelly and Wandering Joint Local Emergency Management Committee | Delegate – Shire President
Deputy – Cr Freebairn |
| • Youth Focus Group | Delegate – Cr Hastings
Deputy – Cr McBurney |
| • Pingelly Somerset Alliance | Delegate – Shire President
Deputy – Cr McBurney |
| • Pingelly Early Years Network | Delegate – Cr Hastings |
| • Pingelly Community Wellbeing Group | Delegate – Cr McBurney
Deputy – Cr Hastings |

13. REPORTS FROM COUNCILLORS

Cr William Mulroney (President)

Meetings attended December

12th PRACC Board Meeting
12th Pingelly Somerset Alliance Meeting
16th Pingelly Primary School End of Year Concert- Presentation of Shire Sports Girl & Boy awards
17th President and CEO meeting finalisation of end of year activities
19th PRACC Meeting –changes to Constitution
19th Shire end of year function at Golf club

Meetings attended January

7TH President and CEO meeting –Start of 2020 council activities
9th PRACC Special meeting amendments to Constitution and set date for AGM
14th President, Deputy President and CEO meeting with WACHS re Doctors tenure at Health Centre
17th Extraordinary Election and counting of votes
22nd President & CEO meeting final arrangements for Australia Day Events
24th Swearing in of New Councillor Mr Peter Narducci and Induction of New Councillors
26th Australia Day breakfast and announcement/presentation of Community Person and Sportsperson Awards for 2019
28th President, Deputy President and CEO Meeting update of Budget Review
31st Councillors Induction Training at Wandering with three Councillors and CEO

Meetings attended February

6th Hotham – Dale Regional Road Sub Group meeting at Brookton with CEO
19th February Council meeting

14 OFFICE OF THE CHIEF EXECUTIVE OFFICER

14.1 Proposed Consultation for the Future Use of the Town Hall

File Reference:	ADM0618
Location:	Not Applicable
Applicant:	Not Applicable
Author:	Chief Executive Officer
Disclosure of Interest:	Nil
Attachments:	Nil
Previous Reference:	Nil

Summary

Council is requested to endorse community consultation commencing on the future use of the Pingelly Town Hall.

Background

In February 2019, notification was conveyed to the public that the Pingelly Town Hall was officially closed, and no longer available for hire. This decision coincided with the opening of the Pingelly Recreation and Cultural Centre and the desire to encourage use of that facility.

In June and July 2019, Council provided an opportunity to the community to submit feedback on options for the future use of the Town Hall. A total of 12 submissions were received, with a summary of the key ideas being:

- Tourist attraction including the local museum and historical group items. Support collaboration of groups e.g. Craft & Information Centre, Museum & Historical Group, Pingelly Tourism Group & Friends of Pingelly Railway Station.
- Convert the Town Hall into a Museum to depict the history and culture of Pingelly, with provision to acknowledge the Noongar People. Tourism Information & Promotion.
- Display of Higgins Brothers photos of Pingelly soldiers past and present.
- Relocation of the existing Museum collection.
- Expansion of the Pingelly Opportunity Shop.
- Leave vacant for 1-3 years.
- Gift to the National Trust of Australia with the view of setting it up as an interactive museum on Agriculture for the Pingelly/Great Southern area, giving history on farming. Also for displays on what the town hall has been used for over the years. The National Trust may also open a cafe/souvenir shop.
- Maintained by ratepayers for all functions, including the ANZAC Day service and Stay Active Group.

Council considered these submissions and noted that it would be beneficial to take further time to consider the matter.

A further submission was received in February 2020, supporting the option to utilise the facility for the display of Returned and Services League (RSL) portraits, and requesting Council finalise the decision on the Town Hall by April 2020.

Comment

As Council has previously considered the varied submissions on the use of the Town Hall, a decision could justifiably be made on the options presented to date, without undertaking further consultation. While the submissions received to date have merit, further engagement is considered beneficial to determine if the options provided will provide the best outcome for Pingelly as a whole, including an analysis of whether the use should be for a community or economic purpose.

Given the importance of the decision around the future use of the Town Hall due to the opportunity it presents in achieving social and economic stimulation for the local community it is considered beneficial to take an additional short period of time to ensure the facility is maximised. A key factor in the ultimate success and acceptance of the chosen outcome will in-part lie in the level of engagement with the wider community, and the opportunity provided to make a contribution to the decision-making process. It is therefore recommended that further consultation is undertaken, with the decision-making process to be completed within a period of approximately 3 months.

The proposed timeline for the key activities making up the engagement is:

March	- Initial briefing with various community groups
	- Community workshops (1 x day and 1 x evening)
April	- Options and analysis finalised
	- Final consultation around options
May	- Final report to Council

Funding for the overarching consultation is proposed to be re-allocated from the community survey budget. \$18,000 was allocated for this purpose. An approximate allocation of \$4,500 is required to engage a facilitator to conduct the community workshops. Informal discussion has occurred with Council regarding the frequency of community surveys, noting that large scale surveys generally occur every 2 or 4 years in line with the Strategic Community Plan (SCP) review process. The last survey was carried out approximately 18 months ago to inform the major review of the SCP which was adopted in September 2019. It is proposed therefore that a further survey is completed in either 2020/21 or 2022/23.

Consultation

Various methods of consultation are proposed over a period of two months to ensure widespread feedback and opportunities for discussion are available to the community and interested parties.

Statutory Environment

Nil

Policy Implications

Policy 4.8 Consultation and Communication. This Policy provides general guidance around communication methods that the Shire of Pingelly may utilise and outlines a commitment to community engagement.

Financial Implications

There is no effect on the financial position of the Shire as a result of the recommendation.

Strategic Implications

Goal 5	Innovation, Leadership and Governance
Outcome 5.2	The Shire's community feels community involvement and engagement is working well
Strategy 5.2.1	The community is provided with opportunities to engage on strategic, corporate, asset and financial plans, and other major plans and issues

Risk Implications

Risk	Risks exist in relation to the ultimate decision around the use of the facility. The receptiveness of the decision will be influenced through the level of consultation, including its appropriateness and extent.
Risk Rating (Prior to Treatment or Control)	High (10)
Principal Risk Theme	Reputational
Risk Action Plan (Controls or Treatment Proposed)	Community consultation and further exploration of the most appropriate options for the use of the hall will reduce the identified risks.

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Voting Requirements

Absolute majority

12801 Moved: Cr McBurney

Seconded: Cr Hotham

Recommendation

That Council endorses the commencement of community consultation regarding the future use of the Pingelly Town Hall, acknowledging that the associated costs of approximately \$4,500 will be allocated from the funds set aside for the community survey in the 2019/20 Budget.

Carried 8/0

14.2 Pingelly Tourism Strategy

File Reference:	ADM0051
Location:	Not Applicable
Applicant:	Not Applicable
Author:	Chief Executive Officer
Disclosure of Interest:	Nil
Attachments:	Nil
Previous Reference:	Nil

Summary

Council is requested to endorse the development of a Pingelly Tourism Strategy.

Background

Tourism is growing as a strategic outcome for all levels of government and has been a specific focus of the WA State Government over the last two years. It is therefore reasonable to believe that the number of tourists visiting Western Australia's regional areas is likely to continue to grow in the foreseeable future. In order that Pingelly is positioned to service this substantial opportunity, it is considered necessary that a collaborative approach to tourism, supported by community and the local government is progressed.

A key theme in the Shire of Pingelly Strategic Community Plan is to strengthen the Pingelly economy, and both tourism development in general, and the collaboration with the Pingelly Tourism Group are noted.

Comment

A Pingelly Tourism Strategy would act as the strategic planning document to provide direction regarding tourism development opportunities. It is considered to be a high priority to allow the Shire of Pingelly to have a clearly defined role in this space, manage any risks, and to fulfil a positive vision for the visitor economy. A strategy will also ensure the efficient allocation of resources through a streamlined and focused approach in the areas that will provide the most significant impact.

The timeline for the development of the Tourism Strategy is proposed to be:

- Engagement commences May 2020
- Final Strategy prepared June 2020
- Report presented to Council July 2020

The Tourism Strategy is proposed to be predominantly completed in-house, with one key aspect requiring funding, being the engagement of a tourism professional to undertake a workshop with various stakeholders. The expertise of a tourism professional will ensure that guidance in the direction of proven strategies that align with sound strategic tourism outcomes are used to inform the discussions that occur.

Funding for the workshops is proposed to be allocated from the Integrated Planning and Reporting budget allocation which is not fully required due to a number of strategies being completed in house. An approximate allocation of \$4,500 is required.

Consultation

The Tourism Group have been informally approached to gain an indication of their support for the development of a joint Strategy, accommodating both the Shire of Pingelly and the Pingelly Tourism Group having lead roles identified within the final document.

Statutory Environment

Nil

Policy Implications

Nil

Financial Implications

There is no effect on the financial position of the Shire as a result of the recommendation. The Tourism Strategy, when developed, is likely to identify resources that are required to implement some of the priority actions.

Strategic Implications

Goal 1	Economy
Outcome 1.1	The Shire experiences significant new business growth and employment and is known widely as an innovative and collaborative community which is attracting new population and investment
Strategy 1.1.3	Support the development and promotion of key messages for use by the community, the Shire and businesses, to convey Pingelly's economic and community vision, the steps being taken to achieve it, and the benefits of living, working, investing in, or visiting the area.
Strategy 1.1.4	Support business and community tourism promotion initiatives
Outcome 1.3	The right resources and infrastructure are in place to support business development, including an increase in visitors and visitor spend in the Shire.
Strategy 1.3.1	Support local tourism infrastructure development

Risk Implications

Risk	<p>Failure to consult with the Tourism Group and the wider community through the development of the Strategy may lead to a lack of engagement and willingness to progress tourism initiatives.</p> <p>The lack of progressing a tourism strategy also presents risks as there is no direction for the Shire's involvement in tourism if this is not carried out.</p>
Risk Rating (Prior to Treatment or Control)	Medium (8)
Principal Risk Theme	Reputational
Risk Action Plan (Controls or Treatment Proposed)	Engagement with the Pingelly Tourism Group and the wider community when developing the Strategy.

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Voting Requirements

Absolute majority

12802 Moved: Cr Hotham

Seconded: Cr Hastings

Recommendation

That Council endorses the development of a Tourism Strategy, acknowledging that the associated costs of approximately \$4,500 will be allocated from the Integrated Planning and Reporting component of the 2019/20 Budget.

Carried 8/0

14.3 Policy – Attendance at Events

File Reference:	ADM0487
Location:	Not Applicable
Applicant:	Not Applicable
Author:	Chief Executive Officer
Disclosure of Interest:	Nil
Attachments:	Draft Attendance at Events Policy
Previous Reference:	Nil

Summary

Council is requested to endorse a new policy to establish guidelines for appropriate disclosure and management of acceptance of invitations to events and functions.

Background

As part of the Local Government Act Review it was recognised that a new gift framework should be developed to provide a transparent system of accountability where members of the community can have confidence in the decision-making of their elected representatives. On 20 October 2019, the new gifts framework, contained within the Local Government Legislation Amendment Act 2019 came into operation.

Local governments were advised by departmental circular in November 2019 of the requirement to prepare and adopt a policy that relates to the attendance of council members and Chief Executive Officers at events such as concerts, conferences and functions. This policy is required to address the provision of tickets to events, payments in respect of attendance, approval of attendance by the local government, and the criteria for approval. The Department of Local Government, Sport and Cultural Industries explained the reasons for change: "It is important that council members and CEOs make decisions – and are seen to be making decisions – free from influence. The amendments also recognise that there is a valid role for council members in attending events but makes this a decision of council in accordance with a published policy."

Decision-making could be influenced, or perceived to be influenced, in a number of ways, including through financial relationships, personal relationships and the receipt of gifts. The Local Government Act 1995 sets out requirements on council members, Chief Executive Officers and other employees to ensure transparency and accountability in decision-making. Certain gifts received by council members and CEOs are specifically excluded from the conflict of interest provisions (section 5.62(1B)), including a gift that is received in accordance with an Attendance at Events policy.

Comment

The purpose of this proposed policy is to establish guidelines for appropriate disclosure and management of acceptance of invitations to events or functions, or other hospitality occasions, where elected members and employees are invited free of charge, whether as part of their official duties as council or City representatives or not. 6. The content of the proposed policy is provided in the attachment for review.

In essence, the policy deals with a council member's or CEO's attendance at events as a representative of the council. If a council member or CEO attends an event in accordance with the local government's policy, then no conflict of interest arises.

The Policy provides for various pre-approved events that are considered to be standard council business. Where an invitation to an event outside of the pre-approved events is received, an approval process is required to be followed.

Consultation

WALGA

Statutory Environment

As at 19 October 2019, section 5.90A(2), of the Act, states:

“A local government must prepare and adopt* a policy that deals with matters relating to the attendance of council members and the CEO at events, including —

- (a) the provision of tickets to events; and
- (b) payments in respect of attendance; and
- (c) approval of attendance by the local government and criteria for approval; and
- (d) any prescribed matter.”

*Absolute Majority Required.

Policy Implications

No existing policy relates to this item. A new policy is required to be adopted as per legislative requirements.

Financial Implications

There are no direct financial or resource implications.

Strategic Implications

Goal 5	Innovation, Leadership and Governance
Outcome	Nil applicable
Strategy	Nil applicable

Risk Implications

Risk	Failure to adopt a policy in relation to attendance at events will be a matter of non-compliance.
Risk Rating (Prior to Treatment or Control)	Medium (8)
Principal Risk Theme	Compliance / Reputation
Risk Action Plan (Controls or Treatment Proposed)	By adopting the proposed policy position, Council is mitigating potential compliance and reputational risks.

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Voting Requirements

Absolute majority

12803 Moved: Cr McBurney

Seconded: Cr Oliveri

Recommendation

That Council adopts the Attendance at Events Policy as detailed in the attachment.

Carried 7/1

14.4 Risk Management Framework and Policy

File Reference:	ADM00348
Location:	Not Applicable
Applicant:	Not Applicable
Author:	Chief Executive Officer
Disclosure of Interest:	Nil
Attachments:	Nil
Previous Reference:	Draft Risk Management Framework and Policy

Summary

Council is requested to endorse the draft Shire of Pingelly Risk Management Framework and associated Risk Management Policy.

Background

A risk management framework provides structure and guidance to risk management activities and outlines the components that provide the foundations and organisational arrangements for designing, implementing, monitoring and reviewing risk management throughout a local government's operations. The absence of a Risk Management Framework and associated Policy has been noted in previous compliance reviews undertaken by the Shire's auditors.

Comment

The draft Risk Management Policy provides overarching guidance for the management of risk across Council. This policy underpins the Council's commitment to sustainability and continuous improvement and to protecting the community, employees, assets and the organisation against potential losses.

The Risk Management Framework (RMF) defines the scope, objectives, measures, roles, responsibilities, processes, tools and documentation for all organisational risk management activities. It been developed in accordance with the International Risk Management Standard ISO 31000:2009, and describes the way managing risk translates into every day practice. The RMF aims to support an integrated and effective approach to management of risk, incorporating and representing an organisation-wide approach. It also provides guidance on the arrangements for designing, implementing, monitoring and continually improving risk management, and outlines the drivers, principles, objectives and risk process.

The objectives of the Framework are to, at every level of the Shire:

- Provide a systematic approach to the early identification and management of risks;
- Provide consistent risk assessment criteria;
- Provide accurate and concise risk information that informs decision making;
- Implement risk treatment strategies that are efficient in reducing risk to an acceptable level and are cost effective; and to
- Monitor and review risk levels to ensure that risk exposure remains within risk appetite.

Establishment of risk assessment criteria allows decisions to be made and accepted, noting the level of risk, or alternatively, identifying adequate treatments to be put in place to mitigate the risk implications to an acceptable level.

The Audit Committee has a formal role in overseeing the management of significant risk, including but not limited to, the receipt of the Triennial Report on risk management controls and associated processes.

The adoption of both the draft Policy and Framework will fulfil the necessary requirements in terms of meeting a base standard. The establishment of a culture of risk management will require ongoing focus and training across the Shire to ensure it is an embedded in business practices.

Consultation

Local Government Insurance Services

Statutory Environment

Nil

Policy Implications

The Shire of Pingelly does not have a current policy around the management of risks.

Financial Implications

There are no direct financial or resource implications.

Strategic Implications

Goal 5	Innovation, Leadership and Governance
Outcome 5.2	Nil applicable
Strategy 5.2.1	Nil applicable

Risk Implications

Risk	<p>Failure to adopt a Risk Management Framework will result in the inability to support an integrated and effective approach to risk management and lack of guidance on the arrangements for designing, implementing, monitoring and continually improving risk management process.</p> <p>The absence of a Framework and Policy has been noted in previous audits, and while it is not a legislative requirement, it is considered best practice, and used as a measuring tool used in the triennial Regulation 17 Review of Risk Management Systems and Processes.</p>
Risk Rating (Prior to Treatment or Control)	Medium (9)
Principal Risk Theme	Reputational
Risk Action Plan (Controls or Treatment Proposed)	No further action required.

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Voting Requirements

Absolute majority

12804 Moved: Cr Narducci

Seconded: Cr Hotham

Recommendation

That Council endorses draft Risk Management Framework and Risk Management Policy as contained in the attachment.

Carried 8/0

15. DIRECTORATE OF CORPORATE AND COMMUNITY SERVICES

15.1 Monthly Statement of Financial Activity – December 2019

File Reference:	ADM0075
Location:	Not Applicable
Applicant:	Not Applicable
Author:	Director Corporate & Community Services
Disclosure of Interest:	Nil
Attachments:	Monthly Statement of Financial Activity for the period 1 July 2019 to 31 December 2019
Previous Reference:	Nil

Summary

In Accordance with the *Local Government Act 1995* Section 5.25 (1) and *Local Government (Financial Management) Regulations 1996*, Monthly Financial Statements are required to be presented to Council, in order to ensure that income and expenditure is in keeping with budget forecasts.

The Monthly Statements of Financial Activity for the month of December 2019 are attached for Council consideration and adoption. This report now incorporates new Australian Accounting Standards Board (AASB) requirements effective from 1 July 2019. AASB 15 Revenue from Contracts with Customers (IFRS 15), AASB 1058 Income for Not-for Profit Entities, AASB 16 Lease replaces AASB 117 (IFRS 16).

Background

In order to prepare the monthly statements, the following reconciliations have been completed and verified:

- Reconciliation of assets, payroll and taxation services;
- Reconciliation of all shire's bank accounts, including term deposits;
- Reconciliation of Rates, including outstanding debtors;
- Reconciliation of Sundry Creditors and Debtors;

Consultation

Nil

Statutory Environment

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Section 34: Financial Reports to be Prepared

(1) A local government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail -

- (a) Annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1) (b) or (c);
- (b) Budget estimates to the end of the month to which the statement relates;
- (c) Actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
- (d) Material variances between the comparable amounts referred to in paragraphs (b) and (c); and
- (e) The net current assets at the end of the month to which the statement relates.

- (2) Each statement of financial activity is to be accompanied by documents containing -
- (a) An explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
 - (b) An explanation of each of the material variances referred to in sub regulation (1) (d); and
 - (c) Such other supporting information as is considered relevant by the local government.
- (3) The information in a statement of financial activity may be shown -
- (a) According to nature and type classification;
 - (b) By program; or
 - (c) By business unit.
- (4) A statement of financial activity, and the accompanying documents referred to in sub regulation (2), is to be -
- (a) Presented to the council -
 - (i) At the next ordinary meeting of the council following the end of the month to which the statement relates; or
 - (ii) if the statement is not prepared in time to present it to the meeting referred to in subparagraph (i), to the next ordinary meeting of the council after that meeting; and
 - (b) Recorded in the minutes of the meeting at which it is presented.
- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with AAS 5, to be used in statements of financial activity for reporting material variances.

Policy Implications

There are no policy implications.

Financial Implications

There are no significant trends or issues to be reported. The report and officer recommendation is consistent with Council's adopted Budget 2019/2020.

Strategic Implications

Goal 5	Innovation, Leadership and Governance
Outcome	Nil applicable
Strategy	Nil applicable

Risk Implications

Risk	Failure to monitor the Shire's ongoing financial performance would increase the risk of a negative impact on the Shire's financial position. As the monthly report is a legislative requirement, non-compliance may result in a qualified audit.
Risk Rating (Prior to Treatment or Control)	Low (2)
Principal Risk Theme	Reputational / Legislative
Risk Action Plan (Controls or Treatment Proposed)	Nil

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Voting Requirements

Simple Majority

12805 Moved: Cr Wood

Seconded: Cr McBurney

Recommendation

That with respect to the Monthly Statements of Financial Activity for the month ending 31 December 2019 be accepted and material variances be noted.

Carried 8/0

15.2 Monthly Statement of Financial Activity – January 2020

File Reference:	ADM0075
Location:	Not Applicable
Applicant:	Not Applicable
Author:	Director Corporate & Community Services
Disclosure of Interest:	Nil
Attachments:	Monthly Statements of Financial Activity for the period 1 July 2019 to 31 January 2020
Previous Reference:	Nil

Summary

In Accordance with the *Local Government Act 1995* Section 5.25 (1) and *Local Government (Financial Management) Regulations 1996*, Monthly Financial Statements are required to be presented to Council, in order to ensure that income and expenditure is in keeping with budget forecasts.

The Monthly Statements of Financial Activity for the month of January 2020 are attached for Council consideration and adoption. This report now incorporates new Australian Accounting Standards Board (AASB) requirements effective from 1 July 2019. AASB 15 Revenue from Contracts with Customers (IFRS 15), AASB 1058 Income for Not-for Profit Entities, AASB 16 Lease replaces AASB 117 (IFRS 16).

Background

In order to prepare the monthly statements, the following reconciliations have been completed and verified:

- Reconciliation of assets, payroll and taxation services;
- Reconciliation of all shire's bank accounts, including term deposits;
- Reconciliation of Rates, including outstanding debtors;
- Reconciliation of Sundry Creditors and Debtors;

Consultation

Nil

Statutory Environment

Local Government Act 1995;

Local Government (Financial Management) Regulations 1996

Section 34: Financial Reports to be Prepared

(1) A local government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail -

- (a) Annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1) (b) or (c);
- (b) Budget estimates to the end of the month to which the statement relates;
- (c) Actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
- (d) Material variances between the comparable amounts referred to in paragraphs (b) and (c); and
- (e) The net current assets at the end of the month to which the statement relates.

- (2) Each statement of financial activity is to be accompanied by documents containing -
- (a) An explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
 - (b) An explanation of each of the material variances referred to in sub regulation (1) (d); and
 - (c) Such other supporting information as is considered relevant by the local government.
- (3) The information in a statement of financial activity may be shown -
- (a) According to nature and type classification;
 - (b) By program; or
 - (c) By business unit.
- (4) A statement of financial activity, and the accompanying documents referred to in sub regulation (2), is to be -
- (a) Presented to the council -
 - (i) At the next ordinary meeting of the council following the end of the month to which the statement relates; or
 - (ii) if the statement is not prepared in time to present it to the meeting referred to in subparagraph (i), to the next ordinary meeting of the council after that meeting; and
 - (b) Recorded in the minutes of the meeting at which it is presented.
- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with AAS 5, to be used in statements of financial activity for reporting material variances.

Policy Implications

There are no policy implications.

Financial Implications

There are no significant trends or issues to be reported. The report and officer recommendation is consistent with Council's adopted Budget 2019/2020.

Strategic Implications

Goal 5	Innovation, Leadership and Governance
Outcome 5.2	Nil applicable
Strategy 5.2.1	Nil applicable

Risk Implications

Risk	Failure to monitor the Shire's ongoing financial performance would increase the risk of a negative impact on the Shire's financial position. As the monthly report is a legislative requirement, non-compliance may result in a qualified audit.
Risk Rating (Prior to Treatment or Control)	Low (2)
Principal Risk Theme	Reputational / Legislative
Risk Action Plan (Controls or Treatment Proposed)	Nil

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Voting Requirements

Simple Majority

12806 Moved: Cr Narducci Seconded: Cr McBurney

Recommendation

That with respect to the Monthly Statements of Financial Activity for the month ending 31 January 2020 be accepted and material variances be noted.

Carried 8/0

15.3 Accounts Paid by Authority – December 2019

File Reference: ADM0066
Location: Not Applicable
Applicant: Not Applicable
Author: Senior Finance Officer
Disclosure of Interest: Nil
Attachments: List of Accounts
Previous Reference: Nil

Summary

Council endorsement is required for accounts made by authority for the month of December 2019.

Background

Nil

Comment

Unless otherwise identified, all payments have been made in accordance with Council's adopted 2019/20 Budget.

Consultation

Nil

Statutory Environment

Regulation 12 of the *Local Government (Financial Management) Regulations* provides that:

- (1) A payment may only be made from the municipal fund or the trust fund —
 - (a) if the local government has delegated to the CEO the exercise of its power to make payments from those funds — by the CEO; or
 - (b) otherwise, if the payment is authorised in advance by a resolution of the council.
- (2) The council must not authorise a payment from those funds until a list prepared under regulation 13(2) containing details of the accounts to be paid has been presented to the council.

Regulation 13 of the *Local Government (Financial Management) Regulations* provides that:

- (1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —
 - (a) the payee's name;
 - (b) the amount of the payment;
 - (c) the date of the payment; and
 - (d) sufficient information to identify the transaction.
- (2) A list of accounts for approval to be paid is to be prepared each month showing —
 - (a) for each account which requires council authorisation in that month —
 - (i) the payee's name;
 - (ii) the amount of the payment; and
 - (iii) sufficient information to identify the transaction; and
 - (b) the date of the meeting of the Council to which the list is to be presented.
- (3) A list prepared under sub regulation (1) or (2) is to be —
 - (a) presented to the Council at the next ordinary meeting of the council after the list is prepared; and
 - (b) recorded in the minutes of that meeting.

Policy Implications

There are no policy implications arising from this amendment.

Financial Implications

There are no known financial implications upon either the Council's current budget or long term financial plan.

Strategic Implications

Goal 5	Innovation, Leadership and Governance
Outcome 5.2	Nil applicable
Strategy 5.2.1	Nil applicable

Risk Implications

Risk	Failure to present a detailed listing of payments in the prescribed form would result in non-compliance with the Local Government (Financial Management) Regulations 1996, which may result in a qualified audit.
Risk Rating (Prior to Treatment or Control)	Low (2)
Principal Risk Theme	Reputational / Legislative
Risk Action Plan (Controls or Treatment Proposed)	Nil

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Voting Requirements

Simple Majority

12807 Moved: Cr McBurney

Seconded: Cr Hastings

Recommendation

That Council endorse the Accounts for Payments for December 2019 as presented:

DECEMBER 2019	
MUNI - 117984856	
EFT 6558 - 6671	\$245,524.58
CHEQUE 24731 - 24742	\$12,365.99
TRUST ACCOUNTS	
DEPT OF TRANSPORT – DD10994.1 – DD11035.1	\$17,398.60
TRUST FUND – 1971 - 1971	\$100.00
DIRECT DEBIT – PAY & SUPER	
EFT 6597 – 6670 & DD10992.1 – DD11026.6	\$18,398.03
CREDIT CARDS & LOAN REPAYMENT	
DD11016.1 – DD11038.1	\$96,130.17
GRAND TOTAL	\$389,917.37
Notification	Explanation
Nil	N/A

Carried 8/0

15.4 Accounts Paid by Authority – January 2020

File Reference: ADM0066
Location: Not Applicable
Applicant: Not Applicable
Author: Senior Finance Officer
Disclosure of Interest: Nil
Attachments: List of Accounts
Previous Reference: Nil

Summary

Council endorsement is required for accounts made by authority for the month of January 2020.

Background

Nil

Comment

Unless otherwise identified, all payments have been made in accordance with Council's adopted 2019/20 Budget.

Consultation

Nil

Statutory Environment

Regulation 12 of the *Local Government (Financial Management) Regulations* provides that:

- (1) A payment may only be made from the municipal fund or the trust fund —
 - (a) if the local government has delegated to the CEO the exercise of its power to make payments from those funds — by the CEO; or
 - (b) otherwise, if the payment is authorised in advance by a resolution of the council.
- (2) The council must not authorise a payment from those funds until a list prepared under regulation 13(2) containing details of the accounts to be paid has been presented to the council.

Regulation 13 of the *Local Government (Financial Management) Regulations* provides that:

- (1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —
 - (a) the payee's name;
 - (b) the amount of the payment;
 - (c) the date of the payment; and
 - (d) sufficient information to identify the transaction.
- (2) A list of accounts for approval to be paid is to be prepared each month showing —
 - (a) for each account which requires council authorisation in that month —
 - (i) the payee's name;
 - (ii) the amount of the payment; and
 - (iii) sufficient information to identify the transaction; and
 - (b) the date of the meeting of the Council to which the list is to be presented.
- (3) A list prepared under sub regulation (1) or (2) is to be —
 - (a) presented to the Council at the next ordinary meeting of the council after the list is prepared; and
 - (b) recorded in the minutes of that meeting.

Policy Implications

There are no policy implications arising from this amendment.

Financial Implications

There are no known financial implications upon either the Council's current budget or long term financial plan.

Strategic Implications

Goal 5	Innovation, Leadership and Governance
Outcome 5.2	Nil applicable
Strategy 5.2.1	Nil applicable

Risk Implications

Risk	Failure to present a detailed listing of payments in the prescribed form would result in non-compliance with the Local Government (Financial Management) Regulations 1996, which may result in a qualified audit.
Risk Rating (Prior to Treatment or Control)	Low (2)
Principal Risk Theme	Reputational / Legislative
Risk Action Plan (Controls or Treatment Proposed)	Nil

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Voting Requirements

Simple Majority

12808 Moved: Cr Narducci

Seconded: Cr McBurney

Recommendation

That Council endorse the Accounts for Payments for January 2020 as presented:

JANUARY 2020	
MUNI - 117984856	
EFT 6675 - 6748	\$175,669.72
CHEQUE 24743 - 24749	\$33,514.18
TRUST ACCOUNTS	
DEPT OF TRANSPORT – DD11042.1 – DD11096.1	\$39,412.40
TRUST FUND – 1972 - 1974	\$260.00
DIRECT DEBIT – PAY & SUPER	
DD11031.1 – DD11065.4 & EFT6672 - 6726	\$17,981.29
CREDIT CARDS	
DD11063.1 – DD11063.1	\$1,200.03
GRAND TOTAL	\$268,037.62
Notification	Explanation
Nil	N/A

Carried 8/0

15.5 2019/2020 Annual Budget Review

File Reference:	ADM0067
Location:	Shire of Pingelly
Applicant:	N/A
Author:	Stuart Billingham, Director Corporate & Community Services
Disclosure of Interest:	Nil
Attachments:	2019/20 Budget Review

Summary

To consider and adopt the Budget Review as presented for the period 1 July 2019 to 31 January 2020, as presented in the Budget Review.

Background

Council adopted its 2019/20 Budget at its Ordinary Council meeting held 17 July 2019. It is now appropriate that a review of the Budget be put before Council for consideration and compliance with the relevant legislation.

Council is required to consider the review submitted to it and is to determine whether or not to adopt the review, any parts of the review or any recommendations made in the review.

Comment

The purpose of the budget review is to ensure that that Council is informed of the likely financial position of the Shire at 30 June 2020 in comparison to its adopted budget. For purposes of annual reporting, Council is required to report against the adopted budget.

In reviewing the 2019/20 Budget and incorporating the amendments and the audited surplus for the 2018/19 financial year, the changes made to the various accounts have resulted in a change in the revised estimated closing balance of \$120,677 to 30 June 2020.

A copy of the 2019/20 Budget Review report and details of the individual amendments is provided in the attachment. Changes over \$5,000 include:

- Additional changeover of CEO vehicle at a cost of \$40,000 (trade in \$39,000) with a net effect of \$1,000
- Purchase of replacement works vehicle at a cost of \$40,000. This purchase is recommended to be funded by the trade in of PN791 (\$7,000), a contribution from the Plant Reserve (\$18,000) and a reduction in the allocation for Integrated Planning and Reporting (\$15,000)
- Savings on Bullaring Road Bridge materials \$19,702
- Increase in general financial assistance grant \$15,482
- Refund of workers compensation premium \$5,369
- LGIS Scheme distribution \$15,928
- New loan postponed saving \$17,820 in interest repayment
- New loan postponed, saving \$22,183 in principal repayment
- Lighthouse project grant funding and equal expenditure \$9,000
- Increase in both income and expenditure for Bowls shade structures \$6,000. Due to the significantly higher cost of this project in comparison to the budget allocation, this project is proposed to be managed as a part of the Pingelly Recreation and Cultural Centre overarching capital budget allocation. An impact of this will be a reduced scope of the carparking project in the current year.
- Installation of outdoor gym equipment \$12,000
- Increase in consultants' fees to provide for 2018/19 Pingelly Recreation and Cultural Centre commitments \$11,600
- Increase to install Pingelly Recreation and Cultural Centre communication switches to allow smart wiring in the Centre to function \$7,952
- Increase in WANDRRA storm damage funding \$59,903
- Increase in WANDRRA storm damage expenditure \$11,675
- Saving on staff relocation expenses \$5,000

- Reduction in income from cemetery fees \$14,000
- Savings in salaries and wages \$62,750
- Increase in Doctors vehicle allowance \$5,000. The additional expenditure for the 2019/20 period is due to the lack of a claim for this amount from the 2018/19 year.
- An adjustment to the 1 July 2019 opening position of -\$55,788 due to end of year audit adjustments.

Consultation

Direct consultation has occurred with the Shire of Pingelly Executive Team.

Statutory Environment

Local Government Act 1995 Section 6.2 Municipal Budget.

Local Government (Financial Management) Regulations 1996.

Regulation 33A Review of Budget

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

Policy Implications

There are no policy implications

Financial Implications

The changes as a result of the Budget Review result in an estimated surplus of \$120,677 as at 30 June 2020.

Strategic Implications

Goal 5	Innovation, Leadership and Governance
Outcome 5.6	Financial systems are effectively managed
Strategy 5.6.1	Financial management and reporting systems are able to deliver on all administrative and management functions, and long-term financial planning requirements.

Risk Implications

Risk	Failure to present a detailed budget review in the prescribed form or closing date would result in non-compliance with the Local Government (Financial Management) Regulations 1996, which may result in a qualified audit.
Risk Rating (Prior to Treatment or Control)	Low (4)
Principal Risk Theme	Reputational / Legislative
Risk Action Plan (Controls or Treatment Proposed)	Nil

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Voting Requirements

Absolute Majority

12809 Moved: Cr Wood

Seconded: Cr McBurney

Recommendation

That Council adopts the 2019/20 Budget Review for the period ending 31 January 2020 as attached.

Carried 8/0

15.6 Application for Rating Exemption – Southern Aboriginal Corporation

File Reference:	ADM0309, A3387, A4542, A6695, A7261, A6784
Location:	Admin
Applicant:	Southern Aboriginal Corporation
Author:	Director Corporate & Community Services
Disclosure of Interest:	Nil
Attachments:	Nil
Previous Reference:	Nil

Summary

Council is requested to consider an application for the exemption of rates with respect to a total of five properties owned by the Southern Aboriginal Corporation in Pingelly at the following addresses:

- Lot 457, HN 23 Paragon Street, Pingelly A3387
- Lot 101, HN 28 Pasture Street, Pingelly A4542
- Lot 435, HN 43 Park Street, Pingelly A6695
- Lot 352, HN 37 Somerset Street, Pingelly A7261
- Lot 185, HN 56 Pitt Street, Pingelly A6784

Background

Applications have been received from the Southern Aboriginal Corporation (SAC) for an exemption from rates, from 1 July 2020, for 5 residential properties in the Shire of Pingelly.

The SAC is a listed charitable organisation on the Australian Charities and Not for Profits Commission website, incorporated in 1983 as a not for profit under the Commonwealth Aboriginal and Torres Strait Islander Act 2006.

The SAC assists the following:

- Victims of crime (including family violence)
- People at risk of homelessness/ people experiencing homelessness
- Youth - 15 to under 25
- Aboriginal and Torres Strait Islander people
- Unemployed persons

Council has the discretion to exempt properties from rates, where land is used exclusively for charitable purposes, under section 6.26(g) of the Local Government Act 1995 (the Act). Section 6.26(2)(g) of the Act states that land used exclusively for charitable purposes is not rateable land. The Department of Local Government and Communities provides the following advice regarding the definition of "charitable purposes": Land will be exempt from rates if a council is satisfied that it is used exclusively for a charitable purpose. Historically, there are four categories of charitable purpose:

- The relief of poverty;
- The advancement of education;
- The advancement of religion; and
- Other purposes considered beneficial to the community.

To meet the criteria for a rates exemption, two requirements must be fulfilled;

1. The land must be used for a charitable purpose. In addition to the charitable purposes listed above, there must be a benefit to the general community for the purpose to meet the eligibility criteria.
2. The use must be exclusively be used for this purpose.
If land is used for a dual purpose, it is not exclusively used for a charitable purpose, even though one of the purposes may be charitable. Nor will land be used exclusively for a charitable purpose where the land is used for the purpose of a business enterprise which is raising funds to be used for charitable purposes. The use of land for a charitable purpose may produce a 'profit' which is incidental to its charitable purpose. In this case the land may still be considered as 'exclusively used' for a charitable purpose.

In the instance where a local government refuses a rates exemption application, the applicant can challenge this decision in the State Administrative Tribunal. If approval is subsequently granted, the Council must apply a non-rateable status for that property, to the extent of the decision. Recent legal advice has confirmed that land which is used for residential accommodation may potentially constitute land used exclusively for charitable purposes, as the provision of affordable accommodation to aboriginal persons is likely to be charitable.

Comment

The SAC is a registered not-for-profit organisation which exists to provide affordable housing to aboriginal people. The determination of eligibility for a rating exemption is not on ownership, but on the use of the land. The key matter to be determined is whether the land is being used exclusively for charitable purposes as required by Section 6.26 (2) (g) of the *Local Government Act 1995*.

The SAC currently owns and rents five properties to provide affordable housing to aboriginal people at risk. The SAC has confirmed that they offer the housing in accordance with their constitution.

Given the SAC has confirmed the use for affordable housing for aboriginal people, and the land is used exclusively for charitable purposes, the properties are considered eligible to be exempted from rates under section 6.26(2)(g) of the *Local Government Act 1995*.

Consultation

Southern Aboriginal Corporation
Western Australian Local Government Association
Department of Local Government, Sport and Cultural Industries

Statutory Environment

Section 6.26(2)(g) of the *Local Government Act 1995* states that land used exclusively for charitable purposes is not rateable land. The *Charities Act 2013* sets out a list of charitable purposes.

Policy Implications

Nil

Financial Implications

As the application is for a rates exemption from 1 July 2020, there will be no effect on the current 2019/20 budget.

Strategic Implications

Goal	Innovation, Leadership and Governance
Outcome	Nil
Strategy	Nil

Risk Implications

Risk	There is a risk that if Council does not approve this exemption, the applicant can take the matter to the State Administrative Tribunal and apply to have Council's decision overturned.
Risk Rating (Prior to Treatment or Control)	Medium (6)
Principal Risk Theme	Reputational
Risk Action Plan (Controls or Treatment Proposed)	Nil

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Voting Requirements

Absolute Majority

12810 Moved: Cr Hastings

Seconded: Cr McBurney

Recommendation

That Council approves the application from the Southern Aboriginal Corporation for an exemption from rates for the properties listed below:

- Lot 457, HN 23 Paragon Street, Pingelly **A3387**
- Lot 101, HN 28 Pasture Street, Pingelly **A4542**
- Lot 435, HN 43 Park Street, Pingelly **A6695**
- Lot 352, HN 37 Somerset Street, Pingelly **A7261**
- Lot 185, HN 56 Pitt Street, Pingelly **A6784**

effective from 1 July 2020.

Carried 8/0

15.7 Policy - Misconduct, Fraud and Corruption

File Reference:	ADM0487
Location:	Not Applicable
Applicant:	Not Applicable
Author:	Director Corporate & Community Services
Disclosure of Interest:	Nil
Attachments:	Draft Misconduct, Fraud and Corruption Policy
Previous Reference:	Nil

Summary

Council is requested to consider adopting a new draft misconduct, fraud and corruption policy in order to address a matter raised in the Regulation 17 Review.

Background

In December 2017 AMD Chartered Accountants conducted the Regulation 17 Review for the Shire of Pingelly. Item 2.2.9 of the Reg 17 Review, Risk Management Policies and Procedures, raised a 'Minor' risk rating note that 'the Shire does not currently have a fraud/misconduct policy in place'. The adoption of the abovementioned policy is trying to address the risk of Misconduct, Fraud and Corruption at the Shire of Pingelly.

Comment

A draft misconduct, fraud and corruption policy has been prepared for Council consideration to address this matter raised in the Reg 17 Review.

Consultation

AMD Chartered Accountants

Statutory Environment

Local Government Act 1995 and associated regulations.

Policy Implications

New draft misconduct, fraud and corruption policy for consideration of adoption and inclusion in the Shire of Pingelly Policy Manual. Amendments to the Shire's policy Manual must be determined by an absolute majority of Council.

Financial Implications

Nil

Strategic Implications

Goal	Innovation, Leadership and Governance
Outcome	Nil
Strategy	Nil

Risk Implications

Risk	It is likely that if Council does not adopt a Misconduct, Fraud policy, the matter may be raised again in the next Reg 17 Review that the Shire has not addressed the risk of fraud.
Risk Rating (Prior to Treatment or Control)	Low (4)
Principal Risk Theme	Operational controls, Reputational
Risk Action Plan (Controls or Treatment Proposed)	Nil

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Voting Requirements

Absolute Majority

12811 Moved: Cr Narducci

Seconded: Cr Oliveri

Recommendation

That Council adopts the draft Misconduct, Fraud and Corruption Policy as included in the attachment.

Carried 8/0

16. DIRECTORATE OF TECHNICAL SERVICES

16.1 Proposed Lot Subdivision Boundary Realignment

File Reference:	A22909 & A22913
Location:	Lots 4387 & 5715 391 Belt Road East Pingelly
Applicant:	Brook and Marsh Pty Ltd
Author:	Administration Officer Technical
Disclosure of Interest:	Nil
Attachments:	Nil
Previous Reference:	Nil

Summary

Council to consider and support this application for a proposed lot subdivision boundary realignment received from the Western Australian Planning Commission on behalf of Brook and Marsh Pty Ltd representing the owners.

Background

The Western Australian Planning Commission has sought comment on an application for the proposed lot subdivision boundary realignment of Lots 4387 & 5715 391 Belt Road East Pingelly.

Comment

The Shire of Pingelly have received an application from the Western Australian Planning Commission seeking comment on the proposed lot subdivision boundary realignment of Lots 4387 & 5175 - 391 Belt Road East Pingelly.

Under the Shire of Pingelly's Local Planning Scheme No.3 the lots are in the General Agriculture Zone.

The subject land has a total area of 214.2191 hectares split between Lot 5715 which is 173.7256 hectares and Lot 4387 which is 40.4935 hectares. Lot 5715 currently contains two portions which are separated by an unconstructed road reserve. Lot 4387 has a 20m frontage to the unconstructed road reserve that bisects Lot 5715.

Both lots back onto the Hotham River Northern Branch and the Shire of Cuballing boundary.

The subject land is predominantly cleared and used for broad acre grazing and cropping. There are several small areas of remnant vegetation, approximately 3 hectares in size on Lot 5715 and multiple isolated groupings of trees. These areas of bushland are designated as being bushfire prone.

There are existing sheds and a dwelling located on Lot 5715.

Access to the property is along Belt Road which comes into the western boundary of the lots. Access to Belt road is off Thompson Road which connects to the Great Southern Highway to the west and Yenellin Road to the north.

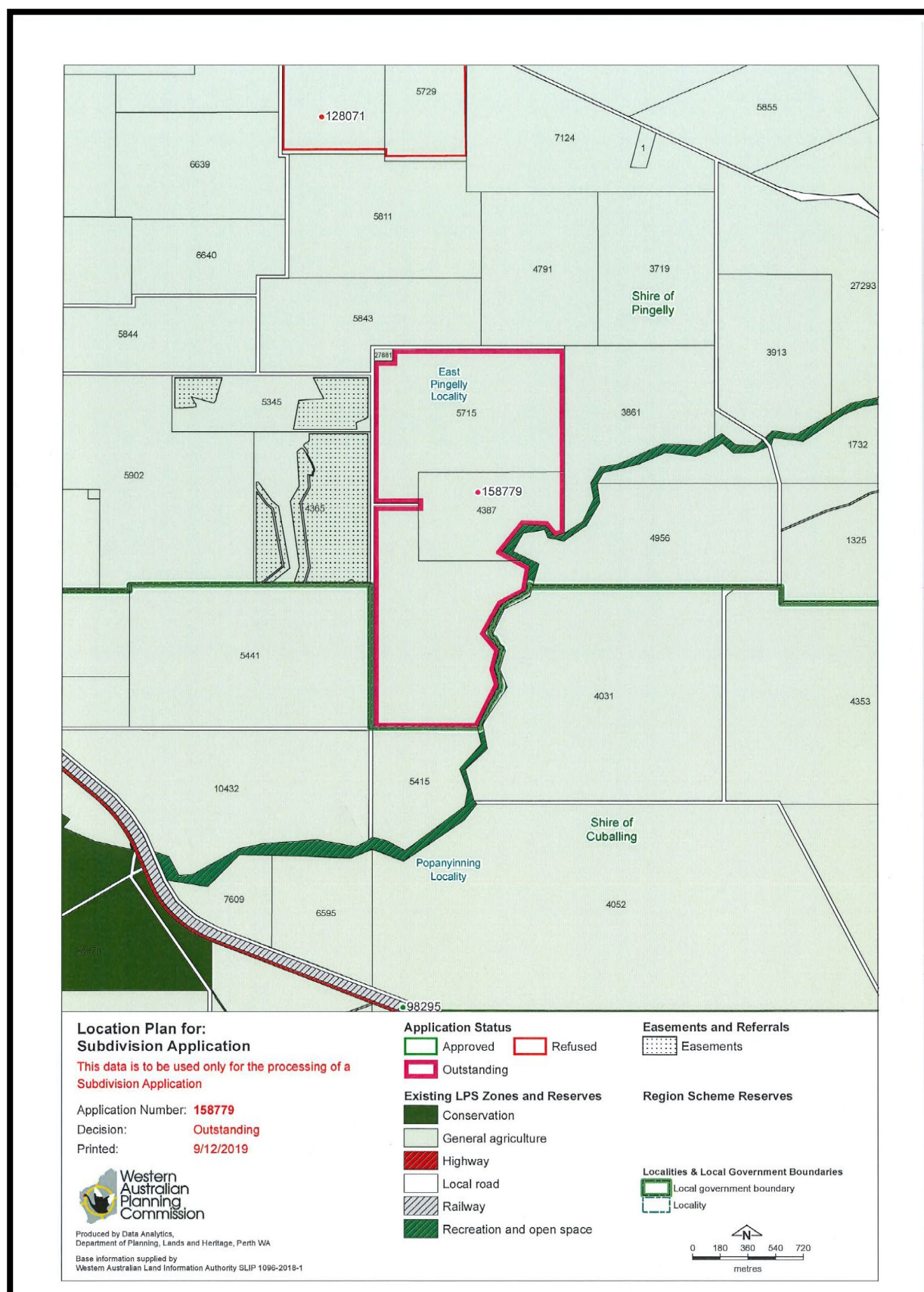
It is proposed to re-subdivide the property as shown on the plan adjusting the existing boundary with:

- Proposed Lot 1 being 101.2858 hectares in the northern portion of the property with a frontage of 716m to the road reserve on the western boundary.
- Proposed Lot 2 being 112.9333 hectares in the southern portion of the property with a frontage of 1,454m to the road reserve on the western boundary.

This will eliminate the use of a single road reserve frontage to Lot 4387 and also consolidate the property into more manageable farming units.

No additional lots will be created and the land use will continue to be for farming purposes.

Below is the location plan for the lots.



Plan of the existing lots at 391 Belt Road.

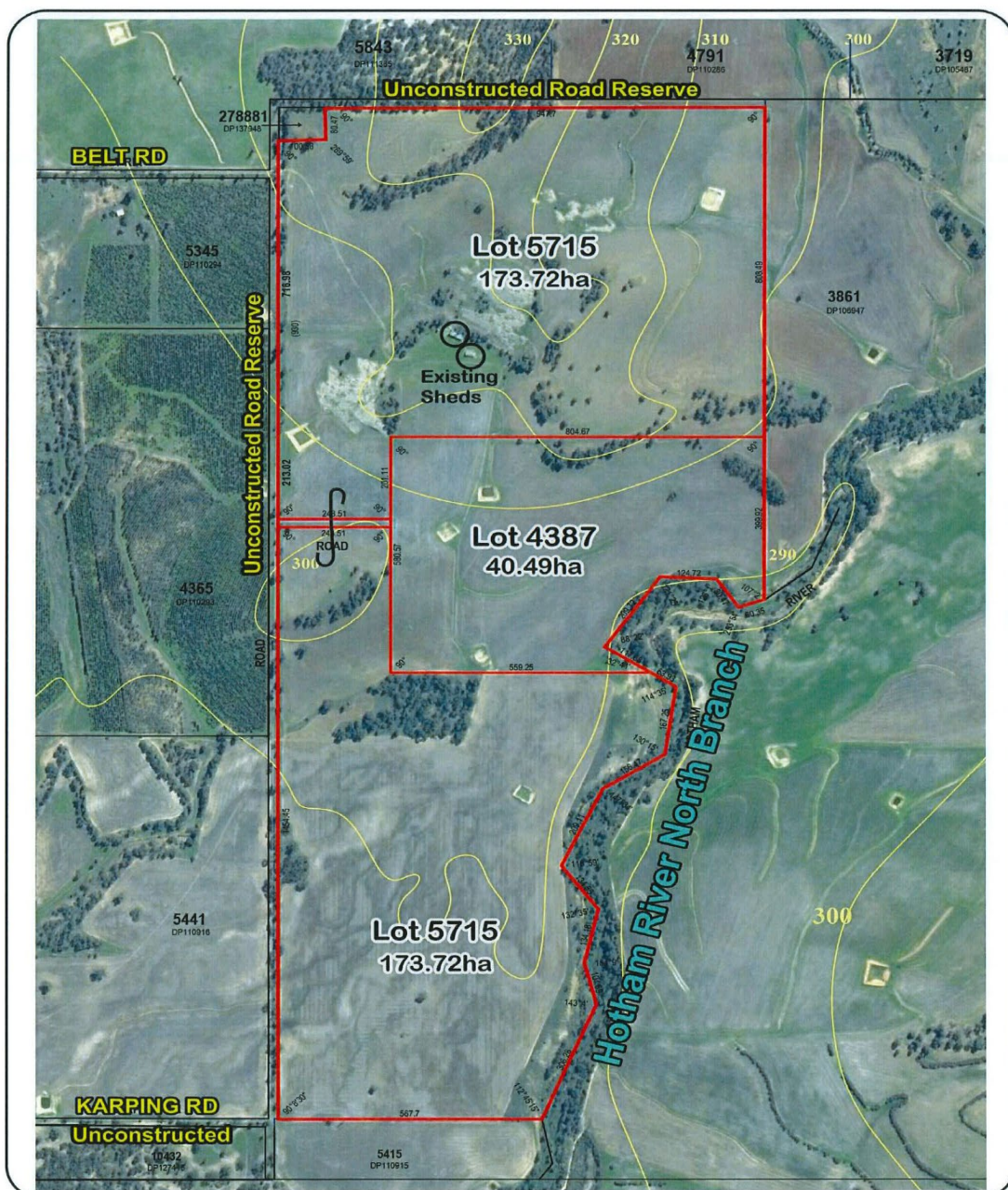


FIGURE 3
EXISTING CONDITIONS

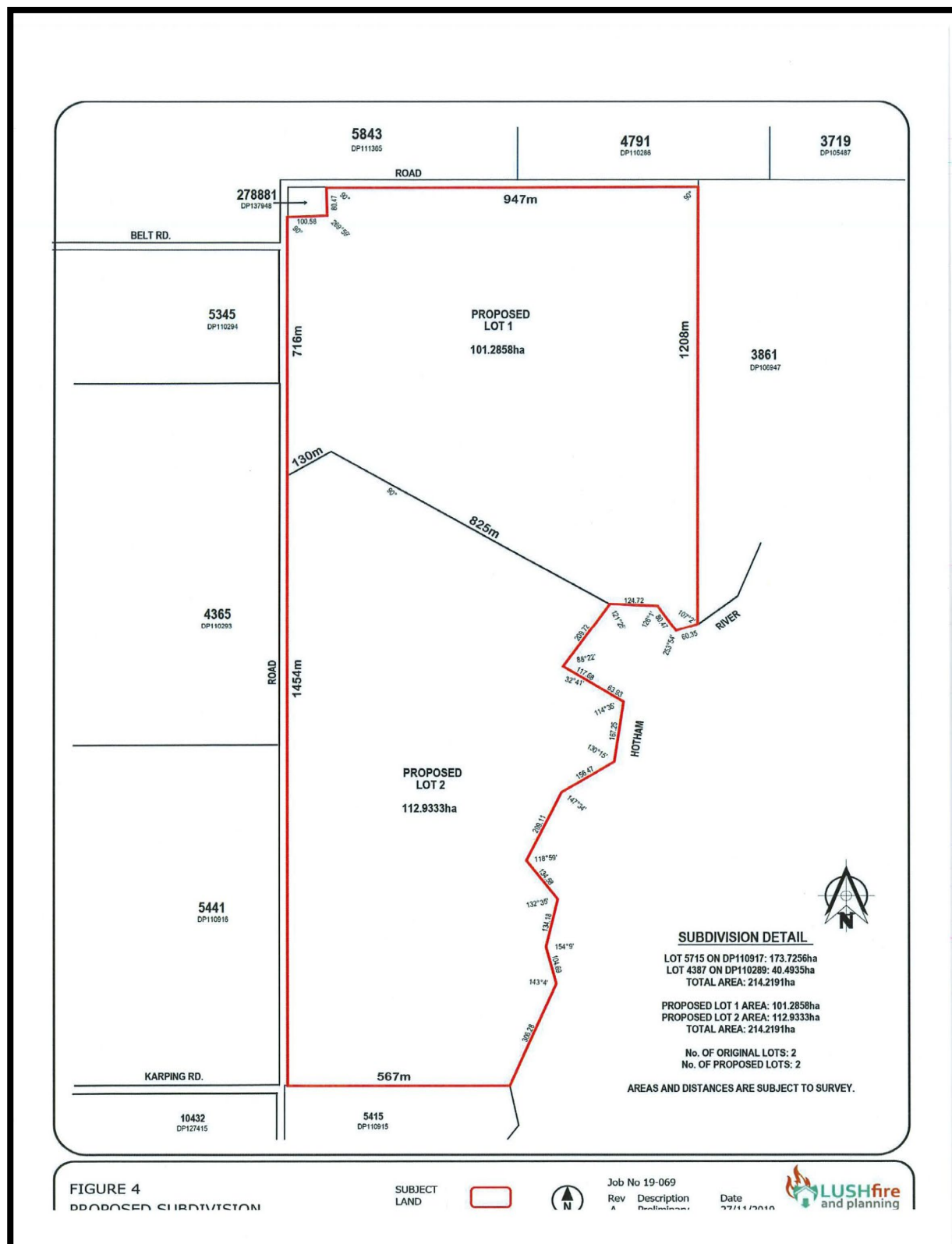
SUBJECT
LAND



Job No 19-069
Rev A Description Preliminary

Date 27/11/2019

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The following extract is from the report submitted by Brooks & Marsh Pty Ltd to the Western Australian Planning Commission.

1.0 Proposal Details

1.1 Introduction

A bushfire management plan has been done as an assessment report for the proposed boundary realignment of Lots 5715 & 4387 Belt Road, East Pingelly.

Bushfire prone vegetation is generally more than 1 hectare in size and there is a 100m buffer to this vegetation for the purpose of construction of buildings.

This designation triggers the consideration of State Planning Policy SPP3.7 Planning in Bushfire Prone Areas in relation to any subdivision application. The objectives of the policy are (in summary) to:

- 5.1 Avoid any increase in the threat of bushfire to people, property and infrastructure.
- 5.2 Reduce vulnerability to bushfire through the consideration of bushfire risks in decision-making at all stages of the planning and development process.
- 5.3 Ensure that planning proposals, subdivision and development applications take into account bushfire protection requirements and measures.
- 5.4 Achieve an appropriate balance between bushfire risk management measures and, biodiversity conservation values, environmental protection etc.

Clause 6.4 sets out the information to accompany subdivision applications as follows:

- a) a BAL Contour Map to determine the indicative acceptable BAL ratings across the subject site, in accordance with the Guidelines. BAL Contour Maps should be prepared by an accredited Bushfire Planning Practitioner;
- b) the identification of any bushfire hazard issues arising from the BAL Contour Map; and
- c) an assessment against the bushfire protection criteria requirements contained within the Guidelines demonstrating compliance within the boundary of the subdivision site.

Planning Bulletin 111 - 2016 was released in October 2016 to provide improved guidance for the administration of SPP3.7. It states that:

- State Planning Policy 3.7 is the overarching policy for land use planning within bushfire prone areas and applies to applications for subdivision. This is qualified to refer to subdivisions **other than amalgamations or boundary realignments** that do not result in the intensification of development or result in an increased bushfire risk; and
- The overarching policy intent for Planning in Bushfire Prone Areas is that strategic planning documents or proposals, subdivision and development applications within a bushfire prone area, should demonstrate a Bushfire Attack Level (BAL) of 29 or below.

It is submitted that as this application is a boundary re-alignment where no additional lots or house entitlements are being created; then in accordance with Planning Bulletin 111 - 2016; the provisions of SPP3.7 Planning in Bushfire Prone Areas do not apply to the application.

1.2 Existing Conditions

The existing conditions are shown in Figure 3 noting that:

- Lot 5715 contains two portions which are separated by an unconstructed road reserve. In addition, there is another unconstructed road reserve along the western and northern boundaries. These are a continuation of Belt Road.
- Lot 4387 has a 20m frontage to the unconstructed road reserve that bisects Lot 5715.
- Both lots back onto the Hotham River Northern Branch.
- The subject land is predominantly cleared and used for broad acre grazing and cropping. There are several small areas of remnant vegetation, approximately 3 hectares in size on Lot 5715 and multiple isolated groupings of trees. These areas of bushland are designated as being bushfire prone as shown in the plan following this report.
- There are also existing farm sheds on Lot 5715.
- Access to the property is from Belt Road on the western boundary. As shown in Figure 1 this extends westward to the Great Northern Highway. It also connects to Thompson Road which extends north to Yenellin Road.
-
- The subject land has a low undulating topography with slopes of less than 5 degrees.
- Lots 5345 and 4365 to the west of the site have been developed as a plantation. Lot 5843 to the north of the site has a moderately large area of remnant vegetation. There is further linear vegetation along the Hotham River foreshore.

1.3 Fire Control Order

The Shire's Fire Control Order requires that on farming land other than excluded areas, the owner or occupier shall: -

- a. Clear firebreaks not less than 3m wide:
 - i. inside all external boundaries of the land,
 - ii. within 15m of the perimeter of all buildings and remove all flammable material from within the 3m of all such buildings, and
 - iii. so as to divide the land into areas not exceeding 400ha.
- b. Remove all flammable material for a continuous distance of 5m immediately surrounding every haystack, hayshed, stationary pump or engine, and
- c. Remove all flammable material for a continuous distance of 15m or to the external boundary of the land whichever is nearer, from around fuel depots.

1.4 Proposed Subdivision

It is proposed re-subdivide the property as shown in Figure 4 by adjusting the existing boundary with:

- Proposed Lot 1 being 101.2858 hectares in the northern portion of the property with a frontage of 716m to the road reserve on the western boundary.
- Proposed Lot 2 being 112.9333 hectares in the southern portion of the property with a frontage of 1,454m to the road reserve on the western boundary. This will eliminate the use of the single road reserve frontage to Lot 4387 and also consolidate the property into more manageable farming units. No additional lots will be created.

2.0 Environmental Considerations

There is no proposed clearing of remnant vegetation required for the subdivision.

3.0 Bushfire Assessment Results

3.1 Assessment Inputs - Existing Vegetation

Given the size of the proposed lots and the relatively small areas of vegetation / bushfire prone land the existing vegetation has not been assessed in detail.

The pasture/cropping areas which comprise the majority of the site are classified as Class G Grassland. The bushland areas will be classified as either Class A Forest or Class B Woodland and are typically Wandoo (White Gum) mixed with York Gums.

3.2 Assessment Outputs - BAL Contour Map

Given the size of the proposed lots and the relatively small areas of vegetation/bushfire prone land the existing vegetation a Bushfire Attack Level (BAL) Assessment or BAL Contour Map has not been prepared.

All the pasture cropping areas on the property will have a moderate bushfire hazard level irrespective of whether they are located on bushfire prone land or not. Locating a new dwelling in an area with a moderate bushfire hazard level, complies with Clause 6.2(b) of SPP3.7 Planning in Bushfire Prone Areas.

Preparation of a BAL Contour Plan in accordance with Clause 6.3(a)(ii) is considered unwarranted over such a large property with a multitude of potential house sites.

Where a dwelling is constructed on bushfire prone land (pink shading), a BAL-29 rating can be achieved with a setback of 27m as shown in Table 1 below. This is using Class A Forest as the most conservative classification, with the slopes on the site being less than 5 degrees.

As the Bushfire Prone Land extends for 100m from vegetation areas greater than 1 hectare, there is a huge area of land available on the two lots where dwellings can be constructed with a BAL rating of BAL-29 or less. A setback of 9m is sufficient distance where the dwelling is located on any cropping or grazing land and a 20m setback will provide a BAL-12.5 rating.

Table 1 BAL Setbacks

Vegetation Classification	Bushfire Attack Levels (BALs)				
	BAL – FZ	BAL - 40	BAL – 29	BAL – 19	BAL – 12.5
	Distance (m) of the site from the predominant vegetation class				
	All upslopes and flat land				
A Forest	< 16	16 - < 21	21 - < 31	31 - < 42	42 - < 100
B Woodland	< 10	10 - < 14	14 - < 20	20 - < 29	29 - < 100
G Grassland	< 6	6 - < 8	8 - < 12	12 - < 17	17 - < 50
	Downslope > 0 to 5 degrees				
A Forest	< 20	20 - < 27	27 - < 37	37 - < 50	50 - < 100
B Woodland	< 13	13 - < 17	17 - < 25	25 - < 35	35 - < 100
G Grassland	< 7	7 - < 9	9 - < 14	14 - < 20	20 - < 50

Planning Bulletin No 111 states that where a subdivision is proposed and the building envelope is not known, the BAL assessment should (as a minimum) demonstrate a building envelope can be located on a portion of the lot that is rated as BAL-29 or less. At the development application stage, the development should be located on the portion of the lot with the lowest BAL rating.

4.0 Identification of Bushfire Hazard Issues

The context of the subject land to the surrounding locality is shown in Figure 1. This is generally open farming country with dispersed areas of vegetation. While bushfire occur regularly in the area the proposal is not increasing the level of development or the bushfire risk.

The normal operation of the bushfire regulatory framework is considered appropriate for this level of development and hazard. This includes:

- Operation of Part 10A of the Planning and Development (Local Planning Schemes) Regulations 2015 relating to Bushfire Risk Management;
- Australian Standard AS3959 Construction of Buildings in Bushfire Prone Areas where applicable; and
- Council's Fire Control Order.

The principle issue for the location is the access to and from the site and this should be provided in two different directions. Thompson Road performs this function as it provides access west to the Great Northern Highway and north to Yenellin Road. The proposed subdivision also improves the access to the existing Lot 4387.

5.0 Assessment Against the Bushfire Protection Criteria

A summary of the compliance with the Bushfire Protection Criteria is documented in Table 2.

Table 2 Bushfire Protection Criteria

Compliance	When	Comment
A1.1 Development Location		
Must have a moderate hazard level and maximum BAL – 29 rating		
Yes	When developed	The proposed lots will have large areas with a BAL – 29 or lower rating. The siting of new dwelling in both lots can achieve BAL-29 rating.
A2.1 Asset Protection Zone		
This functions as the low fuel zone required for the BAL – 29 rating		
Yes	When development	The proposed lots are sufficiently large enough to contain a 20m APZ.
A3.1 Two Access Routes		
Two different vehicular access routes are required		
Yes	Existing site	Thompson Road performs this function as it provides access west to the Great Southern Highway and north to Yenellin Road.
A3.2 Public Road (subdivision roads)		
N/A		Belt Road along the western boundary is not constructed to the prescribed standard. However, this is existing access which will not change as there is no intensification or additional lots being created.
A3.3 Cul-de-sac (including dead end road)		
N/A		Not applicable
A3.4 Battle - axe		
N/A		Not applicable
A3.5 Private Driveways		
Where longer than 50m they must comply with the specifications		
Yes	Development	A proposed dwelling may potentially be located more than 50m distance from the road frontage. It then required to a 4m surface and a 17.5m diameter turning area adjacent to the dwelling.
A3.6 Emergency Access Way (EAW)		

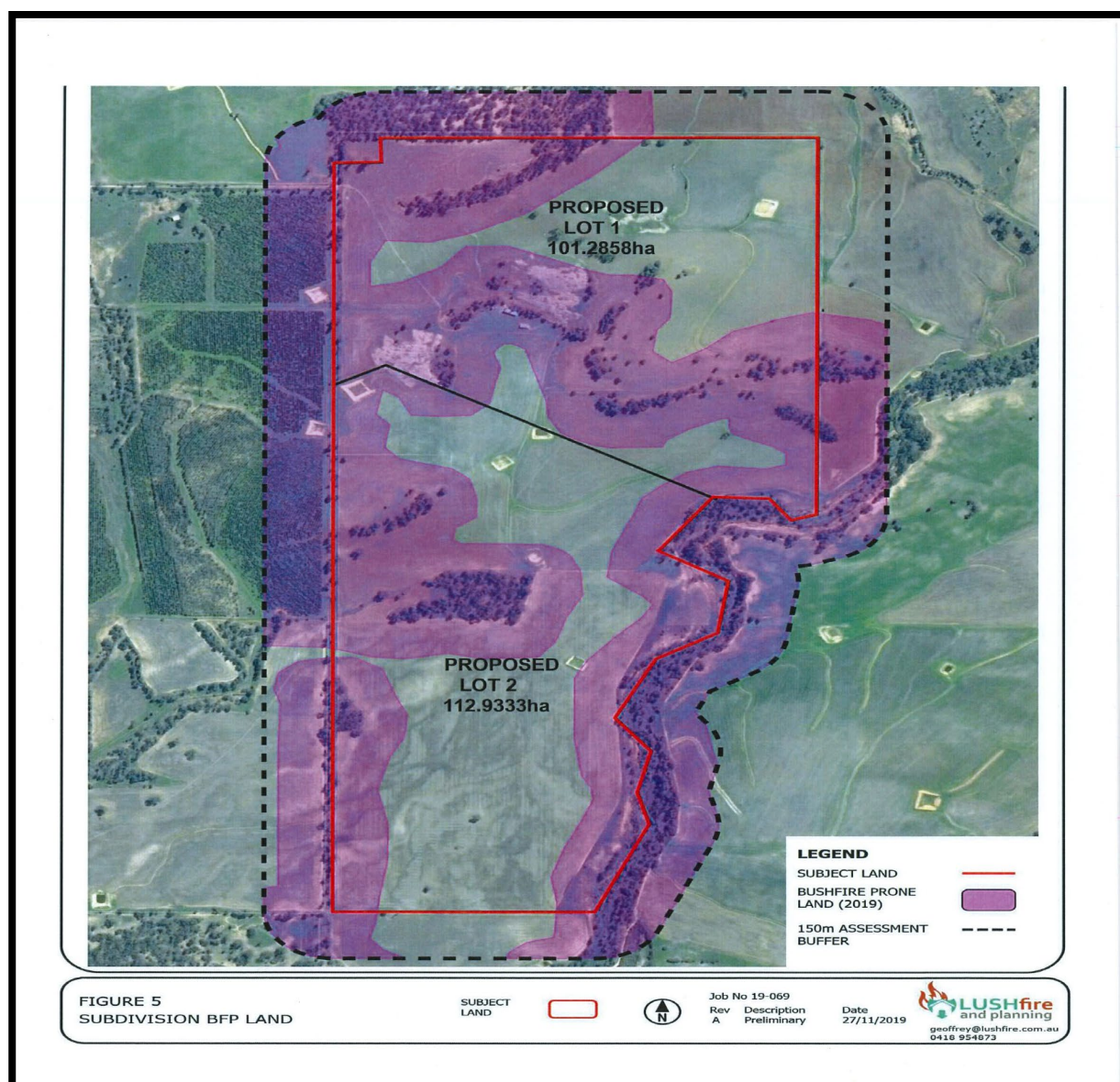
Compliance	When	Comment
N/A		Not applicable
A3.7 Fire Service Access Route (FSAR) A3.8 Firebreaks 3.0m wide firebreak or to the level provided in the Council fire break notice		
Yes	Annually before the fire season	Both proposed lots are greater than 0.5m and are to provide with a 3m wide boundary firebreak or as provided for in Council's Fire Control Order
A4.1 Water Supply Reticulated Areas		
N/A		There is no reticulated water supply
A4.2 Water Supply non-reticulated Areas Provide 50,000L water tank per 25 lots when more than 2 lots are being created		
N/A		Not applicable as there are no additional lots being created.
A4.3 One additional lot in non-reticulated area To be provided with a dedicated static water supply of 10,000L		
Yes	Development	Any new dwelling is to have a 10,000L water supply tank dedicated for fire fighting. This can form part of the domestic water supply.

6.0 Conclusion

It is submitted that no further bushfire assessment is required because:

- a. The application is a boundary realignment and as stated in Planning Bulletin 111, SPP3.7 Planning in Bushfire Prone Areas does not apply; and
- b. In the event that SPP3.7 Planning in Bushfire Prone Areas would apply the re-subdivision application complies with the Policy objectives as:
 - a. There is no intensification of the bushfire risk;
 - b. The vast majority of the proposed lots have a moderate bushfire hazard rating and a dwelling can be located with a BAL rating of BAL-29 or less.
 - c. Any new dwelling on the proposed lots will be subject to the normal bushfire management requirements which already apply on the site. These provisions already ensure that the dwelling can only be constructed to a maximum BAL-29 rating.

Plan below showing the Bushfire Prone Areas on the property which relate to building in Bushfire Prone Areas.



The bushfire prone areas will not come into effect unless there is an application to add further buildings to either one of the lots. Any proposed buildings that were to be located in the pink zone of the above plan would be required to have a Bushfire Attack Level rating assessment carried out. This assessment requires the buildings to be built from specially fire rated materials.

This proposed lot boundary realignment is not for the purposes of a change of land use, but is creating two lots that will work better for the current owners who farm as separate entities and no further lots are to be created.

Consultation

Marsh & Brooks Pty Ltd application report.
Chief Executive Officer

Statutory Environment

Shire of Pingelly Planning Scheme No.3

Policy Implications

There are no known policy implications.

Financial Implications

There are no known financial implications.

Strategic Implications

There are no known strategic implications.

Risk Implications:

Risk	There is no risk with this application for a boundary realignment as the existing use of the lots remains general agriculture.
Risk Rating (Prior to Treatment or Control)	Low (1)
Principal Risk Theme	Reputational
Risk Action Plan (Controls or Treatment Proposed)	No further action required.

Consequence Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Voting Requirements:

Simple Majority

12812 Moved: Cr Hastings

Seconded: Cr Wood

Recommendation:

That Council supports the proposed lot subdivision boundary realignment of Lots 4387 & 5715 Belt Road, East Pingelly, with no further conditions being imposed.

Carried 8/0

17. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

18. NEW BUSINESS OR URGENT BUSINESS INTRODUCED BY DECISION OF THE MEETING


New business of an urgent nature introduced by decision of the meeting. Best practice provides that Council should only consider items that have been included on the Agenda (to allow ample time for Councillors to research prior to the meeting) and which have an Officer Report (to provide the background to the issue and a recommended decision).

Nil

19. CLOSURE OF MEETING

The Chairman declared the meeting closed at 3.23pm

These minutes were confirmed by Council at the
Ordinary Council Meeting held on 18 March 2020.

Signed 
Presiding Person at the meeting at which the minutes
were confirmed.