



# Shire of Pingelly

## Minutes

Ordinary Council Meeting  
17 March 2021

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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, present and emerging.

**3. ANNOUNCEMENTS BY THE PRESIDING MEMBER**

Nil.

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

**STAFF IN ATTENDANCE**

Ms J Burton Chief Executive Officer  
Mrs D Sweeney Executive Manager Corporate Services  
Mr D Watkins Executive Manager Technical Services  
Mrs V Ward Executive Assistant

**VISITORS**

No members of the public present.

**APOLOGIES**

Nil

**5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

N/A

**6. PUBLIC QUESTION TIME**

No members of the public present.

**7. APPLICATIONS FOR LEAVE OF ABSENCE**

12971 Moved Cr Narducci

Seconded Cr Hotham

That Council approve Cr Hotham taking leave from the 8<sup>th</sup> April to the 16<sup>th</sup> April inclusive and Cr Woods taking leave from the 28<sup>th</sup> March to the 12<sup>th</sup> April inclusive.

Carried 8:0

**8. DISCLOSURES OF INTEREST**

NIL

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

### **9.1 Ordinary Meeting – 17 February 2021**

#### **Statutory Environment:**

Section 5.22 of the *Local Government Act* provides that minutes of all meetings are to be kept and submitted to the next ordinary meeting of the council or the committee, as the case requires, for confirmation.

#### **Voting Requirements:**

Simple Majority

**12972 Moved: Cr Hotham Seconded: Cr Camilleri  
Recommendation and Council Decision**

**That the Minutes of the Ordinary Meeting of the Council of the Shire of Pingelly held in the Council Chambers on 17 February 2021 be confirmed.**

Carried 8/0

### **9.2 Special Meeting – 11 February 2021 (Tender Memorial Park and Annual Financial Report)**

#### **Statutory Environment:**

Section 5.22 of the *Local Government Act* provides that minutes of all meetings are to be kept and submitted to the next ordinary meeting of the council or the committee, as the case requires, for confirmation.

#### **Voting Requirements:**

Simple Majority

**12973 Moved: Cr Narducci Seconded: Cr Oliveri  
Recommendation and Council Decision**

**That the Minutes of the Special Meeting of the Council of the Shire of Pingelly held in the Council Chambers on 11 February 2021 be confirmed.**

Carried 8/0

### **9.3 Special Meeting – 3 March 2021 (Building Better Regions Fund – grant application)**

#### **Statutory Environment:**

Section 5.22 of the *Local Government Act* provides that minutes of all meetings are to be kept and submitted to the next ordinary meeting of the council or the committee, as the case requires, for confirmation.

#### **Voting Requirements:**

Simple Majority

**12974 Moved: Cr Oliveri Seconded: Cr Camilleri  
Recommendation and Council Decision**

**That the Minutes of the Special Meeting of the Council of the Shire of Pingelly held in the Council Chambers on 3 March 2021 be confirmed.**

Carried 8/0

## **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
- Pingelly Youth Network Delegate – Cr Camilleri  
Deputy – Cr McBurney
- Pingelly Somerset Alliance Delegate – Shire President  
Deputy – Cr McBurney
- Pingelly Early Years Network Delegate – Cr Camilleri

### **13. REPORTS FROM COUNCILLORS**

#### **Cr William Mulronev (President)**

##### **Meetings attended**

##### **February**

- 18<sup>th</sup> Town Hall Reference Group- review Draft concept Plans
- 22<sup>nd</sup> Radio Interview -101FM\* Events held and ongoing in the Pingelly Shire
- 23<sup>rd</sup> Annual Planning session for future of the Shire
- 24<sup>th</sup> Annual Planning session for the future of the Shire
- 26<sup>th</sup> Central Country Zone meeting – John Higgins Centre Narrogin. With CEO

##### **March**

- 3<sup>rd</sup> Special Council meeting to adopt the application for funding from BBR Federal Grant Round for alteration to Town Hall Stage 1A
- 4<sup>th</sup> Pingelly Somerset Alliance monthly meeting.
- 10<sup>th</sup> CEO President, Deputy President meeting and agenda briefing.
- 10<sup>th</sup> Gathering of key personnel to meet Commissioner for Mental Health and Lunch sponsored by CRC.
- 10<sup>th</sup> PRACC Board monthly meeting.
- 11<sup>th</sup> Town Hall Reference Group meeting referencing alteration Draft concept plans.
- 12<sup>th</sup> Regional Road South Group meeting Wickepin. Update of RRG Grants and works.
- 16<sup>th</sup> Pingelly -Wandering LEMC meeting at Wandering. General Business.
- 17<sup>th</sup> March Ordinary Council meeting.

## **14 OFFICE OF THE CHIEF EXECUTIVE OFFICER**

### **14.1 Lease Proposal – 13 Balfour Street Pingelly**

**File Reference:** A9174  
**Location:** 13 Balfour Street Pingelly  
**Applicant:** N/A  
**Author:** Chief Executive Officer  
**Disclosure of Interest:** Nil  
**Attachments:** Nil  
**Previous Reference:** Nil

#### **Summary**

Council to consider the options available for the tenure of 13 Balfour Street Pingelly, following an initial lease period of 10 years, which expired in August 2020.

#### **Background**

In 2010, a lease was granted to the Shire of Pingelly over Lot 807 on Deposited Plan 163367 (13 Balfour Street Pingelly), for the purpose of *'development and subdivision for residential, and construction of services and other works in accordance with the approved Deposited Plan and all approvals obtained from relevant statutory authorities'*.



Following subdivision and development of the land, the lease included an option for the Shire to purchase. Construction and operation were intended to have commenced within 10 years from the Commencement Date of the Lease (i.e. by the 2 August 2020), however, there has been no development to date.

The Department of Planning Lands and Heritage (DPLH) initially requested confirmation as to whether the Shire has an interest in continuing to lease this land for the same purpose (develop and subdivide), or whether it has a different interest in the land. Following confirmation that the Shire wishes to continue leasing the land for the same purpose, the DPLH further advised that there is not support for this direction due to:

- The land was not used for the purpose expressly stated in its previous lease.
- The Shire does not appear to be in a position to purchase the land, as per the option to purchase provided in its previous lease.

It was suggested by the DPLH that the creation of a crown reserve takes place, (to be managed by the Shire) for purposes in line with the current use of the land. It was noted that this would not stop the Shire from applying to purchase the land at a later date.

**Comment**

Following additional discussions with the DPLH, further advice has been received, presenting an alternative option.

*It was previously advised that the lease would not be renewed due to the fact the land was not used for the purpose stated in Lease L442989 and that the Shire does not appear to be the position to purchase the land, as per the option in the previous lease.*

*Following further discussions, this Department will consider a new lease if the Shire can demonstrate that it intends to develop and/or subdivide Lot 807 within the term of the future lease. This Department would only be willing to offer a lease for a term of five years. A further five year term could be added to the lease on the discretion of the State.*

*If the Shire do not have any intention to subdivide and develop the land within the five year period, this Department believes creating a crown reserve with a management order to the Shire. It should be noted that:*

- 1. The Shire would incur no costs as a result of the State creating a crown reserve and/or issuing them a management order.*
- 2. If the Shire was to be issued a management order this Department would be required, under legislation, to obtain the Shire’s consent before it made any amendments to the reserve.*
- 3. This would not stop the Shire from applying to purchase the land in the future.*

*This Department will advise further once the Shire confirms how they wish to proceed with the proposal.*

Council has three options to consider:

Option	Advantages	Disadvantages
1. Accept a management order over the land	<ul style="list-style-type: none"> <li>- Control the land use for the defined Reserve purpose (e.g. recreation)</li> <li>- Eligible for Mitigation Access Funding to reduce risk of fire</li> <li>- No lease payments</li> </ul>	<ul style="list-style-type: none"> <li>- Responsible for maintenance of the land (e.g. access tracks)</li> <li>- Would need to go through process to approve purchase of land if desired in the future</li> </ul>
2. Accept a 5 year lease over the land	<ul style="list-style-type: none"> <li>- Retain control of land for a specific purpose</li> <li>- Buys time to consider whole of life costings and feasibility of development</li> </ul>	<ul style="list-style-type: none"> <li>- Allocation of financial resources (lease payments) for the control of land which may not ultimately be used</li> <li>- Credibility damage with DPLH if subdivision does not proceed</li> </ul>
3. Relinquish control to the State	<ul style="list-style-type: none"> <li>- No financial costs (lease and maintenance)</li> <li>- Fire mitigation works will be the responsibility of the State.</li> </ul>	<ul style="list-style-type: none"> <li>- No control</li> </ul>



The recommendation to proceed with option 2, is predominantly based on the opportunity to consider the feasibility of the development.

### Consultation

Nil

### Statutory Environment

Pursuant to Section 3.54 of the Local Government Act 1995, Council may consider accepting the management, care and control of a Reserve.

Pursuant to Section 46 of the Land Administration Act 1995, the minister of lands may place management, care and control of a Reserve for the same purpose as vesting and ancillary or beneficial to the location.

### Policy Implications

Nil

### Financial Implications

Under option 1, the Shire will save \$500 per annum which previously was payable under the lease arrangement.

### Strategic Implications

Goal 3	Built Environment
Outcome 3.2	New development (including commercial) is of a high quality and contributes positively to the character and appearance of the town.
Strategy 3.2.1	Encourage new developments to be designed and built in a way that reduces pressure on and demand for resources (e.g. energy efficiency and water conservation) and gives priority to development/ infill of currently zoned land.

### Risk Implications

Risk	Risks include: A lack of financial capacity to develop the land. An inability to provide for future residential land development needs.
Risk Rating (Prior to Treatment or Control)	Low (4)
Principal Risk Theme	Reputational, Financial.
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

**12975 Moved: Cr Narducci Seconded: Cr Wood**

### Recommendation and Council Decision

**That Council approves its preference of a lease for a period of five (5) years, for the land being Lot 807 on Deposited Plan 163367, 13 Balfour Street Pingelly.**

Carried 6/2

## **14.2 WA Local Government Convention 2021**

<b>File Reference:</b>	<b>ADM0088</b>
<b>Location:</b>	<b>Not Applicable</b>
<b>Applicant:</b>	<b>Not Applicable</b>
<b>Author:</b>	<b>Chief Executive Officer</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachments:</b>	<b>Nil</b>
<b>Previous Reference:</b>	<b>Item 14.1 OCM February 2021</b>

### **Summary**

For Council to consider an additional nomination of a Councillor representative at the Annual Local Government Convention (19-21 September 2021).

### **Background**

The 2021 WA Local Government Convention & Trade Exhibition (Local Government Week) will be held Monday and Tuesday 20 -21 September 2021 at the Crown Perth, with the Opening Welcome Reception being held on the evening of Sunday 19 September 2021.

In accordance with previous Local Government Weeks, WALGA will hold its Annual General Meeting, to discuss and consider local government industry issues during the Convention.

At the February 2021 Ordinary Council Meeting, Cr's Mulroney, Hastings were approved as Councils voting delegates, and Cr Freebairn was approved as an additional attendee for the Convention component.

### **Comment**

Following the February Council meeting, Cr Hotham also expressed an interest in attending the Convention.

Attendance at the annual WA Local Government Convention is open to all Councillors. Registration fees, travel and accommodation expenses will be paid by the Shire for any Elected Member(s) attending the WA Local Government Convention.

### **Consultation**

Nil

### **Statutory Environment**

Nil

### **Policy Implications**

Policy 4.10 Councillor Training Policy notes that WALGA training is an eligible training activity for Councillors.

### **Financial Implications**

Anticipated costs are approximately \$2,500 per delegate comprising registration of \$1,750; accommodation of approximately \$600 per delegate, plus meals and other miscellaneous expenses.

Total costs, should Cr Hotham's request be approved will be approximately \$10,000.

### **Strategic Implications**

Goal 5	Innovation Leadership and Governance
Outcome 5.8	A strong corporate governance framework is maintained
Strategy 5.8.2	Ensure compliance with legislative requirements and excellence in business performance

### Risk Implications

Risk	Risks relevant to this decision of Council are relatively low, and include the financial impact of the convention, and the associated reputational reflections.
Risk Rating (Prior to Treatment or Control)	Low (4)
Principal Risk Theme	Financial, Reputational
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

**12976 Moved: Cr McBurney Seconded: Cr Wood**  
**Recommendation and Council Decision**

**That Council endorse Councillor Hotham, in addition to the Councillors already nominated at the February 2021 Ordinary Council Meeting, to attend the 2021 Western Australian Local Government Convention.**

Carried 8/0

### **14.3 Pingelly Museum – removal of timber entry structure**

<b>File Reference:</b>	<b>ADM0034</b>
<b>Location:</b>	<b>Not Applicable</b>
<b>Applicant:</b>	<b>Not Applicable</b>
<b>Author:</b>	<b>Chief Executive Officer</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachments:</b>	<b>Pingelly Museum – timber entry structure</b>
<b>Previous Reference:</b>	<b>Nil</b>

#### **Summary**

Council is requested to consider and approve the removal of the timber entry structure at the front of the Pingelly Museum (Old Courthouse).

#### **Background**

As a part of the Drought Communities Project, a small amount of funding was allocated for repairs to the current Museum building.

To inform the scope of these works, Councillors viewed the building in February 2021, with particular focus on the timber entry structure, including the potential for its removal due to deterioration and the high levels of maintenance required.

#### **Comment**

The Museum building is in relatively good condition, however, a number of maintenance activities are needed to bring the building into a state that it is suitable for public visitation and display, especially considering a potentially higher use when the Memorial Park project is complete.

During the course of undertaking an inspection of the building to determine the extent of works, the timber entrance structure was assessed. This structure is not part of the original building, is deteriorating and will require ongoing painting and maintenance due to the timber construction. It is proposed to remove this structure entirely, and potentially replace it with a roof only in the future. This will allow a clear view into and out of the building, and provide easier access. It will also decrease the maintenance and renewal requirement.

It is ultimately intended to create a roof structure on the northern and potentially western side of the building, however, the timing of this will be dependent on the funding available.

A number of other maintenance activities are also proposed:

- Sand and oil flooring
- Sand and oil all timber surfaces
- Repaint all interior
- Repaint interior and exterior window frames
- Relocate exterior air conditioning unit approximately 2m higher – to allow unrestricted access on the western side of the building

#### **Consultation**

The current Museum curator has been consulted to gauge the opinion around the works proposed, and in particular, the removal of the timber structure. Support was indicated for the works proposed, noting that the structure does keep the rain and wind off the front door. This could be achieved either with an additional screen protection door on the outside, or a verandah/roof structure.

#### **Statutory Environment**

Nil

#### **Policy Implications**

Nil

### Financial Implications

There are no implications on the current Budget from the proposal, as the works are fully funded through the Drought Communities Program.

There will be a positive impact on future budgets, as the works will address some of the renewal requirements of the building, as well as removing some elements which require ongoing maintenance.

### Strategic Implications

Goal 1	Economy
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	Inability for Council to be able to allocate funding required to support the project.
Risk Rating (Prior to Treatment or Control)	Medium (6)
Principal Risk Theme	Financial
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

**12977 Moved: Cr Narducci Seconded: Cr Oliveri**  
**Recommendation and Council Decision**

**That Council endorse the removal of the timber entry structure to the Pingelly Museum Building, as indicated in the attachment.**

Carried 8/0

## **15. DIRECTORATE OF CORPORATE AND COMMUNITY SERVICES**

### **15.1 Monthly Statement of Financial Activity – February 2021**

<b>File Reference:</b>	<b>ADM0075</b>
<b>Location:</b>	<b>Not Applicable</b>
<b>Applicant:</b>	<b>Not Applicable</b>
<b>Author:</b>	<b>Executive Manager Corporate Services</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachments:</b>	<b>Monthly Statements of Financial Activity for the period 1 February 2021 to 28 February 2021</b>
<b>Previous Reference:</b>	<b>Nil</b>

#### **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 February 2021 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;

#### **Comment**

The Monthly Financial report has been prepared in accordance with statutory requirements and provides council with their financial position as at 28 February 2021.

#### **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 2020/21.

### 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 (including reporting) and long-term financial planning requirements

### 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

**12978 Moved: Cr McBurney Seconded: Cr Camilleri  
Recommendation and Council Decision**

**That with respect to the Monthly Statements of Financial Activity for the month ending 28 February 2021 be accepted and material variances be noted.**

Carried 8/0



## **15.2 Accounts Paid by Authority – February 2021**

<b>File Reference:</b>	<b>ADM0066</b>
<b>Location:</b>	<b>Not Applicable</b>
<b>Applicant:</b>	<b>Not Applicable</b>
<b>Author:</b>	<b>Finance Officer</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachments:</b>	<b>List of Accounts</b>
<b>Previous Reference:</b>	<b>Nil</b>

### **Summary**

Council endorsement is required for accounts paid by authority for the month of February 2021.

### **Background**

In accordance with *Local Government (Financial Management) Regulations 1996 Clause 13 (1)* schedules of all payments made through Council's bank accounts are presented to the Committee and to Council.

### **Comment**

Unless otherwise identified, all payments have been made in accordance with Council's adopted 2020/21 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 5.6	Financial systems are effectively managed
Strategy 5.6.1	Financial management and reporting systems are able to deliver on all administrative and management functions (including reporting) and long-term financial planning requirements

### 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	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

**12979 Moved: Cr Oliveri Seconded: Cr Camilleri**

### Recommendation and Council Decision

**That Council endorse the Accounts for Payments for February 2021 as authorised under delegated authority and in accordance with the Local Government (Financial Management) Regulations 1996:**

To 28 February 2021:

Municipal Account	\$221,704.25
Trust Account	\$80.00
Trust Licensing Account	\$35,952.35

Carried 8/0

### **15.3 2020/21 Annual Budget Review**

**File Reference:** ADM0067  
**Location:** Not Applicable  
**Applicant:** Not Applicable  
**Author:** Executive Manager Corporate Services  
**Disclosure of Interest:** Nil  
**Attachments:** 2020/21 Budget Review  
**Previous Reference:**

#### **Summary**

To consider and adopt the Budget Review as attached for the period 1 July 2020 to 28 February 2021.

#### **Background**

In accordance with Local Government (Financial Management) Regulations, Council is required to carry out a review of its annual budget for that year by 31 March. This requirement recognises the dynamic nature of local government activities and the need to continually reassess projects competing for limited funds, to ensure that community benefit from available funding is maximised.

#### **Comment**

The mid-year review of the Shire’s financial accounts as at 28 February 2021 has been conducted and areas identified that require amendments to initial budget allocations. Wherever possible, service areas seeking additional funds to what was originally approved in the budget are encouraged to generate funding or to find offsetting savings in their own areas. These amendments have been detailed in the document for Council’s review. A commentary is provided where expenditure or income has a variance of more than \$5,000.

In reviewing the 2020/21 Budget and incorporating the amendments and the audited surplus for the 2020/21 financial year, the changes made to the various accounts have resulted in a positive change in the revised estimated closing balance of \$48,109 to 30 June 2021.

The budget review process has identified items requiring adjustment which are self-balancing, where increased expenditure is offset by corresponding decreases elsewhere within the program, or additional associated revenue. A copy of the 2020/21 Budget Review report is attached which details the items that have a major effect on the closing position. Changes over \$5,000 include:

#### **Revenue**

- Increase in roads financial assistance grant \$ 5,886
- Increase in rental revenue Webb Street units \$10,000
- Increase revenue - reimbursement insurance, ESL and rubbish  
Pingelly Somerset Alliance \$ 7,266
- WANDRRA storm damage income higher than budget expectations \$ 9,250
- An overall decrease in fleet trade in values (offset by decreased  
expenditure) \$38,131
- Reimbursement of workers compensation claim \$15,200

#### **Expenditure**

- IT Vision software - procurement module \$ 6,425
- Increase in projected legal expenses due to prosecution \$10,000
- Overall savings on acquisition of vehicles \$ 9,000
- Increase in expenditure recycling collection \$10,775
- Shade Sails (insurance claim) \$ 6,800
- General maintenance - Pingelly Swimming Pool \$ 7,700
- Chemical – Pingelly Swimming Pool \$ 5,000

- |  |          |
|--|----------|
| • Increase in expenditure garden lighting PRACC (carried forward from 2019/20) | \$ 5,100 |
| • Projected savings fleet purchases  | \$53,788 |
| • Expenditure savings Depot Fire Pump  | \$ 6,000 |
| • Reduced expenditure grader lease   | \$35,534 |

As part of the 2020/21 Budget process \$25,000 discretionary funds were set aside to enable Council to consider the allocation of projects following the completion of the 2019/20 audit. To date, these funds have been allocated to the appointment of a Community Emergency Services Manager, and the remaining \$6,381 for repairs to the administration steps. As funds are likely to be available after the administration step repairs are completed, it is proposed to renew the Pingelly entry statements, by way of replacing the timber logs and associated signage.

As part of the Budget Review process it is proposed an expenditure allocation of \$6,425 be included for the IT Vision procurement module. Regulation 17 was conducted in November 2020 with gaps identified in the Risk Management area, this included an improvement opportunity for electronic purchase orders to be linked to budget allocations to avoid budget overspends. The need for greater transparency for all stages of the procurement process is increasing to ensure the organisation is fulfilling their compliance obligations. The module will allow Council to align with the Records and Information Management Procedure with the intention of moving across to the digital environment and electronic workflow in the near future. This proposal also aligns with the need to ultimately transition to a new software system, due to the current system having a finite life. A module by module approach is an achievable option for the Shire to manage, both from a financial and workforce perspective. The procurement module is considered to be a high priority from a risk and audit approach, and represents a small and manageable financial investment.

Through the Budget Review process, the potential reduction in Roads to Recovery funding has been identified. This has arisen from a previous management decision to budget for an accelerated payment (in year 1) from year 5, of \$90,934. A payment of \$41,173 has been received in 20/21, with a potential deficit of \$49,221. The Roads to Recovery guidelines previously allowed accelerated payments to Local Governments where they had higher upfront cash flow needs for capital road works, however, the Federal Government are no longer automatically approving accelerated payments, and therefore the original budget of \$321,714 may be reduced to the annual allocation of \$272,493. A conservative approach has been recommended to Council for the 2020/21 financial year, with the Budget Review containing an adequate surplus to cover this potential impact.

### Reserves

This budget review has an overall negative impact on the estimated closing balance of Shire Reserves as at 30 June 2021 of \$1,303, due to a decrease in expected interest.

### **Consultation**

No external consultation is required for this item.

### **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 \$48,109 as at 30 June 2021.

### 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 (including reporting) 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	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

Absolute Majority

**12980 Moved: Cr Camilleri Seconded: Cr Oliveri**

### Recommendation and Council Decision

1. That Council adopts the 2020/21 Budget Review for the period ending 28 February 2021 as attached.
2. Approves the remaining amount within the \$25,000 discretionary expenditure budget to be allocated to the Pingelly Entry Statement renewal works.

Carried 8/0

**16. DIRECTORATE OF TECHNICAL SERVICES**

Nil

**19. CLOSURE OF MEETING**

The Chairman declared the meeting closed at 2.38pm.

These minutes were confirmed by Council at the Ordinary Council Meeting held on 21 April 2021.

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