



ORDINARY MINUTES

ORDINARY Meeting
of the Council held:

DATE: Tuesday, 27 May 2008

TIME: 2.45pm

VENUE: Council Chambers

John Fathers
ACTING CHIEF EXECUTIVE OFFICER

MEMBERSHIP – Quorum (5)

Members:

Cr K Forbes - Rocky Gully / West Ward - Shire President
Cr B Hollingworth - Town Ward - Deputy Shire President
Cr K Clements - Town Ward
Cr J Mark - Town Ward
Cr J Moir - South Ward
Cr M Skinner - East Ward
Cr D Nye-Chart - East Ward
Cr S Grylls - Rocky Gully / West Ward
Cr A Budrikis - Kendenup Ward

Information and recommendations are included in the reports to assist the Council in the decision making process and may not constitute the Council's decision until considered by the Council.

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1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

2:45 PM The Presiding Member declared the meeting open.

2 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

3 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE (PREVIOUSLY APPROVED)Members Present:

Cr K Forbes
Cr B Hollingworth
Cr A Budrikis
Cr K Clements
Cr S Grylls
Cr J Mark
Cr J Moir
Cr D Nye-Chart
Cr M Skinner

In Attendance:

Mr J Fathers	Acting Chief Executive Officer
Ms N Selesnew	Manager Community Services
Mr P Duncan	Manager Development Services
Mr I Bartlett	Manager Works and Services
Mrs K Skinner	Executive Secretary

Apologies

Mr R Stewart Chief Executive Officer

There were nil member(s) of the public in attendance.

There were nil member(s) of the media in attendance.

4 PUBLIC QUESTION TIME

Nil

5 PETITIONS / DEPUTATIONS / PRESENTATIONS

Nil

6 DISCLOSURE OF INTEREST

Part 5 Administration Division 6 Disclosure of Financial Interests Local Government Act 1995.

Councillor J Moir declared a Financial Interest for Item 11.1.1.

Cr K Clements declared a Financial and Closely Associated Person Interest for Item 11.1.1.

Cr D Nye-Chart declared a Financial Interest for Item 11.2.1.

Mr J Fathers declared an Impartiality Interest for Item 11.2.3.

7 APPLICATIONS FOR LEAVE OF ABSENCE

7.1 APPLICANT: CR A BUDRIKIS

Cr A Budrikis requested Leave of Absence from 3 to 5 June 2008 (inclusive).

Moved Cr M Skinner, seconded Cr J Mark

That Cr A Budrikis be granted Leave of Absence from 3 to 5 June 2008 (inclusive).

CARRIED (9/0)

NO. (82/08)

8 CONFIRMATION OF MINUTES

Moved Cr M Skinner, seconded Cr B Hollingworth

THAT the Minutes of the Ordinary Meeting of the Shire of Plantagenet, held on 13 May 2008 as circulated, be taken as read and adopted as a correct record.

CARRIED (9/0)

NO. (83/08)

9 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

- 14 May 2008 – Attended the Timber Industry Roads Evaluation Strategy (TIRES) Meeting which confirmed current figures. We have been advised of further funding of \$100,000.00. TIRES members have been asked to consider allocating that to slip lanes where Narrikup by-pass meets Albany Highway.
 - 20 May 2008 – Attended the South Coast Forest Industry seminar in Albany. A presentation was done on the Local Government – Industry partnership.
 - 26 May 2008 – Attended with Cr Hollingworth and Mr Fathers the Western Australian Local Government Association's (WALGA) zone meeting held in Katanning. Three (3) issues still need to be addressed by the Council – Systemic Sustainability Study (SSS), Constitutional Recognition of Local Government and Compulsory Voting.
 - 28 May 2008 – Will be attending the FESA Capital Grants Committee Meeting in Perth.
-

- 4 and 5 June 2008 - Will be attending the Western Australian Local Government Association State Council Meeting.

10 ANNOUNCEMENTS BY COUNCILLORS WITHOUT DISCUSSION

Cr B Hollingworth

- 14 May 2008 – TIRES Meeting in Mount Barker.
- 15 May 2008 – Attended a Wilson Inlet Catchment Committee Meeting (WICC) as a Council representative.
- 19 May 2008 – Initiate Plantagenet Probus Club. Twenty four (24) members from across the whole of the Shire.
- 20 May 2008 – Attended the South Coast Forestry Industries Development Forum. As Chairman of Timber 2020 was host.
- 26 May 2008 – Attended the Western Australian Local Government Association's Zone Meeting in Katanning and attended the SAT information session.

Cr A Budrikis

- 14 May 2008 – Attended a Community Recreation Centre Advisory Committee with the main points being:
 - Centre being used for three (3) Saturdays for netball as the Albany Leisure Centre is still not open;
 - This has seen a significant increase in use on these Saturdays and demonstrates the importance of supplying regional sporting activities where the principle of 'equity' is promoted (ie hosting home games in the home town);
 - An issue that is raised from this increase use is the need to reserve overflow parking areas;
 - Discussed the importance of advertising and the need for an adequate sign at the entry, preferably illuminated; and
 - Other facilities that could be considered in the future include enhancement of refreshment areas and services (eg coffee and cakes etc).

Cr M Skinner

- Advised that cattle numbers at the Great Southern Regional Cattle Saleyards should reach over 70,000 this financial year.

11 REPORTS OF COMMITTEES AND OFFICERS

11.1 DEVELOPMENT SERVICES REPORTS

11.1.1 LOT 100 LOWOOD ROAD CORNER MUIR STREET, MOUNT BARKER – PROPOSED SHOWROOM / WAREHOUSE DEVELOPMENT

The Presiding Member directed that this item be discussed out of sequence pending advice from the Department of Local Government but for ease of recording is left in numerical order.

A Financial and Closely Associated Person Interest was disclosed by Cr K Clements.

3.20pm Cr K Clements withdrew from the meeting.

A Financial Interest was disclosed by Cr J Moir. Cr Moir sought approval from the Council to remain in the meeting and participate in the decision making process, pursuant to S 5.68 of the Local Government Act (1995). Councillor Moir indicated the nature and extent of his interest was of a casual employee of Elders.

3.20pm Cr J Moir withdrew from the meeting.

COUNCIL DECISION ON DISCLOSURE

Moved Cr A Budrikis seconded Cr J Mark

That Cr J Moir be allowed to participate in discussion and decision making procedures on this matter as it is considered that his interest is so trivial or insignificant that it is unlikely to influence his conduct in relation to the matter.

CARRIED (7/0)

NO. (84/08)

3.22pm Cr Moir returned to the meeting.

File No: RV/182/1779

Attachments: [Location Plan](#)
[Site Plan](#)
[Elevations](#)
[Artists Impression](#)

Responsible Officer: Peter Duncan
Manager Development Services

Author: Juliet Albany
Planning Officer

Proposed Meeting Date: 27 May 2008

Applicant: Plantagenet Sheds and Steel for Mount Barker
Co-operative Ltd

Purpose

The purpose of this report is to consider a proposal for a Showroom / Warehouse on Lot 100 at the corner of Lowood Road and Muir Street, Mount Barker.

Background

Lot 100 was created from the amalgamation of four existing lots in March 2008.

This proposal is the first stage of a two stage development that will in future include a development facing Muir Street. The second stage will complement the Plantagenet Hotel on the opposite side of Muir Street in terms of building frontage and scale.

Shire records show that the landowner is the Mount Barker Co-operative Ltd.

Statutory Environment

Planning and Development Act 2005

Shire of Plantagenet Town Planning Scheme No 3 (TPS3) – Zoned Service Industrial – clause 5.2 enables the Council to vary particular development standards on the basis that:

- a) *approval of the proposed development would be consistent with the orderly and proper planning of the locality and the preservation of the amenities of the locality;*
- b) *the non-compliance will not have any adverse effect upon the occupiers or users of the development or the inhabitants of the locality or upon the likely future development of the locality; and*
- c) *the spirit and purpose of the requirement or standard will not be unreasonably departed from thereby.'*

Consultation

Consultation between the owner's representative, the builder and Shire staff has occurred.

Financial Implications

The necessary application fee of \$2,099.00 has been paid.

Policy Implications

There are no policy implications for this report.

Strategic Implications

Shire of Plantagenet Strategic Plan 2003, Key Result Area 4 Aims to:

- 'Encourage and guide local development in accordance with the Strategic Plan and the Town Planning Scheme No 3.'
- 'Support sustainable and managed growth within existing urban settlements'.

Officer Comment

The proposal is for a commercial building to be utilised by Elders as a showroom / warehouse. The proposal meets the development requirements of TPS3 for setbacks (front and side), car parking and landscaping.

A rear setback of 0m is provided (5m required). The rear area is to be utilised for loading and is covered by an awning. The Council's approval is required to vary the rear setback requirement. Vehicular exit from the site for large vehicles will be over Lot 5 to the rear to Cooper Street. The Manager Works and Services requires some upgrading of Cooper Street.

The artist's impression attached show signs advertising 'Elders'. The Zone Development Table in TPS3 sets a maximum area for advertising in the Service Industrial Zone to be 5m². Schedule 10 of TPS3 allows variations to this standard in terms of signage.

The plans submitted show a future building fronting Muir Street and this principle of a 'shop front' with verandah is supported. A future application will be submitted for this.

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION / COUNCIL DECISION

Moved Cr J Mark, seconded Cr M Skinner

That the proposed Showroom / Warehouse on Lot 100 Lowood Road corner Muir Street, Mount Barker be approved subject to:

- 1. The development being in accordance with the plans dated 13 May 2008.**
- 2. A contribution to the upgrade and maintenance of Cooper Street to the satisfaction of the Manager Works and Services.**
- 3. The provision of crossovers and upgrade of footpath paving to the satisfaction of the Manager Works and Services.**
- 4. All stormwater disposal is to be to the satisfaction of the Manager Works and Services.**
- 5. The provision of Street Trees in accordance with the Mount Barker Townscape Review to the satisfaction of the Manager Works and Services.**
- 6. Landscape plans for the balance of the lot facing Muir Street to be submitted to the satisfaction of the Manager Development Services.**
- 7. Access / Egress over the adjoining Lot 5 to Cooper Street being established to the satisfaction of the Manager Works and Services.**

Advice Note:

This approval does not include the illustrated signage. Signage is to comply with the size limitations set by Town Planning Scheme No. 3 and a separate application is required to be submitted.

CARRIED (7/1)

NO. (85/08)

3.31pm Cr K Clements returned to the meeting.

11.2 CORPORATE SERVICES REPORTS

11.2.1 BUDGET REVIEW AND OVERDRAFT FACILITY – MARCH 2008

A Financial Interest was disclosed by Cr D Nye-Chart.

3.05pm Cr D Nye-Chart withdrew from the meeting.

An Impartiality Interest was disclosed by Mr J Fathers, Acting Chief Executive Officer.

File No:	FM/103/3
Attachment: (1)	Bendigo Bank Deed of Mortgage
Responsible Officer:	Rob Stewart Chief Executive Officer
Author:	John Fathers Deputy Chief Executive Officer
Proposed Meeting Date:	13 May 2008

Purpose

The purpose of this report is to adjust the adopted 2007 / 2008 Annual Budget to recognise variations in actual income and expenditure. This is necessary to facilitate appropriate financial control and ensure that the Council's financial resources are allocated in the most effective manner.

Background

The 2007 / 2008 annual budget was adopted by the Council at its meeting on 31 July 2007. Other budget reviews for the current financial year were undertaken in September 2007 and January 2008.

Statutory Environment

There is no specific section of the Local Government Act 1995 that deals with the re-allocation of funds, however Section 6.2(1) of the Local Government (Financial Management) Regulations 1996 governs budget requirements for local governments.

Regulation 33A now requires a Local Government to conduct a mandatory budget review between 1 January and 31 March each year.

Section 6.20 of the Local Government Act 1995 refers to taking out of overdraft facilities.

Consultation

Consultation has occurred with department managers.

Policy Implications

There are no policy implications for this report.

Financial Implications

The purpose of a budget review is to ensure that the expenditure for the current year is monitored in line with the adopted budget and, where exceptions to the adopted budget occur, make amendments to the budget or work scope as necessary. There are some financial implications with this report, however the overall effect on the budget is nil ie: changes in incomes are offset by changes in expenditure.

Strategic Implications

There are no strategic implications for this report.

Officer Comment

This is the third budget review since the new computer system was introduced in July 2007. Most of the system changes have been dealt with satisfactorily in the previous budget reviews, however, there are more changes to budget items as a result of system differences, which are not further explained below. These changes may show as additional expenditure and / or income, however the overall impact on the budget is minimal. A number of other more significant discrepancies have been identified as requiring a budget amendment and action is recommended as detailed below.

OPERATING

- Other Expenses - Rate Recovery / Legal Costs (20009.0071, Budget \$15,000, Actual \$41,930) Approximately \$25,000 has been spent on issuing over 200 general procedure claims for non-payment of rates. This is fully recoverable and accordingly, Budget Item Rates Penalties & Fees - Legal Costs Reimbursed (10004.0069) has been increased by the same amount.
- Rates Employee Costs – Salaries (20000.0130, Budget \$73,987, Actual \$48,947) Savings have been identified in this account and the sum of \$9,000 can be made available for reallocation.
- GRV and UV Rates Income (10000.0414 & 10001.0414, Budget \$1,096,211 & \$2,521,579) Taking into consideration some recent rates refunds, interim rates income of some \$25,500 should be realised.
- Other Expenses - Audit Fees (20033.0259, Budget \$8,400, Actual \$12,050) Auditors spent more time than normal on resolving issues with the accounts for the 2006 / 2007 financial year.
- Administration - Conferences & Training (20047.0029, Budget \$15,000, Actual \$14,944) More than anticipated has been spent on Civica Authority training. An additional \$5,000 is required for this year.
- Administration Employee Costs - Long Service Leave (20047.0311, Budget Nil, Actual \$2,493). This account has been used for payments to other local governments for former employees' entitlements. An estimated \$4,200 is required for this financial year.
- Administration Employee Costs – Superannuation (20047.0141, Budget \$69,107, Actual \$57,862). This account was underestimated due to differences in current employees' superannuation choices. An additional \$8,000 is sought.
- Waste Disposal Sites - Grounds Maintenance (20165.0052, Budget \$280,682, Actual \$279,875). This budget item was under-budgeted as additional salaries for manning tip sites was not catered for. An estimated total of \$353,382 is

needed for the total year. This cost reflects the current of running the waste disposal sites.

- Town Planning (20173.0030 Professional Services; 20173.0289 Local Planning Strategy; 20173.0353 Signs Policy; 20173.0363 Subdivision Martin Street) The Manager Development Services has reviewed expected operational expenditure and determined that savings of \$19,000 will be achieved on these budget items.
- Parks – Building Operating and Grounds Maintenance / Operating Costs. Some adjustment to accounts due to different Civica Authority set-up is sought. Savings of \$21,000 have also been identified in parks maintenance / operating costs, mainly due to staff working on the Lowood Road construction project and the new Albany Highway / Muirs Road roundabout.
- Unclassified Other Income - Diesel Rebate (11420.0405, Budget \$12,000, Actual \$25,595). Additional income has been received due to an effort to realise rebates on all possible vehicles, which has also resulted in some back claims being approved.

CAPITAL

- Road Construction - Spencer Road TIRES (51262.0250). In the September 2007 budget review report, it was advised that there has been significantly more work than predicted in completing the Hay River crossing as part of the Spencer Road bypass, due to the amount of fill required to be removed and ballast brought in. Five Spencer Road Bypass jobs were therefore combined together. With Main Roads approval, the surplus funds from a number of other jobs are required for this project, totalling \$410,206, as follows:
 - 51241.250 Spencer Road RRG 2006/07 (SLK .46 to SLK 1.54) \$223,566;
 - 51266.250 Springs Road TIRES (Bal Blue Lakes/Perillup Rds) \$ 16,609;
 - 51267.250 Martigallup Rd TIRES (SLK 4.0 to SLK 10.0) \$ 44,121;
 - 51268.250 Martigallup Rd 2nd Seal TIRES (SLK 0 to SLK 10.2) \$125,910.

The December 2007 Budget Review resulted in a \$11,000 surplus and now taking this into account, the current budget review presents a nil dollar result.

As indicated in the January 2008 budget review, the Council may fall short of municipal cash towards the end of this financial year and into July 2008. Arrangements have been made with Bendigo Bank for a short term overdraft to accommodate this situation and the statutory advertising has been undertaken. The bank was asked to determine special rates for the Shire and the costs of this facility have now been confirmed as follows:

- Application Fee - 0.25% of amount required eg: \$1,250 on \$500,000;
- Annual Review Fee - \$400.00 - This is only if the overdraft is required on an ongoing basis & is not due until after the first twelve (12) months;
- Interest Rate – 10.25% - this is at the current rate and is charged on a daily basis on the amount of overdraft being utilised - not the entire overdraft amount.

These fees would only kick in when the facility is needed and the Council only needs to apply once. The Bendigo Bank does, however, require a formal agreement to be signed and sealed which places a charge over the Shire's rates income to cover the overdraft.

Voting Requirements

Absolute Majority

OFFICER RECOMMENDATION / COUNCIL DECISION

Moved Cr J Moir, seconded Cr B Hollingworth

That:

1. The adopted 2007 / 2008 Annual Budget be amended as follows:

Account	Description	Original Budget	New Budget	Net Amount
20009.0071	Other Expenses - Rate Recovery / Legal Costs	-\$15,000	-\$42,000	-\$27,000
20000.0130	Rates Employee Costs - Salaries	-\$73,987	-\$64,987	\$9,000
10000.0414	General Rate GRV - Rates	\$1,096,211	\$1,112,711	\$16,500
10001.0414	General Rate UV - Rates	\$2,521,579	\$2,530,579	\$9,000
	Rates Penalties & Fees - Legal Costs			
10004.0069	Reimbursed	\$5,000	\$32,000	\$27,000
20033.0259	Other Expenses - Audit Fees	-\$8,400	-\$14,000	-\$5,600
20047.0029	Administration - Conferences & Training	-\$15,000	-\$20,000	-\$5,000
	Administration Employee Costs - Long Service			
20047.0311	Leave	\$ -	-\$4,200	-\$4,200
	Administration Employee Costs -			
20047.0141	Superannuation	-\$69,107	-\$77,107	-\$8,000
20071.0182	Fire Prevention - Vehicle Running Costs	\$ -	-\$3,500	-\$3,500
20074.0312	Fire Prevention - Other Operating Costs	-\$15,000	-\$11,500	\$3,500
20078.0130	Animal Control - Employee Costs - Salaries	-\$28,815	-\$22,315	\$6,500
20080.0312	Animal Control - Other Operating Costs	-\$13,500	-\$20,000	-\$6,500
20165.0052	Waste Disposal Sites - Grounds Maintenance	-\$280,682	-\$353,382	-\$72,700
20173.0030	Town Planning - Professional Services	-\$5,000	-\$2,000	\$3,000
20173.0289	Town Planning - Local Planning Strategy	-\$8,000	-\$2,000	\$6,000
20173.0353	Town Planning - Signs Policy	-\$4,000	\$0	\$4,000
20173.0363	Town Planning - Subdivision Martin Street	-\$21,000	-\$15,000	\$6,000
20212.0047	Parks - Facilities Maintenance	-\$93,485	-\$112,485	-\$19,000
20212.0048	Parks - Facilities Operating	-\$6,000	-\$12,000	-\$6,000
20211.0011	Parks - Building Operating	-\$68,000	-\$22,000	\$46,000
20227.0312	Street Lighting - Other Operating Costs	-\$27,000	-\$32,000	-\$5,000
	Spencer Road RRG 2006/07 (SLK .46 to SLK			
51241.0250	1.54)	-\$238,716	-\$15,150	\$223,566
	Springs Road TIRES (Bal Blue Lakes/Perillup			
51266.0250	Rds)	-\$67,557	-\$50,948	\$16,609
51267.0250	Martigallup Rd TIRES (SLK 4.0 to SLK 10.0)	-\$150,000	-\$105,879	\$44,121
	Martigallup Rd 2nd Seal TIRES (SLK 0 to SLK			
51268.0250	10.2)	-\$180,891	-\$54,981	\$125,910
				-
51262.0250	Spencer Road TIRES 2004/05 (SLK 0 to SLK6)	-\$529,550	-\$939,756	\$410,206
11420.0405	Unclassified Other Income - Diesel Rebate	\$12,000	\$27,000	\$15,000

2. Authority be granted to the Shire President and the Chief Executive Officer to affix the Common Seal of the Council to the documentation required by the Bendigo Bank Limited for an overdraft facility.

CARRIED (8/0)

(NO. 86/08)

(ABSOLUTE MAJORITY)

3.19 PM Cr D Nye-Chart returned to the meeting.

11.2.2 CODE OF CONDUCT

File No: GO/44/5
Attachments: [Model Code of Conduct](#)
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 27 May 2008

Purpose

The purpose of this report is to recommend the repeal of the Council's Code of Conduct Policy OP/HRP/2 and recommend the adoption of the Western Australian Local Government Association's (WALGA) Model Code of Conduct which includes recent amendments to the Local Government Act 1995 and Regulations.

Background

The Council's Code of Conduct, based on the previous WALGA model, was last reviewed at the ordinary meeting of the Council held on 14 February 2006.

Statutory Environment

Section 5.103(1) of the Local Government Act 1995 provides that:

'Every Local Government is to prepare or adopt a Code of Conduct to be observed by Council members, committee members and employees.'

Section 5.103(2) of the Act has been repealed. This section required a Local Government to review its Code of Conduct within twelve months after each ordinary Election Day. The Code of Conduct is now brought before the Council in line with the Council's normal policy review process. Further, the Local Government (Administration) Regulations 1996 require certain matters to be included within a Code of Conduct. These matters relate to gifts and disclosures of interest affecting impartiality.

Local Government (Administration) Regulations 1996 and Local Government (Rules of Conduct) Regulations 2007 also refer.

Consultation

Consultation has taken place with WALGA which has created a Model Code of Conduct as a guide for Councils.

Financial Implications

There are no financial implications for this report.

Policy Implications

There are no policy implications for this report.

Strategic Implications

There are no strategic implications for this report.

Officer Comment

The new model Code of Conduct is based largely on the former version, however has been modified to reflect legislative updates. A summary of the changes follows:

- Contains a comment observing the statutory requirements of the Local Government Act 1995, Local Government (Administration) Regulations 1996 and Local Government (Rules of Conduct) Regulations 2007.
- Contains a comment that council members acknowledge their activities, behaviour and statutory compliance obligations may be scrutinised with prescribed rules of conduct.
- Role of Council Member includes relevant provisions from the Local Government Act 1999.
- Contains a comment that a local government is to use its best endeavours to meet the needs of the current and future generations through an integration of environmental protection, social advancement and economic prosperity, in accordance with Section 1.3 (3) of the Local Government Act 1995.
- The Role of the CEO and the Council are expanded, and wording taken directly from the Local Government Act 1995.
- Conflict of Interest applies to committee members (who may not be elected members).
- Defines impartiality 'interest' and provides detailed requirements for disclosure of impartiality interests.
- The section on gifts has been amended to reflect changes to the Local Government (Administration) Regulations, and to be consistent with the Code of Conduct Regulations. Refers to employees only, as elected members are covered by the Regulations. Value of prohibited gift has been increased from \$200 to \$300. 'Token' gifts are now called 'notifiable' gifts, and their value set as \$50 - \$300. Allows a gift to be accepted from a person who is seeking Council authorisation or a commercial contract with the Shire, provided that the value is less than \$300 and subject to notification and recording of details in the gift register.
- The section on Honesty and Integrity has been amended to remove the clause requiring members and staff advising the Council of possible dishonesty on the part of the President or Chief Executive Officer as this is now a requirement under Corruption and Crime Commission Act 2003.
- The section on Relationships between members and staff has been amended to remove the section relating to staff refraining from publicly criticising members in a way that casts aspersions on their professional competence and credibility. Presumably this clause was unenforceable.

There are no particular concerns with the new model code of conduct and it is therefore recommended that it be adopted as the Shire of Plantagenet's Code of Conduct.

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION / COUNCIL DECISION

Moved Cr M Skinner, seconded Cr J Moir

That:

- 1. The Council's Code of Conduct Policy OP/HRP/2 be repealed.**
- 2. The Western Australian Local Government Association's Model Code of Conduct as attached be adopted as the Shire of Plantagenet's Code of Conduct.**

CARRIED (9/0)

NO. (87/08)

11.2.3 POLICY REVIEW - INVESTMENTS

File No: FM/120/6
Responsible Officer: John Fathers
Deputy Chief Executive Officer
Author: Cherie Delmage
Accountant
Proposed Meeting Date: 27 May 2008

Purpose

The purpose of this report is to review Council Policy No. F/RI/1 – Investments.

Background

At its meeting held 28 November 2006, the Council resolved:

'That amended Council Policy No. F/RI/1 as follows:

OBJECTIVE:

To document and provide the necessary information for the delegated officers to invest surplus funds.

POLICY:**1.0 Purpose of Policy**

1.1 The purpose of this policy is to ensure:

- That the Council conforms with its fiduciary responsibilities under Section 6.14 of the Local Government Act and Section 18 (1)(a) of the Trustees Act 1962 (the 'Prudent Person' rule);*
- That the Council at all times has in place a current set of policies and delegations for its Investments Officers; and*
- Adherence to the guidelines by all officers with delegated authority to invest / control surplus funds.*

1.2 This Policy is to be made available to all employees involved in daily investment decisions.

1.3 Notwithstanding the provisions of this Policy, the general financial management obligations imposed under the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996 should at all times be complied with.

2.0 Prudent Person Rule

2.1 The investment options available to local government authorities in Western Australia were altered in June 1997 with changes to the Trustees Act. With the passage of changes to the Trustees Act, the list of prescribed investments has been removed and replaced by the Prudent Person rule.

2.2 The main features of the prudent person rule include:

- Exercising the care, diligence and skill that a prudent person would exercise in managing the affairs of other persons; and*

- *A duty to invest funds in investments that are not speculative or hazardous.*

2.3 *In exercising powers of investment, there are important matters for consideration:*

- *The purpose of the investment and the needs and circumstances;*
- *The desirability of diversifying investments and the nature of and risk associated with existing investments;*
- *The need to maintain the real value of capital and income; The risk of capital or income loss or depreciation; The potential for capital appreciation;*
- *The likely income return and timing of the income return; The length of the term of the proposed investment;*
- *The liquidity and marketability of the proposed investment; The aggregate value of the investment;*
- *The effect of the proposed investment in relation to the tax liability (if any);*
- *The likelihood of inflation affecting the value of the proposed investment; and*
- *The costs of making the proposed investment; The results of a review of existing investments.*

3.0 *Investment Objectives*

3.1 *To add value through prudent investment of funds.*

3.2 *To support the local community bank without putting the Shire's surplus funds to any undue risk.*

3.3 *To have ready access to funds for day-to-day requirements, without penalty.*

4.0 *Authority to Invest*

4.1 *The Shire of Plantagenet's surplus funds are to be invested in term deposits with Bendigo Community Bank. Any proposal to invest funds in another institution, for whatever reason, is to be referred to the Council.*

4.2 *Investments from the municipal, loan, reserve and trust accounts are to be kept separate and distinct.*

4.2 *Funds may be invested for terms ranging from one (1) to six (6) months based on predicted cash flow requirements.*

4.4 *The Deputy Chief Executive Officer places, withdraws or re-invests sums up to \$500,000.00 jointly with the Accountant / Office Manager or Chief Executive Officer, in accordance with the Chief Executive Officer's delegation.*

4.5 *The Chief Executive Officer places, withdraws or re-invests sums over \$500,000.00 jointly with the Deputy Chief Executive Officer or Accountant / Office Manager in accordance with the Chief Executive Officer's delegation.*

5.0 *Review and Reporting*

- 5.1 *A cash flow report is to be monitored by the Accountant / Office Manager at least weekly to ensure cash funds are available to meet commitments.*
- 5.2 *Investments will be managed actively as they mature with reviews by the Deputy Chief Executive Officer on a monthly basis.*
- 5.3 *Bendigo Bank's short term credit rating as defined by Standard and Poor's is to be monitored on a monthly basis by the Deputy Chief Executive Officer. Any downgrading of the A-2 rating is to be reported to the Council.*
- 5.4 *This Policy will be reviewed once a year or as required in the event of legislative changes.*
- 5.5 *For audit purposes, certificates must be obtained from the bank confirming the amounts of investment held on the Council's behalf at 30 June each year.'*

be endorsed.

Statutory Environment

The authority for a local government to invest surplus funds comes from Section 6.14 of the Local Government Act 1995. Section 18 of the Trustees Act 1962 also details investment powers of trustees.

Consultation

Consultation has taken place with Mr John Fathers - Deputy Chief Executive Officer.

Policy Implications

The adoption of this recommendation will allow for some typing / title changes to the Council's current policy as well as removing the period for review to bring it in line with other Council policies.

Financial Implications

This policy has a direct impact on the security of the Council's surplus funds and the revenue to be made from the investment of those funds. The security issues are discussed in the Officer Comment section of this report.

With regard to income, the Council's 2007 / 2008 budget anticipated investment income of \$90,000.00 from municipal funds and \$53,941.00 from reserve funds. This has now been revised to \$148,127.00 from municipal funds and \$70,000.00 from reserve funds.

The reason for the marked increase is that Bendigo Bank has provided the Shire access to Negotiable Certificates of Deposit (NCD). These are a form of Term Deposit which offer the same risk factor but higher interest rates / returns. For example, as at 29 April 2008, if we had invested \$500,000.00 in the usual term deposit for a period of 30 days, our return would be \$2,404.11 at 5.85%. The same amount for the same period invested in an NCD would have an interest rate of 7.62% returning \$3,131.51, a difference of \$727.40.

NCD's require a minimum deposit of \$500,000.00. For that reason, any time that investment funds are under \$500,000.00, the traditional Term Deposit will be utilised.

Strategic Implications

There are no strategic implications for this report.

Officer Comment

The Council have agreed to support the local community bank, provided that other fiduciary responsibilities are complied with keeping in mind that the Council should always be conscious of any risks and put adequate controls in place to mitigate that risk.

A special rate is applied to all of the Council's funds by the Bendigo Bank.

One such control would be to define a bottom level credit rating and regularly monitor Bendigo Bank's credit rating. (See attachment).

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION / COUNCIL DECISION

Moved Cr J Mark, seconded Cr J Moir

That amended Council Policy No. F/RI/1 as follows:

OBJECTIVE:

To document and provide the necessary information for the delegated officers to invest surplus funds.

POLICY:

1.0 Purpose of Policy

1.1 The purpose of this policy is to ensure that:

- **The Council conforms with its fiduciary responsibilities under Section 6.14 of the Local Government Act and Section 18 (1)(a) of the Trustees Act 1962 (the 'Prudent Person' rule);**
- **At all times, the Council has in place a current set of policies and delegations for its Investments Officers; and**
- **Adherence to the guidelines by all officers with delegated authority to invest / control surplus funds.**

1.2 This Policy is to be made available to all employees involved in daily investment decisions.

1.3 Notwithstanding the provisions of this Policy, the general financial management obligations imposed under the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996 should at all times be complied with.

2.0 Prudent Person Rule

2.1 The investment options available to local government authorities in Western Australia were altered in June 1997 with changes to the Trustees Act. With the passage of changes to the Trustees Act, the list of prescribed investments has been removed and replaced by the Prudent Person rule.

2.2 The main features of the prudent person rule include:

- Exercising the care, diligence and skill that a prudent person would exercise in managing the affairs of other persons; and
- A duty to invest funds in investments that are not speculative or hazardous.

2.3 In exercising powers of investment, there are important matters for consideration:

- The purpose of the investment and the needs and circumstances;
- The desirability of diversifying investments and the nature of and risk associated with existing investments;
- The need to maintain the real value of capital and income; The risk of capital or income loss or depreciation; The potential for capital appreciation;
- The likely income return and timing of the income return; The length of the term of the proposed investment;
- The liquidity and marketability of the proposed investment; The aggregate value of the investment;
- The effect of the proposed investment in relation to the tax liability (if any);
- The likelihood of inflation affecting the value of the proposed investment; and
- The costs of making the proposed investment; the results of a review of existing investments.

3.0 Investment Objectives

3.1 To add value through prudent investment of funds.

3.2 To support the local community bank without putting the Shire's surplus funds to any undue risk.

3.3 To have ready access to funds for day-to-day requirements, without penalty.

4.0 Authority to Invest

4.1 The Shire of Plantagenet's surplus funds are to be invested in term deposits or negotiable certificates of deposit with Bendigo Community Bank. Any proposal to invest funds in another institution, for whatever reason, is to be referred to the Council.

4.2 Investments from the municipal, loan, reserve and trust accounts are to be kept separate and distinct.

4.3 Funds may be invested for terms ranging from one (1) to six (6) months based on predicted cash flow requirements.

4.4 The Deputy Chief Executive Officer places, withdraws or re-invests sums up to \$500,000.00 jointly with the Accountant or Chief Executive Officer, in accordance with the Chief Executive Officer's delegation.

- 4.5 The Chief Executive Officer places, withdraws or re-invests sums over \$500,000.00 jointly with the Deputy Chief Executive Officer or Accountant in accordance with the Chief Executive Officer's delegation.

5.0 Review and Reporting

- 5.1 A cash flow report is to be monitored by the Accountant at least weekly to ensure cash funds are available to meet commitments.
- 5.2 Investments will be managed actively as they mature with reviews by the Deputy Chief Executive Officer on a monthly basis.
- 5.3 Bendigo Bank's short term credit rating as defined by Standard and Poors is to be monitored on a monthly basis by the Deputy Chief Executive Officer. Any downgrading of the A-2 rating is to be reported to the Council.
- 5.4 For audit purposes, certificates must be obtained from the bank confirming the amounts of investment held on the Council's behalf at 30 June each year.'

be adopted.

CARRIED (8/1)

No. (88/08)

11.2.4 FINANCIAL STATEMENT - APRIL 2008

File No: FM/65/1
Attachments: (1) Financial Statement
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: John Fathers
Deputy CEO
Proposed Meeting Date: 27 May 2008

PURPOSE

The purpose of this report is to present the financial position of the Shire of Plantagenet for the period ending 30 April 2008.

Statutory Environment

Regulation 34 of the Financial Management Regulations (1996) requires a Statement of Financial Activity to be prepared each month which is to contain the following details.

- (a) annual budget estimates;
- (b) budget estimates to the end of the month;
- (c) actual amount of expenditure and revenue;
- (d) material variances between comparable amounts in (b) and (c) above; and
- (e) the net current assets at the end of the month to which the statement relates (i.e. surplus / (deficit) position).

The Statement is to be accompanied by:

- (a) explanation of the composition of net current assets, less committed assets and restricted assets;
- (b) explanation of the material variances; and
- (c) such other information considered relevant by the local government.

POLICY IMPLICATIONS

There are no policy implications for this report.

Financial Implications

There are no financial implications for this report.

Strategic Implications

There are no strategic implications for this report.

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION / COUNCIL DECISION

Moved Cr M Skinner, seconded Cr B Hollingworth

That the Financial Statements for 30 April 2008 be received.

CARRIED (9/0)

NO. (89/08)

11.2.5 LIST OF ACCOUNTS - APRIL 2008

File No: FM/65/3
Attachments: (1) List of Accounts
Responsible Officer: John Fathers
Deputy Chief Executive Officer
Author: Donna Jo Fawcett
Accounts Officer
Proposed Meeting Date: 27 May 2008

Purpose

The purpose of this report is to present the list of payments that were made during the month(s) of April 2008.

Statutory Environment

Regulation 13 of the Local Government (Financial Management) Regulations 1996 defines the reporting requirements to the Council of the List of Accounts.

Financial Implications

There are no financial implications for this report.

Policy Implications

There are no policy implications for this report.

Strategic Implications

There are no strategic implications for this report.

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION / COUNCIL DECISION

Moved Cr B Hollingworth, seconded Cr J Mark

That:

- 1. The payment of accounts for the month of April covering the following:**
 - a. Electronic Payments totalling \$309,875.68;**
 - b. Municipal Cheques 38758, 38760 to 38766, 38792 to 38883 totalling \$670,169.27.**
 - c. Trust cheques 231 to 234 totalling \$1,500.00.**

be approved.

2. Municipal Cheques:

a. Spoiled – 38757, 38759 and 38767 to 38791.

b. Cancelled – Nil

be noted.

CARRIED (9/0)

NO. (90/08)

**11.2.6 RENEWAL OF MOUNT BARKER SPEEDWAY LEASE FOR RESERVE
16271**

File No: N7131
Responsible Officer: John Fathers
Deputy Chief Executive Officer
Author: Donna Stevens
Senior Administration Human Resource Officer
Proposed Meeting Date: 27 May 2008

Purpose

The purpose of this report is to recommend the renewal of the lease for a portion of Reserve 16271 to the Mount Barker Speedway Club Inc.

Background

The lease between the Shire of Plantagenet and the Mount Barker Speedway Club Inc for a portion of reserve 16271 being locations 3879, 7361 and portion of location 2207 is due to expire on 31 May 2008.

The current lease terms are as follows:

- 5 year term;
- \$10 per annum adjusted by CPI;
- All outgoings payable by Speedway Club;
- All rates charges payable by Speedway Club;
- All rubbish charges payable by Shire;
- Indemnity insurance and \$10,000,000 public risk insurance required by Speedway Club.

Statutory Environment

Section 3.58 of the Local Government Act 1995 (the Act) and Regulations 30 and 31 of the Local Government (Functions and General) Regulations 1996 govern the disposal of land.

Under the regulations 'a disposition of land is an exempt disposition, and is excluded from the application of section 3.58, if the land is disposed of to a body, whether incorporated or not the objects of which are charitable, benevolent, religious, cultural, educational, recreational, sporting or like nature; and the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions'.

Given the above the disposal of this land is exempt from section 3.58 of the Act.

The lease is however subject to the Lands Administration Act 1997 and requires approval from the Minister Land Information.

Consultation

Consultation has occurred with the Secretary of the Mount Barker Speedway Club Inc, Mrs Carla Fulcher. Mrs Fulcher confirmed that the Speedway would like to renew its lease under the same conditions as the present lease agreement.

Financial Implications

The revenue raised from the lease of the Mount Barker Speedway is minimal.

Policy Implications

There are no policy implications for this report.

Strategic Implications

There are no strategic implications for this report.

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION / COUNCIL DECISION

Moved Cr B Hollingworth, seconded Cr D Nye-Chart

That:

1. The lease for a portion of Reserve 16271 being locations 3879, 7361 and a portion of location 2207 to the Mount Barker Speedway Club Inc be renewed under the same conditions as their lease expiring 31 May 2008.
2. Authority be granted to the Shire President and the Chief Executive Officer to affix the Common Seal of the Council to the Lease Agreement between the Shire of Plantagenet and the Mount Barker Speedway Club (Inc) relating to portion of Reserve 16271, being Locations 3879, 7361, and portion of Location 2207 for the purpose of Speedway.

CARRIED (9/0)

NO. (91/08)

11.2.7 ROAD NAMING - UNNAMED ROAD LOCATED SOUTH OFF WRAGG ROAD, DENBARKER

File No: RO/107/1
Attachments: [Future Street and Reserve Name Policy](#)
Responsible Officer: John Fathers
Deputy Chief Executive Officer
Author: Donna Stevens
Senior Administration Human Resource Officer
Proposed Meeting Date: 27 May 2008

Purpose

The purpose of this report is to review the decision to name the unnamed road reserve south off Wragg Road, 'Wragg Road South'.

Background

At its meeting held on 12 February 2008 the Council resolved:

'That:

- 1. The proposal to apply the name Wragg Road South to the unnamed road reserve located south off Wragg Road as shown in the attached plan be advertised for public comment.*
- 2. Subject to no objections being received during the advertising period the road naming proposal for Wragg Road South be forwarded to the Geographic Names Committee for endorsement.'*

As one (1) submission was received in relation to the renaming, the Council at its meeting held on 8 April 2008 resolved:

'That the proposal to apply the name Wragg Road South to the unnamed road reserve located south off Wragg Road as shown in the attached plan be forwarded to the Geographic Names Committee for endorsement.'

The Geographic Names Committee declined this proposal as it would prefer that the road be given a name which does not duplicate the use of Wragg and is not directional, with the use of South.

Statutory Environment

The Land Administration Act 1997 governs the road naming process.

Consultation

Consultation has occurred with the Geographic Names Committee. Consultation has also occurred with Mrs Pam Sounness.

Financial Implications

All costs associated with advertising and signage will be the responsibility of the Shire. It is estimated that this will cost approximately \$500.00.

Policy Implications

Council Policy I/RR/1 - Future Street and Reserve Names provides a list of Council approved names. A name has been selected from this list.

Strategic Implications

There are no strategic implications for this report.

Officer Comment

Burnell Road was selected alphabetically from the Council's Future Street and Reserve Names Policy, as the first name that did not apply to a specific area eg. Baesjou – Woogenellup and Beech – Narrikup.

Norman Burnell was a Councillor between 1968 and 1971.

A copy of the Future Street & Reserve Names Policy is attached should the Council wish to select an alternative name.

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION

That the proposal to name the road reserve located south of Wragg Road 'Burnell Road' be forwarded to the Geographic Names Committee for endorsement.

COUNCIL DECISION

Moved Cr J Mark, seconded Cr S Grylls

That the Geographic Names Committee be requested to reconsider and endorse the proposal to apply the name 'Wragg Road South' to the unnamed road reserve located south off Wragg Road as shown in the attached plan as it is only a short spur off Wragg Road and has always been known as Wragg Road South.

CARRIED (9/0)

NO. (92/08)

Reason for change

- 1. Short spur off Wragg Road and always been known as Wragg Road South.**
- 2. Inconsistent Policy - there is a Beattie Road West and South Perillup Road.**
- 3. Landowners would need to change address details.**

12 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

**13 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY
DECISION OF THE MEETING**

Nil

14 CONFIDENTIAL

Nil

15 CLOSURE OF MEETING

3:43 PM The Presiding Member declared the meeting closed.

CONFIRMED: CHAIRPERSON _____ DATE: ____ / ____ / ____