



MINUTES

ORDINARY MEETING OF COUNCIL

**Wednesday 26 June 2013
Commencing at 3pm**

**Council Chambers
28 Yougenup Road, Gnowangerup WA 6335**

COUNCIL'S VISION

Community and Council working together to improve the quality of life for all our people.

PLEASE NOTE:

Meaning and CAUTION concerning Councils "*In Principle*" support:

When Council uses this expression it means that:

Council is generally in favour of the proposal BUT is not yet willing to give its consent; and importantly, Council reserves the right to (and may well) either decide against the proposal or to formally support it but with restrictive conditions or modifications.

Therefore whilst you can take some comfort from Councils 'support' you are clearly at risk if you act upon it before Council makes its actual (and binding) decision and communicates that to you in writing.

Disclaimer

"Warning – Verbal information and Advice:

Given the inherent unreliability and uncertainty that surrounds verbal communication, the Shire strongly recommends that, if a matter is of importance to you, then you should NOT act upon or otherwise rely upon any VERBAL information or advice you receive from the Shire unless it is first confirmed in writing."

TABLE OF CONTENTS

PART A – OPENING PROCEDURES

1. OPENING AND ANNOUNCEMENT OF VISITORS	6
2. ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE	6
2.1 ATTENDANCE.....	6
2.2 APOLOGIES.....	6
2.3 APPROVED LEAVE OF ABSENCE.....	6
3. RESPONSE TO QUESTIONS TAKEN ON NOTICE	6
4. PUBLIC QUESTION TIME	6
5. APPLICATION FOR LEAVE OF ABSENCE	6
6. DECLARATION OF FINANCIAL INTERESTS AND INTEREST AFFECTING IMPARTIALITY	6
7. PETITIONS / DEPUTATIONS / PRESENTATIONS / SUBMISSIONS	7
7.1 PETITIONS.....	7
7.2 DEPUTATIONS.....	7
7.3 PRESENTATIONS.....	7
7.4 SUBMISSIONS.....	7
8. CONFIRMATION OF PREVIOUS MEETING MINUTES	7
8.1 ORDINARY MEETING OF COUNCIL MINUTES 22 MAY 2013.....	7
8.2 SPECIAL MEETING OF ELECTORS MINUTES 19 JUNE 2013.....	7
9. RECEIPT OF MINUTES OF COUNCIL COMMITTEES	8
9.1 PLANT AND WORKS.....	8
9.2 HEALTH AND DEVELOPMENT.....	8
9.3 AUDIT, FINANCE AND RISK.....	8
10. ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION	9
10.1 SHIRE PRESIDENT’S ACTIVITY REPORT MAY/JUNE 2012.....	9

PART B – MATTERS FOR INFORMATION

1. USE OF COMMON SEAL	11
2. PLANT MECHANICS MONTHLY REPORT	13
3. WORKS DEPARTMENT MONTHLY REPORT	14
4. BUILDING SURVEYOR SERVICE REPORT	16
5. CLUB DEVELOPMENT OFFICER REPORT MARCH – JUNE 2013	17

PART C – MATTERS FOR DECISION

1. PLANT AND WORKS	18
2. COMMUNITY PLANNING AND DEVELOPMENT	19
3. STATUTORY PLANNING	20
3.1 SCHEME AMENDMENT NO 3 – PROPOSED SPECIAL CONTROL AREA FOR THE WASTE WATER TREATMENT PLANT.....	20
3.2 PROPOSED OUTBUILDING AT LOT 3 YOUGENUP ROAD, GNOWANGERUP.....	25
3.3 INITIATE SCHEME AMENDMENT 7.....	31
4. FINANCE	38
4.1 MAY 2013 MONTHLY FINANCIAL REPORT.....	38
4.2 MAY 2013 ACCOUNTS FOR PAYMENT AND AUTHORISATION.....	41
4.3 INTRODUCTION OF FAIR VALUE.....	42
4.4 INTERIM AUDIT.....	45
4.5 LONG TERM FINANCIAL PLAN.....	47
4.6 ADOPTION OF 2013/2014 ANNUAL BUDGET.....	50
5. GOVERNANCE	57
5.1 CORPORATE BUSINESS PLAN 2013/14 – 2015/16.....	57
6. CORPORATE PLANNING AND POLICY	60
6.1 SHIRE PRESIDENT & ELECTED MEMBER CREDIT CARD & REIMBURSEMENTS.....	60
6.2 DELEGATES TO WESTERN AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION 2013 ANNUAL GENERAL MEETING.....	64
6.3 CONSTITUTIONAL RECOGNITION FOR LOCAL GOVERNMENT.....	66
6.4 REVIEW OF EMERGENCY SERVICES LEGISLATION.....	71
6.5 TRANSFER OF PROPERTY – LOT 156 (156) CARPENTER STREET, ONGERUP.....	74

7. LATE ITEMS	76
7.1 MINUTES FROM SPECIAL MEETING OF ELECTORS 19 JUNE 2013	76
8. CONFIDENTIAL ITEMS	78
8.1 ONGERUP BOWLING GREEN REDEVELOPMENT – TENDER EVALUATION	78
8.2 COUNCIL OWNED RESIDENCE	79
9. URGENT BUSINESS INTRODUCED BY DECISION OF COUNCIL	81

PART D – OTHER BUSINESS AND CLOSING PROCEDURES

1. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN	82
2. DATE OF NEXT MEETING	82
3. CLOSURE	82

PART A – OPENING PROCEDURES

1. OPENING AND ANNOUNCEMENT OF VISITORS

Cr Stone Shire President welcomed Councillors, Staff and Visitors and opened the meeting at 3.09pm

2. ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE

2.1 ATTENDANCE

Cr Stone	Shire President
Cr House JP	Deputy President
Cr Lance	
Cr Hinkley	
Cr Gaze	
Cr Pech AM JP	
Cr Hmeljak	
S Pike	Chief Executive Officer
V Morris	Executive Manager Corporate Services & Community Development
J Anning	Executive Manager Finance
R Minitier	Manager Works
C Pursey	Planning Officer
N Browning	Community Development Officer
N Bin Issa	Corporate Services Support Officer

2.2 APOLOGIES

Cr Savage OAM JP

2.3 APPROVED LEAVE OF ABSENCE

Nil

3. RESPONSE TO QUESTIONS TAKEN ON NOTICE

Nil

4. PUBLIC QUESTION TIME

Nil

5. APPLICATION FOR LEAVE OF ABSENCE

Nil

6. DECLARATION OF FINANCIAL INTERESTS AND INTEREST AFFECTING IMPARTIALITY

ITEM 8.2; COUNCIL OWNED RESIDENCE: Cr Hmeljak declared an Impartiality Interest

7. PETITIONS / DEPUTATIONS / PRESENTATIONS / SUBMISSIONS

7.1 PETITIONS

Nil

7.2 DEPUTATIONS

Nil

7.3 PRESENTATIONS

Nil

7.4 SUBMISSIONS

Nil

8. CONFIRMATION OF PREVIOUS MEETING MINUTES

8.1 ORDINARY MEETING OF COUNCIL MINUTES 22 MAY 2013

COUNCIL RESOLUTION

0613.93 Moved Cr Gaze Seconded Cr House

That Council confirms the minutes from Ordinary Council meeting held Wednesday 22 May 2013 as a true and correct record of proceedings

CARRIED 7/0

8.2 SPECIAL MEETING OF ELECTORS MINUTES 19 JUNE 2013

COUNCIL RESOLUTION

0613.94 Moved Cr Lance Seconded Cr Hmeljak

That Council confirms the minutes from Special Electors meeting held Wednesday 19 June 2013 as a true and correct record of proceedings, with the following amendment to the Elector Motion moved by H Harris and seconded by M Lance that should have read:

That Council obtain a quote to repair and replace the plant and equipment and the existing building at the existing site and that this quote be made available to the public.

CARRIED 7/0

9. RECEIPT OF MINUTES OF COUNCIL COMMITTEES

9.1 PLANT AND WORKS

Nil

9.2 HEALTH AND DEVELOPMENT

Nil

9.3 AUDIT, FINANCE AND RISK

Nil

10. ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

10.1 SHIRE PRESIDENTS ACTIVITY REPORT MAY/JUNE 2013

Date of Report: 20 June 2013
Officer: KN Stone – Shire President

Monday 27 May

Working in Shire Office; catching up on paperwork and correspondence

Tuesday 28 May

Attended my last meeting of the Great Southern Development Commission in Albany

Friday 31 May

Working in Shire Office; catching up on paperwork and correspondence

Wednesday 5 June

Chaired the Local Emergency Management Committee meeting at Shire Office

Thursday 13 June

Visited Fairbridge Village with Cr House, Cr Pech, Cr Lance, Manager Works and Executive Manger Corporate Services & Community Development

Tuesday 17 June

Council held the 2013/14 Draft Budget meeting

Wednesday 19 June

Council held the Special Meeting of Electors held in the Gnowangerup Memorial Hall

Tuesday 25 June

Attending the WALGA Focus Group Meeting in Albany with the CEO

Wednesday 26 June

Council will have their Briefing Session and Ordinary meeting in the Council Chambers

Thursday 27 June

Attending a meeting with the Great Southern Recreation Advisory Group to be held in Denmark

Friday 28 June

Attending the Great Southern Zone of WALGA meeting in Albany with the CEO & Cr Lance

Cr Stone also verbally advised the meeting that the questions and motions raised at the Special Meeting of Electors on 19 June 2013, will be answered at the Ordinary Meeting of Council on 24 July 2013 and that Council will be holding a public workshop and presentation

on 14 August 2013 when the Consultant will provide information on the feasibility study to both Council and the Community.

PART B – MATTERS FOR INFORMATION

1. USE OF COMMON SEAL

Location: Shire of Gnowangerup
Proponent:
Business Unit: Strategy and Governance
Date of Report: 18 June 2013
Officer: S Pike - Chief Executive Officer
Disclosure of Interest: Nil

ATTACHMENTS

- Copy of Common Seal Register

Purpose

This report is a standard report and for noting purposes only.

BACKGROUND

Section 2.5 of *the Local Government Act 1995* states that a Local Government is a Body Corporate with perpetual succession and a common seal. A document is validly executed by a Body Corporate when the common seal of the Local Government is affixed to it by the Chief Executive Officer, and the President/Chairman and the Chief Executive Officer attest the affixing of the seal.

Since the last meeting of Council the common seal has been applied to the following documents:

- WA TREASURY CORPORATION – LOAN 279

The Chief Executive Officer is primarily responsible for the governance role of the Shire of Gnowangerup which includes ensuring all legislative requirements are complied with including: adopting plans and reports, accepting tenders, directing operations, setting and amending budgets. This use of the Common Seal is a Standard Report for noting by Council.

All documents validly executed will have the common seal affixed and the President and the Chief Executive Officer's attestations affixing the seal. Use of the common seal is to be recorded in the common seal register and must have the Council resolution number included and the date that the seal was applied.

POLICY IMPLICATIONS

Nil

LEGISLATIVE IMPLICATIONS

Section 2.5(2) of the Local Government Act 1995. The local government is a body corporate with perpetual succession and a common seal Section 9.49. Documents, how authenticated. A document, is, unless this Act requires otherwise, sufficiently authenticated by a local government without its common seal if signed by the CEO or an employee of the local government who purports to be authorised by the CEO to so sign.

CONCLUSION

This is a standard report for Elected Members information.

2. PLANT MECHANICS MONTHLY REPORT MAY/JUNE 2013

Business Unit: Infrastructure
Date of Report: 18 June 2013
Officer: K Tomlinson – Plant Mechanic

ATTACHMENTS

- May/June AMPRO Report

3. WORKS DEPARTMENT MONTHLY REPORT MAY/JUNE 2013

Business Unit: Infrastructure
Date of Report: 10 May 2013
Officer: R Minter – Works Supervisor

ATTACHMENTS

- Road Construction Program spread sheet

ONGOING WORKS

With the completion of Magitup Road now behind us, the Construction Crew will be continuing on with the wet weather road issues; due to the rain, gravel roads have been deteriorating quickly. All road users need to be thinking of the road condition and driving accordingly.

Construction Grader GDR8 GN0015

Nightwell Rd
North Stirlings Rd

Action

Gravel sheeting 2k (various)
Gravel sheeting 2k

With the completion of the Ongerup Boxwood Road, Magitup Road and the Borden Bremer Bay Road reseal, the crew will now make their way to Nightwell Road for the commencement of the 2k gravel sheeting works.

Borden Grader GDR7 GN005

Salt river Rd
North Stirling Rd
Sandalwood Rd
O’Meehan Rd

Action

Maintenance grade
Maintenance grade
Maintenance grade
Maintenance grade

Borden Maintenance Grader, will be continuing on with maintenance grading, (Unfortunately the Borden maintenance grader operator has been away due to illness)

Ongerup Grader GRD9 GN0021

O’Neill Rd
Toompup Rd
Godfrey Rd
Ongerup Boxwood Rd
Cowalellup Rd

Action

Maintenance grade
Maintenance grade
Maintenance grade
Maintenance grade
Maintenance grade

Ongerup maintenance grader will continue to carry out the basic winter grading; fixing blowouts and gravel patching slippery clay patches or anything deemed to be dangerous to our road users. The construction crew will be carrying out maintenance works in the Oakdale area to make use of the leftover gravel from Dave O’Borne’s gravel pit.

Gnowangerup Maintenance Grader

Hinkley Rd
Coromup Rd
Old Ongerup Rd
Mindarabin Rd

Action

Maintenance grade
Maintenance grade
Maintenance grade
Maintenance grade

Gnowangerup Grader will be continuing on with winter maintenance grading and fixing new bus routes as requested.

Maintenance – Drainage Crew

Rubbish Tip maintenance

Blowout fixing bitumen roads, Ongerup Boxwood Road, Ongerup Pingrup Road
North Stirling Road, installation and widening of culverts.

Drainage Crew: will also be helping out with construction works on Magitup Road as well as culvert installation on the North Stirling Road 2k gravel sheeting work. As these road works are underway the slashing of the Bluff Knoll Road will be completed.

Spraying will continue on all roads throughout 20013:

Strathaven Rd
Hinkley Rd
Black Road
Old Ongerup Rd
Tambellup Rd
Kwobrup Rd
Gleeson Rd
Boxwood Ongerup Rd
Salt river Rd

Sandalwood Rd
Tie Line Rd
Nightwell Rd
Kwobrup Nth
Airport Rd
Borden Bremer Rd
Ongerup Pingrup Rd
New Country Rd
Entrances GNP, Borden, Ong

Pruned and Slashed Roads:

Highdenup Rd
Salt River Rd
Black Rd
Old Ongerup Rd
Borden Bremer Rd
Toompup Sth Rd
Hinkley Rd
RG11 Tie Line full width reseals

(Completed previous 2012/13 works)

Strathaven Rd reseals
Tie Line Rd Failure No 1
RC68Toompup Sth Rd 3k gravel sheet
Completed All Town Footpaths
Tie line Rd Failure No 2
Tambellup Rd RC71 (No 2 Rd Failure)
Magitup Rd RC58 (clay patches)

New Roads which need pruning (urgently)

Hams Street reseals
Airstrip Enrichment
Ongerup Boxwood Rd reseals
Vaux St reseals

O'Meehan Rd
Toompup Rd
Laurier Rd

Spraying maintenance and slashing of all roads will be recorded as works have been completed. We know we have a lot of maintenance to do in this area of works, this is due to a lack of maintenance staff

4. BUILDING SURVEYOR REPORTS MAY 2013

Business Unit: Corporate Services & Community Development
Date of Report: 31 May 2013
Officer: D Baxter – Building Surveyor

ATTACHMENTS

- Monthly Service Report May 2013
- Yearly Return of Building Permits

5. CLUB DEVELOPMENT OFFICER REPORT MARCH - JUNE 2013

Business Unit: Corporate Services & Community Development
Date of Report: 17 June 2013
Officer: K Brown – Club Development Officer

ATTACHMENTS

- Club Development Officer Report March – June 2013

PART C – MATTERS FOR DECISION

1. PLANT AND WORKS

Nil

2. COMMUNITY PLANNING AND DEVELOPMENT

Nil

3. STATUTORY PLANNING

3.1 SCHEME AMENDMENT NO 3 – PROPOSED SPECIAL CONTROL AREA FOR THE WASTE WATER TREATMENT PLANT

Location:	Reserve 27903 Lot 5001 Hinkley Road, Gnowangerup and surrounds
Proponent:	Water Corporation
File Ref:	31.1.2
Date of Report:	18 June 2013
Business Unit:	Corporate Services & Community Development
Officer:	C Pursey - Planning Officer
Disclosure of Interest:	Nil

ATTACHMENTS

Nil

PURPOSE OF THE REPORT

The Department of Planning has requested that Council consider a final modification to the Scheme Amendment No 3 documentation.

Scheme Amendment No.3 establishes a Special Control Area around the Water Corporation Waste Water Treatment Plant that prevents further intensification of development within this area whilst retaining the right to construct a single house.

The Department of Planning have asked Council to consider an additional clause preventing further subdivision of land in this area.

BACKGROUND

Council has been progressing a proposed land swap with the Water Corporation for some time. As part of the proposed land swap Water Corporation are working toward securing the buffer to the existing waste water treatment plant. This is consistent with their actions throughout the rest of the State.

The Water Corporation have maintained throughout this process that the land swap will be dependent upon the gazettal a Special Control Area into the Scheme to provide an odour buffer to protect the operation of the waste water treatment plant. This is proposed through Scheme Amendment No.3

The executive summary of this document states:

“The Water Corporation (and previous authorities) has operated the Gnowangerup Wastewater Treatment Plant (WWTP) at Reserve 27903 Lot 5001 Hinkley Road, since 1965, and is now seeking to amend the Shire of Gnowangerup’s Town Planning Scheme No.2, to insert appropriate protection to safeguard its long term operations from the threat of encroachment by sensitive land uses.

The amendment also seeks to restructure Part 6 of the scheme in order to bring in line with the format recommended within the Model Scheme text of the Town Planning Regulations (1967). The proposed scheme provisions afford clear direction to the Council in assessing land planning and development proposals within the prescribed area, which whilst effective in protecting the plant, do not unduly restrict the lands capacity for use or development.

WWTPs are essential infrastructure assets to the functioning of towns and urban areas as well as they’re ability to grow. WWTPs receive and treat all of the liquid waste (and associated suspended solids) generated from the properties within their catchment areas, via the network of gravity and pressure mains conveying wastewater to them.

The nature of the effluent that WWTPs treat, dictates that even with best practice odour control technology and plant management, a base level of odour emissions and at times higher odour emissions will exist.

These emissions have the potential to impact on the amenity of nearby properties and can cause conflict with certain land uses, referred to as odour sensitive uses, which require a high degree of amenity to successfully function. Ensuring that these uses are separated from a town’s WWTP, is therefore consistent with the orderly and proper planning of the town.”

The area that would be affected by the Special Control Area (SCA) is shown in the plan below.

The SCA will restrict certain incompatible land uses within its boundaries. However, it does not prevent the construction of a Single House and outbuildings. The major impact will be that the properties within the SCA will be unable to develop grouped dwellings. There are also a number of discretionary land uses in the ‘Residential’ zone such as day care centres, bed & breakfast establishments, consulting rooms, etc. that are considered to be ‘odour sensitive’.



Proposed SCA around the Waste Water Treatment Plant (Water Corporation 2011)

Council adopted this Amendment for final approval at its meeting on the 19th December 2012 without modification. Only three submissions were received during the assessment of the Amendment, none from landowners.

COMMENTS

Usually the Council's involvement with a Scheme Amendment finishes with final adoption of the Amendment. This was passed in December 2012. However, in the Department of Planning's assessment of the Amendment an issue has come to light.

The purpose of the Amendment is to restrict sensitive land uses from the Waste Water Treatment Plant (WWTP) buffer area and the intensification of residential uses. Single Houses are retained as a permitted use.

The way in which the Amendment is structured still permits subdivision of lots within the buffer area. This then opens the door to more lots and more housing within the buffer area. The Department are looking at applying a modification to the Amendment restricting further subdivision in the buffer area that would be an additional Scheme clause as follows:

“Council shall not support the further subdivision of land within the Special Control Area, where following subdivision, sensitive uses may be established (on the land) in the Special Control Area.”

This proposal is consistent with the intent of the original documentation.

The Department are wanting an indication from Council on whether this modification should be readvertised for public comment. This report recommends accepting the modification and not requiring readvertising of this modification for the following reasons:

- The Council received no objections from landowners to the original Scheme Amendment;
- Restricting subdivision is consistent with the intent of the original Scheme Amendment; and
- Readvertising the Amendment would unnecessarily delay the processing of the Scheme Amendment by at least 3months.

CONSULTATION WITH THE COMMUNITY AND GOVERNMENT AGENCIES

When Scheme Amendment No.3 was advertised for public comment three submissions were received, all from government agencies.

No objections were received from existing landowners.

The idea of readvertising the modification to the current Amendment is discussed above.

LEGAL AND STATUTORY REQUIREMENTS

All amendments undergo a statutory process including referral to the EPA, public advertising and ultimately approval of the amendment is required by the Minister for Planning.

Council has already resolved to adopt Scheme Amendment No.3 for final approval and has forwarded it to the Western Australian Planning Commission (WAPC) and Minister for Planning for final approval and gazettal.

The Department of Planning are currently assessing the Amendment and wish to apply modifications to the document. They would normally do this without Council consent. However, they are uncertain whether the modifications to prevent subdivision in this area should necessitate the readvertising of the Amendment and are seeking guidance from Council on this matter.

POLICY IMPLICATIONS

None for Council

FINANCIAL IMPLICATIONS

None for Council

STRATEGIC IMPLICATIONS

The land swap with Water Corporation relies on the successful adoption of Amendment No 3. This land swap provides a large amount of strategically placed land for Council in the advancement of the Gnowangerup Town Site and will provide building blocks for Council well into the future.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Recommend against restricting subdivision.

As the Shire's formal statutory role in the assessment of the Amendment is complete, this would leave the Department of Planning in a position where it would have to require the readvertising of the Amendment.

Recommend the readvertising of the Amendment.

This would slow the processing of the Amendment by at least three months and delay the land swap with the Water Corporation by a similar amount.

CONCLUSION

The proposed modification to Scheme Amendment 3 to prevent subdivision is consistent with the original intent of the Amendment and is supported. It is recommended to send advice to the Department of Planning that the modification is supported, that it doesn't require re-advertising and that the assessment of the Amendment be completed as soon as possible.

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION

0613.96 Moved Cr Gaze Seconded Cr Pech

THAT Council,

- 1. Support the proposed modification to Scheme Amendment No.3 stating: "Council shall not support the further subdivision of land within the Special Control Area, where following subdivision, sensitive uses may be established (on the land) in the Special Control Area";***
- 2. Advise the Department of Planning that this modification is consistent with the intent of Scheme Amendment No.3 and does not require re-advertising of the Amendment; and***
- 3. Request the Department of Planning to process Scheme Amendment No.3 of the Shire of Gnowangerup Local Planning Scheme as quickly as possible.***

CARRIED 7/0

**3.2 PROPOSED OUTBUILDING AT LOT 3 YOUGENUP ROAD,
GNOWANGERUP**

Location:	Lot 3 Yougenup Road, Gnowangerup
Proponent:	Mr Dave Tuwhangai
File Ref:	A1349
Date of Report:	18 June 2013
Business Unit:	Corporate/Community Services
Officer:	Craig Pursey, Planning Officer
Disclosure of Interest:	Nil

ATTACHMENTS

- Copy of planning application

PURPOSE OF THE REPORT

Council is required to make a decision on a planning application for a 90m² outbuilding at Lot 3 Yougenup Road for the garaging of vehicles.

BACKGROUND

Subject Site

Lot 3 Yougenup Road, Gnowangerup is 2.46ha in area and developed with a single house and a number of small sheds. The house is setback approximately 50m from the front boundary and is partially screened from passing traffic by remnant vegetation.

Lot 3 fronts Yougenup Road and is located on the entry to the townsite.

Zoning

Lot 3 is zoned 'Special Use Area 10' under the Shire's Local Planning Scheme No.2. This zone was established to facilitate a variety of uses on Lot 3 and the larger Lot 1296 (57.86ha) that surrounds it to the north and east.

The Scheme requires that any development is required to be guided by an adopted structure plan.

The 'special uses' permitted in this zone include:

"Aged care Facilities, Public Purpose, Rural Residential, Recreation Private, Agriculture Extensive, Holiday Accommodation, Bed & Breakfast, Rural Pursuit, Park Home Park, and other uses considered consistent by the local government with the above use."

The conditions of this Special Use zone include:

- Preparation of a Structure Plan;
- Planning approval for all development proposals;
- Setbacks, landscaping, access, carparking etc. are to be determined by the local government;
- The local government may require development to address the areas prominent location and proximity to the pool and hospital;
- Preparation of a land capability report and creek line protection; and
- Lists subdivision considerations.

COMMENTS

Proposal

Council has received an application for an outbuilding at Lot 3 Yougenup Road, Gnowangerup. The outbuilding is 90m² in area, has a wall height of 2.4m and is zincalume. It is proposed to be setback 20m from Yougenup Road and is intended as a garage.

The outbuilding is second hand, having been constructed elsewhere for approximately 5 years. It is currently 'flat pack' at Lot 3.

A copy of the plans are attached to this report.

Scheme requirements

The Local Planning Scheme requires planning approval for all development in this zone and an adopted structure plan to guide development.

Whilst the Council could insist on the development of a structure plan for the wider area before considering any application, it may be excessive given the scale of the proposed development and that fact that the proposed outbuilding is ancillary to the existing single house on the property. Additionally, a structure plan is usually required to coordinate development over a large site so short term decisions do not affect an overall strategy for a comprehensive development of a wider area. In this case a garage can be demolished easily and would not hinder the redevelopment of this land.

Clause 5.5.1 of the Scheme allows Council to vary any requirement of the Scheme, provided they have taken into account any public comment (if required). Public comment is optional, and is not recommended in this case due to the lack of immediate neighbouring development.

Assessment

The Scheme has no specific clauses that guide the development of an outbuilding outside of the Residential zone.

There is no adopted Outbuildings local planning policy that would normally guide this sort of application. However clause 10.2 of the Scheme "*Matters to be Considered by Local Government*" requires Council to consider due regard for matters of amenity, environment, compatibility, amenity, traffic and any other matters considered relevant by the Council. The following elements have been considered:

Location & streetscape

The proposed garage is setback 20m from the front boundary. In this case being on the main entry to town a zincalume garage would ideally be located behind the existing house. However the applicant has pointed out that there are existing driveways that they wish to use and there is some existing vegetation between the proposed garage and the main street.

It is recommended that additional screening landscaping be required between the garage and Yougenup Road.

Size and height

It is usual for outbuilding size to increase in proportion to the area of the property. Larger residential lots can usually accommodate larger outbuildings and keep the residential scale. The proposed wall height is 2.4m and is an accepted residential scale.

The proposed 90m² floor area is larger than usual for the Residential zone (where 60m² is the limit) but is in keeping with the scale of the property.

Use

The garage should be limited to domestic use only and no commercial or industrial activity. It is proposed for the garaging of vehicles. As there are a number of vehicles on the property at the moment a new outbuilding may assist in tidying up the appearance of the property.

Materials/colours

It is proposed to use second hand zincalume sheeting on the outbuilding. The applicant has stated that the outbuilding is 5 years old and in good condition.

It is common practice to apply a condition requiring the applicant provide a schedule of upgrades for the second hand outbuilding to improve the appearance or aesthetics of the building to the satisfaction of the Shire.

Zincalume can be more reflective than colourbond. This should not be an issue as there is no one overlooking the outbuilding and additional landscaping should soften the effect of the shed when viewed by passing traffic.

Streetscape

Yougenup Road is a main entry into town. Lot 3 has a number of vehicles scattered around the property, a new garage would assist in tidying up the appearance of the property.

Additional landscaping may assist in softening the effect of an outbuilding when viewed from the main street.

CONSULTATION WITH THE COMMUNITY AND GOVERNMENT AGENCIES

None required

LEGAL AND STATUTORY REQUIREMENTS

The applicant has a right of review to the State Administrative Tribunal if aggrieved by any decision made by the Council.

Council is being asked to relax the requirements of Special Use Zone 10 under clause 5.5. Clause 5.5 of the Scheme reads as follows:

5.5 Variations to site and development standards and requirements

5.5.1 *Except for development in respect of which the Residential Design Codes apply, if a development is the subject of an application for planning approval and does not comply with a standard or requirement prescribed under the Scheme, the local government may, despite the non-compliance, approve the application unconditionally or subject to such conditions as the local government thinks fit.*

5.5.2 *In considering an application for planning approval under this clause, where, in the opinion of the local government, the variation is likely to affect any owners or occupiers in the general locality or adjoining the site which is subject of consideration for the variation, the local government is to:*

- a) *consult the affected parties by following one or more of the provisions for advertising uses under clause 9.4; and*
- b) *have regard to any expressed views prior to making its determination to grant the variation.*

5.5.3 *The power conferred by this clause may only be exercised if the local government is satisfied that:*

- a) *approval of the proposed development would be appropriate having regard to the criteria set out in clause 10.2; and*
- b) *the non-compliance will not have any adverse effect upon the occupiers or users of the development, the inhabitants of the locality or the likely future development of the locality.*

POLICY IMPLICATIONS

The Shire has no adopted Outbuildings policy to guide development of this kind. A draft policy is being prepared for Council's consideration in the coming months.

FINANCIAL IMPLICATIONS

None for Council.

STRATEGIC IMPLICATIONS

The proposed development aligns with a variety of goals in the Strategic Community Plan 2013-2022 including the goal of have a *"built environment and infrastructure that supports the community and economy;"*

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Council has a number of options available to it, these include:

Refuse the application.

The Scheme requires adoption of a structure plan prior to any development approval. Council can choose not to exercise its discretion and apply this Scheme provision.

The current state of affairs would remain and the development potential of Lot 3 would be blighted.

Approve with conditions.

This report recommends approval with conditions limited to establishing screening landscaping and a schedule of upgrades to ensure that the second hand materials used are of a suitable standard.

The Council has the option of applying additional conditions including requiring the use of new materials, painting of the zincalume, relocating the garage and use of colours that blend with the landscape.

Additional conditions may prove more costly for the applicant and may prevent the construction of the outbuilding and the subsequent potential for tidying the property up.

Advertise the applicant for comment.

Given Council needs to apply clause 5.5 of the Scheme to relax the usual requirement for a structure plan, the Council could choose to lay the application on the table and advertise it for public comment.

This would slow down the application and raises the question of what meaningful comment could be lodged. However, it is fair and reasonable for Council to seek comment.

CONCLUSION

Although the Scheme requires a Structure Plan prior to any development in this zone, Lot 3 is used for residential purposes and is effectively a large rural residential property. It would be onerous and a disproportionate response to require a structure plan to be prepared in order to assess an application for a garage. The garage could presumably be cheaply demolished or relocated should the site ever be more comprehensively developed for another purpose.

The applicant proposes to use second hand materials and these will need to be of an adequate standard.

The garage is proposed in front of the house, seen by people entering Gnowangerup and will contribute to people's impression of Gnowangerup. Therefore, screening vegetation is recommended to complement the existing remnant vegetation and soften the effect of the building when viewed from the street.

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION

0613.97 Moved Cr Hmeljak

Seconded Cr Gaze

THAT Council approve the application lodged by Mr Dave Tuwhangai for an outbuilding at Lot 3 Yougenup Road, Gnowangerup subject to the following conditions:

- a) All runoff from impervious surfaces being contained within the property and disposed of to the Shire of Gnowangerup's satisfaction.***
- b) A landscaping plan being prepared showing landscaping along Yougenup Road to the satisfaction of the Shire of Gnowangerup prior to the issue of a Building Permit. The plan should provide details on size, species, location and reticulation of trees and shrubs to be planted or retained and should screen the outbuilding from the street.***
- c) The landscaping plan required at condition (b) being implemented prior to occupation of the outbuilding.***
- d) The applicant is to provide a schedule of upgrades to the second hand outbuilding to improve the appearance or aesthetics of the building prior to the issue of a building permit to the satisfaction of the Chief Executive Officer addressing such matters as:***
 - i. Replacing or professionally recoating roof and wall sheeting as required; and/or***
 - ii. Replacing/repairing and painting gutters and downpipes.***
- e) All upgrading specified in Condition (d) is to be completed within 6 months from the date of this approval unless otherwise agreed to in writing by the Shire.***
- f) The outbuilding being used for domestic storage only and not for commercial or industrial use or human habitation.***

CARRIED 7/0

3.3 INITIATE SCHEME AMENDMENT 7

Location: Lot 326 Corbett Street, Gnowangerup
Proponent: Harley Global
File Ref:
Date of Report: 18 June 2013
Business Unit: Corporate Services & Community Development
Officer: Craig Pursey, Planning Officer
Disclosure of Interest: Nil

ATTACHMENTS

Attachment A: Extracts from Scheme Amendment No.7 documentation

PURPOSE OF THE REPORT

Council is requested to consider initiating Scheme Amendment No.7 to the Shire of Gnowangerup Local Planning Scheme 2 to change the zoning of a portion of Lot 326 Corbett Street, Gnowangerup from the 'Residential' zone to the 'Industry' zone.

BACKGROUND

Subject Site

Lot 326 Corbett Street, Gnowangerup is 2.0644ha in area and located on the corner of Corbett and Quinn Streets. An unmade road reserve runs along the rear boundary of the site which is an extension of Richardson Street.

Lot 326 is currently developed with the Catholic Church on the corner of Quinn and Corbett Streets, with the vast majority of the property being undeveloped and covered in remnant vegetation.



Subject site edged in red (LandGate aerial 2013)

The site has a dual zoning of 'Industry' and 'Residential' with the frontage of the site being zoned Industry.



Zoning Plan from the Shire's Scheme (WAPC 2013)

Previous Considerations

The current scheme amendment proposal is the result of considerable background work by the Shire, Catholic Church (current landowners) and Auspex Steel (applicant). It is summarised as follows:

- The Shire has been investigating options to secure additional industrial land in the Gnowangerup town site as a shortage has been identified in the Local Planning Strategy and by local business looking to expand.
- Discussions started with Catholic Church over possibility of them selling unused portions of Lot 326 for industrial purposes with the idea that the Shire would facilitate its development as an industrial park.
- Council resolve to authorise the CEO to purchase a portion of Lot 326 in May 2010.
- Valuation received and offer made to Catholic Church to purchase.
- Church decided to place on public tender rather than deal with Shire.
- Auspex appear to have won the tender and have made an offer on all of Lot 326 in order to expand their existing shed manufacturing business.
- Subdivision lodged and supported by Council in October 2012 to excise the church from the balance of the land; subdivision yet to be completed, lot still owned by the Catholic Church.
- Council issued a planning approval for the industrial development of a portion of the site at its meeting in December 2012.

The planning approval issued in December 2012 effectively granted permission to develop the front half of the subject site for industrial purposes. Auspex Steel wish to develop the entire site and use Richardson Street to access the property but before being able to do so need to change the zoning from 'Residential'.

COMMENTS

It is proposed to initiate the rezoning of part Lot 326 Corbett Street, Gnowangerup from the 'Residential' zone to the 'Industry' zone. The rezoning is consistent with previous decisions of Council to support the relocation and expansion of Auspex Steel to Lot 326 Corbett Street. A number of specific issues with the proposed scheme amendment are explored below:

Access

Quinn Street is used as the access point into Gnowangerup's industrial area. If an alternative is to be used, such as Richardson Street, then some analysis and discussion of the implications of this should be included in the Scheme Amendment document.

Richardson Street is unconstructed along Lot 326's southern boundary. If this is to be used for access to Lot 326 in the future then its upgrading will be required to full road standard. Further discussions and negotiations will be required with Auspex Steel in regard to who pays for the road. The Council is not obliged to construct the road in this location; if Auspex

wants to use this into the future then they may have to construct it to the Shire's satisfaction. This should be reflected in the Scheme Amendment report.

Richardson Street may not be a Main Roads WA recognised heavy vehicle route. Once again if this is to be used by large vehicles as part of Auspex Steel's use of the land then Auspex will need to approach both the Shire and Main Roads WA. There are likely to be concerns from existing residences in Richardson Street with this sort of proposal that may arise during the public advertising period for the scheme amendment.

Clearing

There is a stand of remnant vegetation on the site and clearing permits *may be* required from Department of Environment and Conservation (DEC). The Council has issued a planning approval to develop a portion of the site that may assist in facilitating this.

If initiated the Scheme Amendment will be referred to the Environmental Protection Agency (EPA) and they may want more information on the quality of the vegetation as part of their assessment of the proposal. It is recommended that this be left to the EPA to determine.

Buffers

There are expected buffers between industrial uses and residential areas that must comply with EPA Guidance Statement No.3 - Separation Distances between Industrial and Sensitive Land Uses.

Whilst a shed manufacturer is not listed specifically in this guidance statement there is an expectation that they will limit noise, dust and other pollutants to within the limits of their own property. The scheme amendment document provides the following information in regard to meeting buffer requirements:

- *"Planning Approval has been issued for a 'Factory and Office' and works on the property will begin following the finalisation of the subdivision of proposed Lots A and B;*
- *The 'Factory and Office' are approved on the northern portion of the property fronting Quinn Street, which is zoned 'Industry'. It is likely that the land proposed to be rezoned would be used for ancillary storage, manoeuvring and parking purposes. Furthermore, if the 'Factory and Office' were to expand, logically this would occur directly to the south of the approved development, therefore the factory would still retain a setback from sensitive land uses;*
- *As stated in the officers report presented to Council, the proposed 'Factory and Office' will not be located any closer than any of the existing industrial land uses;*
- *Should a proposal be presented in future for either the further development of industrial land uses or subdivision of industrial lots closer to the sensitive land uses, both the Shire of Gnowangerup and Western Australian Planning Commission have sufficient powers through the Guidance Statement and Shire of Gnowangerup Town Planning Scheme No.2 to ensure that the amenity of nearby sensitive land uses is not compromised; and*

- *As is the case in many small country towns, many industrial premises are located in close proximity or directly opposite to sensitive land uses such as residential housing. There is existing successful operation of industrial land uses adjacent or opposite to sensitive land uses in Gnowangerup, particularly on Aylmore and House Streets. Given there is an existing development approval for 'Factory and Office', it is believed that the Shire of Gnowangerup has shown a level of confidence that the proposal will not impact the amenity or enjoyment of the neighbouring sensitive land uses.*

This was outlined in the officers report in which it was deemed that the proposal "Complies" with the Scheme requirement that the "impact of development within the Industry zone is to be contained within the extent of that zone in terms of odour, electrical interference, fumes, service vapour, steam or potentially negative outputs."

Local Planning Strategy

Unfortunately the Shire's Local Planning Strategy (LPS) has a number of contradictory statements regarding industrial land and in particular industrial development of Lot 326.

On one hand it seems to recommend the zoning of the entire site to Residential. Elsewhere it discusses zoning the site industrial after the rail freight study is complete. The rail freight study is not referenced anywhere else in the document and was dropped late in the preparation of the Strategy.

On the other hand the Strategy references the 1995 Industrial Land Study and this Study does identify Lot 326 for industrial purposes. Additionally, section 4.3.2 of the LPS that specifically discusses industrial development in Gnowangerup identifies the south side of Quinn Street through to Richardson Street as appropriate for industrial development.

On balance, the LPS was adopted in 2009 and a number of its recommendations in regard to the availability of industrial land have since proved to be erroneous. The Council issued a planning approval to Auspex for the development of the existing industrial zoned land. There appears to be little benefit in retaining a strip of residential land beyond forming a buffer to the nearby sporting grounds. This buffer may be achieved through the retention of existing vegetation along the southern boundary of the site.

Finally, Council initiated an amendment to the Local Planning Strategy at their April Council meeting as follows:

"...Amend the Local Planning Strategy to review the current status of industrial land availability in Gnowangerup and to support the rezoning of Reserve 28654, Lot 347 Quinn Street, Gnowangerup."

This amendment should also remove any ambiguity from the Strategy in regard to the location of industrial land and reinforce the suitability of Lot 326 for industrial purposes.

Justification

The document supports and justifies the proposal on the following grounds;

- *The scheme amendment will facilitate the relocation and expansion of an existing business important to the prosperity of Gnowangerup;*
- *Council has already issued a planning approval for half of the site to be developed for industrial purposes;*
- *Buffers to the sports grounds can be achieved through the retention of existing vegetation and this may be enforced through the planning application assessment process;*
- *Buffers to the nearby residential areas may also be addressed through planning conditions limiting development close to residences and retaining landscaped buffer areas on the site;*
- *The scheme amendment will remove an awkward, impractical dual zoning on this property.*

CONSULTATION WITH THE COMMUNITY AND GOVERNMENT AGENCIES

Should Council agree to pursue the scheme amendment it will require consultation with affected government agencies and the Gnowangerup community as required by statutory processes.

LEGAL AND STATUTORY REQUIREMENTS

All scheme amendments undergo a statutory process including referral to the EPA, public advertising and ultimately approval of the amendment is required by the Minister for Planning.

As a first step, should Council agree to initiate the amendment, the amendment is referred to the EPA for assessment and approval.

Public advertising is required and further information from various government agencies is sought during this period to further inform the proposal.

There is no right for review to the State Administrative Tribunal if Council does not initiate an amendment. However, with recent changes to the Planning and Development Act 2005 there may now be an opportunity for the applicant to approach the Minister for Planning to initiate the Amendment.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The fees paid by the applicant are intended to cover all costs for the Shire including officer time and advertising fees.

STRATEGIC IMPLICATIONS

The proposed Scheme Amendment aligns with a variety of goals in the Strategic Plan:

- A built environment and Infrastructure that supports the community and economy; and
- A strong and diverse local economy.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

1. Refuse to initiate the scheme amendment

This may 'blight' the residential zoned half of Lot 326 as it is highly unlikely to be developed for residential purposes once Auspex act on their planning approval on the industrial half of the lot.

2. Request more information

There is some question as to whether the EPA will require vegetation studies and noise attenuation studies. These may be required upfront by Council. However, this is the EPA's area of expertise and it is recommended that this is left to the EPA to determine.

3. Wait until the Local Planning Strategy is amended

There are some ambiguities in the current draft of the LPS. Council resolved to amend the LPS where it refers to Gnowangerup industrial development in April. The Council could wait until this is resolved prior to initiating the current amendment. This may hamper the redevelopment plans of Auspex.

CONCLUSION

Scheme Amendment 7 will rezone part of Lot 326 Corbett Street, Gnowangerup from the 'Residential' zone to the 'Industry' zone and facilitate its redevelopment as part of the relocation and expansion of Auspex Steel onto this site.

Whilst there are potential issues of clearing and buffers to residential areas, these may be either addressed as part of any future assessment of a planning application on the site or they will be raised during the referral and advertising period of the scheme amendment for further consideration at a later date.

The Amendment document should be modified to clarify the intended access arrangements discuss and acknowledge that the Shire will not necessarily construct the extension of Richardson Street and if the applicant wishes to use this for access then they may need to construct it to full road standard.

The proposed scheme amendment is supported and recommended for initiation.

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION

0613.98 Moved Cr Hmeljak Seconded Cr Gaze

THAT Council,

- 1. *Initiate Amendment No 7 to the Shire of Gnowangerup Local Planning Scheme No 2 pursuant to Section 75 of the Planning and Development Act 2005 by;***
 - i) Rezoning part Lot 326 Corbett Street, Gnowangerup from the 'Residential' zone to the 'Industry' zone; and***
 - ii) Amending the Scheme Map accordingly***
- 2. *Prior to forwarding the Scheme Amendment document to the Environmental Protection Authority the document is to be modified to clarify the intended access arrangements and add text that acknowledges that Richardson Street may need to be constructed at the cost of the developer.***

CARRIED 7/0

4. FINANCE

4.1 MAY 2013 MONTHLY FINANCIAL REPORT

Location:	Shire of Gnowangerup
Proponent:	
File Ref:	
Date of Report:	11 June 2013
Business Unit:	Finance
Officer:	J Anning – Executive Manager Finance
Disclosure of Interest:	Nil

ATTACHMENTS

- Monthly Financial Statements for period 31 May 2013 including;
- Statement of Financial Activity to 31 May 2013.
- Report on Material Differences
- Capital Budget Report
- Building Maintenance financial and progress report
- Bank Reconciliation Report
- Reserves Cash Balances
- Investment Register

PURPOSE OF THE REPORT

For Council to consider adoption of the May 31 Monthly Financial Report.

BACKGROUND

Council reviewed the budget at the March 2013 Ordinary Council meeting. Budget amendments to date (including those resolved as a result of the review) have a total impact of \$6,890.

COMMENTS

The attached financial statement is presented to Council detailing financial position up to 31 May 2013.

CONSULTATION WITH THE COMMUNITY AND GOVERNMENT AGENCIES

Nil

LEGAL AND STATUTORY REQUIREMENTS

Local Government Financial Regulations (1996) (as amended) 22, 32 and 34 apply.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

All expenditure has been approved via adoption of the 2012/2013 Annual Budget, or resulting from a Council motion for a budget amendment.

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION

0613.99 Moved Cr Hmeljak Seconded Cr Gaze

That Council receives and notes the May 2013 Monthly Financial Report

CARRIED 7/0

4.2 MAY 2013 ACCOUNTS FOR PAYMENT AND AUTHORISATION

Location: Shire of Gnowangerup
File Ref:
Date of Report: 11 June 2013
Business Unit: Finance
Officer: C Shaddick – Senior Finance Officer
Disclosure of Interest: Nil

ATTACHMENTS

- May 2013 Cheque Listing

COMMENTS

The May 2013 cheque list is attached as follows

FUND	AMOUNT
Municipal Fund	\$983,271.49
Trust Fund	\$ 90.50
Credit Card	\$ 3,047.87
TOTAL	\$986,409.86

COUNCIL RESOLUTION

0613.100 Moved Cr Hmeljak Seconded Cr Pech

That Council approve the Schedule of Accounts: Municipal Fund Cheques 25681–25716, EFT 7524 – EFT 7629 totalling \$983,271.49 Trust Fund cheques 540-542 totalling \$90.50 and Corporate Credit Card totalling \$3,047.87.

CARRIED 7/0

4.3 INTRODUCTION OF FAIR VALUE

Location:	Shire of Gnowangerup
Proponent:	
File Ref:	
Date of Report:	5 June 2013
Business Unit:	
Officer:	J Anning – Executive Manager Finance
Disclosure of Interest:	Nil

ATTACHMENTS

- Plant and Equipment revaluation (Fair Value) report.

PURPOSE OF THE REPORT

To present to Council a revaluation report for Plant and Equipment and examine of the introduction of Fair Value accounting in accordance with AASB 13 to Local Government.

BACKGROUND

An amendment to the Local Government (Financial Management) Regulations 1996 has required local governments to report assets at fair value. Currently Council reports on the value of its assets based on historical cost less depreciation without any consideration as to what the assets are actually worth in the open market.

Ministerial Circular No 30-2011 considered the reporting of assets to provide a measure of the value of assets which is more accurate than historical cost. The Circular also stated that the use of fair value is essential to good asset management practices and robust long term financial planning. It will also allow for the accurate consideration of Councils long term sustainability.

Department of Local Government Policy Paper – December 2011 outlined the steps to mandate the use of fair value in WA Local Government financial reporting. This included the “phase-in” implementation of fair value as follows –

Financial Year	Asset Group/Resources
2012/13	Plant and Equipment – using in-house resources
2013/14 or 14/15 (alternate year to infrastructure)	Land and Buildings (including specialised and non-specialised buildings valued at component level) – using industry cost guidelines.
2013/2014 or 14/15 (alternate year to land and buildings)	Infrastructure – revalued using industry unit costs – given that infrastructure is already reported and likely to have been recently revalued.
2014/2015	All other assets (including intangible, historical and cultural assets, library books, art collections, etc.)
Triennially – ongoing	All asset classes revalued on a 3 yearly cycle to enable plant and equipment revaluation by 30 June 2016 and again by 30

	June 2019, and so on; land and buildings by 30 June 2017 and again by 30 June 2020, and so on
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The policy paper stated *“The use of fair value in local government general purpose financial statements is considered essential to provide a more accurate measure of the value of community assets and liabilities than “historical cost” (the original monetary value of an economic item). It is also essential to good asset management practices and robust long term financial planning for a local government to report the value of assets and their associated maintenance, renewal or replacement costs at fair value so that the long term financial sustainability of that local government can be addressed”.*

It is now a requirement for Local Government to adhere to AASB 13 – Fair Value Measurement.

COMMENTS

Council Officers have been working on the implementation of fair value (Plant and Equipment) for a number of months. The process has involved the review of the current asset register (Plant and Equipment class) and the consideration and reporting on each item of plant and equipment including the following –

1. Fair Value (the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date).
Determined using market research, red book analysis and auction reports in consultation with the Mechanic.
2. Remaining Useful Life
Determined using Councils Plant Replacement Program and in consultation with the Mechanic.
3. Condition of asset
Determined by Council Mechanic.

Prior to the application of fair value Council’s plant and equipment asset class had a written down value of \$3,077,128 as at 30 June 2013. With the application of fair value the actual value is to be amended to \$3,484,919. This therefore results in an increase in the value of Council assets as at 30 June 2013.

The impact on this review extends to the application of depreciation rates on this class of asset. The annual depreciation amount is an indication of what is required to fund replacement into the future.

As a result of the introduction of fair value Officers are currently reviewing the depreciation rates and significant accounting policies relating to depreciation and expect to report further to Council. Council have historically been very mindful with regards to the funding of future plant and equipment and have a Plant and Equipment reserve that reflects this commitment. Further investigation with regards to depreciation rates will inform this continued commitment.

CONSULTATION WITH THE COMMUNITY AND GOVERNMENT AGENCIES

UHY Haines Norton (Auditors)

LEGAL AND STATUTORY REQUIREMENTS

Local Government (Financial Management) Regulations 1996

POLICY IMPLICATIONS

A review of Council's significant accounting policies will be required as a result of the implementation of AASB 13.

FINANCIAL IMPLICATIONS

Whilst there is no cash cost implication to Council, the considerations as a result of this process are around long term sustainability and the requirement for Council to adequately fund replacement into the future.

STRATEGIC IMPLICATIONS

Strategy 5.2.2 – Provide financial services to support the Shire's operations and to meet planning, reporting and accountability requirements

CONCLUSION

The introduction of fair value to Local Government will provide more robust reporting to Council on the condition and value of its assets. With the completion of Plant and Equipment in 2013, Council Officers will focus on Land and Buildings for introduction in 2014.

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION

0613.101 Moved Cr Hmeljak Seconded Cr Gaze

That Council accept the Plant and Equipment revaluation (Fair Value) report.

CARRIED 7/0

4.4 INTERIM AUDIT

Location:	Shire of Gnowangerup
File Ref:	
Date of Report:	18 June 2013
Business Unit:	Finance
Officer:	J Anning – Executive Manager Finance
Disclosure of Interest:	Nil

ATTACHMENTS

- Letter from UHY Haines Norton

SUMMARY

Council's auditors, UHY Haines Norton, attended the administration officers in April 2013 to conduct their yearly interim audit.

BACKGROUND

Each year Council auditors are required to conduct an interim audit. The interim audit is designed to review adherence to Council policies and procedures and verifies the integrity of the financial procedures that are in place in accordance with the *Local Government Act (1995)* and Financial Management Regulations.

COMMENTS

The auditors have found two matters they wish to raise with Council. Following are details of the matters and the action taken with regards to the item:

Matter 1 – Rates

Observation: Whilst reviewing the local public notice for differential rates, we noted the closing date for submissions was after the date of budget adoption.

Comment: To help ensure compliance with S 6.36 (2) of the Local Government Act, the budget should be adopted after the closing date for submissions.

Officer Comment: Officers will ensure all future local public notices for differential rates will be submitted before the date of budget adoption.

Matter 2 – Credit Card Policy

Observation: We noted the credit card holder has not signed the credit card statements as required by the Shire's credit card policy.

Comment: To help ensure the credit card policy is being adhered to, all transactions on the credit card statement should be authorised and signed by the credit card holder.

Officer Comment: Senior Finance Officer will ensure that all credit card invoices together with the credit card statement for the Corporate Credit Card have been approved and signed off by either the Chief Executive Officer or Executive Manager Finance.

Readiness to adopt Fair Value Accounting

During the interim visit observations and discussions were held with a view to assessing the Shire's readiness for meeting the requirements as mandated by Financial Management Regulation 17A.

An agenda item has been submitted indicating the Shire's progress in respect of plant and equipment as well as land and easements as required by Financial Management Regulation 16 for the year ended 30 June 2013

STATUTORY ENVIRONMENT

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION

0613.102 Moved Cr Hmeljak Seconded Cr Lance

That Council receives the Interim Audit management information as prepared by UHY Haines Norton and notes the recommendations in relation to changes in two policies and procedures regarding financial matters relating to rates and credit card policy.

CARRIED 7/0

4.5. LONG TERM FINANCIAL PLAN

Location:	Shire of Gnowangerup
Proponent:	
File Ref:	
Date of Report:	19 June 2013
Business Unit:	Finance Governance
Officer:	J Anning – Executive Manager Finance
Disclosure of Interest:	Nil

ATTACHMENTS

- 10 year financial plan

PURPOSE OF THE REPORT

The purpose of this report is to adopt the 10 year financial plan for the Shire of Gnowangerup.

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BACKGROUND

All Councils in WA have been advised that by 1 July 2013, they will need to deliver the following outcomes as part of the new Integrated Planning Framework:

- A long term strategic plan that clearly links the community's aspirations with the Council's vision and long term strategy.
- A corporate business plan that integrates resourcing plans and specific Council plans with the strategic plan.
- A clearly stated vision for the future viability of the local government area.

The 10 year financial plan is an informing strategy to the Integrated Planning Framework. The Department of Local Government has prepared a long term financial plan framework that defines what local governments should strive to develop. At this stage, the 10 year financial plan is submitted to the Council for endorsement.

This plan has been developed by consultancy firm CAMMS, with input from Shire staff.

COMMENTS

The long term financial plan is an important informing strategy for Council's planning structure. The plan will enable Council to plan for both now and into the future, rather than on a year by year basis.

Council has considered financial planning in the past, with the plant replacement program and 5 year road program. This all inclusive plan allows for a closer look at the factors that

combine to give a picture of where the Council is, where it is heading and provides information from a sustainability view point also.

One of the major informing factors for the 10 year financial plan is the asset management plan. Whilst staff have completed the asset management plan for plant and equipment and buildings, infrastructure, parks and reserves, waste disposal sites and other assets (including cemeteries, airstrip etc.) is still required to be completed. It is therefore important for Council to note that this plan will need to be developed further and greater discussion with Council regarding the implications

Now that the Long Term Financial Plan has been completed, the next step is to review the implications and determine strategies to improve Council's long term financial sustainability.

CONSULTATION WITH THE COMMUNITY AND GOVERNMENT AGENCIES

The 10 year financial plan was heavily informed by the Community Strategic Plan that was developed in close consultation with the community.

LEGAL AND STATUTORY REQUIREMENTS

Local Government Act 1995 and Local Government (Administration) Regulations 1996 Section 19DA of the Regulations states (in part) that:

'(1) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.

(2) A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.

(3) A corporate business plan for a district is to —

(a) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and

(b) govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and

(c) develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning;

** Absolute Majority required.'*

POLICY IMPLICATIONS

The 10 year financial plan highlights a number of issues regarding Council's policies and procedures. It is intended that later in the financial year Council will be presented with the long term financial plan in a workshop format that will allow for some discussion around its implications, both from a financial perspective and a policy/procedure perspective.

FINANCIAL IMPLICATIONS

This document will provide an overall understanding of Council's financial position into the future and will be reviewed on an annual basis.

STRATEGIC IMPLICATIONS

Strategy 5.2.2: Provide financial services to support the Shire's operations and to meet planning, reporting and accountability requirements.

Strategy 5.2.6: Manage integrated planning and reporting in accordance with local government regulations.

VOTING REQUIREMENTS

Absolute Majority

COUNCIL RESOLUTION

0613.103 Moved Cr Pech Seconded Cr Hmeljak

That Council adopt the Shire of Gnowangerup 10 year financial plan as presented.

CARRIED 7/0

4.6 ADOPTION OF 2013/2014 ANNUAL BUDGET

Location:	Shire of Gnowangerup
File Ref:	
Date of Report:	19 June 2013
Business Unit:	Finance
Officer:	J Anning – Executive Manager Finance
Disclosure of Interest:	Nil

ATTACHMENTS

- Copy of the proposed 2013/2014 Annual Budget – Separate to the Agenda
The official bound budget will be forwarded to Councillors upon adoption of the budget.

PURPOSE OF THE REPORT

Presented to Council, for adoption, is the 2013/2014 Annual Budget.

BACKGROUND

Following the draft budget workshop held on 17 June 2013, Staff have made all amendments to the draft budget document in line with Council instruction. The statutory budget requirements have also been produced in order for Council to formally adopt the budget.

COMMENTS

Consultation has occurred with elected members, staff and the community throughout the budget preparation process. As included within the budget, the following is the Executive Summary comments –

Overview:

In its development, the budget has been informed by valuable guidance and direction from Elected Members, coupled with a conscious effort from management and staff in ensuring that the budget is achievable, economical and analogous with the Council's Community Strategic Plan outcomes. Members of the public have also had the opportunity to participate in the budget development via, amongst others, the community bids process and also the significant community consultation that has occurred in respect to developing the Community Strategic Plan. Cognisant of the above, it is considered that the 2013/14 budget encapsulates the anticipated needs and priorities for the Shire and its residents for the forthcoming financial year.

The annual budget is one of the Shire of Gnowangerup's key financial planning documents and is underpinned by Council's Strategic Community Plan, Four year Corporate Business Plan and Ten Year Financial Plan. The annual budget sets out the proposed activities and sources of revenue for a discrete financial year, and forms the basis of monthly reporting to Council on the organisation's financial performance.

Minimising the financial burden placed on our ratepayers is a key element of the Shire's financial strategy. This has to be balanced with the demand for increased amenities and services and the increasing costs associated with delivering those amenities and services.

Budget Highlights

Corporate Governance

The Department of Local Government will continue to require Council to introduce more rigorous management systems, plans and reports as part of the Integrated Planning process. In 2012/13 Council adopted the Strategic Community Plan, the Workforce Plan, the Four year Corporate Business Plan and the Ten Year Financial Plan. The 2013-14 budget provides allocations to continue to develop the Shire's Asset Management Plan and Information Technology and Strategy Plan in order to meet the Department of Local Government's requirements.

In order to enhance the management of Council's largest and most complex area of operations comprising 46% of the operating budget and 18 employees, an Executive Manager Infrastructure has been appointed to commence at the beginning of the 2013-2014 financial year.

Waste Management

In order to meet our statutory responsibilities and the requirements of the Department of the Environment and Conservation, and the Economic Regulator, Council invested considerable resources in 2012/2013 to develop improved waste management options which also reduced the liability to Council in future years. Council has adopted the Landfill Assessment and Waste Management Fund Future Strategy and included within the 2013/2014 budget is the commencement of the recommendations from this report, notably the capping process required for the pits at the Gnowangerup Landfill site and the Ongerup liquid waste reserve.

Council were also made aware during 2012/2013 that a new liquid waste pond would be required for use by the Shire in Gnowangerup. Included within this budget is funding for a new pond to be licensed, dug, lined and fenced. The estimated cost for this project is \$40,050.

Land Development

Over \$130,000 has been included in the 2013/2014 for land development projects. Council are working hard to progress the Water Corporation land swap and hope to have control of the old water catchment land by the end of the calendar year.

Council have appointed a project manager for the Virginia Land development and expect further investigation to occur in the near future regarding this lifestyle block land release.

The John Street land development in Borden is also progressing with Land Corp managing this release.

Capital Program

Council's capital program has reduced considerably from 2012/2013, primarily due to the completion of a number of major projects around the Shire.

Council have budgeted over \$1.1 million on road construction projects for the year and a similar amount of funding for road maintenance. Specific details on the road program are included within the budget document.

Stage 2 of both the Borden Pavilion Precinct and Gnowangerup Sporting Complex projects are included within the budget, with Borden due for completion in July 2013.

The Ongerup Bowling Green project is also due for commencement and completion within the 2013/2014 financial year.

Council continue to investigate options for the Gnowangerup Swimming Pool Upgrade, with funds allocated within the 2013/2014 financial year for an expert consultant to provide advice, commence planning and designs for consideration and assist with grant applications.

Community Assistance Applications

Council have funded over \$65,000 of community grant applications in 2013/2014. These include –

\$17,000 North Stirling Pallinup Natural Resources Group

\$6,500 each to the Ongerup, Borden and Gnowangerup Sporting Complexes

\$12,000 works in kind to the Gnowangerup Sporting Complex for finalisation of works at the new Synthetic Surface site

\$5,000 to the Malleefowl Preservation Group to assist with 21st celebrations

\$4,000 to Yougenup Centre for the installation of a security fence

\$780 to YMCA Perth for the continued support of the A Smart Start Program in the Gnowangerup Shire

\$4000 to Hidden Treasures Great Southern for promotion and event project management

LEGAL AND STATUTORY ENVIRONMENT

Local Government Act (1995) s.6.2. (1) states that each Local Government is to prepare an annual budget prior to 31 August, unless an extension from the Minister is granted.

FINANCIAL IMPLICATIONS

The budget is balanced, with a nil surplus/deficit expected to 30 June 2014.

STRATEGIC IMPLICATIONS

The adoption of the annual budget gives the strategic intent of Council for the next twelve months.

VOTING REQUIREMENTS

Absolute Majority

COUNCIL RESOLUTION

0613.104 Moved Cr Hmeljak Seconded Cr Gaze

1. ***That Council impose the rates and charges specified below on all rateable properties within the district for the period 1 July 2013 to 30 June 2014 in accordance with the Local Government Act 1995 and the Waste Avoidance and Resource Recovery Act 2007.***

RATES

That Council adopts the following Rates and Charges for the Shire of Gnowangerup for the year ending 30 June 2014:

General Rates

<i>Gross Rental Valuations:</i>	<i>12.1604 cents in the dollar</i>
<i>Unimproved Valuations:</i>	<i>1.0021 cents in the dollar</i>
<i>Differential Rate – Amelup Tourism</i>	<i>6.0802 cents in the dollar</i>

Specified Area Rates

Gnowangerup Indoor Recreation Centre

<i>Gross Rental Valuations:</i>	<i>0.4925 cents in the dollar</i>
<i>Unimproved Valuations:</i>	<i>0.0163 cents in the dollar</i>

Borden Pavilion Precinct

<i>Gross Rental Valuations:</i>	<i>0.2266 cents in the dollar</i>
<i>Unimproved Valuations:</i>	<i>0.0108 cents in the dollar</i>

Ongerup Effluent

<i>Gross Rental Valuations:</i>	<i>0.9441 cents in the dollar</i>
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MINIMUM RATES

That the minimum rates for Gross Rental Values be \$600 per assessment and the minimum rates for Unimproved Values be \$600 per assessment.

PAYMENT OF RATES

That Council adopts the following payment dates for the payment of 2013/2014 rates:

Option 1: Payment in FULL by a single instalment 16 August 2013.

Option 2: Payment in FOUR equal instalments:

<i>First instalment</i>	<i>16 August 2013</i>
<i>Second instalment</i>	<i>16 October 2013</i>
<i>Third instalment</i>	<i>16 December 2013</i>
<i>Fourth instalment</i>	<i>17 February 2014</i>

INTEREST AND ADMINISTRATION CHARGES

That an interest rate of 5.5% p.a. and an Administration Fee of \$10, be imposed on instalments, to apply to second, third and fourth instalments.

That a penalty interest rate of 11% p.a. be imposed on overdue rates not paid by 16 August 2013.

RUBBISH CHARGES

That the rubbish charges be \$82.00 per annum for the weekly removal of one 240 litre Mobile Garbage Bin from the town sites.

RECYCLING CHARGES

That the recycling charges be \$78.00 per annum for the fortnightly removal of one 240 litre Mobile Garbage Bin from the town sites.

That pensioners be granted a concession recycling charge of \$62.00

WASTE AVOIDANCE AND RESOURCE RECOVERY RATE

That Council adopts a minimum rate of \$130.00 per assessment and that only one rate be charged to landowners with more than one property in the exact same name that the rate in the dollar be set at .0001 cents.

2. ADOPTION OF VALUATIONS

That valuations, as supplied by the Valuer General, as listed below, be adopted and recorded in the Rate Book for use in the 2013/2014 financial year:

<i>Gross Rental Valuations</i>	<i>\$3,413,889</i>
<i>Unimproved Valuations</i>	<i>\$240,232,948</i>

3. REPORTING OF MATERIAL DIFFERENCES

That, for the purpose of reporting material differences, Council adopts the following variance scale:

Annual Budget Amount Reportable Variance on budget YTD vs. Actual YTD (at sub-program level)

<i>\$0 - \$10,000</i>	<i>10%</i>
<i>\$10,000 - \$50,000</i>	<i>10%</i>
<i>\$50,001 and over</i>	<i>5%</i>

4. COUNCILLOR REMUNERATION

That the Councillor fees, expenses and allowances are set as follows:

Local Government Allowance:

<i>President</i>	<i>\$15,000</i>
<i>Deputy President</i>	<i>\$3,000</i>

Meeting Fees:

<i>Councillors</i>	<i>\$8,000 annual allowance</i>
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Member Travelling:

Councillors entitled to be paid 80 cents per kilometre for use of their own vehicle on Council business

Councillors entitled to a \$600 allowance for a line rental for telephone, faxes and data pack for Ipad.

5. FEES & CHARGES

That the Schedule of Fees and Charges as set out in the Budget for the year ending 30 June 2014 be adopted.

6. GRAVEL PURCHASE PRICE

That, in relation to Council's policy 7.9.2, the rate for the purchase of gravel is at \$1.00 (exc. GST) per cubic metre.

7. ADOPTION OF THE BUDGET

That the Annual Budget for the Shire of Gnowangerup for the year ending 30 June 2014, comprising –

- **Comprehensive Income Statement by Nature and Type,**
 - **Comprehensive Income Statement by Program,**
 - **Statement of Cash Flows,**
 - **Rate Setting Statement,**
 - **Detailed Capital Program,**
 - **Notes to, and forming part of the budget and**
 - **Budget Program Schedules**
- be adopted.**

CARRIED 7/0

COUNCIL RESOLUTION

0613.105 Moved Cr Hmeljak Seconded Cr House

That the \$50,000 for the Virginia Land Estate be allocated to the Water Corporation land swap project and that any monies raised by the land swap may then be used for the progression of the Virginia Land Estate Project at a later date, if required.

CARRIED 7/0

COUNCIL RESOLUTION

0613.106 Moved Cr Pech

Seconded Cr Hinkley

That Council proceed to do the heavy construction work on Toompup Road and defer the seal until the results of the initial work are reviewed and traffic counts are available for consideration.

CARRIED 4/3

5. GOVERNANCE

5.1 CORPORATE BUSINESS PLAN 2013/14 – 2015/16

Location:	Shire of Gnowangerup
Proponent:	
File Ref:	
Date of Report:	27 May 2013
Business Unit:	Governance
Officer:	S Pike – Chief Executive Officer
Disclosure of Interest:	Nil

ATTACHMENTS

- Shire of Gnowangerup Corporate Business Plan 2012/13-2015/16

PURPOSE OF THE REPORT

To adopt and endorse the 4 year Corporate Business Plan for the Shire of Gnowangerup.

BACKGROUND

The Corporate Business plan 2013-2016 (the Plan) is part of the Department of Local Government Integrated Planning Framework and is one of the key documents required to be adopted by Council.

The plan involves the integration between a number of other documents that have been prepared or are currently being prepared and considered.

The Corporate Business plan details the services, operations and projects the Shire will deliver within a defined period. It also includes the processes for delivering these and the costs associated with them.

As part of The Corporate Business Plan is an internal business planning tool that translates Council priorities into operations within the resources available.

The process by which Council, having adopted the 10+ year Strategic Community Plan, sets the strategic priorities that will drive the operation of the local government over the short to medium term.

It's where community aspirations are turned into operational priorities and activities through integration of the Strategic Community Plan with local government business.

The Plan has considered operations planning that involve the following activities:

- Planning the delivery of services, projects, infrastructure and other local government informing strategies to achieve the priorities set by Council; and
- Establishing ongoing, rolling financial plans for the delivery of services, projects, infrastructure and other local government informing strategies.

What does it do?

It details the operations and activities of the Shire.

It also confirms the Shire's ability to achieve priorities by identifying and costing services, projects and informing strategies, including those that will:

- be delivered as part of current Corporate Business Plan priorities, and
- inform long term financial projections

It also details the financial capacity of the Shire to deliver services and provide and maintain assets in the longer term.

A linking document to the Plan is the Long Term Financial Plan that establishes long term financial projections based on Strategic Community Plan aspirations and other informing strategies.

The Plan also sets performance measures and processes for evaluating projects, services and the delivery of priorities contained within the document.

How does the Annual Budget fit in here?

The Annual Budget is the financial representation of the annual plan, including detailed statutory financial requirements.

It is an outcome of a roll-forward Corporate Business Plan, whereby year one of the Corporate Business Plan becomes the annual business plan and corresponds to year one of the long term financial plan.

The budget addresses all of the Shire's operations for the financial year - including services, projects, assets (capital works and ongoing operational) and is supported by detailed financial revenue, expenditure and processes that are informed by the long term financial plan.

Informing Strategies

What are they?

Informing Strategies, particularly long term financial planning and workforce planning, inform the Shire of how capable it is of delivering the services and assets required by the community, and

Informing Strategies about specific issues, e.g. Emergency Management Strategies and so on and assist the Shire to deliver the services, assets and projects required by the community.

COMMENTS

The Corporate Business Plan for the next 4 years has linkages to all the informing strategies and to other plans that have been developed over time.

This is a key document in relation to the Local Government Integrated Framework and is one of the key documents to inform the Council and the Community about the Shire's priorities.

CONSULTATION WITH THE COMMUNITY AND GOVERNMENT AGENCIES

This document will be presented to the State Government and must be lodged with the Department of Local Government by 30 June 2013.

The Community input in forming this plan has come from the Strategic Community Plan.

LEGAL AND STATUTORY REQUIREMENTS

This is a statutory requirement under the *Local Government Act 1995* and the Integrated Planning Framework.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Nil

CONCLUSION

The Corporate Business Plan details how the Shire will deliver its services and commitments and details the costs involved in the delivery of the services.

The Plan details the projects that the Shire will deliver within a set timeframe.

It is the guiding document that tells the Council how the Shire's operation will be managed and how the priorities and actions was formulated.

It is also the document that manages the day to day operations of all Shire staff and provides operational direction for all staff.

VOTING REQUIREMENTS

Absolute Majority

COUNCIL RESOLUTION

0613.107 Moved Cr Hmeljak Seconded Cr Hinkley

That Council

- 1. Receives and notes the Shire of Gnowangerup Corporate Business Plan 2012-2016***
- 2. Endorses the Shire of Gnowangerup Corporate Business Plan 2012-2016***

CARRIED 7/0

6. CORPORATE PLANNING AND POLICY

6.1 SHIRE PRESIDENT & ELECTED MEMBER CREDIT CARD & REIMBURSEMENTS

Location: Shire of Gnowangerup
Proponent:
File Ref:
Date of Report: 27 May 2013
Business Unit: Corporate Services & Community Development
Officer: V Morris – Executive Manager Corporate Services & Community Development
J Anning – Executive Manager Finance
Disclosure of Interest: Nil

ATTACHMENTS

- Department of Local Government Guideline number 11

PURPOSE OF THE REPORT

To formally advise Council of the outcomes of advice received with respect to the issuing of a credit card to an Elected Member and the reimbursement of expenses incurred by an Elected Member.

BACKGROUND

Council, at its meeting on 22 May 2013, requested that Council officers prepare a report and recommendation regarding the issuing and use of a corporate credit card by Elected Members. More specifically, the Council resolution was as follows:

COUNCIL RESOLUTION

0513.86 Moved Cr Pech Seconded Cr Hmeljak

That Council Officers prepare a report and recommendation for the 26 June Council meeting, authorising the Shire President to have purchasing delegation and be issued with a corporate credit card to the limit of \$2000

CARRIED 8/0

A sample review of other local governments across Western Australia (City of Perth, City of Joondalup, City of Melville, Shire of Katanning, City of Albany, and Shire of Denmark) has confirmed that elected members do not have purchasing authority or credit cards issued to them for the purposes of purchasing good or services for and on behalf of local government.

COMMENTS

Legal advice has been sought from both the Department of Local Government and WALGA regarding the issuing and use of a corporate credit card for elected members and the options for purchasing for elected members.

Credit cards have a number of advantages and disadvantages for use. It is clear that paying many accounts by the use of a credit card can significantly improve the time taken to process payments and can provide savings for administrative practices. It is common practice for the CEO and Senior Managers to be issued with credit cards to facilitate the purchase of goods and services for a local government especially on line.

Although the Local Government Department does not condone the use of a corporate credit card by an elected member, the legislation however does not support it.

More specifically, the Local Government Act 1995 is very clear about the process for purchasing and the requirements by elected members to present receipts for expenses incurred.

The Guidelines issued by the Local Government Department state:

“The Act does not make provision for the issuing of credit cards to elected members. A Local Government **can only** pay allowances or reimburse expenses to an elected member. There are NO provisions within the Act which allow an elected member to incur a debt, as would be the case with a credit card.”

In paying for good and services using a credit card clearly incurs a debt from a financial perspective and as has been noted, elected members cannot incur a debt as part of their position.

All elected members are required under the legislation to produce or provide evidence (via the presentation of receipts) for expenses that they incur as an elected member. Upon presentation of such documentation, the Council is then able to process and pay such accounts in accordance with its financial delegations and purchasing polices.

Moreover, credit cards should only be used for purchasing goods and services on behalf of the local government and not the individual.

The CEO currently approves applications by local government employees for a corporate credit card. In the case of the CEO, the general practice is for the Local Government to approve the application for the CEO.

There are strict guidelines for the purchasing of goods and services for a local government and it is clear that the use of corporate credit cards by the governing body who oversees the allocation of the Councils financials and resources cannot be one and the same. The transparency between the financial entity and the credit card users must be very clear to ensure that issues of fraud and corruption are not present within the local government entity.

A lack of clear transparency and good governance in relation to the issue of financial matters has been the subject of a number of local government inquiries (such as the City of Canning, Shire of Kalamunda and the Shire of Ashburton) and there is an increasing focus by the Department of Local Government WA and the anti-corruption bodies (such as the Crime and Corruption Commission) in relation to issues that have arisen in relation to financial matters as a result of audits.

CONSULTATION WITH THE COMMUNITY AND GOVERNMENT AGENCIES

Department of Local Government
WALGA

LEGAL AND STATUTORY REQUIREMENTS

Local Government Act 1995 sections 2.7(2)(a) & (b) & section 6.5(a)
The Local Government (Financial Management) Regulations 11(1)(a)
The Local Government Act Sections 5.98-5.102
The Local Government (Administration) Regulations 1996 regulations 30-34AB

POLICY IMPLICATIONS

There are no policy implications as a result of this report.

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Nil

CONCLUSION

Elected Members are entitled to meeting fees, allowances and reasonable expenses to compensate them for performing the duties of a Councillor. Such expenses are reimbursed to the Elected Member upon the receipt of approved documentation.

The use of a corporate credit card means that a debt is incurred by the Elected Member and this is not allowed under the legislation. In addition the use of a corporate credit card is subject to a number of financial audit checks and must be a transparent process.

As the Local Government is the primary body that oversees the allocation of the Council's finances and resources, it is clearly a breach of the legislation to allow an Elected Member to be issued with a corporate credit card for the purposes of Council or Elected Member's expenses for which reimbursement can be legally made in accordance with sections 5.98 to 5.102 of the Local Government Act 1995.

Until there is a change in the legislation to allow an Elected Member to have and use a corporate credit card, no credit cards can be issued to Elected Members. Expenses incurred

by Elected Members in conducting their role must be clearly documented for appropriate reimbursement through appropriate financial processes and controls.

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION

0613.108 Moved Cr Pech

Seconded Cr House

That Council

- 1. Receives and notes the report on the issuing of credit cards to Elected Members and the legal advice contained therein and***
- 2. Acknowledges that the issuing of a Shire of Gnowangerup corporate credit card to an Elected Member would be a breach of the Local Government Act 1995 and is not permitted and that all reasonable expenses incurred by an Elected Member as part of their role, are reimbursed subject to current policies and procedures in place and in consultation with the CEO.***

CARRIED 7/0

6.2 DELEGATES TO WESTERN AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION 2013 ANNUAL GENERAL MEETING

Location: Shire of Gnowangerup
Proponent: WALGA
File Ref:
Date of Report: 27 May 2013
Business Unit: Corporate Services & Community Development
Officer: V Morris – Executive Manager Corporate Services & Community Development
Disclosure of Interest: Nil

ATTACHMENTS

Nil

PURPOSE OF THE REPORT

To formally advise Council of the Western Australia Local Government Association (WALGA) Annual General Meeting to be held on 7th August 2013 and the requirement to register for voting delegates.

BACKGROUND

The WALGA Annual General Meeting is to be held on Wednesday 7th August 2013 at the Perth Convention and Exhibition Centre.

Member Councils are entitled to be represented by two (2) voting delegates.

WALGA have advised that the delegates must be appropriately registered with WALGA. Only registered delegates or proxy registered delegates will be permitted to exercise voting entitlements on behalf of Member Councils.

Voting delegates may be Elected Members or serving officers.

COMMENTS

The WALGA Annual General Meeting is to be held on 7th August 2013 and Council are required to consider the two (2) voting delegates for the Shire of Gnowangerup.

Only registered voting delegates may vote at the Annual General Meeting.

WALGA requires the voting delegate's names to be advised to WALGA by no later than 12th July 2013.

CONSULTATION WITH THE COMMUNITY AND GOVERNMENT AGENCIES

Nil

LEGAL AND STATUTORY REQUIREMENTS

The WALGA Constitution

POLICY IMPLICATIONS

There are no policy implications as a result of this report.

FINANCIAL IMPLICATIONS

The cost of accommodation and travel to and from Perth to attend the WALGA AGM

STRATEGIC IMPLICATIONS

Nil

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Nil

CONCLUSION

All member Councils of WALGA are entitled to have two (2) voting delegates at the Annual General meeting of WALGA. Only registered delegate or proxy registered delegates will be permitted to exercise voting entitlements on behalf of the Shire of Gnowangerup.

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION

0613.109 Moved Cr Pech

Seconded Cr Hmeljak

That Council nominates the following Elected Members as the Shire of Gnowangerup's delegates to the Western Australian Local Government Association Annual General Meeting to be held on 7th August 2013:

Cr K Stone

Cr S Lance

With Cr F Gaze as Proxy

CARRIED 7/0

6.3 CONSTITUTIONAL RECOGNITION FOR LOCAL GOVERNMENT

Location:	Shire of Gnowangerup
Proponent:	
File Ref:	
Date of Report:	4 June 2013
Business Unit:	Corporate Services & Community Development
Officer:	V Morris – Executive Manager Corporate Services & Community Development
Disclosure of Interest:	Nil

ATTACHMENTS

Nil

PURPOSE OF THE REPORT

To inform Council of the issues in relation to the referendum on constitutional recognition of local government scheduled for the September 14 2013 Commonwealth election

BACKGROUND

On 9 May 2013, the Prime Minister announced the Australian government's intention to proceed with a referendum to recognise local government in the Constitution. The referendum will be held on the same day as the federal election, on September 14 this year, and will ask voters to cast a vote on "financial" recognition - to enable the Commonwealth to continue to provide direct funding to local services and local communities.

Local Government has been actively pursuing Constitutional recognition of the sector for about 40 years.

On September 14 2013, as part of the Federal Election, voters across Australia will be asked to vote on the question of recognising local government in the Constitution.

There have been 2 previous referendums on local government in the past and both have been defeated.

In 1974 the question was put "An act to alter the Constitution to enable the Commonwealth to borrow money for, and to grant financial assistance to, local government bodies".

In 1988 the question was put "Each State shall provide for the establishment and continuance of a system of local government, with local government bodies elected in accordance with the laws of the State and empowered to administer, and make by-laws for, their respective areas in accordance with the laws of the State".

The question to be posed in 2013 is not about changing the status of local government. It is about fixing a technical problem in the Constitution to make sure that vital community infrastructure funds continue to flow directly to local government.

ALGA President Felicity-Ann Lewis welcomed the announcement saying "As we have argued for many years, the only way to protect direct federal funding for community services and infrastructure is to have local government recognised in the Australian Constitution."

She called on all political parties to support this referendum, so that councils can have financial certainty to deliver the range of services expected and needed by their communities.

"As I have said on numerous occasions, local government wants to win this referendum, which is in the interest of every local community", Mayor Lewis said.

Mayor Lewis wrote to all councils on the day of the announcement providing them with some information to assist with media inquiries and messages about the benefits of the referendum in their community

The legislation to allow the Commonwealth to fund the referendum was passed by Parliament on 15 May. The legislation will enable the Commonwealth to use public funding to ensure voters are properly informed about the referendum. Measures outlined in this year's Federal Budget provide that in addition to the funding which will be provided to the Australian Electoral Commission to run the referendum, the Department of Local Government, Arts and Sport will receive \$11.6 million to undertake a national civics campaign to provide information to the public on the referendum reform process.

An Exposure Draft of the bill to change the Constitution to include local government - the *Constitution Alteration (Local Government) Bill 2013* - was released by Minister Albanese on 16 May and formally introduced into Parliament on 29 May. The Bill is the last formal step in the path to a referendum. Once passed, the referendum will officially proceed. The change proposed by the legislation is simple and pragmatic. Section 96 of the Constitution would be amended to formalise the capacity of the Commonwealth to provide funds directly to local government bodies formed by a law of a state. It will not change the status of councils, nor would it give the Federal Government any power over local government. It would simply remove the uncertainty which now surrounds direct funding programs such as Roads to Recovery which have been in place for many years under both sides of politics.

Attorney-General Mark Dreyfus in introducing the legislation made it quite clear that the proposed change to S96 to include local government would not diminish or limit the role of the States. He said that the alteration had been designed specifically to avoid any suggestion that it might permit interference by the Commonwealth with the creation or regulation of local government bodies by States, or enables the Commonwealth to compel local government bodies to accept funding or terms and conditions. The Commonwealth could not provide financial assistance on terms or conditions that local government bodies could not meet under State law, and States would not be prevented from changing their systems of local government should they wish to do so.

Since the announcement, WALGA have advised that 115 of the 139 local governments across Western Australia have supported the referendum. In addition WALGA have committed considerable member's funds to support the ALGA in a marketing campaign to support the referendum.

COMMENTS

What is local government asking for?

Local government sector wants to refine the Constitution to confirm the Federal Government's current practice of direct funding to local governments.

Examples of direct funding by the Commonwealth Government to WA local governments come through programs such as the Road to Recovery program. On average WA local governments have received \$45million per annum through this funding.

Other examples include Regional Local Community Infrastructure programs which have delivered an additional \$40million per annum to the WA local government sector.

The recent Williams case in the High Court of Australia highlighted doubts about the Commonwealth's ability to provide direct funding to entities that are not recognised in the Constitution. The Williams case centred on the Commonwealth's ability to fund chaplaincy programs in public school and the High Court found that the Commonwealth does not have the power to provide direct funding to areas and to organisations outside the Commonwealth's constitutional responsibility.

The ALGA has also highlighted this case as an example where Commonwealth funding (such as the Roads to Recovery program) may be open to constitutional challenge.

Does this diminish the State's powers?

This proposed change does not diminish the current rights, powers and authorities of the State. It simply secures that the Commonwealth Government currently does in relation to direct funding to the local government sector.

This proposal does not change the way in which local governments seek grants from the State.

CONSULTATION WITH THE COMMUNITY AND GOVERNMENT AGENCIES

WALGA, on behalf of WA local government, and the ALGA are continuing to provide advice to Councils and the communities and a proposed marketing campaign for an on behalf of local government across Australia is currently being prepared and WALGA is communicating information and advice to local governments for to the general community.

LEGAL AND STATUTORY REQUIREMENTS

The legal status change for the Commonwealth is contained in the bill - *Constitution Alteration (Local Government) Bill 2013*. This is the Bill that changes the Constitution.

POLICY IMPLICATIONS

There are no policy implications as a result of this report.

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Nil

CONCLUSION

Local government, as a body has pushed for many years for Local government to be recognised in the Constitution.

To be successful this constitutional change will require support from a majority of voters nationally and from a majority of states. It will, if previous results are a guide, need bipartisan support and certainly will need all Australia's Councils proactively advocating the change.

The referendum is about confirming the Federal Government's ability to provide funding to local government directly - something governments from both sides of politics have been doing for more than ten years.

The referendum seeks to continue the case that the Federal Government should be able to provide funding for vital local community services and infrastructure directly through councils.

The change being proposed is a simple pragmatic change to address a problem which has arisen over the last few years.

It won't change the status of local government, or its powers, or its relationship with the State government. It will however, remove the legal uncertainty about the Federal Government's ability to fund local communities directly through their councils; uncertainty created by two High Court cases - the Pape Case and the Williams Case - in the last couple of years.

The Federal Government has been funding vital community services and infrastructure through programs like Roads to Recovery and the Regional and Local Community Infrastructure Program for more than a decade.

Councils will still remain the responsibility of the State governments. The proposed change to the Constitution makes this quite clear.

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION

0613.110 Moved Cr Pech

Seconded Cr Gaze

That:

The Shire of Gnowangerup Council formally confirm its support for the proposed referendum on the constitutional recognition of local government to be held on 14 September 2013 and that Council and Councillors actively promote the 'yes' case for the proposal whenever appropriate.

CARRIED 7/0

6.4 REVIEW OF EMERGENCY SERVICES LEGISLATION

Location:	Shire of Gnowangerup
Proponent:	
File Ref:	9.8.1
Date of Report:	16 June 2013
Business Unit:	Corporate Services & Community Development
Officer:	V Morris – Executive Manager – Corporate Services & Community Development
Disclosure of Interest:	Nil

ATTACHMENTS

- WALGA Interim Submission to DFES
- Letter from DFES – 28 May 2013

PURPOSE OF THE REPORT

To inform Council of the review of the Emergency Services Legislation and to provide WALGA with Council's interim position in relation to this matter

BACKGROUND

The Department of Fire and Emergency Services (DFES) is currently conducting a review of the Emergency Services legislation as a result of a number of major incidents that have occurred both in Western Australia and in other States.

The Community Development and Justice Standing Committee 2006 has made a number of recommendations and this is the key motivating factor in reviewing the legislation. The aim of the review is to make the legislation easier to use and to align responsibilities and provide clarity around the issues in relation to emergencies.

WALGA have also presented an interim submission to the legislation review and a copy of the submission is attached for Councils information.

COMMENTS

Local Government is a key stakeholder in this review as local government is responsible for or has the management of several pieces of legislation specifically related to emergency management.

These pieces of legislation include the *Bush Fire Brigades Act 1942*, *Bush Fires Act 1954* and the *Fire and Emergency Services Act 1988*.

As noted in the WALGA submission, of the 139 Councils across WA, 122 local governments are impacted upon with such legislation.

The *Bush Fires Act 1954* requires Local Governments to administer bushfire prevention, preparedness, response and recovery within the municipal area. In addition, the local

government is responsible for appointing a Chief Bushfire Control Officer in addition to volunteer bushfire brigades. Moreover, the issuing of fire break notices, inspections of land within the municipal district and providing all administrative support of the brigades and the oversight of planning schemes relating to bushfire protection for the community is a local government responsibility.

It should be noted that a major review of the legislation has not been undertaken for some time.

CONSULTATION WITH THE COMMUNITY AND GOVERNMENT AGENCIES

This matter has been raised with the Local Emergency Management Committee (LEMC).

LEGAL AND STATUTORY REQUIREMENTS

The Fire Brigades Act 1942

The Bush Fires Act 1954

The Fire and Emergency Services Act 1998

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The financial implications appear to be that if local government relinquishes control of the activity there is some doubt about the adequate funding at the local level for the continuation of the service and many local governments have expressed concern that appropriate funding needs to be allocated to local government should the service be retained.

STRATEGIC IMPLICATIONS

Nil

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Nil

CONCLUSION

There is no question that the legislation relating to emergency service is due for review especially in light of recent emergencies that have occurred across Western Australia and in other States. The Bremer Bay fire of 2012 and emergency has clearly shown that there are gaps in the legislation and that the role of local government in such emergencies requires review.

VOTING REQUIREMENTS

Simple Majority

COUNCIL RESOLUTION

0613.111 Moved Cr Hmeljak Seconded Cr Hinkley

That the Shire of Gnowangerup supports the review of the current emergency services legislation and supports the intention to amalgamate the *Fire Brigades Act 1942*, the *Bush Fires Act 1954* and the *Fire and Emergency Services Act 1998*.

CARRIED 7/0

6.5 TRANSFER OF PROPERTY – LOT 156 (156) CARPENTER STREET, ONGERUP

Location: Shire of Gnowangerup
Proponent:
File Ref:
Date of Report: 18 June 2013
Business Unit: Corporate Services and Community Development
Officer: V Morris – Executive Manager Corporate Services and Community Development
Disclosure of Interest: Nil

ATTACHMENTS

- Deed of Surrender – 26 September 1986
- Agreement – 26 September 1986
- Agreement – 3 November 1970

PURPOSE OF THE REPORT

To formally agree to transfer the property known as Lot 156 (156) Carpenter Street, Ongerup within the Shire of Gnowangerup to the Department of Housing (WA).

BACKGROUND

The Shire and the then Government Employee's Housing authority (GEHA) (now known as the Department of Housing) agreed to surrender the property known as Lot 156 (156) Carpenter Street, Ongerup in 1986 to GEHA.

However, no transfer of title was effected to enable the Department of Housing to now formally dispose of the property.

The Department of Housing have since contacted Council to rectify this matter and to formally request that the Shire transfer the property title to the Department of Housing.

The attached documents detail the history of this property and the required documentation has been provided by the Department of Housing.

COMMENTS

The Council are required under the *Local Government Act 1995* to formally agree to the transfer of the title to the Department of Housing.

This matter has been overlooked by the Shire and the request to formally transfer the title is an administrative one only.

CONSULTATION WITH THE COMMUNITY AND GOVERNMENT AGENCIES

Nil

LEGAL AND STATUTORY REQUIREMENTS

The *Local Government Act 1995* section 6.71

The *Transfer of Land Act 1893*

The *Transfer of Land Amendment Act 1996*

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil – the Department of Housing settlement team will prepare the necessary documentation to effect the transfer into the name of the Department of Housing.

STRATEGIC IMPLICATIONS

Nil

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Nil

CONCLUSION

The Department of Housing are keen to finalise this matter in order to proceed with the sale of this property.

As is noted in the attached documentation, this matter has been outstanding for some time.

There are no implications for Council as this is an administrative process only that was not concluded at the time of the surrender of the property.

VOTING REQUIREMENTS

Absolute Majority

COUNCIL RESOLUTION

0613.112 Moved Cr Hmeljak Seconded Cr Pech

That Council

- 1. Receives and notes the Deed of Surrender and Agreements dated 26 September 1986 and 3 November 1986 relating to the property known as Lot 156 (156) Carpenter Street, Ongerup***
- 2. Agrees to formally transfer the title of the property known as Lot 156 (156) Carpenter Street, Ongerup from the Shire of Gnowangerup to the Department of Housing, Western Australia***
- 3. Notes that the Department of Housing will prepare all necessary documentation to effect the transfer into the name of the Department of Housing.***

CARRIED 7/0

7. LATE ITEMS

7.1 MINUTES FROM SPECIAL MEETING OF ELECTORS 19 JUNE 2013

Location: Shire of Gnowangerup
Proponent:
Business Unit: Governance
File Ref:
Date of Report: 20 June 2013
Officer: S Pike – Chief Executive Officer
Disclosure of Interest: Nil

ATTACHMENTS

- Minutes from Special Meeting of Electors held Wednesday 19 June 2013

COUNCIL RESOLUTION

0613.113 Moved Cr Lance Seconded Cr Hmeljak

That Council:

- 1) ***Accept the minutes of the Special Meeting of Electors held Wednesday 19 June 2013 with the amendment to the motion moved by H Harris and seconded by M Lance that should have read:***

That Council obtain a quote to repair and replace the plant and equipment and the existing building at the existing site and that this quote be made available to the public.

- 2) ***Request that Council Staff provide responses to the questions and motions made at the Special Meeting of Electors and that this information is made available to the 24 July 2013 Ordinary Meeting of Council***
- 3) ***Notes that the reason for this is because of the research and financial implications that are required to be identified to inform the questions and motions taken at the Special Meeting of Electors***

CARRIED 7/0

COUNCIL RESOLUTION

0613.114 Moved Cr House Seconded Cr Hmeljak

That Council close the meeting to members of the public to discuss and deliberate confidential items relating to financial and contractual matters in accordance with section 5.23 (2) of the Local Government Act 1995.

CARRIED 7/0

The meeting was closed to members of the public at 4:12pm

8. CONFIDENTIAL ITEMS

8.1 ONGERUP BOWLING GREEN REDEVELOPMENT – TENDER EVALUATION

Location: Shire of Gnowangerup
Proponent: Ongerup Bowling Club
Business Unit:
File Ref:
Date of Report: 14 June 2013
Officer: N Browning – Club Development Officer
Disclosure of Interest: Nil

Cr Hmeljak left the meeting at 4:15pm

8.2 COUNCIL OWNED RESIDENCE

Location: 6 Park Road, Gnowangerup
Proponent:
Business Unit: Finance
File Ref:
Date of Report: 18 June 2013
Officer: J Anning – Executive Manager Finance
Disclosure of Interest: Cr Hmeljak declared an Impartiality Interest

Cr Hmeljak returned to the meeting at 4:30pm

COUNCIL RESOLUTION

0613.117 Moved Cr House Seconded Cr Lance

That Council reopen the meeting to members of the public.

CARRIED 7/0

The meeting reopened to members of the public at 4:31pm

COUNCIL RESOLUTION

0613.118 Moved Cr House Seconded Cr Hmeljak

That the following resolution be released to the public:

Item 8.1

- 1. That Council accept the tender from G.R & P.Y Clark Pty at the price of \$209,055 ex GST for the Ongerup Bowling Green redevelopment. Works to include the base preparation, supply and installation of True Draw's Needle Punched Polyester Carpet as per the specifications outlined in the document RFT 5_2012_2013.***
- 2. That Council authorize the Chief Executive Officer to negotiate and form a contract with G.R & P.Y Clark Pty in respect to the above works.***

CARRIED 7/0

COUNCIL RESOLUTION

0613.119 Moved Cr Lance Seconded Cr Gaze

That the information, recommendation and resolution in Item 8.2 remain confidential until the negotiations are finalised.

CARRIED 7/0

9. URGENT BUSINESS INTRODUCED BY DECISION OF COUNCIL

Nil

PART D – OTHER BUSINESS AND CLOSING PROCEDURES

1. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

2. DATE OF NEXT MEETING

Wednesday 24 July 2013, Council Chambers, 28 Yougenup Road Gnowangerup WA 6335

3. CLOSURE

Being no further business, Cr Stone thanked Councillors, Staff and visitors for their time and closed the meeting a 4.31pm.