



## **MINUTES**

for the Council Meeting held on

Thursday 16 June, 2016  
commencing at 5 p.m.

in the Council Meeting Room, Hopetoun.

**ORDINARY MEETING OF COUNCIL****HELD IN THE COUNCIL CHAMBERS, HOPETOUN  
ON 16 JUNE 2016, COMMENCING AT 5PM**

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<b>CONTENTS</b>	<b>PAGE NO</b>
1 DECLARATION OF OPENING /ANNOUNCEMENTS OF VISITORS	3
2 RECORD OF ATTENDANCE	3
3 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE	3
4 PUBLIC QUESTION TIME	3
5 APPLICATIONS, FOR AND PREVIOUSLY APPROVED LEAVE OF ABSENCE AND DISCLOSURES OF INTEREST	3
6 PETITIONS/DEPUTATIONS/ PRESENTATIONS	3
7 CONFIRMATION OF MINUTES	4
7.1 COUNCIL MEETING 18 DECEMBER 2014	4
8 SUSPENSION OF STANDING ORDERS	4
9 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSIONS	4
10 REPORTS OF OFFICERS	5
<b>10.1 ACTING MANAGER OF CORPORATE AND COMMUNITY SERVICES</b>	5
10.1.1 MONTHLY FINANCE REPORT – MAY 2016	5
10.1.2 SCHEDULE OF ACCOUNT PAYMENTS – MAY 2016	8
<b>10.2 MANAGER OF PLANNING &amp; DEVELOPMENT</b>	11
Nil	
<b>10.3 MANAGER OF ENGINEERING SERVICES</b>	12
Nil	
<b>10.4 CHIEF EXECUTIVE OFFICER</b>	13
10.4.1 COMMUNITY DEVELOPMENT FUND 2016/17	13
10.4.2 CHIEF EXECUTIVE OFFICER – ANNUAL PERFORMANCE REVIEW	16
10.4.3 SPECIAL AUDITORS REPORT	21
10.4.4 VEHICLE POLICY	24
10.4.5 CIVIC CENTRE PROJECT	30
10.4.6 DIFFERENTIAL RATES 2016/17	33
10.4.7 RAVENSTHORPE LOCAL EMERGENCY MANAGEMENT COMMITTEE MEETING	36
11 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN	38
12 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING	38
13 MATTERS BEHIND CLOSED DOORS	38
14 CLOSURE OF MEETING	38

**1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**

5.00pm – the presiding person, Cr Dunlop, declared the meeting open.

**2. ATTENDANCE / APOLOGIES/ APPROVED LEAVE OF ABSENCE**

MEMBERS: Cr Keith Dunlop (Shire President)  
Cr Peter Smith (Deputy Shire President)  
Cr Kerry Dickinson  
Cr Sharyn Gairen  
Cr Goldfinch  
Cr Ken Norman  
Cr Graham Richardson

STAFF: Ian Fitzgerald (Chief Executive Officer)  
Craig Pursey (Manager of Planning)  
Darryn Watkins (Manager Engineering Services)  
Portia Ridout (Executive Assistant)

APOLOGIES: Jenny Goodbourn (Acting Manager Corporate and Community Services)

ON LEAVE OF ABSENCE:

ABSENT:

**3. RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE**

NIL

**4. PUBLIC QUESTION TIME**

NIL

**5. APPLICATIONS FOR, AND PREVIOUSLY APPROVED, LEAVE OF ABSENCE AND DISCLOSURES OF INTEREST**

COUNCIL DECISION	ITEM 5.1
Moved: Cr Smith	Seconded: Cr Dickinson
That Councillor S Gairen be granted Leave of Absence for 21 July 2016 Council meetings.	
Carried: 7/0	Res: 56/16

**6. PETITIONS/ DEPUTATIONS/ PRESENTATIONS**

NIL

**7. CONFIRMATION OF MINUTES****7.1 COUNCIL MEETING – 19 MAY 2016**

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 7.1
Moved: Cr Dickinson	Seconded: Cr Goldfinch
That the minutes of the meeting of Council held on 19 May, 2016 be confirmed as a true and correct record of proceedings.	
Carried: 7/0	Res: 57/16

**8. SUSPENSION OF STANDING ORDERS**

NIL

**9. ANNOUNCEMENT BY PRESIDING MEMBER WITHOUT DISCUSSIONS**

NIL

## 10. REPORTS OF OFFICERS

### 10.1 ACTING MANAGER OF CORPORATE AND COMMUNITY SERVICES

#### 10.1.1 MONTHLY FINANCIAL REPORT – 31<sup>ST</sup> MAY 2016

**File Ref:**

<b>Applicant:</b>	Not applicable
<b>Location:</b>	Not applicable
<b>Disclosure of Officer Interest:</b>	None
<b>Date:</b>	3 <sup>rd</sup> June 2016
<b>Author:</b>	Stacey Addis – Senior Finance Officer
<b>Authorising Officer:</b>	Ian Fitzgerald – Chief Executive Officer
<b>Attachments:</b>	Yes – Monthly Financial Report– May 2016

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**Summary:**

This report presents the monthly financial reports for May 2016 to Council which is provided as an attachment to the agenda. The recommendation is to receive the May monthly financial reports.

**Background:**

As per the Financial Management Regulation 34 each Local Government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1) (d), for that month with the following detail

- The annual budget estimates,
- The operating revenue, operating income, and all other income and expenses,
- Any significant variations between year to date income and expenditure and the relevant budget provisions to the end of the relevant reporting period,
- Identify any significant areas where activities are not in accordance with budget estimates for the relevant reporting period,
- Provide likely financial projections to 30 June for those highlighted significant variations and their effect on the end of year result,
- Include an operating statement, and
- Any other required supporting notes.

**Comment:**

To provide timely financial information to the Council this report is based on the 2015/2016 Budget adopted by Council on 20 August 2015. The report contains the budget amounts,

actual amounts of expenditure, revenue and income to the end of the month. It shows the material differences between the draft budget and actual amounts where they are not associated to timing differences for the purpose of keeping Council abreast of the current financial position.

Note: Due to the absence of the Manager of Corporate and Community Services on extended sick leave the process of adding in the revised budget and processing the required rating changes was not completed by the 31<sup>st</sup> May but is well underway.

**Consultation:**

Council Financial Records

**Statutory Obligations:**

Section 6.4 of the Local Government Act 1995 and Regulation 34 of the Local Government (Financial Management) Regulations 1996 require that financial activity statement reports are provided each month reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1)(d) for that month.

The report is to be presented at either the next ordinary meeting after the end of the month, or if not prepared in time to the next ordinary meeting after that meeting.

**Policy Implications:**

Nil

**Budget / Financial Implications:**

As detailed within the attachments

**Strategic Implications:**

Nil

**Sustainability Implications:**

- **Environmental:**  
There are no known significant environmental considerations.
- **Economic:**  
There are no known significant economic considerations.
- **Social:**  
There are no known significant social considerations.

**Voting Requirements:**

Simple majority

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 10.1.1
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Moved: Cr Gairen

Seconded: Cr Smith

That Council receives the Monthly Financial Reports for the period ending 31<sup>st</sup> May 2016 in accordance with Section 6.4 of the Local Government Act 1995.

Carried: 7/0

Res: 58/16

<b>10.1.2 SCHEDULE OF ACCOUNT PAYMENTS – MAY 2016</b>
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**File Ref:****Applicant:** Not applicable**Location:** Not applicable**Disclosure of Officer Interest:** None**Date:** 31<sup>st</sup> May 2016**Author:** Ashleigh Stade – Senior Finance Officer**Authorising Officer:** Ian Fitzgerald, Chief Executive Officer**Attachments:** Schedule of Payments to 31<sup>st</sup> May, 2016  
Credit Card Transactions to 31<sup>st</sup> May, 2016**Summary:**

This item presents the schedule of payments for Council approval in accordance with Regulation 13 of the Local Government (Financial Management) Regulations 1996.

**Background:****31<sup>st</sup> May 2016**

<b>FUND</b>	<b>PAYMENT</b>	<b>VOUCHERS</b>	<b>AMOUNTS</b>
<b>Municipal Account</b>	EFTs	EFT5652-EFT5782	<b>\$465,742.50</b>
		40192 – 40237	<b>\$88,256.10</b>
	Municipal Fund Cheques		
<b>Payroll</b>	Dates	12/05/2016 26/05/2016	<b>\$168,542.51</b>
<b>Bank Fees</b>			<b>\$576.75</b>
<b>Municipal Account Total</b>			<b>\$723,117.86</b>
<b>Shire Credit Card Facility</b>	Westpac VISA	26/04/2016- 25/05/2016	<b>\$7,461.49</b>
<b>Trust Account Payments</b>	EFTs	EFT5648 – EFT5783	<b>\$21,790.05</b>
	Cheques	1364 – 1370	<b>\$235.45</b>
<b>Grand Total</b>			<b>\$752,604.85</b>



**Comment:**

This schedule of accounts as presented, submitted to each member of the Council, has been checked and is fully supported by vouchers and invoices which are submitted herewith and which have been duly certified as to the receipt of goods and the rendition of services and as to prices computation, and costing's and the amounts shown have been paid.

**Consultation:**

Not applicable.

**Statutory Obligations:****Local Government (Financial Management) Regulations 1996****13. Lists of accounts**

(1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared

- (a) the payee's name;
- (b) the amount of the payment;
- (c) the date of the payment; and
- (d) sufficient information to identify the transaction.

(2) A list of accounts for approval to be paid is to be prepared each month showing —

- (a) for each account which requires council authorisation in that month —
  - (i) the payee's name;
  - (ii) the amount of the payment; and
  - (iii) sufficient information to identify the transaction; and
- (b) the date of the meeting of the council to which the list is to be presented.

(3) A list prepared under subregulation (1) or (2) is to be —

- (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and
- (b) recorded in the minutes of that meeting.

**Policy Implications:**

Nil

**Budget / Financial Implications:**

This item address Council's expenditure from Trust and Municipal funds which have been paid under delegated authority.

**Strategic Implications:**

Nil

**Sustainability Implications:**

- **Environmental:**  
There are no known significant environmental considerations.
- **Economic:**  
There are no known significant economic considerations.
- **Social:**  
There are no known significant social considerations.

**Voting Requirements:**

Simple Majority

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 10.1.2
Moved: Cr Gairen	Seconded: Cr Dickinson
That pursuant to Regulation 13 of the Local Government (Financial Management) Regulations 1996, the payment of accounts for the month of May 2016, be noted.	
Carried: 7/0	Res: 59/16

## **10.2 MANAGER OF PLANNING & DEVELOPMENT**

**Nil**

### **10.3 MANAGER OF ENGINEERING SERVICES**

**Nil**

**10.4 CHIEF EXECUTIVE OFFICER****10.4.1 COMMUNITY DEVELOPMENT FUND 2016/17****File Ref:****Applicant:****Location:** Not applicable**Disclosure of Officer Interest:** None**Date:** 25 May, 2016**Author:** Ian Fitzgerald – Chief Executive Officer**Authorising Officer:** Not applicable**Attachments:** Community Development Fund Applications**Summary:**

Each year before the budget review the Shire of Ravensthorpe open a local community group grant scheme called the Community Development Fund. This enables groups to apply for a grant of up to \$5000.

**Background:**

Minor Community Grants may be used for any purpose, including minor building construction, maintenance or repair, equipment purchase or hire, events or functions, operating expenses, relief from Council fees and charges etc.

**Comment:**

The Community Development Fund will be allocated from within Council's general revenue budget each year with applications closing in June for funding after adoption of the budget.

The following applications have been received for 2016/2017

	<b>ORGANISATION</b>	<b>PROJECT</b>	<b>\$</b>
1.	Ravensthorpe Community Resource Centre	Portable projector and screen	\$2,178
2.	Nicole James-Smith	Community coffee club proposal	<b>Not indicated</b>
3.	Hopetoun Senior Citizens	Replace blinds and purchase a refrigerator	\$2,000
4.	Ravensthorpe Historical Society	Insurances & utility subsidy and website upgrade	\$4,000
5.	Ravensthorpe Wildflower Show Committee	Equip and furnish new herbarium	\$5,000
6.	Ravensthorpe Wildflower Show Committee	Subsidize 2 plant identification workshops	\$2,200
7.	Hopetoun Dance Group	Travel assistance for dace teacher for 3 terms	\$4,400
8.	Mt Short Aero Club	Assist with water and power connections	\$2,400
		<b>TOTAL REQUESTED</b>	<b>\$22,578</b>

**Consultation:**

N/A

**Statutory Obligations:**

N/A

**Policy Implications:**

Council Policy G5 (Community Development Fund) provides for up to 1% of rate revenue to be allocated to the funding of approved Community Development Fund applications each financial year. In 2016/17 it is anticipated 1% of rate revenue would equate to approximately \$39,500. Note: 2015/16 allocation was \$23,875.

**Budget / Financial Implications:**

Any application approved by Council will be listed for funding in the 2016/17 budget.

**Strategic Implications:**

Council Policy G5 – Community Development Fund states the objectives of the fund to be:

- a) To provide financial assistance for organisations and/or projects, which benefit the community.
- b) To assist community based (not for profit) organisations to develop and maintain facilities.
- c) To provide community based (not for profit) organisations with relief from Council imposed fees and charges.

**Sustainability Implications:**

- **Environmental:**  
There are no known significant environmental considerations.
- **Economic:**  
There are no known significant economic considerations.
- **Social:**  
There are no known significant social considerations.

**Voting Requirements:**

Simple majority

OFFICER RECOMMENDATION AND COUNCIL DECISION ITEM 10.4.1  
 Moved: Cr Dickinson Seconded: Cr Smith

That Council resolve to fund all 2016/17 Community Development Fund applications received:

1.	Ravensthorpe Community Resource Centre	Portable projector and screen	\$2,178
2.	Hopetoun Senior Citizens	Replace blinds and purchase a refrigerator	\$2,000
3.	Ravensthorpe Historical Society	Insurances & utility subsidy and website upgrade	\$4,000
4.	Ravensthorpe Wildflower Show Committee	Equip and furnish new herbarium	\$5,000
5.	Ravensthorpe Wildflower Show Committee	Subsidize 2 plant identification workshops	\$2,200
6.	Hopetoun Dance Group	Travel assistance for dace teacher for 3 terms	\$4,400
7.	Mt Short Aero Club	Assist with water and power connections	\$2,400
		<b>TOTAL REQUESTED</b>	<b>\$22,578</b>

Carried: 7/0

Res: 60/16

The application from Nicole James-Smith was not supported as it was incomplete and no dollar values were listed/requested.

**10.4.2 CHIEF EXECUTIVE OFFICER – ANNUAL PERFORMANCE REVIEW****File Ref:****Applicant:****Location:** Not applicable**Disclosure of Officer Interest:** The author is the employee subject to the review.**Date:** 6<sup>th</sup> June 2016**Author:** Ian Fitzgerald – Chief Executive Officer**Authorising Officer:** Not applicable**Attachments:** Nil

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**Summary:**

During the May Agenda Setting Forum Councillor Norman suggested Council engage an independent consultant to work with Council and the Chief Executive Officer to conduct the required annual performance review. As it was generally accepted by Councillors as the way to this year the Chief Executive Officer has approached 4 consultants for a quote and outline as to how they propose the process would be conducted. The information is presented for Council for their consideration.

**Background:**

Clause 5 of the Chief Executive Officers Contract of Employment states:

**5. PERFORMANCE DEVELOPMENT AND REVIEW****5.1 Adherence to Key Result Areas**

*The Chief Executive Officer agrees with the Local Government that the Chief Executive Officer must, in performing the Chief Executive Officer's obligations under this Contract, use every reasonable endeavour to achieve the agreed Key Result Areas ("KRAs").*

**5.2 Performance Reviews**

*5.2.1 The Chief Executive Officer's performance pursuant to this Contract shall be reviewed by the Council annually during the Term and more frequently if the Council or the Chief Executive Officer perceives that there is a need to do so.*

*5.2.2 The Council shall give the Chief Executive Officer reasonable notice in writing that a performance review is to be conducted to enable the Chief Executive Officer sufficient time to prepare.*



### **5.3 Conduct of Performance Review**

5.3.1 *Any performance review will be conducted on behalf of the Council by the nominated persons or person to whom the Council delegates that task. The Council shall use an independent party to facilitate the performance review.*

5.3.2 *The facilitator of the performance review will be required to act in a fair and reasonable manner at all times in the conduct and analysis of the performance review.*

5.3.3 *In the event that the Chief Executive Officer has not satisfied any or some of the requirements of the Position Description (Requirements) and/or the KRAs, the facilitator and the Chief Executive Officer must establish a plan with a timetable for the Chief Executive Officer to achieve the relevant Requirements and/or KRAs, such plan to include counselling, advice, assistance and additional reviews as are considered necessary by the facilitator to achieve the Requirements and/or KRAs. The Chief Executive Officer agrees to use his best endeavours to achieve the Requirements and/or KRAs in accordance with the plan.*

### **5.4 Procedure**

*Any performance review conducted shall be broadly based on the following Key Areas having regard to the Position Description and the specific Indicators agreed to by the parties at the end of each performance review:*

5.4.1 *Leadership*

5.4.2 *Councillor Relations*

5.4.3 *External Relations, including customers and stakeholders*

5.4.4 *Organisation Management*

5.4.5 *Planning*

5.4.6 *Financial Management.*

#### **Comment:**

Four consultants have been approached who have all had experience in performing Chief Executive Officer performance reviews. Unfortunately two have declined; one because they are unavailable in the required timeframe and the other because they are about to re-enter the industry as a Chief Executive Officer themselves.

A quote of \$3,300 has been received from FitzGerald Strategies (no relation to the Chief Executive Officer) who currently provide industrial relations advice to Council. The process that is proposed is:

*We propose to conduct an emailed/electronic survey of Councillors using the CEO's self-assessment document formatted in such a way to allow each Councillor to comment on and score the CEOs performance measured against each of the agreed performance criteria relative to the period under review. Once we have all Councillors' responses we would collate their commentary and scoring into*

a "discussion paper" to be used as the basis for a review meeting between the Council and the CEO so that the parties may discuss the overall review and flesh out any details required.

During the course of the process, we would facilitate an exchange of views between the CEO and the Council that would produce a set of performance criteria for the next twelve months review period.

A personal visit to Ravensthorpe by our consultant to assist the Council in the review process.

Following the review meeting, we would prepare a formal review report to be presented to the Council at its next ordinary meeting, when the Council may accept, reject or amend the report as the Council sees fit.

Due to two of the original consultants not being available a fourth quote has been requested and has now been supplied by Darren Long of DL Consulting copied below:

## **1. Scope of Works**

*The following scope of works has been identified to undertake this project:*

### **1.1 Stage 1 Performance Appraisal Initiation**

*Task 1.1 Data Collection, Collation and Review*

*All information relevant to the performance appraisal process will be collected, collated and reviewed. This will include the performance criteria established from the last appraisal and related documentation connected to the Chief Executives performance of roles, functions and responsibilities.*

*Task 1.2 Compilation of Performance Appraisal Documentation Comprehensive performance appraisal documentation, based on core competencies and key result areas identified from the documentation analysed, will be compiled and distributed to the Chief Executive for completion and to all Councillors for initial consideration.*

### **1.2 Stage 2 Consultation and Analysis**

*Task 2.1 Consultation with Shire of Ravensthorpe Councillors*

*A minimum two week time frame will be allotted for the consideration of the performance appraisal documentation by Councillors.*

*In person consultation with Shire of Ravensthorpe Councillors will be conducted on the performance appraisal documentation with a view of achieving a mediated outcome for each performance criteria. Presentation of the CEO's self-assessment results will occur at this facilitation session.*

*Task 2.2 Setting of Performance Criteria*

*Performance criteria for the ensuing 12 months will be developed as part of the facilitation session, establishing a clear framework for the assessment of performance for the next appraisal date.*

*Task 2.3 Analysis of Performance Appraisal Data*

*Mediated outcomes from the consultation session will be analysed and consolidated findings will be documented.*

### **1.3 Stage 3 Report Preparation**

#### *Task 3.1 Draft Report*

*A draft report on the performance appraisal findings will be presented to the Shire President and CEO for comment and review.*

#### *Task 3.2 Final Report*

*A final report will be prepared that incorporates comments from both parties on the performance appraisal findings, with established performance criteria for the ensuing 12 months.*

### **1.4 Stage 4 Salary Review (Optional)**

#### *Task 4.1 Comparison of Industry Salary Data*

*A desktop analysis of current industry salary package data will be undertaken, with comparisons prepared on similar size local governments with similar challenges, and from a locational recruitment perspective. Current wage indexes and CPI movements will be investigated to provide a basis for analysis of salary package ranges.*

#### *Task 4.2 Salary Package Report*

*This involves the presentation of a brief report to the Shire President and Chief Executive detailing the identified range of the proposed new salary package, based on analysis of relevant data and current industry practice.*

## **2. Project Timeframe**

*The completion of the performance appraisal generally requires a six week timeframe. Given current workload and timing, an estimated commencement date of August 2016 is achievable, subject to the engagement date being in July 2016, and timely responses being received from the Client to requests for, and supply of, information.*

The quote provided by DL Consulting is \$5,500 plus an additional \$550 if the salary report option is included.

#### **Consultation:**

Independent consultants

#### **Statutory Obligations:**

Local Government Act 1995 - s5.38. Annual review of certain employees' performances:

The performance of each employee who is employed for a term of more than one year, including the CEO and each senior employee, is to be reviewed at least once in relation to every year of the employment.

#### **Policy Implications:**

N/A

**Budget / Financial Implications:**

As the review will be conducted in the 2016/17 financial year the appropriate provision will be made in that year's annual budget.

**Strategic Implications:**

N/A

**Sustainability Implications:**

- **Environmental:**  
There are no known significant environmental considerations.
- **Economic:**  
There are no known significant economic considerations.
- **Social:**  
There are no known significant social considerations.

**Voting Requirements:**

Simple majority

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 10.4.2
Moved: Cr Norman	Seconded: Cr Goldfinch
That Council appoint FitzGerald Strategies to assist in the process of performing the Chief Executive Officer's 2016 annual performance and salary review.	
Carried: 7/0	Res: 61/16

**10.4.3 SPECIAL AUDITORS REPORT****File Ref:****Applicant:** Councillor Norman**Location:** Not applicable**Disclosure of Officer Interest:** None**Date:** 6<sup>th</sup> June 2016**Author:** Ian Fitzgerald – Chief Executive Officer**Authorising Officer:** Not applicable**Attachments:** Auditor's report to Council  
Minutes of Audit Committee meeting – 14<sup>th</sup> March 2016

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**Summary:**

The Audit Committee met in March 2016 to review the 2015 Compliance Audit Return and also to meet with the appointed auditor – Lincolns – (by teleconference) to discuss the 2014/15 audit report – both statutory requirements.

At that meeting Councillor Norman requested the auditor prepare a report on 3 particular issues and present to Council. That report is now presented to Council for their receipt.

**Background:**

N/A

**Comment:**

An extract from the Audit Committee minutes are copied below:

*Cr Norman requested Lincolns prepare a report on*

- a) Councils adopted vehicle policy and timing of vehicle purchases*
- b) The substantial change/increase in employee costs reported in the Statement of Comprehensive Income Statement for 2015/16 (Budget)*
- c) Treatment of funds held on behalf of the Declared Species Group.*

The auditors requested background information on these matters from the Chief Executive Officer and conducted their own checks during the recent on-site visit to conduct the annual interim audit which looks and policy and procedures mainly with the main financial checks completed once the annual financial report is completed.

In summary the auditor's report has concluded:

**Vehicle Replacement Policy** – “during the course of our audit, including during our recent interim audit visit (16 – 18 May 2016) we have not become aware of any area on non-compliance with Policy A16 – Vehicle Policy”. In fact the auditors make comment that local

government is afforded many generous concessions when purchasing new vehicles with some local governments changing vehicles at 6months or 15,000kms with a positive cash flow (trade-in is valued more than new vehicle) and that Council's adopted policy does not take full advantage advantage of these concessions.

**Rising Employee Costs** – the report states that generally employment and wage costs will rise together with the level of service provided to the community. It is further pointed out that the increased level of regulation and compliance over the past 20-30 years has increase the proportion of salaries and wages required to be spent on administrative tasks. The report notes that there has been a number of changes in staffing levels which also impacts on employee costs and further the manner in which employee costs are reported in the budget can vary depending on the way in which finance staff treat those costs. The auditor's note that generally the recommendations of the independent organization review have been adopted which has resulted in the rationalization of some administrative roles.

**Declared Species Group Funds Held** – it is noted that this is not an issue that the auditor can fully address but makes comment that if it was the intention of Council for any unspent funds to be carried over to the next budget period such funds should have been held in a Trust Fund.

This matter has now been addressed with the group establishing their own bank account to which Council can transfer their agreed annual contribution. The 15/16 budget amount has been transferred to the group together with other funds that had been identified by previous staff and held by Council. The remaining shortfall will be budgeted for in 2016/17 and paid to the group together with the normal annual contribution approved by Council.

The auditors concluding comments summarise their findings on these matters:

*"In conclusion, and as a result of our investigations into the above matters, we are satisfied that no matters of impropriety or non-compliance were noted, and in particular which we consider would warrant any further inquiry"*

**Consultation:**

Lincolns – Council's appointed independent auditors

**Statutory Obligations:**

N/A

**Policy Implications:**

Vehicle Policy A16 is noted in the auditor's report.

**Budget / Financial Implications:**

The auditor's report has incurred additional expense of \$1,500 plus the staff time taken to research and provide background information requested by the auditor.

**Strategic Implications:**

The independent report notes no areas of impropriety or non-compliance which indicates a high level of internal governance and control.

**Sustainability Implications:**

- **Environmental:**  
There are no known significant environmental considerations.
- **Economic:**  
There are no known significant economic considerations.
- **Social:**  
There are no known significant social considerations.

**Voting Requirements:**

Simple majority

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 10.4.3
Moved: Cr Goldfinch	Seconded: Cr Gairen
That Council receives the independent auditor's report and note that as a result of their investigations into the matters as requested, they are satisfied that no matters of impropriety or non-compliance were noted, and in particular which we consider would warrant any further inquiry	
Carried: 7/0	Res: 62/16

**10.4.4 VEHICLE POLICY****File Ref:****Applicant:****Location:** Not applicable**Disclosure of Officer Interest:** None**Date:** 7<sup>th</sup> June 2016**Author:** Ian Fitzgerald – Chief Executive Officer**Authorising Officer:** Not applicable**Attachments:** Vehicle Policy**Summary:**

At the time of reviewing the Policy Manual in February 2016 Council requested that the Vehicle Policy be reviewed in April or May of this year. The review was delayed until the independent auditors report on the Vehicle Policy was completed but is now presented to Council.

**Background:**

The Vehicle Policy was developed by the Chief Executive Officer and Manager of Engineering Services at the request of former Councillor Duncan and adopted by Council in 2015.

**Comment:**

The Policy Manual was presented to Council for their annual review at the February 2016 meeting at which the following resolution was adopted:

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 10.4.1
Moved: Cr Kelton	Seconded: Cr Smith
That Council:	
a) adopts the 2016 Policy Manual as presented.	
b) Review the Vehicle Policy in April or May 2016	
Carried: 5/1	Res: 11/16

The policy has been reviewed and the only change recommended is the deletion of any reference to the Deputy Chief Executive Officer (one reference was missed in the February review).



As reported in the previous agenda item the policy was reviewed by Council's auditor, Lincolns, who found no issues with the policy other than some other local governments change over their vehicles at 6 months or 15,000km. Whilst this is noted it is not recommended that this be included within the Shire's Vehicle Policy.

Following comments made at previous Council meetings a review was conducted of meeting agendas and minutes going back more than 5 years to see what reference was made to the replacement of light vehicles including their age and mileage. Contrary to the comments made the only reference to the changeover of light vehicles that could be located arose when the then Chief Executive Officer requested to change or purchase a vehicle that was not listed in the adopted budget – Manager of Recreation vehicle (additional), DCEO vehicle (additional) CEO vehicle (changeover).

As far back as 2010 Council has delegated the changeover of light vehicles including sedans and utilities to the Chief Executive Officer and from 2013 this has been on delegated to the Manager of Engineering Services. The only provision is that any vehicle to be changed is listed in the annual budget.

**Consultation:**

Lincoln Auditors

Manager of Engineering Services

**Statutory Obligations:**

N/A

**Policy Implications:**

Vehicle Policy A16 as amended with reference to DCEO removed.

**Budget / Financial Implications:**

Vehicles to be changed over/replaced are listed within the budget document.

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

**Strategic Implications:**

Good asset management practices suggest all plant and equipment should be replaced at regular intervals.

**Sustainability Implications:**

- **Environmental:**  
There are no known significant environmental considerations.
- **Economic:**  
There are no known significant economic considerations.
- **Social:**  
There are no known significant social considerations.

**Voting Requirements:**

Simple majority

OFFICER RECOMMENDATION

ITEM 10.4.4

That Council adopt the reviewed and amended Vehicle Policy A16 as presented.

**Alternate Motion – Cr Norman:**

I propose an alternative motion for item 10.4.4, which might read;

- 1) That Council receive the amended Policy A16 as a guide only.
- 2) That our Plant Replacement Schedule 2015/16 - 2024/25 be reviewed on a case by case basis.
- 3) That Council adopt the section of Policy A16, "Staff Use of Light Vehicles", as part of Policy A4.
- 4) That Council consider boosting the Plant Reserve as part of the 2016/17 budget.

**Rationale for change**

Council had a very adequate method of replacing plant and vehicles which I assume had been operating successfully since the inception of Ravensthorpe Shire.

Namely a conjoined decision by Council and CEO as to when it was necessary to do so.

I believe this system served Council well.

Last year, Councillor Duncan floated the idea of having a heavily proscribed system of vehicle and plant replacement which was put to Council in July.

This policy was developed to what we see today, Policy A16.

Council has been given no assessment of the financial costs of adoption of this policy, neither has any real benefit been identified.

Council had a tied vote on adoption of Policy A16, so I believe it a worthwhile exercise to take this opportunity to now re-assess how Council views its value, since it has been in place for nearly a whole budget cycle.

No attempt has been made in this review or the original agenda item to demonstrate either economic or other benefits of this policy to the Shire.

I believe that our adopted Long Term Financial Plan and our Corporate Business Plan show equipment expenses at;

FY 2014/15 \$489,250 (net \$309,000)

FY 2015/16 \$254,617 (net \$166,031)

FY 2016/17. \$379,178 (net \$193,414)

FY 2017/18. \$425,443 (net \$296,009)

FY 2018/19. \$470,000 (net \$237,651)

If we continue with the new policy A16, expenditure for the same periods will be \$897,500, \$885,000, \$866,000 and \$820,000 respectively.

This is increased expenditure in every year, ranges from \$642,883 extra in the first year to \$350,000 in the last, or about a half a million dollars extra each year.

#. It is my belief that our shire simply cannot afford to continue this policy in its current form.

# Council might also consider allocating funds to the Plant reserve, which stands at \$0.00 , (as suggested in the original agenda item 10.4.6 July 2015).

#. Council might also consider the opinion expressed in the Lincolns Audit report, which notes that we might not be able to benefit from special offers which could arise from time to time due to the very specific proscriptive nature of Policy A15.

I propose we revert to the former method of vehicle and plant replacement, which served us well in the past, in order that we conserve our finances, retain the ability to make adjustments and retain the ability to move quickly if an opportunity arises.

**Administration Comment:**

The idea behind have a Vehicle Policy is to have a planning tool so that future changeover of vehicles are known in advance and Council does get to the situation that all of a sudden we have a number of vehicles needing changing – items such as dozers, graders, loaders prime-movers etc are expensive to changeover and if they are not regularly changed can become very expensive to maintain. I don't want to get to the situation where Council needs to look at raising loans to purchase vehicles – not a good use of finances. This also comes under the requirement to have good asset management practices in place.

It is true the Long Term Financial Plan and Corporate Business Plan have the amounts outlined by Cr Norman. No detail can be located that supports how these figures were

determined. However a 2010/11 – 2024/25 Plant Purchase and Replacement Strategy had the following amounts identified (after projected trade-166,031ins):

FY 2014/15	\$628,000
FY 2015/16	\$353,000
FY 2016/17	\$412,000
FY2017/18	\$572,000
FY 2018/19	\$645,000

These figures are considerably different to what is in the Long Term Financial Plan and as I was not here at the time I cannot explain why. Interestingly the adopted budget for 2014/15 had the change-over of \$628,000.

The adopted budget for 2015/16 provides that the Plant Reserve will have a balance of \$122,623, not a great deal but better than the figure Cr Norman has picked up.

I have spoken to Albany Toyota and they have advised they are not aware of any regular change-over arrangements as was indicated by Council that may have been available. A number of years ago Holden and Ford had guaranteed change-overs but I understand they no longer available either.

Because of the special discounts local government already receives with purchasing at State Tender pricing (fleet and dealer discounts) and being able to claim back the GST component there is virtually no opportunity for Council to be able to take advantage of any special deals other than if a dealer is looking for a particular second-hand vehicle for a customer they may offer an added trade-in value to obtain a Council vehicle.

I would be loath to recommend any change to the policy in relation to the larger vehicles (graders, trucks, etc) as that has potential to lead to higher maintenance costs, higher change-over expense and an uneven pattern of annual expenditure (some years low – some years high) which would make budgeting difficult.

If Council wishes, the change-over of light vehicles can be made more flexible by making the suggested change-over periods of being “no later than” the nominated periods. This has been added into the policy.

The inclusion of the “Staff Use” section of the Vehicle Policy in Policy A4 “use of Vehicles by Employees” would add consistency.

**COUNCIL DECISION**

ITEM 10.4.4

Moved: Cr Goldfinch

Seconded: Cr Smith

That Council adopt the reviewed and amended Vehicle Policy A16 as presented. The objective of this policy is to help **guide** Council and administration in vehicles, plant and equipment replacement at a time which optimises use and minimises the whole of life cost.

**Amendment**

Moved: Cr Norman

Seconded: Cr Dickinson

That part 2 be added to the motion as follows:

That Council adopt the section of the Policy A16, "Staff Use of Light Vehicles", as part of Policy A4.

The Amendment was Carried: 7/0 Res: 63/16

The Amendment became part of the motion, the motion was Carried: 7/0

Res: 64/16

**10.4.5 CIVIC CENTRE PROJECT****File Ref:**

<b>Applicant:</b>	Not applicable
<b>Location:</b>	Shire of Ravensthorpe
<b>Disclosure of Officer Interest:</b>	Not applicable
<b>Date:</b>	8 <sup>th</sup> June 2016
<b>Author:</b>	Ian Fitzgerald – Chief Executive Officer
<b>Authorising Officer:</b>	Not applicable
<b>Attachments:</b>	Yes - Core Business proposal

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**Summary:**

Council is requested endorse appointing external consultants to assist in the preparation of a needs assessment and concept designs for the development of the Ravensthorpe Civic Centre area.

**Background:**

Council has discussed on several occasions the redevelopment of the area in Morgans Street that includes the Council administration building, old bank building and the senior citizens building and extending through to the Community Resource Centre on Dunn Street. A proposal has been previously developed by the Ravensthorpe Community Resource Centre and this included consultation with a range of affected parties.

**Comment:**

This is a very complex project that would have the potential to impact on a vast number of organisations and will provide a completely new view of the area. It is important that the project is developed in conjunction with the impacted organisations and the community because any redevelopment will be designed and built to last or many years and come at considerable expense.

The new area, along with the streetscape redevelopment of Morgans Street will become a focal point of the town for locals and visitors alike and every effort has to be taken to get this redevelopment built to meet both current and future needs of the community and organisations and potentially new businesses that will operate from here.

To assist Council develop this project Mark Weller of Core Business Australia was approached for a proposal and a quote. Mr Weller has worked on other projects for Council and the

community so has some understanding of the area. It is proposed, that if the quote is accepted, that architect Michael Roberts based in Albany will also work on the project.

Mr Weller and Mr Roberts have visited the area prior to developing their proposal for Council to consider and inspected a number of the buildings and met informally with several groups.

The first stage of the project proposed would include:

- a) Community engagement
- b) Preparation of a needs assessment
- c) Preparation of a concept brief
- d) Preparation of a notional design study and master plan concepts
- e) Preparation of a project costing

Once a concept plan is agreed Core Business would be able to assist in developing business cases and funding applications that would be needed to secure the grants that would be required to achieve the desired outcomes.

**Consultation:**

Council

External consultants

**Statutory Obligations:**

Local Government Act 1995

**Policy Implications:**

Nil

**Budget / Financial Implications:**

The fee proposal of \$21,351 is within the amount allowed in the 2015/16 budget with any unspent funds carried forward to the 2016/17 budget.

**Strategic Implications:**

Nil

**Sustainability Implications:**

- **Environmental:**  
There are no known significant environmental considerations.
  
- **Economic:**  
There are no known significant economic considerations.
  
- **Social:**  
There are no known significant social considerations.

**Voting Requirements:**

Simple majority

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 10.4.5
Moved: Cr Dickinson	Seconded: Cr Smith
That Council accept the proposal from Core Business Australia to work with Council and the community on the development of concept plans for the redevelopment of the Morgans Street civic centre area.	
Carried: 7/0	Res: 65/16



**10.4.6 DIFFERENTIAL RATES 2016/17****File Ref:**

<b>Applicant:</b>	Not applicable
<b>Location:</b>	Not applicable
<b>Disclosure of Officer Interest:</b>	None
<b>Date:</b>	7 <sup>th</sup> June, 2016
<b>Author:</b>	Ian Fitzgerald – Chief Executive Officer
<b>Authorising Officer:</b>	Not applicable
<b>Attachments:</b>	Objectives and Reasons for Proposed Differential Rates 2016/17

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**Summary:**

This report recommends Council adopt a system of differential rating for 2016/17 financial year to help maintain equality in the rating of properties across the shire.

**Background:**

Council adopted a system of differential rating for the 2015/16 financial year which assisted in evening out the rate burden across the shire.

**Comment:**

Section 6.36 of the Local Government Act 1995 allows Council to implement a system of differential rating subject to adoption by Council, public advertising, and approval from the Minister for Local Government and Communities before being applied.

The Act allows for differential rates to be applied to help overcome an issue where the land use written the rating category is completely different and therefore valuations are significantly different. The use of differential rating helps to ensure equality within the rating system.

There has been minimal change to unimproved valuations (rural areas) this year with less than .5% change. There has been no change in gross rental valuations this year. The Valuer-General undertook a review of mining camps and the method of their valuation but we have received advice the same valuations as last year will apply even though the classification of one property will change.

The state and national economies are struggling at present and whilst some costs are increasing inflation is at a low rate. The Fair Work Commission recently announced a base wage increase of 2.4% with effect 1 July which reflects the overall state of the economy. With this in mind the administration is suggesting an increase in rate income for the 2016/17

financial year of approximately 4%. **Note: at the Agenda Setting Forum Council recommended that an increase of 5.5% be included in the draft budget as provided for in the Long Term Financial Plan.** This is lower than that outlined in the long term financial plan (5.5%) but is one that the administration believes will allow the current level of services and facilities to be maintained and an increase more acceptable to the community. The rates in the dollar proposed for 2016/17 are outlined below:

<b>RATING CATEGORY</b>	<b>2015/16 RATE Cent in \$</b>	<b>2016/17 RATE Cent in \$</b>
<b>GRV Residential</b>	10.12	10.6766
<b>GRV Commercial</b>	11.364	11.9890
<b>GRV Industrial</b>	13.40	14.1370
<b>GRV Transient Worker Camps</b>	28.00	29.5400
<b>GRV Short Stay Accommodation</b>	28.00	29.5400
<b>UV</b>	1.012	1.0676
<b>Minimum – all categories</b>	\$900.00	\$920.00

It is proposed that the minimum rate charged in 2016/17 be increased by approximately 2.3%.

**Consultation:**

No community consultation has been undertaken but will be once adopted by Council as required by section 6.36 of the Local Government Act 1995.

The Minister for Local Government will need to ratify any different rating to be applied.

**Statutory Obligations:**

Sections 6.33, 6.35 and 6.36 of Local Government Act 1995.

**Policy Implications:**

Nil

Council may wish to consider a rating Policy for future years.

**Budget / Financial Implications:**

It is estimated the overall rate yield, based on the proposed rates in the dollar, in 2016/17 will be \$3.9 million.

**Strategic Implications:**

Nil

**Sustainability Implications:**

- **Environmental:**

There are no known significant environmental considerations.

- **Economic:**

There are no known significant economic considerations.

- **Social:**

There are no known significant social considerations.

**Voting Requirements:**

Simple majority

OFFICER RECOMMENDATION AND COUNCIL DECISION		ITEM 10.4.6
Moved: Cr Dickinson		Seconded: Cr Smith
That Council		
1) Endorse the following differential rates across all categories to form the basis of the proposed rate setting for the 2016/17 budget.		
	Cost in \$	Minimum
GRV Residential	0.106766	\$920
GRV Commercial	0.119890	\$920
GRV Industrial	0.141370	\$920
GRV – Transient Workforce Accommodation	0.295400	\$920
GRV - Short Stay Accommodation	0.295400	\$920
UV	0.010676	\$920
2) Adopt the Objectives and Reasons for the Proposed Differential rates for 2016/17		
3) Authorise the Chief Executive Officer to advertise the differential rates and call for submissions in accordance with the Local Government Act 1995 – Section 6.36 – for a minimum of 21 days		
4) Authorise the Chief Executive Officer to seek Ministerial approval under Section 6.33 of the Local Government Act 1995 to impose the differential rates at the end of the advertising period, subject to no submissions being received.		
Carried: 7/0		Res: 67/16

**10.4.7 RAVENSTHORPE LOCAL EMERGENCY MANAGEMENT COMMITTEE MEETING**

<b>File Ref:</b>	
<b>Applicant:</b>	Not applicable
<b>Location:</b>	Not applicable
<b>Disclosure of Officer Interest:</b>	None
<b>Date:</b>	7 June 2016
<b>Author:</b>	Ashley Peczka – Community Emergency Services Officer
<b>Authorising Officer:</b>	Ian Fitzgerald – Chief Executive Officer
<b>Attachments:</b>	Yes – Minutes are attached

**Summary:**

The minutes of the Shire of Ravensthorpe Local Emergency Management Committee meeting held on 1<sup>st</sup> June 2016 are presented for the information of Councillors. There are no recommendations for Council to consider.

**Background:**

Nil

**Comment:**

The Local Emergency Management Committee made no recommendations for Council to consider at this meeting. The Minutes are presented to Council to be received

**Consultation:**

Nil

**Statutory Obligations:**

Emergency Management Act, 2005

**Policy Implications:**

Shire of Ravensthorpe Local Emergency Management Committee operational guidelines

**Budget / Financial Implications:**

Nil

**Strategic Implications:**

Nil

**Sustainability Implications:**

- **Environmental:**  
There are no known significant environmental considerations.
- **Economic:**  
There are no known significant economic considerations.
- **Social:**  
There are no known significant social considerations.

**Voting Requirements:**

Simple majority

OFFICER RECOMMENDATION AND COUNCIL DECISION	ITEM 10.4.7
Moved: Cr Gairen	Seconded: Cr Goldfinch
That the Minutes of the Shire of Ravensthorpe Local Emergency Management Committee meeting held on 1 <sup>st</sup> June, 2016 be received.	
Carried: 7/0	Res: 68/16

**11. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**  
NIL

**12. BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**

**12.1 ELECTED MEMBERS**  
NIL

**12.2 OFFICERS**  
NIL

**13. MATTERS BEHIND CLOSED DOORS**  
NIL

**14. CLOSURE OF MEETING – 5.20PM**

These minutes were confirmed at the meeting of the \_\_\_\_\_

Signed: \_\_\_\_\_  
(Presiding Person at the meeting of which the minutes were confirmed.)

Date: \_\_\_\_\_