

AGENDA

Dear Mayor and Councillors,

I respectfully advise that a SPECIAL COUNCIL MEETING will be held in the Civic Centre, McGregor St, Port Hedland, on **Monday 29 July 2024**, commencing at **5:30pm**.

The purpose of the Special Meeting is consideration of the Adoption of the 2024/2025 Annual Budget.

MEETING AGENDA ATTACHED

Yours faithfully



Carl Askew

Chief Executive Officer

24/07/2024

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Town of Port Hedland for any act, omission, statement, or intimation occurring during Council Meetings. The Town of Port Hedland disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission, and statement of intimation occurring during Council Meetings.

Any person or legal entity that acts or fails to act in reliance upon any statement, act or omission occurring in a Council Meeting does so at their own risk. The Town of Port Hedland advises that any person or legal entity should only rely on formal confirmation or notification of Council resolutions.

DISCLOSURE OF FINANCIAL/ IMPARTIALITY/ PROXIMITY INTERESTS

Local Government Act 1995 – Section 5.65, 5.70 and 5.71

Local Government (Model Code of Conduct) Regulations 2021

This form is provided to enable members and officers to disclose an Interest in a matter in accordance with the regulations of Section 5.65, 5.70 and 5.71 of the Local Government Act and Local Government (Model Code of Conduct) Regulations 2021

Name			
Position			
Date of Meeting			
Type of Meeting (Please circle one)	Council Meeting/ Committee Meeting/ Special Council Meeting Workshop/ Public Agenda Briefing/ Confidential Briefing		
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality

Signature: _____ **Date:** _____

Important Note: Should you declare a **Financial or Proximity Interest**, in accordance with the Act and Regulations noted above, you are required to leave the room while the item is being considered.

For an **Impartiality** Interest, you must state the following prior to the consideration of the item: *"With regard to agenda item (read item number and title), I disclose that I have an impartiality interest because (read your reason for interest). As a consequence, there may be a perception that my impartiality on the matter may be affected. I declare that I will consider this matter on its merits and vote accordingly."*

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1 Opening of Meeting

The Presiding Member is to declare the meeting open at 5:30pm.

2 Acknowledgement of Traditional Owners and Dignitaries

The Presiding Member acknowledges the Kariyarra people as the Traditional Custodians of the land that we are meeting on and recognises their strength and resilience and pays respect to elders past, present and emerging.

3 Recording of Attendance

Important note:

This meeting is being live-streamed and audio recorded to facilitate community participation and for minute-taking purposes, which may be released upon request to third parties. In accordance with Section 6.16 of the Town of Port Hedland Local Law on Standing Orders members of the public are not permitted to use any visual or vocal electronic device or instrument to record the proceedings of any meeting unless that person has been given permission by the Presiding Member to do so. Members of the public are also reminded that in accordance with section 6.17(4) of the Town of Port Hedland Standing Orders Local Law mobile telephones must be switched off and not used during the meeting.

3.1 Attendance

Scheduled Present:

Mayor Peter Carter
Deputy Mayor Ash Christensen
Cr Sven Arentz
Cr Flo Bennett
Cr Camilo Blanco
Cr Lorraine Butson
Cr Adrian McRae
Cr Ambika Rebello
Cr Tim Turner

Scheduled for Attendance:

Carl Askew (Chief Executive Officer)
Mark Dacombe (Interim Director Community Services)
Michael Cuvalo (A/Director Regulatory Services)
Lee Furness (Director Infrastructure Services)
Steve Leeson (Director Corporate Services)
Tom Kettle (Manager Governance)
Maree Cutler-Naroba (Senior Governance Advisor)
Karen Krollig (Governance Officer)
Belinda Yull (Governance Support Officer)
Sophie Marlow (Governance Services Trainee)

3.2 Attendance by Telephone / Instantaneous Communications

Nil

3.3 Apologies

Nil

3.4 Approved Leave of Absence

Nil

3.5 Disclosures Of Interest

Name	Item No	Interest	Nature

4 Public Time**4.1 Public Question Time**

Nil

4.2 Public Statement Time

Nil

5 Questions from Members without Notice

Nil

6 Announcements by Presiding Member without Discussion

Nil

7 Declarations of All Members to have given due consideration to all matters contained in the Business Paper before the Meeting

8 Reports of Officers

8.1 Corporate Services

8.1.1	Adoption of the 2024/25 Annual Budget
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Author: **Manager Financial Services**

Authorising Officer: **Director Corporate Services**

Disclosure of Interest: The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

OFFICER’S RECOMMENDATION

That Council:

PART A – GENERAL AND MINIMUM RATES

1. Imposes the following differential general rates and minimum payments on land rated for Gross Rental Value (GRV) and Unimproved Value (UV) for the 2024-2025 financial year:

a) General Rates:

I.	GRV Residential	6.7000 cents in the dollar
II.	GRV Commercial / Industrial	8.9570 cents in the dollar
III	GRV Mass Accommodation	13.300 cents in the dollar
IV.	UV Pastoral / Other	12.000 cents in the dollar
V.	UV Mining	22.7571 cents in the dollar

b) Minimum Payments:

I.	GRV Residential	\$1,300
II.	GRV Commercial / Industrial	\$1,900
III	GRV Accommodation	\$1,900
IV.	UV Pastoral	\$1,900
V.	UV Mining	\$250

2. Endorses the 2024-2025 Differential Rating Statement of Objects & Reasons as per attachment 1.

ABSOLUTE MAJORITY VOTE REQUIRED

PART B – CONCESSIONS AND EXEMPTIONS

That Council grant the following concessions and exemptions included as attachment 2 and summarised below:

- Rate concessions total \$ 165,619
- Rate Cap Gap total \$ 6,760

As applied to the 2024-2025 rates charges and in accordance with s6.46 and s6.47 of the Local Government Act 1995 and the Rates and Charges (Rebates and Deferments) Act 1992.

ABSOLUTE MAJORITY VOTE REQUIRED

PART C – INSTALMENT PAYMENT ARRANGEMENTS

That Council:

1. Nominates the following due dates for the payment of rates in full / by instalments, pursuant to section 6.45 of the Local Government Act 1995 and regulation 64 (2) of the Local Government (Financial Management) Regulations 1996:

Full Payment	30 September 2024
1st quarterly instalment date	30 September 2024
2nd quarterly instalment date	29 November 2024
3rd quarterly instalment date	28 January 2025
4th quarterly instalment date	31 March 2025

ABSOLUTE MAJORITY REQUIRED

PART D – ELECTED MEMBERS FEES AND ALLOWANCES FOR 2024-2025

That Council, in accordance with policy 4/008 Elected Member Allowances, Facilities and Expenses, and Salaries and Allowances Tribunal WA (SAT) determination, pursuant to:

1. Section 5.99 of the *Local Government Act 1995* and regulation 30 of the *Local Government (Administration) Regulations 1996*, adopts the following annual fees for payment of elected members in lieu of individual meeting attendance fees:

Mayor:	Councillors:
\$51,412	\$34,278

2. Section 5.99A of the *Local Government Act 1995*, adopts the following annual allowances for elected members:

Information Technology Allowance	\$3,500
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3. Section 5.98 (5) of the *Local Government Act 1995*, adopts the following annual local government allowance to be paid in addition to the annual meeting allowance:

Mayor	\$97,115
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4. Section 5.98A of the *Local Government Act 1995*, adopts the following annual local government allowance to be paid in addition to the annual meeting allowance:

Deputy Mayor	\$24,279
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ABSOLUTE MAJORITY VOTE REQUIRED

PART E – MATERIAL VARIANCE REPORTING FOR 2024-2025

That council, for the purposes of regulation 34 (5) of the Local Government (Financial Management) Regulations 1996 and AASB 1031 Materiality, regarding level of material variance for financial reporting in 2024-2025, adopts the following threshold:

1. A variance of 10% or \$50,000 whichever is greater, of the year-to-date budget of operational and capital expenditure, requires explanation.

SIMPLE MAJORITY VOTE REQUIRED

PART F – ADDITIONAL FEES AND CHARGES

That council in accordance with the Local Government Act 1995 s6.16 adopts additional fees and charges for 2024-2025 as per attachment 3.

ABSOLUTE MAJORITY VOTE REQUIRED

PART G – MUNICIPAL FUND BUDGET FOR 2024-2025

That Council adopts the Municipal 2024-2025 Annual Budget as per attachment 4 including associated notes and supplementary information in accordance with section 6.2 of the *Local Government Act 1995* and Part 3 of the *Local Government (Financial Management) Regulations 1996*.

ABSOLUTE MAJORITY VOTE REQUIRED**PART H – PUBLISHED ANNUAL BUDGET 2024-2025**

That Council approves the Chief Executive Officer to oversee the final design of the published annual budget document.

SIMPLE MAJORITY VOTE REQUIRED**PURPOSE**

The purpose of this report is to consider and adopt the Town of Port Hedland (the Town) annual budget for the 2024-2025 financial year together with supporting schedules, including imposition of rates and minimum payments, setting of Elected Members allowances for the year other consequential matters arising from the budget papers.

BACKGROUND

The draft 2024-2025 budget has been prepared based on guidance contained in the Strategic Community Plan and Long-Term Financial Plan with the aim to achieve strong financial sustainability and transparency. Nine budget workshop presentations with detailed documentation were made to councillors and associated discussions held on;

- 27 November 2023
- 11 March 2024
- 8 April 2024
- 15 April 2024
- 6 May 2024
- 20 May 2024
- 27 May 2024
- 17 June 2024
- 17 July 2024

The Town's Rating Strategy 2025-2030 was approved for public consultation at the 27 March Ordinary Council Meeting (OCM) CM202324/234.

Engagement with the Town's non-residential ratepayers was facilitated with the assistance of the Port Hedland Chamber of Commerce and Industry on 24 April 2024. Several efforts were made to engage with the residential ratepayer group. Fifteen online submissions were received when the public comment period ended.

The Town's Rating Strategy 2025-2030 was adopted by Council at the 25 June OCM CM202324/293.

The Town's Fees and Charges 2024-2025 were approved for local public advertising at the 29 May OCM CM202324/270. Two online submissions were received when the public comment period ended.

The Town's Fees and Charges 2024-2025 was adopted by Council at the 25 June OCM CM202324/294, maintaining fees and charges at 2023-2024 levels.

The Town's Proposed Differential General Rates were approved by the council at the 29 May OCM CM202324/267 and advertised for public comment. Three online submissions were received when the public comment period ended.

A budget information session was advertised on 11 July 2024 inviting the community and ratepayers to an open session on the Town's financial planning and setting an annual budget. There were no attendees.

COMMENT

The budget has been prepared to include information required by the *Local Government Act 1955. Local Government (Financial Management) Regulations 1996 and Australian Accounting Standards.*

The amount of budget deficiency to be made up through rating, has been determined after considering all other sources of revenues and related available reserve funding, together with expenditure requirements and their efficiency and saving measures, plus associated cost increases, including;

- Local Government Cost Index as opposed to Consumer Price Index
- Insurance premium rises
- Employee Industrial Agreement
- Contracted increases under service delivery agreements
- Utility charge increases

The Town does not apply any automated indexation to its annual expenditure budget. Each service area is reviewed annually.

The 2024-2025 annual budget's financial strategy includes:

- Interest earnings. Additional earnings directed to reserves.
- Cash backed depreciation. Directed to the Asset / Plant / Waste Reserves in full. Drawn down to fund existing asset renewals and improvements.
- Waste operations, an independent fee for service, with net proceeds transferred to the Waste Reserve
- Liquid waste, net proceeds to Landfill Reserve.
- Rating Strategy which quarantined new rates growth (\$1.2M) and additional valuations (\$2.5M) to the Strategic Reserve
- Reserves, establishing funding sources and target balances. Accumulation towards new asset requirements.
- Carry Overs, adopted separately after EOFY reconciliation
- Brought forward prior year surplus offsets 2024-2025 rating requirement.

The main features of the draft budget include:

- 0% rates rise for all residential, commercial/industrial, pastoral/other properties, except mining. No increase in minimum rates, except mining.
- No increase in fees and charges.
- No increase in staffing numbers.
- Pensioner Rate Cap Gap remains.

- \$165k in rating concessions for community groups and sporting clubs.
- Spoilbank Marina playground \$2M
- Rose Nowers Childcare support \$3M
- Port Hedland Yacht Club refurbishment \$1.56M
- Land acquisitions \$1M for future Town revenue.
- Wedgefield industrial area road upgrades \$6.67M
- Parks renewals and upgrades \$2M plus \$300K for increased tree canopy.
- Hamilton Road upgrades and entry ways \$4.6M
- \$50M capital works program including new and existing asset renewals.
- No new loans.
- Events program \$1.3M

Part A – General and Minimum Rates

Rates revenue is a substantial source of discretionary revenue for the Town of Port Hedland and accounts for approximately 71.9% of operating revenue in the 2024-2025 budget (down from 73.5%). Consistent with the Rating Strategy 2024-2025 \$3.7M of rating revenue has been quarantined from new development and uplift in mining valuations, transferred to the Strategic Reserve, towards the Town's forward capital works program intended as per the Long-Term Financial Plan.

The rates yield proposed in the 2024-2025 budget has been determined based on property valuations provided by the State Valuer General's Office (Landgate) as required per legislation, up until 15 July 2024.

Overview:

- The proposed differential rates model presented to Council was prepared under the Department of Local Government, Sports and Cultural Industries guidelines of objectivity, fairness and equity, and transparency as set out in their Rating Policy – Differential Rates (s6.33).
- id after the advertised Notice of Intention to Levy Differential Rates 2024-2025, the then proposed rating increase of 5% for Residential, Commercial / Industrial, Pastoral / Other, with 8% for Mining, representing a \$2 / \$8 per week increase for the average Residential and Commercial / Industrial property respectively, were reconsidered.
- No increases are proposed on minimum rates payments for Residential, Commercial / Industrial, Pastoral / Other rated properties. Minimum rated Mining properties to increase from \$200 to \$250, held at the same amount from 2019-2020 after decreasing from \$270 the year prior.
- No increases are now proposed on 2023-2024 rate in the dollar charges for Residential, Commercial / Industrial, Pastoral / Other rating categories. Residential property rates decreased 5% in 2023-2024.
- There was no requirement for Council to apply for Minister approval for its proposed differential rating charges, as keeping within the prescribed permissible amounts.

PART B – Concessions and exemptions

The Town contacted recipients of 2023-2024 concessions to again apply. Council considers annual applications submitted by community groups, sporting clubs and other rate payers for rates concessions and exemptions between Feb and March each financial year, for between 50% to 100% relief. These are adopted by Council as part of the budget process.

Concessions

The 2024-2025 budget includes \$165,619 for rating concessions from applications received from community groups and sporting clubs. These are consistent with 2023-2024 amounts except for community groups associated with the provision of housing, which for consistency, have all been proposed to be provided with a 50% concession.

Pensioner Cap Gap Remission

At the Ordinary Council Meeting held 3 November 2021 CM202122/068, Council granted approval of the Pensioner Cap Gap remission through until the 2023-2024 financial year. The 2024-2025 budget proposes extending this provision and includes \$6,760 for this remission.

PART C – Instalment Payment Arrangements

The council offers ratepayers a four-instalment payment option. Payment due dates proposed are set in accordance with regulations, weekday operations and public holidays.

Conditions apply including an instalment charge and interest. These were adopted within the Town's 2024-2025 Fees and Charges at the 25 June OCM CM202324/294, maintaining fees and charges at 2023-2024 amounts.

For owners who elect to pay by instalment, an initial instalment administration charge of \$0 and an instalment charge of \$14 for each instalment after the initial instalment is paid (excluding eligible pensioners and seniors), pursuant to section 6.45 of the Local Government Act 1995 and regulation 67 of the Local Government (Financial Management) Regulations 1996.

An interest rate of 5.5% per annum where the owner has elected to pay rates and service charges through an instalment option (excluding eligible pensioners and seniors), pursuant to section 6.45 of the Local Government Act 1995 and regulation 68 of the Local Government (Financial Management) Regulations 1996.

PART D – Elected Members Fees and Allowances

As per policy 4/008 Elected Member allowances, facilities, and expenses, elected members are paid at 100% of the yearly maximum Salaries and Allowances Tribunal WA (SAT) determinations. SAT determined a 4% increase in remuneration, fees, expenses, and allowance ranges provided for Elected Members as per Determination No 1 of 2024. This increase has been reflected in the 2024-2025 budget documentation. Whilst not currently a requirement but permissible, no superannuation allowances have been provided for elected members as discussed at the 6 May 2024 draft budget workshop.

PART E – Material Variance Reporting For 2024-2025

Each year, the Council is required to adopt a percentage or value to be used in statements of financial activity for reporting material variances, as required by Clause 34(5) of the Local Government (Financial Management) Regulations 1996.

The recommendation for the 2024-2025 material variance threshold is to remain the same as 2023-2024 with a variance of 10% or \$50,000, whichever is greater, of the year-to-date budget of operational and capital expenditure requiring explanation.

PART F – Revised and Additional Fees and Charges

The adoption of the annual budget is generally the mechanism by which the council accepts and imposes fees and charges, however councils may set new fees and charges earlier so they may be advertised, and the community advised in advance of any changes.

The Town's 2024-2025 Fees and Charges were adopted by Council at the 25 June OCM CM202324/294, after approval for local public advertising at the 29 May OCM CM202324/270, effective 1 July 2024. Earlier consideration of fees and charges provides greater certainty for customers and ratepayers with effective implementation at the start of each financial year.

Existing fees and charges were maintained at 2023-2024 amounts. These are in effect as per the Council's decision.

The following new fees and charges were intended:

- Added charges for Spoilbank Marina hardstand, standpipe and lighting included.

Revised and new additional fees and charges

Rate, fee or charge	Type	GST	Unit	2024/25 Fee	2023/24 Fee
Hire of Spoilbank Marina Hardstand Work Area 1 x bay (max 3 months)	Discretionary	YES	Per week	\$ 500.00	\$ 0
Spoilbank Marina Hardstand Work Area (Refundable Deposit / Bond per bay)	Discretionary	YES	Each	250.00	0
New / Replacement Standpipe, Lighting, Spoilbank Marna Hardstand Key or Swipe card	Discretionary	YES	Each	50.00	0

PART G – Municipal Fund Budget 2024-2025

In addition to the items noted above, the recurrent operating budget includes:

Expenditure forecast increases of 11.9%. Primarily due to;

- Contracted employee cost increase of \$1.8M, under the existing industrial agreement of 4% and higher staff retention and recruitment costs. No increase in staff numbers.
- Increases within materials and contracts agreements of \$1M, mostly associated with waste collection.
- Increased utility costs forecasts based upon actual 2023-2024 costs incurred.
- Increased annual depreciation charge of \$7.3M due to increased valuations on community infrastructure assets.

Revenue forecasts changes include:

- Increased interest earnings of \$3.3M which is being transferred to reserves.
- Increased capital works funding of \$15.7M, notably
 - LotteryWest \$2M Spoilbank Marina playground
 - Wedgefield road improvements \$10M over two years
 - External funding obligations expected for the Rose Nowers childcare expansion \$6M

Capital Works

- A capital works program of \$50.3M for investment in infrastructure, land and buildings, plant and equipment, furniture and equipment is planned.
- \$23.2M on new works.
- \$27.0M on asset renewals, funded via reserves with cash backing of depreciation.
- \$1M is set aside for land acquisitions to establish additional revenue streams for the Town, to reduce future income reliance upon rates.
- An estimated surplus of \$8M is anticipated to be brought forward from the prior year 2023-2024 as of 30th June 2024. However, this is unaudited and may change. Any change will be addressed as part of a future budget review.
- 2023-2024 carry-over projects of net \$2M operational and \$7.3M capital are recommended to be adopted independently of the 2024-2025 annual budget adoption process, for transparency and to continue ongoing project work deliverables.

- Projects are itemised within the Statement of Capital Works Program included as attachment 4.

Loans

- No new loans are proposed for 2024-2025

Grant Funding

- The Town is actively pursuing numerous additional funding sources to fund projects and operations, to alleviate pressure on the Town's financial reserves.

New Accounting Standards

- During the budget year, there are no new Australian Accounting Standards and Interpretations expected to be compiled.
- It is not expected these standards will have an impact on the annual budget.

PART H – Published Annual Budget 2024-2025

The annual budget statements along with an overview and highlights, are produced into an online version available for public information. The proposed text is included as attachment 5. This will be supplemented with local pictures and graphics into a final version available on the Town's website. This requires time to produce. It is requested that the Council approve the CEO to oversee, without any substantive changes.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of high significance due to the financial implications of the budget. Section 6.2 of the Local Government Act 1995 requires that no later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June. To not adopt the budget before 31 August would be in breach of the legislated requirements.

- Significant - The matter will have implications for the present and future social, economic, environmental, and cultural well-being of Port Hedland.

CONSULTATION

Internal

- Consultation has occurred with all business units and through briefings and nine workshops with Council members and Town Executive, with inviting individual briefings as requested.

External

- Consultation has occurred as prescribed. Correspondence was sent to individual ratepayers for the categories GRV Mass and Tourist Accommodation and UV Pastoral (less than 30 ratepayers per category). Additionally, community groups were invited to advertised information sessions.
- Reference to Department of Local Government, Sport and Cultural Industries. Guidelines.

STATUTORY ENVIRONMENT

LGA S6.2 requires that not later than 31 August in each financial year or such extended time as the Minister allows, each local government is to prepare and adopt, (Absolute Majority required) in the form and manner prescribed a budget for its municipal fund for the financial year ending on the next following 30 June.

Divisions 5 and 6 of the *Local Government Act 1995* refer to the setting of budgets and raising of rates and charges. The *Local Government (Financial Management) Regulations 1996* detail the form and content of the budget. The draft 2024/2025 budget as presented is considered to meet statutory requirements.

Section 7B(2) of the *Salaries and allowances Act 1975* requires the Tribunal, at intervals of not more than 12 months, to inquire into and determine -

- The amount of fees to be paid to Council Members;
- The amount of expenses to be reimbursed to Council members;
- The amount of allowance to be paid to Council members.

The Determination on Local Government Chief Executive Officers and Elected Members requires local governments to set an amount within the relevant SAT range determined for fees, expenses or allowances.

Section 5.98 of the *Local Government Act 1995* sets out fees, expenses, and reimbursements etc payable to Council members as determined by the Tribunal.

Section 5.98A of the *Local Government Act 1995* sets out fees etc payable to sets out allowance which may be paid to deputy president or deputy Mayors up to a percentage determined by the Tribunal (Absolute Majority required).

Section 5.99 provides that a local government may pay an annual fee in lieu of fees for attending meetings, as determined by the Tribunal (Absolute Majority required).

Section 5.99A sets out a local government may pay an annual allowance for Council members in lieu of reimbursement of expenses, as determined by the Tribunal (Absolute Majority required).

Regulations 30, 31, 32 and 34ACA of the *Local Government (Administration) Regulations 1996* set the limits, parameters and types of allowances that can be paid to Council Members.

Section 6.36(1) requires a local government to give local public notice of its intention before imposing any differential general rates or a minimum payment under section 6.35(6)(c).

Section 6.36(4) requires a local government to consider any submissions received before imposing the proposed rate or minimum payment, with or without modification.

POLICY IMPLICATIONS

As part of the drafting process for the proposed 2024-2025 annual budget:

- Rating Strategy 2025-2030 was adopted CM202324/293
- Revised policies were adopted CM202324/291.
 - 2/004 Rating
 - 2/018 Borrowings
 - 2/019 Reserves

FINANCIAL IMPLICATIONS

Specific financial implications are as outlined in the body of this report and as itemised in the draft 2024-2025 budget attached for adoption.

The proposed 2024-2025 Annual Budget provides the Town with the ability to collect revenue and expend funds to provide the essential services to the Town of Port Hedland residents.

The 2023-2024 comparative actuals are estimate calculations as best forecasts available at the time of preparing the budget documentation. These are subject to further year-end accounting routines and external audit confirmation.

Prior year surplus forecasts reduce the amount of current year rating requirements.

Prior year carry-over projects are not re-budgeted, now adopted independently as a separate process, following confirmation of actual project expenditure and committed amounts.

STRATEGIC IMPLICATIONS

The draft 2024-2025 budget was developed considering the Town's Plan for the Future adopted by Council, as part of its integrated planning framework.

Strategic Community Plan 2022-2032

The following sections are applicable in the consideration of this item:

- 1.4.1 The present and future facilities and requirements of the Town are planned for and developed in-line with relevant facility standards and community needs
- 1.4.2 Facilities and community infrastructure are revitalised across the Town
- 1.4.3 Facilities and community infrastructure are well maintained, managed and fit for purpose to provide a range of lifestyle opportunities
- 2.5.1 Pursue investment in key infrastructure development such as the port, airport, service industry and logistics
- 2.5.2 Ensure future supply of housing and serviced land for development
- 2.5.3 Invest and develop key community and recreation infrastructure
- 2.5.5 Support tourism infrastructure development
- 3.2.1 Identify, plan and develop the present and future needs for serviced land and infrastructure provision
- 3.2.2 Prepare, educate, respond and recover in partnership with key agencies from emergencies such as cyclones
- 3.2.3 Provide and promote sustainable energy, waste and water management practices
- 3.3.1 Urban and spatial planning is implemented to enhance human interaction with nature and industry
- 3.3.2 The community has access to attractive natural habitats, built form, parks and amenities
- 3.3.5 The greening and vegetation of streetscape verges are systematically implemented
- 4.2.1 Sound long-term financial planning is implemented
- 4.2.2 Transparent and regular financial reporting and communication to the community is undertaken
- 4.2.3 Transparent and regular governance reporting and communication to the community is undertaken
- 4.2.4 Constructive forums are provided for discussion and the representation of the diversity of views and needs that impact on the Town's developments, programs and policies
- 4.3.4 Efficiency strategies across the Town's infrastructure and amenity assets are implemented

Corporate Business Plan 2023-2027

The following sections are applicable in the consideration of this item:

Our Corporate Services:

Financial Management and Rates - Financial management services compliant with legislation to enable the Town to sustainably provide services to the community.

Access and Inclusion

The following outcomes of the Town's Access and Inclusion Plan 2023-2026 apply in relation to this item:

- Outcome 1 – Events and Services
- Outcome 2 – Buildings and Facilities
- Outcome 3 – Accessible Information
- Outcome 4 – Quality of Service
- Outcome 7 – Employment Opportunities

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Operational
Risk Category	Financial Service Interruption Reputational
Cause	Not adopting the annual budget
Effect (Consequence)	Would delay the Town in delivering essential works to ratepayers and the community.
Risk Treatment	Council adopting the annual budget.
<p>There is an operational and Service interruption risk associated with this item caused through an extended time to adopt the Town's budget, leading to delays in procurement requirements for services and projects.</p> <p>There is a reputational risk associated with this item if the budget is not adopted by 31 August and Ministerial approval is therefore needed.</p> <p>The risk rating is considered to be Medium (8) which is determined by a likelihood of Unlikely (2) and a consequence of Major (4).</p> <p>This risk will be avoided by the adoption of the annual budget by the council.</p>	

OPTIONS

Option 1 – Adopt officer's recommendation

Option 2 – Amend officer's recommendation

Changes moved to the proposed statements and amounts

- It would be recommended, dependent on their nature and likely impact,
- Local Government Act 1995 s5.41 Functions of CEO, are to:
 - (d) manage the day-to-day operations of the local government

Changes to service delivery budget allocations are determined by Council by absolute majority. The CEO is responsible, upon advice to Council, for allocating the operational budget to achieve service delivery outcomes

Option 3 – Not adopt the officers recommendation

The Local Government Act 1995 requires a local government's annual budget to be adopted by 31 August each year, or otherwise seek Ministerial approval.

CONCLUSION

The 2024-2025 budget has been prepared in a financially responsible manner to ensure a realistic and deliverable program of works. There has been a strong focus on ensuring consistent service levels and capital works program. The Town's Long Term Financial Plan continues its review process with Council and will set parameters for the drafting of future years' annual budgets.

VOTING REQUIREMENT

Part A – Absolute Majority Required

Part B – Absolute Majority Required

Part C – Absolute Majority Required

Part D – Absolute Majority Required

Part E – Simple Majority Required

Part F – Absolute Majority Required

Part G – Absolute Majority Required

Part H – Simple Majority Required

ATTACHMENTS

1. Statement of Objects and Reasons [**8.1.1.1** - 13 pages]
2. Concessions and exemptions [**8.1.1.2** - 1 page]
3. Revised fees and charges [**8.1.1.3** - 1 page]
4. FINAL Draft 2024.25 TOPH Budget [**8.1.1.4** - 28 pages]
5. Annual Budget 202425. DRAF T.v 2 [**8.1.1.5** - 11 pages]

9 Closure

9.1 Date of Next Meeting

The next Ordinary Meeting of Council will be held on Wednesday 31 July 2024 commencing at 5:30pm.

9.2 Closure

There being no further business, the Presiding Member declared the meeting closed.