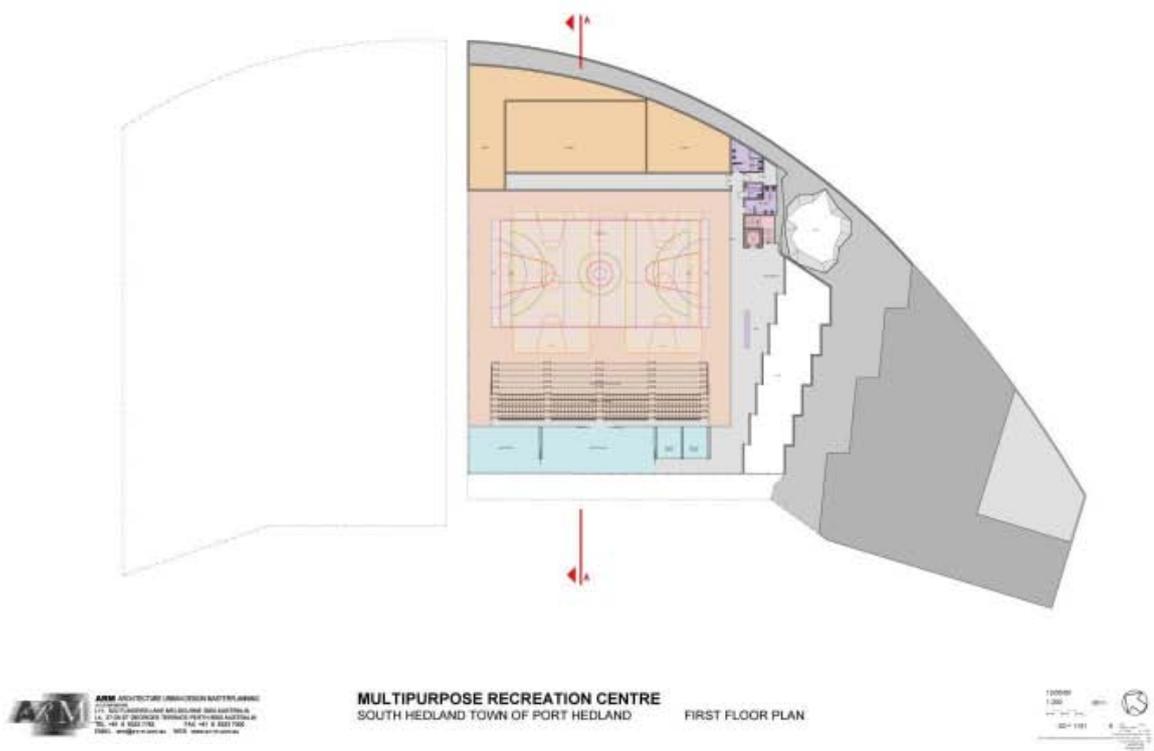


Ground Level – Multi Purpose Recreation Centre



First Floor – Multi Purpose Recreation Centre

11.3.3.2 Tender 09/05 Colin Matheson Oval Design (File No.: Tender 09/05)

Officer Bec Pianta
Manager Recreation Services

Date of Report 14 May 2009

Disclosure of Interest by Officer Nil

Summary

This report provides a summary of submissions received for tender 09/05: Colin Matheson Oval Design (irrigation and oval) for the purpose of informing Council and to seek endorsement in awarding the tender to the most suitable Contractor.

Background

With regards to the complete oval redevelopment at Colin Matheson Oval, it was resolved at the Ordinary Council Meeting on the 24th September 2008, that Council:

- “...i) endorse the Colin Matheson Oval Recreation Reserve Redevelopment (turf and irrigation) as submitted by ROSS Planning;*
- ii) commence the tender process for the Colin Matheson Oval redevelopment, including irrigation, pumps and turf;*
- iii) informs ROSS Planning of the acceptance of this document; and,*
- iv) informs the community and all stakeholders of the recommendations that will be undertaken this financial year.”*

In line with this resolution, tenders were called for the Design and Construction of the Colin Matheson Oval in November 2008, and upon presentation to Council at the Ordinary Council Meeting on the 10th December 2008, all submissions were rejected due to non-conformance.

It was therefore resolved [in part] that Town of Port Hedland staff separate the design and construction component of this project, and *“...commence the tender process for the design of the irrigation and oval geometry at the Colin Matheson Oval...”*

Tenders were therefore called for the design of the Colin Matheson Oval in April 2009, with the tender specification requesting the following:

- “(a) The design of a suitable irrigation (potentially sub-surface) system for Colin Matheson Oval, with an adequate reticulation system and pumping system;*
- (b) The adequate design for the realignment of the new oval making maximum use of the available area, ensuring the geometric shape enhances maintenance and integrity of the playing surface, and which meets all Australian Standards for AFL.”*

The elements included concept designs for:

- a) Improvement of soil
- b) Suitable irrigation system (potentially sub-surface)
- c) Selection of turf
- d) Alignment and geometric shape of oval

Tender 09/05: Design of Colin Matheson Oval closed on 6th May 2009, and six (6) bids were received. Tenders were received from:

- Bily Barra (non-conforming)
- Blackwell and Associates
- Earth and Water
- GHD
- Tim Davies Landscaping
- Water Dynamics (non-conforming)

Bily Barra is non-conforming due to all required content not being submitted, and Water Dynamics has tendered for a portion of the works only. The non-conforming tenders are therefore not being considered in the evaluation process.

Consultation

Council's Engineering staff has reviewed all tender bids prior to the recommendation being presented to Council.

Statutory Implications

This tender was called in accordance to the Local Government Act (1995).

“3.57. Tenders for providing goods or services

- (1) A local government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services.*
- (2) Regulations may make provision about tenders.*

Policy Implications

This tender was called in accordance with Council's Procurement Policy 2/015.

Strategic Planning Implications

Key Result Area 3: Community Development

Goal 2: Sports and Leisure

Strategy 1: Progressively implement the recommendations of the Sports Facility Audit with a particular focus on:

- ...upgrading all existing facilities to an appropriate standard
- The development of additional quality facilities at Colin Matheson Oval...

Budget Implications

The total budget allocation for the Recreation Reserve Redevelopment: \$900,000.

Funds have been allocated through the BHP Billiton Iron Ore Sustainability Partnership Fund for 2008/09. It is anticipated that the funds not used for the design portion of this project will be allocated towards construction, with the funds expended in 2009/10.

Officer's Comment

Tender information was forwarded to 26 organisations, with six (6) tenders submitted. Of these six tenders, four (4) have been considered conforming. There was no site meeting held for this tender.

The Tender was called as a Design only project, whereby the tenderers were required to submit a design proposal to address reticulation, soil, turf and oval alignment / geometry.

Table 1 below lists the evaluation criteria used to assess the tenders as per the tender documentation:

Table 1:

Item	Assessment Criteria	Loading Factor	Max Score	Max Loaded Score
1	Methodologies and Techniques	4	5	20
2	Knowledge and Experience	6	5	30
3	Price		50	50
	Max Loaded Score			100

Methodologies and Techniques (5)

Contractor	Methodologies & Techniques Score	Loaded Score
Tim Davies Landscaping	2	8
Earth and Water	3	12
GHD	5	20
Blackwell and Associates	4	16

Assessment was based on the following information included, and the capacity to undertake:

Irrigation Design (2)

- Reticulation System
 - Attachment
 - Measureable
 - Filtration system
- Pumping System
 - Voltage and ampage
 - Pump
 - Telementary enabled
 - Fertiliser chutes
 - Maintenance and spare parts
 - Security
 - Access
 - Hardware depth

Oval Design (1)

- Maximum alignment
 - Shape (geometric)
 - Controlled
 - Maintained
- Drainage

Turf (2)

- Selection of
 - Locally adapted
 - Maintenance requirements
- Improvement of
 - Soil moisture
 - Infiltration
 - Drainage
- Maintenance:
 - Irrigation
 - Turf
 - Soil
 - Weed control
 - Fertilising
 - Aeration, verti-mowing, draining
 - Maintenance schedule
 - Instructions

Knowledge and Experience (5)

Contractor	Knowledge and Experience	Loaded Score
Tim Davies Landscaping	2	12
Earth and Water	3	18
GHD	5	30
Blackwell and Associates	4	24

Assessment was based on the following information included:

Knowledge (3)

- Use of expert staff
- Familiarity
- Research

Expertise (2)

- Years of experience
- Pilbara experience
- Staff skill set
- Similar tasks
- Capability

Price

Contractor	Price	Score
Tim Davies Landscaping	\$30,600	50
Earth and Water	\$66,070	23
GHD	\$66,205	23
Blackwell and Associates	\$74,828	20

The lowest price Tender (T_{lp}) was awarded a score of 50 for the Price criterion. The second-lowest price Tender (T_{slp}) was therefore awarded a score determined in the following manner:

$$T_{slp} \text{ Score} = 50 - \left[\frac{(\$T_{slp} - \$T_{lp})}{\$T_{lp}} \times 50 \right]$$

and so forth for the remaining Tenders.

The following matrix indicates the assessment of each tenderer based on the maximum loaded score in accordance with the evaluation criteria.

Contractor	Methodologies & Techniques	Knowledge & Experience	Price	TOTAL
Tim Davies Landscaping	8	12	50	70
Earth and Water	12	18	23	53
GHD	20	30	23	73
Blackwell and Associates	16	24	20	60

The tender specifications and scope of work within the tender documentation is specific and detailed in its requirements. GHD has scored the highest rating according to the maximum loaded score, and is therefore the recommended contractor for this portion of the project. Although GHD is higher in price than Tim Davies Landscaping, and minimally higher than Earth and Water, the expertise and methodology for the irrigation is considered critical. The irrigation component of this project is vital to ensuring the success of this project as a whole.

Attachments

Nil

200809/345 Council Decision/Officer's Recommendation

Moved: Cr K A Howlett

Seconded: Cr A A Gear

That Council:

- i) awards Tender 09/05: Colin Matheson Oval Design to GHD for the value of \$66,205 plus GST; and,
- ii) advises all tenderers of this outcome.

CARRIED 5/0

11.4 GOVERNANCE AND ADMINISTRATION**11.4.1 Corporate Services****11.4.1.1 *Financial Reports to Council for Period Ended 30 April 2009 (File Nos: FIN-008, FIN-014 and RAT-009)***

Officer Natalie Octoman
Manager Finance Services

Date of Report 19 May 2009

Disclosure of Interest by Officer Nil

Summary

The objective of this item is to present a summary of the financial activities of the Town to 30 April 2009, and to compare this with that budgeted for the period. With regard to the Town's Utility and Fuel Costs, a comparison is made with 2007/08.

Background**1. *Financial Statements***

Presented (see attachments) in this report for the financial period ended 30 April 2009, are the:

Statements of Financial Activity – see Schedules 2 to 14;
Notes (1 to 10) to and forming part of the Statements of Financial Activity for the period ending 30 April 2009;
Review of Transaction Activity.

Note: Interest Rates for investments are selected from those provided from the following financial institutions: National Australia Bank, BankWest, Commonwealth Bank, Macquarie Bank, AMP, Westpac Bank, Big Sky, Citigroup and the Australian and New Zealand Bank.

2. *Utility and Fuel Costs*

Presented in graph form (see attached), is the 2008/09 monthly water, power and fuel costs compared with 2007/08.

3. Schedule of Accounts Paid

The Schedule of Accounts paid (see attachment) under delegated authority as summarised below, and which is submitted to Council on 27 May 2009 for receipt, has been checked and is fully supported by vouchers and invoices which have been duly certified as to the receipt of goods and rendition of services, and verification of prices, computations and costs.

Voucher No's		Value \$	Pages		Fund No.	Fund Name	Description
From	To		From	To			
CHQ18809	CHQ18856	116,881.24	1	8	1	Municipal Fund	
EFT25202	EFT25472	2,639,576.64	8	51	1	Municipal Fund	
CMS070409	CMS	192.39	52	52	1	Municipal Fund	
PAY070409		267,197.12	51	51	1	Municipal Fund	
PAY210409		300,004.05	52	52	1	Municipal Fund	
BOQ270409		891.10	67	67	1	Municipal Fund	Finance Equipment
	Muni Total	3,324,742.54					
3001596	3001603	3,882.50	68	68	3	Trust Fund	
	Trust Total	3,882.50					
	Sub-Total	3,328,625.04					
LESS: one-off pays		-					
	Total	3,328,625.04					

Consultation

Nil

Statutory Implications

Financial Statements

Regulation 34 of the Local Government (Financial Management Regulations), states as follows:

“34. Financial activity statement report - s. 6.4

- (1) *A local government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail:*
 - (a) *annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);*
 - (b) *budget estimates to the end of the month to which the statement relates;*

- (c) *actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;*
 - (d) *material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
 - (e) *the net current assets at the end of the month to which the statement relates.*
- (2) *Each statement of financial activity is to be accompanied by documents containing:*
- (a) *an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;*
 - (b) *an explanation of each of the material variances referred to in subregulation (1)(d); and*
 - (c) *such other supporting information as is considered relevant by the local government.*
- (3) *The information in a statement of financial activity may be shown:*
- (a) *according to nature and type classification;*
 - (b) *by program; or*
 - (c) *by business unit.*
- (4) *A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be:*
- (a) *presented to the council:*
 - (i) *at the next ordinary meeting of the council following the end of the month to which the statement relates; or*
 - (ii) *if the statement is not prepared in time to present it to the meeting referred to in subparagraph (i), to the next ordinary meeting of the council after that meeting;*
and
 - (b) *recorded in the minutes of the meeting at which it is presented.*
- (5) *Each financial year, a local government is to adopt a percentage or value, calculated in accordance with AAS 5, to be used in statements of financial activity for reporting material variances.*

In this regulation:

“committed assets” means revenue unspent but set aside under the annual budget for a specific purpose;

“restricted assets” has the same meaning as in AAS 27.

Section 6.12 of the Local Government Act 1995 (Power to defer, grant discounts, waive or write off debts) states:

- “(1) Subject to subsection (2) and any other written law, a local government may –*
- (a) *when adopting the annual budget, grant* a discount or other incentive for the early payment of any amount of money;*
 - (b) *wave or grant concessions in relation to any amount of money; or*
 - (c) *write off any amount of money,*

which is owed to the local government.

(2) Subsection (1)(a) and (b) do not apply to an amount of money owing in respect of rates and service charges.”

Policy Implications

2/003 Financial Statements – Copies for Councillors

Apart from the financial reports presented to Council as required by way of legislation, the following reports will be presented to Council:

- Monthly
 - Bank Reconciliation of the Municipal, Reserve and Trust Fund
 - +90 day outstanding Sundry Debtors Report
 - List of Accounts paid under Delegated Authority
 - Register of Investments
 - Rate Summary Trial Balance
 - Reserve Account Balances
- Quarterly
 - Quarterly Budget Review
 - Report on all Budgeted Grants of \$50,000 or more.

Irregular Financial reports will be presented to Council on request.

Strategic Planning Implications

Key Results Area 5 Environment
Goal 2 Natural Resources
Strategy 1. Continue to monitor and report on the level of Council's energy, fuel and water use.

Budget Implications

At the Special Meeting held on 9 July 2008, Council resolved to adopt item ... Budget Adoption, which included Recommendation 12 as follows:

“Recommendation 12

That Council adopts the following percentage or dollar value for determining and reporting material variances as follows:

1. *10% of the Function amended budget; or*
2. *\$100,000 of the Function amended budget*

whichever is the lesser, for the following categories of revenue and expenditure:

- a. *Operating Revenue*
- b. *Operating Expenditure*
- c. *Non-Operating Revenue*
- d. *Non-Operating Expenditure”*

Officer's Comment

For the purpose of explaining Material Variance (Expense/Revenue Up or Down, and see attachment Schedule 2) a three-part approach was taken:

Period Variation

Relates specifically to the value of Variance between the Budget and Actual figures for the period of the report.

Primary Reason

Identifies the primary reasons for the period Variance. As the report is aimed at the higher level analysis, minor contributing factors are not reported.

Budget Impact

Forecasts the likely \$ impact on the Amended Annual Budget position. It is important to note that figures in this part are 'indicative only' at the time of reporting, and that circumstances may subsequently change.

Attachments

- Page 1–3 of 12. Schedule 2 being a Statement of Financial Activity
- Pages 4 to 12. Notes 3 to 12 which form part of the Statements of Financial Activity. Also Note 10 – April 2009 Bank Reconciliations.
- Pages 1 to 49. Detailed Financial Activity by Program.
- April 2009 Accounts for Payment
- Comparison Between 2007/08:2008/09 Utility & Fuel Costs

200809/346 Council Decision/Officer's Recommendation

Moved: Cr K A Howlett

Seconded: Cr A A Gear

That:

- i) the:
 - a) **Statements of Financial Activity (represented by Schedules 2 to 14);**
 - b) **Notes (1 to 10) to and forming part of the Statements of Financial Activity for the period ending 30 April 2009; and**
 - c) **Review of Transaction Activity, as attached and/or presented be received;**
- ii) graphic representation of the Town's energy, water and fuel use as attached be received;
- iii) the list of Accounts paid during April 2009 under Delegated Authority, as presented and/or attached be received; and

CARRIED 5/0

7:29 pm Councillor S J Coates re-entered the room and assumed his chair.

*11.4.1.2 Airport Lease Tender Scope and Evaluation Criteria
(File No.: ...)*

Officer	Matthew Scott Director Corporate Services
Date of Report	13 May 2009
Disclosure of Interest by Officer	Nil

Summary

For Council to consider the Tender Scope and Evaluation Criteria for the tender to dispose of land (by way of lease) being the portion of land currently being used for Temporary Workforce accommodation by Fortescue Metals Group (FMG).

Background

At the February 2009 Ordinary Meeting of Council, Council resolved not to renew the lease with Pilbara Infrastructure Pty Ltd (a subsidiary of FMG) at the Port Hedland International Airport, when the lease expires on the 10 September 2009. This decision was subsequently ratified at the April 2009 Ordinary meeting of Council, where Council declined FMG's request to reconsider Council's February decision.

At both meetings Council indicated its preference to tender out the site on the open market, in particular, to maximise the "community contribution/benefit" rather than the cash consideration.

It is therefore proposed to tender out the lease area at a rental of \$6.30/m² (indexed annually for CPI) for 5 years. The rental is based on the current rental of the neighbouring "Port Haven" development; which was tendered out last year. The term is obviously at Council's discretion, however the current lease had a term of only 3 years (1+1+1), and slightly longer term may create more interest in the tender, as the initial costs of any development can be recovered over a longer term.

Due to the relative short timeframe until the current lease expires, Council needs to develop a tender scope and evaluation criteria, so a tender can be advertised, evaluated and awarded prior to 10 September 2009.

Given the difficulty in determining the "community benefit" of these types of developments in the past, formal Council direction is requested on the tender scope and evaluation criteria. A suggested tender scope and evaluation criteria has been recommended, however this can be modified, if Council believes it will not achieve the Council's current intent.

Consultation

Council has discussed this matter at two separate Council meetings and at a Council Briefing Session. While no tender has been advertised, there has been significant interest from potential developers about this potential tender.

Statutory Implications

Section 3.58 of the Local Government Act 1995 (in part) states

“3.58. Disposing of property

(1) In this section —

“dispose” includes to sell, lease, or otherwise dispose of, whether absolutely or not;

“property” includes the whole or any part of the interest of a local government in property, but does not include money.

(2) Except as stated in this section, a local government can only dispose of property to —

(a) the highest bidder at public auction; or

(b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.”

Council has developed and endorsed a guidance note for potential developers of Transient Workforce Accommodation (TWA). This guidance note indicates that specific types of TWA are appropriate for specific locations. The proposed development of a temporary (5yr) TWA facility at the Port Hedland International Airport to meet the anticipated growth in TWA personnel associated with port related growth projects is consistent with this guidance note.

The tender selection criteria for this proposed lease tender (as outlined latter in this report) have been designed to meet the Council’s stated intentions for TWA’s as listed in the guidance note, being:

- Town Centre Development focus
- Community Integration & community benefit
- Quality
- Safety

Strategic Planning Implications

The following strategy is listed within the Town’s Plan for the Future is relevant to this matter:

“Actively pursue the generation of income from a variety of sources at the Airport including through leases, rentals, advertising, freight and any other means.”

Budget Implications

The lease area is 2.794 ha (27,940 m²), which will net Council \$176,022 per annum, if the rental value of \$6.30 per m² (GST exclusive). Assuming indexation of 2% pa over a proposed lease term of 5 year, Council will receive \$916025 (GST exclusive) from the lease.

Officer's Comment

The local Government Act 1995 (section 3.58) provides the ability for Council to:

- 1) Tender out the a lease; and
- 2) Award the lease to whoever the Council believes provides "most acceptable tender" and not the necessary the highest bid.

Through this section, Council can effectively create a tender to lease the current FMG camp (commencing at the expiry of the current lease) to whoever provides the greatest community benefit and/or contribution.

By fixing the tender price, Council:

- 1) Reduces the financial risk (financial return is know upfront); and
- 2) Forces all tenderers to focus on maximizing the potential community contribution/benefit.

Proposed Tender Scope

The scope of work proposed in the Tender is as follows:

The purpose of this tender is to tender out 2.794 ha of land, being a portion of land on Port Hedland Lot 2444, as shown on the attached diagram, at the Port Hedland International Airport, at a fixed rental of \$6.30 per square meter (GST Exclusive), indexed annually by Perth CPI, for a period of 5 years.

The lease area currently has planning approval for 219 single accommodation units.

The Primary Objective of the tender is:

- 1) *Provide temporary workers accommodation to address the short term accommodation demand in the Port Hedland District; and*
- 2) *Achieves a development outcome that:*
 - . Integrates with the greater Port Hedland Community;*

- . *Is a quality development that provides short and long term benefits to the community of the Town of Port Hedland; and*
- . *Compliments the current and future plans of the Port Hedland International Airport*

At the expiry of the lease the proponent must return the land to its original state, except with regards to any improvements agreed too as a component of this tender and subsequent lease agreement.

Council's intent is to have the proposed facility available to multiple users rather than having a single company having primary use of the facilities. It is important that a portion of the development be made available to other companies and third parties at an affordable rate. The proponent should clarify under which terms and what portion of the development could be made available to third parties.

Proposed Evaluation Criteria

In evaluating the tenders, it is proposed to use the following to criteria:

- 1) *Meeting tender scope (10%)*
Proponents should demonstrate how the development will satisfy the objectives of the tender, outlined in the tender scope. Specifically they should address:
 - a) *How the proponent/lessee plans to ensure that the facility is used by multiple users.*
 - b) *How 'affordability' will be ensured for tenants.*
- 2) *Experience (5%)*
Tenderers are required to provide details of their experience in operating similar facilities to the one proposed in this lease.
- 3) *Quality of development (20%)*
Proponents should demonstrate the quality of the development by providing information on the type of accommodation, general site layout, facilities provided, interface with adjoining developments and indicative streetscapes. Proponents must provide:
 - a) *Relevant sketches and images to a standard of accuracy that can be attached as an addendum to the final agreement.*
 - b) *Information regarding the management structure for the development proposal during the construction and operational phases of the facility.*
 - c) *Details pertaining funds that have been allocated for major items associated with the development including any allowances that have been made for*

landscaping, civil works, infrastructure upgrades, building infrastructure, etc.

4) *Facility Transition and Project Delivery (15%)*

The lease site is currently lease to The Pilbara Infrastructure Pty Ltd. This lease expires on the 10 September 2009. (Note: A list of infrastructure available will be provided to all tenders as a component of the tender package)

Council's intent is to ensure a smooth transition from the current lease arrangement to a new lease/management arrangement. Proponents must clearly indicate how this changeover will be managed and implemented. Specifically the proponent must identify:

- a) How the transition will be managed.*
- b) Proposed construction timeframes (including any approvals processes necessary) for the development.*
- c) How existing tenants of the facility will be catered for in the event that their needs to be a period where the facility is non-operational.*

5) *Financial Plan (10%)*

While the lease rate is set at \$6.30/m² (plus GST), the Town is seeking a financial plan for the development that details all anticipated costs and revenues for the development over the 5 years lease term. This financial plan should include:

- a) Capital costs*
- b) Operating costs (inc maintenance)*
- c) Incomes anticipated.*

6) *Residual improvements (20%)*

Proponents should clearly indicate what, if any, improvements or portion of the development will remain on site at the expiry of the lease term. Information provided should include an estimated value of the residual improvements.

7) *Community Benefits (20%)*

Proponents must clearly identify and/or indicate:

- a) How the development will be integrated into the greater Port Hedland district community;*
- b) What tangible or physical "community benefit" will be realized or provided during the operation of the development including short-term and long-term benefits;*
- c) The financial commitments that are being offered as a component of the tender that will serve to benefit the residents of the Town of Port Hedland along with the timing of such expenditure.*

- d) *The extent of the community's ability to access services and facilities included within the development.*

It is expected to tender the lease for a period of 4 weeks. The Local Government Act 1995, does provide for only 2 weeks (14 days) however given the information request, a longer period is deemed necessary.

Council can modify or amend the either the Tender Scope and/or the Evaluation Criteria, however it is strongly suggested that any potential modification be discussed with Chief Executive Officer, prior to the meeting, so that any changes meets Council obligations under the Local Government Act, and is clear and concise to all potential tenders.

Attachments

Nil.

200809/347 Council Decision/Officer's Recommendation

Moved: Cr A A Gear

Seconded: Cr S J Coates

That Council:

- 1) Authorise the CEO (or his delegate) to commence the tender process to dispose of portion of Port Hedland lot 2444 (as per the attached diagram), by way of a tender, at the rental cost of \$6.30/m² pa + GST (indexed annual by Perth CPI), for a period of 5 years with the lease period commencing on the 11 September 2009.
- 2) Approve the following Tender Evaluation Criteria:
 - a) **Meeting tender scope (10%)**
 - b) **Experience (5%)**
 - c) **Quality of development (20%)**
 - d) **Facility Transition and Project Delivery (15%)**
 - e) **Financial Plan (10%)**
 - f) **Residual improvements (20%)**
 - g) **Community Benefits (20%)****TOTAL = 100%**

CARRIED 6/0

11.4.1.3 *Customer Service Charter (File No.: .../...)*

Officer	Ken Mackay Manager Information Services
Date of Report	18 May 2009
Disclosure of Interest by Officer	Nil

Summary

To amend the Customer Service Charter as requested at the Annual Meeting of Electors meeting held on the 26th March 2009.

Background

The Town of Port Hedland's *Customer Service Charter* has been in place since May 2000. The charter did not address areas such as verbal questions and the timeframe to answer a question.

To address the issue the following is proposed to be adopted in the *Customer Service Charter* under the following heading.

"Answers to Verbal Questions

Where a question is posed to a Council officer, it can and should be answered by that Council officer or any other Council officer, who has sufficient knowledge and experience in the subject matter.

The response to the verbal question can either be given verbally at that point in time or it may require a written response depending on the complexity of the information within the question. The answer would be given within two (2) days.

Should the question require more in depth research, then the response should be within seven (7) working days. This time frame may be required to check all available information sources to ensure that the information is accurate and relevant to the question based.

If a customer believes the officer has not provided an adequate response the matter can be referred to the Chief Executive Officer for investigation and resolution."

Consultation

The Town's Customer Service Charter has been reviewed against other local government Customer Service Charters.

Officer's Comment

At the Annual Meeting of Electors the actual amendment requested was "when a reasonable question is asked by the public, a reasonable answer is given, and not referred to the intranet". Given the terms "reasonable question" and "reasonable answer" are somewhat ambiguous, depending on the perception of either party the actual words have been amended without changing the initial intent of the motion.

This change will allow a response to a stakeholder's question without being referred to the internet or other resource to obtain an answer. It also provides a framework if the question requires additional research so that the question can be answered within a timeframe.

Attachments

Customer Service Charter (April 2009)
Procedure for Customer Complaints (April 2009)
Town of Port Hedland Complaint Form (April 2009)

200809/348 Council Decision/Officer's Recommendation

Moved: Cr K A Howlett

Seconded: Cr A A Gear

That Council adopt the changes to the *Customer Services Charter* (April 2009) which addresses the need for an officer to answer verbal questions and not be referred to other resource areas like the intranet to obtain an answer.

CARRIED 5/1

ATTACHMENT 1 TO AGENDA ITEM 11.4.1.3



CUSTOMER SERVICE CHARTER

The Town of Port Hedland's Commitment to You

Our Customer Service Charter states our commitment to you in providing quality services, gives you standards to measure our performance by and provides staff with clear standards to aim for.

MISSION FOR THE TOWN OF PORT HEDLAND

"To enhance our social, environmental and economic well-being by providing leadership and working in partnership with the community"

OUR CUSTOMERS

- Residents, electors, members of the business community and community groups
- Future residents, electors and generations who will be affected by today's planning decisions
- Government departments and non-Government agencies
- Staff of business units and service areas within Council
- Visitors to the Town

SERVICE STANDARDS YOU CAN EXPECT

Our overriding aim is to have open and honest communications with stakeholders

In Person

We will welcome you to our Customer Service Centres, offices and other facilities in a professional, polite and attentive manner

Customer Service staff will wear a name badge

We will listen to your request and discuss fully your requirements and endeavour to resolve at your time of visit

When enquiries of a technical nature are made at the Port Hedland Civic Centre, a technical officer will be called to the desk within five (5) minutes or, if officers are unavailable or located elsewhere, or the enquiry is of a complex nature, a prompt appointment will be made

On the Telephone

We will answer your call within five (5) rings during opening hours at all Council Service Centres, offices and facilities

We will introduce ourselves using at least our first names and either transfer you to the business unit or service area or if no personnel are available then we will take personal responsibility for your enquiry to reduce transferred calls

We will return your telephone enquiry within one (1) working day

In Writing

We will write to you in clear, concise language that is easily understood within two (2) days for standard information

We will respond to your letter of general correspondence within seven (7) working days

If your enquiry is complex and will require greater research, we will acknowledge your letter and advise an expected response date

For building and planning applications:

We will process standard building and development applications within ten (10) working days where all information required for us to properly assess your application is available

We will acknowledge complex building and planning applications within ten (10) working days and keep you informed at each stage as the application progresses

Answers to verbal questions

Where a question is asked by the public we will provide a response either verbally or in writing within two (2) days. Should the question require a more in depth response then the response will be within seven (7) working days

CUSTOMER SERVICE CHARTER

Service Delivery

We will advertise changes to normal operating hours or procedures

We will endeavour to collect bins the following day if normal collection is missed or delayed.

We will keep appointments and attend them on time

Freedom of Information

The Freedom of Information Officer is required to deal with FOI requests in accordance with the Principles of Administration set out in Section 4 of the Freedom of Information Act, 1992. The FOI Officer will:

Assist customers to obtain access to documents

Allow access to documents to be obtained promptly and at lowest reasonable cost

HOW WILL WE ACHIEVE OUR COMMITMENT TO YOU?

By including in staff selection criteria a *positive attitude towards customer service*

By conducting customer service training programs

By incorporating customer service improvements and team building strategies into all Business and Service Area Plans

By making the development of positive customer service attitudes part of the performance review program for all staff

By formally awarding staff who give excellent customer service

By conducting regular market research to ensure we are meeting the needs of our customers

By progressively reviewing and improving forms, systems and procedures from a customer's perspective and ensuring that cultural differences are respected

By progressively improving access to our service for people with special needs

By improving access to Council information by producing a Community Information Directory, a regular newsletter to residents, new residents Welcome Kit, annual report, and an Internet Webpage, and by providing translation and interpreter services when required

HELPING US TO HELP YOU

You can help us to meet these commitments by:

- ☺ Having a note pad and pen by the phone when you call Council
- ☺ Providing accurate and complete details when phoning us with any queries or requests
- ☺ Phoning to make an appointment if you have a complex enquiry, need to see a specific officer, or need to discuss your enquiry with officers from more than one service area
- ☺ If phoning as a result of correspondence from Council, phoning directly to the officer nominated on the correspondence and quoting the reference number on the letter
- ☺ Providing all information required for assessing planning and building applications

CUSTOMER SATISFACTION COUNTS

As we strive to deliver better service, we encourage you to give feedback. Whether you have a request for action, a complaint or a compliment, we would like to hear from you by:

 Phoning a Customer Service Officer on (08) 9158 9300 and giving details

 Writing to *Chief Executive Officer*
Town of Port Hedland
PO Box 41
Port Hedland WA 6721

 E-mailing to council@porthedland.wa.gov.au

April 2009

ATTACHEMENT 2 TO AGENDA ITEM 11.4.1.3



TOWN OF PORT HEDLAND

***PROCEDURE FOR
CUSTOMER COMPLAINTS***

April 2009

Procedure for Customer Complaints

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PROCEDURE FOR HANDLING COMPLAINTS

In its Customer Service Charter, the Town of Port Hedland states our Commitment to you in providing quality services gives you standards to measure our performance by and provides staff with clear standards to aim for. The Town of Port Hedland recognizes the right of the customer to complain when feeling dissatisfied with the service of the Council and undertakes, wherever possible, to resolve these complaints and to prevent similar complaints from occurring.

CUSTOMER SERVICE COMPLAINTS

In order to assist in providing a quality customer service, the Town of Port Hedland has implemented a Customer Complaint Handling System aimed at dealing with complaints in an effective and efficient manner. The main aims of the system are as follows:

- To provide a uniform approach to handling, categorizing and recording complaints across the organisation;
- To ensure that complaints are handled as quickly and efficiently as possible;
- To monitor performance using records about complaints;
- To identify areas that needs improvement or the need for new services.

Quality customer service relies on doing the job correctly the first time. However, if oversights occur, or the customer is not happy with a decision or the level of service, an effective complaint handling system creates a second chance to meet the expectations of the customer and, where possible, exceed them.

All written and verbal complaints about dissatisfaction with the service of the Town of Port Hedland are to be recorded on the Customer Complaint form and then forwarded to the Records Department for registering in the Records Management System (RMS).

WHAT IS A COMPLAINT?

"A complaint is an expression of dissatisfaction, however made, about the standard of service, actions or lack of action by the Council or its staff, affecting an individual customer or group of customers."

The following are not considered to be complaints:

- Request for service
- Request for information or explanation of policies or procedures
- The lodging of an appeal in accordance with standard procedure or policy.

WHY DO PEOPLE COMPLAIN?

- They are dissatisfied with a decision, level of service or behaviour of staff;
- There is poor communication or inadequate information about services provided;
- They are dissatisfied with policies of the Town of Port Hedland.

RECEIVING COMPLAINTS

Complaints can be made in correspondence – letter, facsimile, e-mail, on the Town of Port Hedland Home page, or verbally – in person or on the telephone.

CORROSPONDENCE

All written complaints are registered in the RMS by the Records Manager or officer and directed to the appropriate officer for action within set deadlines.

VERBAL COMPLAINTS

Complaints received by telephone or in-person should be recorded on the "*Town of Port Hedland Complaints Report Form*" (complaints form) and then directed to the appropriate unit for an officer of that business unit to action. Once the complaint has been actioned it then needs to be forwarded to the Records department of registering in the RMS.

If a complaint is resolved over the telephone or when the customer attends the offices in person, it is still advisable to enter the complaint onto the Customer complaint form, to note that the Customer is satisfied with the response, and close the complaint, in case the customer, at a later stage, requests to take the matter further.

The Customer Service officer is available to assist customers wishing to make a complaint and is located at the Civic Centre, McGregor Street, and Port Hedland. The Customer Service officer will:

- Take details of the complaint;
- Determine from the customer what he/she would like to happen to resolve the complaint;
- Call for a technical officer if this is required;
- Determine a course of action;
- Record the complaint;

PROCEDURE FOR HANDLING THE COMPLAINT

Stage 1

When an officer receives a complaint, he / she are empowered to resolve the complaint wherever possible as authorized by the officer's Business Unit Manager. The officer will take the following action:

- Take the full details of the complaint.
- Determine from the customer what action he / she would like to take place to resolve the complaint.
- Record details on the complaints form for the purposes of tracking the complaint and later analysis.
- Undertake further investigation as appropriate.
- Determine a course of action to resolve the complaint.
- Forward to the Records Department for registering / update in the RMS any interim action taken before the complaint can be closed.
- Inform the customer by telephone, letter or in a meeting what action is being taken to resolve the complaint, if this is appropriate. Some customers do not request a reply, but just want their comments put on record.
- Ensure the complaint is followed up to resolution.
- When the complaint is finalized forward to the Records department for closure of the complaint on the RMS, ensuring that details of any action taken to resolve the complaint are documented on the system.

Stage 2

If the customer is not satisfied with the response from the officer, the customer has the right to have his / her concerns reviewed by a manager.

- The customer may request this review either through the officer handling the matter, or the Customer Service officer.
- This review must be registered as a second complaint in the RMS in order that all details of the complaint are tracked and for later analysis.
- The Department Manager may undertake further investigation and can update the RMS as appropriate through the Records department.
- The Department Manager can determine a course of action to resolve the complaint.
- Inform the customer by telephone, letter or in a meeting what action is being taken to resolve the complaint.
- Ensure the complaint is followed up to resolution.

Stage 2 cont...

- When the complaint is finalized forward to the Records department for closure of the complaint on the RMS, ensuring that details of any action taken to resolve the complaint are documented on the system.

Stage 3

If the review is unsuccessful, the matter can be referred to the Director for a further review.

- The customer can request a review by a Director by informing the manager handling the matter.
- This review is to be registered as a third complaint and actioned to the Director for a response.
- The Director will review all action that has taken place and all details will be documented on the RMS by the Records department.
- The Director will determine a course of action to resolve the complaint.
- The Director will inform the customer the outcome of this final review by letter or discuss the possible resolution of the complaint by telephone or in a meeting.
- The complaint will be closed detailing all action taken to resolve the complaint.

All efforts will be made to resolve the complaint to the satisfaction of the customer. However, if the customer is still dissatisfied, he/she will be advised of any further action, which may be available:

- The customer may be referred to external agencies, such as the Ombudsman or Department of Local Government, which investigate complaints from members of the public and public authorities about the conduct of public authorities and public officials;
- The customer may be advised of an appeal procedure;
- The customer may be advised of other legal remedies, as appropriate:

Stage 4 - Western Australian Ombudsman

The Ombudsman is an independent and impartial person who investigates complaints about Western Australian government departments, statutory authorities, local governments and the Western Australian Police Service. The Ombudsman reports directly to the Parliament of Western Australia – not to the government of the day.

Stage 5 - Department of Local Government

The Department of Local Government and Regional Development plays a vital role in guiding the quality of community life in Western Australia.

The regulatory role of the department resides in a division called Governance and Statutory Support, ensuring compliance with the law, including the Local Government Act. Through monitoring and investigation, the department tries to ensure citizens in all parts of the state receive the benefit of sound administration, proper representation and ethical dealings.

A complaint which was handled by a Department Manager at Stage 1 would be reviewed at Stage 2 by a Director. The complaint could not therefore be reviewed again at Stage 3.

REVIEW PROCEDURE FOR HANDLING OF COMPLAINT

Stage 1

Officer handles complaint
Complaint details registered in RMS

Stage 2

Manager reviews complaint
Complaint details registered in RMS

Stage 3

Director reviews complaint
Complaint details registered in RMS

Customer can be referred to external complaint agency, (such as the Ombudsman) OR Customer given details of appeal procedure or other legal remedy

INDIVIDUAL BUSINESS UNIT GUIDELINE

Department Managers may draw up their own guidelines to deal with complaints which are specific to their units and which would need particularly sensitive handling.

Whilst every effort should be made to ensure that the complaint handling process is open and accessible, it is acknowledged that some business units may not accept certain types of complaints over the telephone, preferring the customer to put the complaint in writing. This is at the discretion of the Business Unit Manager.

OTHER TOWN OF PORT HEDLAND CENTRES

Staff located at other centres, such as recreation/leisure centres, Rangers, Matt Dann, Libraries etc, may not have access to the RMS. In this case, complaint details can be sent via e-mail direct to the Records department.

Copies of the customer complaint form will be made available to all centres in electronic form on the shared drive under forms / complaints for customers to fill in the details of their complaint should they wish to use it. These forms should be directed to the Records Manager for processing.

DEALING WITH CUSTOMERS WISHING TO MAKE A COMPLAINT

All members of staff are required to treat customers politely and professionally. When customers complain, they expect:

- To be heard;
- To be understood and taken seriously;
- To be treated with respect;
- To be given an explanation;
- To be given an apology; where appropriate;
- To get action/resolution as soon as possible.

Even if the outcome of the complaint is not the desired outcome, the customer is less likely to feel aggrieved if treated professionally by members of staff.

ANONYMOUS OR REPETITIVE COMPLAINTS

Occasionally a caller may be uncomfortable about providing his or her name because of fears about confidentiality or other issues. A little reassurance may encourage the caller to lodge the complaint officially.

If the complainant is not willing to provide their name and contact details, we are not able to record or investigate the complaint.

However if safety or security is involved, details should be recorded and passed on immediately to a manager who will deal with the information in the most appropriate way. Attempt to obtain a contact number from the caller if at all possible.

COMPLAINT AGAINST AN OFFICER

If a complaint is made against an officer, it should be directed in the first instance to the officer's supervisor, Department Manager or Director. If the complaint is of a serious misconduct, the Manager, Information Services will be notified. Serious misconduct includes, but is not limited to:

- Theft
- Dishonesty
- Breach of confidentiality
- Falsification of records
- Harassment, including racial, sexual or workplace harassment
- Indecent or abusive language
- Fighting or abusive threatening behaviour

Any disciplinary action against an officer will be carried out in accordance with the existing Town of Port Hedland Employee Disciplinary Procedure policy. Officers receiving the complaint are reminded of the need to be discrete at all times.

The complainant "names" a staff member

If the complainant names a staff member but does not fall into the "serious misconduct" category you should:

- Record the complaint
- Use the words "the officer" in place of a name when entering the description
- Contact the actioning officer to pass on the name of the officer involved in the complaint
- Reassure the complainant that you will contact them with the name of the person who will deal with the complaint and give them a timeframe for when investigating officer will contact them.

VEXATIOUS CALL (calls without substance)

"I would remove this statement if advertising externally KM"

Calls from people who have been identified as vexatious callers on the complaints database. You should politely but firmly refer them to the person nominated to deal with contacts from this individual. Be very careful not to indicate in any way that they are being singled out or treated unfavourably.

DEPARTMENT MANAGERS/ EXECUTIVE DIRECTORS

The role of these managers is to monitor the complaints received within their area, and may be required for support when:

- The complaint is listed as one to be dealt with by the CEO
- Complainant demands to speak to the CEO
- A particular officer cannot be reached and the complainant cannot be pacified / reasoned with
- Any officer would like advice on how to proceed or deal with a particular issue

RESPONSE TIMES

A prompt response is vital. Regardless of the outcome, people are more likely to be satisfied when their complaint is handled quickly.

- All complaints that are not resolved immediately will be acknowledged in writing within 5 working days of being received by the Town of Port Hedland.
- All complainants will be informed of the progress of their complaint within 10 working days
- All complainants will be kept informed at regular intervals as agreed with the complainant when complaints are not resolved within 10 working days.

CONFIDENTIALITY OF COMPLAINT INFORMATION

All information provided by the complainant is confidential. Care must be taken not to pass on any information to other customers. Complainants may need reassurance that information provided will be treated confidentially.

FREEDOM OF INFORMATION

Records in the RMS are subject to the provisions of Freedom of Information legislation. Sensitivity is required when recording information relating to a complaint.

SPECIAL COMMUNICATION REQUIREMENTS

Some customers may have special communication requirements. It may be that they need assistance with writing a complaint or reading a letter. For a deaf person, English is a second language. Therefore, a response letter must be in plain, simple English. Someone who is hard of hearing needs to be spoken to slowly and clearly, keeping explanations simple, and may need things repeated or rephrased. They may have modifications to the phone so there might be no need to shout into the phone. More specialized assistance can be arranged as listed below:

- *A deaf person may contact Council via the Australian Communication Exchange (ACE) whereby the conversation is relayed to a standard phone via a telephone typewriter used by a deaf person. (Tel 132544).*
- For people who do not speak English, assistance can be obtained from the Translating and Interpreting Service (TIS) on Tel 131450.

COUNCILLORS' CORRESPONDENCE

Letters addressed to Councillor's which contain a complaint will be registered in the RMS by the Records Officer and sent to the appropriate Business Unit for action. The response to the customer will be coordinated by the Executive Assistant to the Councillor's.

CONTACT DETAILS FOR EXTERNAL AGENCIES

Western Australian Ombudsman

PO Box Z5386 St Georges Terrace
PERTH WA 6831

Phone: (08) 9220 7555

Freecall 1800 117 000

A telephone interpreter service is available on request.

Fax: (09) 9325 1107

E-mail: mail@ombudsman.wa.gov.au

Web address: <http://www.ombudsman.wa.gov.au/>

Department of Local Government

GPO Box R1250
PERTH WA 6001

Phone: (08) 9222 0511

Freecall: 1800 620 511

Fax: (08) 9221 2715

E-mail: info@dlgrd.wa.gov.au

Web: <http://www.dlgrd.wa.gov.au/default.html>

Responsible Person to manage document:

Manager Information Services

Review date April 2010

ATTACHMENT 3 TO AGENDA ITEM 11.4.1.3



**TOWN OF PORT HEDLAND
COMPLAINT REPORT FORM**

FILE NO: _____

“A complaint is an expression of dissatisfaction, however made, about the standard of service actions or lack of action by the Council or its staff, affecting an individual customer or group of customers.”

SERVICE DEPARTMENT

- | | | | |
|---|--|-----------------------------------|--------------------------------------|
| <input type="checkbox"/> Administration | <input type="checkbox"/> Health | <input type="checkbox"/> Planning | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Building | <input type="checkbox"/> Libraries | <input type="checkbox"/> Rangers | <input type="checkbox"/> Engineering |
| <input type="checkbox"/> Footpaths | <input type="checkbox"/> Parks & Gardens | <input type="checkbox"/> Rates | <input type="checkbox"/> Waste |
| <input type="checkbox"/> Other | | | |

Category

- | | | | |
|--|--|--|---|
| <input type="checkbox"/> Decision of Council | <input type="checkbox"/> Inappropriate Behaviour
<i>(rudeness, discrimination
harassment) of:</i> | <input type="checkbox"/> Standard of
<i>service not
being met</i> | <input type="checkbox"/> Decision of an
<i>officer</i> |
| <input type="checkbox"/> Staff | <input type="checkbox"/> Contractor (employed by Council) | | |

If other please specify _____

Details of Complaint:

Time: _____ **Date:** _____ **Acknowledgement Sent: YES / NO**

Received in person/telephone/facsimile/writing/email

Name of complainant: _____

Contact Phone No: _____ Fax No: _____

Address: _____

Suburb: _____ Post Code: _____

Details of complaint: _____

Signature: _____

Receiving Officer's Name & Title: _____ Date: ____/____/____
(Please Print)



**TOWN OF PORT HEDLAND
COMPLAINT REPORT FORM**

First Tier

DATE: TIME:

Officers Name and Title: _____

Complaint Resolved: YES / NO

Action Taken:

Comments:



**TOWN OF PORT HEDLAND
COMPLAINT REPORT FORM**

Second Tier

DATE: TIME:

Officers Name and Title: _____

Complaint Resolved: YES / NO

Action Taken:

Third Tier (Optional)

DATE: TIME:

Officers Name and Title: _____

Complaint Resolved: YES / NO

Action Taken:



**TOWN OF PORT HEDLAND
COMPLAINT REPORT FORM**

Fourth Tier

DATE: TIME:

Officers Name and Title: _____

Complaint Resolved: YES / NO

Action Taken:

Final Review by Divisional Manager

Name & Title: _____

Action taken:

Resolved to the satisfaction of the complainant: YES / NO

Original copy to Records Department: YES / NO



TOWN OF PORT HEDLAND COMPLAINT REPORT FORM

Procedures for handling the Complaint Report Form

Upon receipt of the Complaint Report Form the Officer receiving the request shall:

1. Ensure all details have been entered correctly on the form.
2. Write his / her name, title, date and time in the space provided.
3. Give the complainant a duplicate copy of the form for their record purposes.
4. Forward the original to the Records Section for recording and allocation of a file number.
5. Where the complaint has not been resolved, forward the complaint for consideration at the next level.
6. Where appropriate, the Divisional Manager to allocate an appropriate officer to investigate the complaint and respond as necessary.
7. The Divisional Manager to sign off complaint if satisfied with the action taken and return the form to the Records Section for filing.
8. The Records Section to monitor progress and advise the Department Manager ten (10) days after receipt of the Complaint Report Form if no action has been taken by the action officer.

11.4.1.4 Recognition of Land Under Roads (File No.: -)

Officer	Natalie Octoman Manager Financial Services
Date of Report	12 May 2009
Disclosure of Interest by Officer	Nil

Summary

The transitional provisions of Accounting Standard 1051 "Land Under Roads" that allowed Council to elect not to recognise Land Under Roads acquired before 1 July 2008 as an asset have expired. Accounting Standard AASB 116 "Property, Plant and Equipment" now requires Council to decide how to measure and recognise these assets.

Background

AAS27 "Financial Reporting by Local Governments" defines land under roads as land under roadways, and road reserves, (including land under footpaths, nature strips and medium strips).

Transitional provisions contained within AAS27 "Financial Reporting by Local Governments", AAS29 "Financial Reporting by Government Departments", AAS31 "Financial Reporting by Governments" and AASB 1051 "Land Under Roads" allowed Governments the option not to recognise land under roads acquired prior to 31 December 2007, with AASB 1051 "Land Under Roads" requiring Governments to elect or not to elect, to extend the relief indefinitely for land under roads acquired before 1 July 2008.

Land under roads acquired after 30 June 2008 is required to be recognised as per AASB 116 "Property, Plant and Equipment".

The road that is constructed on the land is currently recognised and measured in accordance with AASB 116.

While Council may build roads, these are on road reserves and in Western Australia, Queensland and Northern Territory, Council does not have the title to the road reserve, and should the reserve cease to be used for road purposes, the road reserve reverts to Crown control.

Consultation

UHY Haines Norton (the Councils' auditors) have been consulted regarding the new requirements, and the proposal put to Council is in line with their recommendations.

Statutory Implications

AAS27 “Financial Reporting by Local Governments” states (in part):

“Criteria for recognition of assets

33. *An asset of the local government shall be recognised in the statement of financial position when, and only when:*

(a) it is probable that the future economic benefits embodied in the asset will eventuate; and

(b) the asset possesses a cost or other value that can be measured reliably.”

AASB 1051 “Land Under Roads” states (in part):

“8. An entity may elect to recognise (including continue to recognise or to recognise for the first time), subject to satisfaction of the asset recognition criteria, or not to recognise (including continue not to recognise or to derecognise) as an asset, land under roads acquired before the end of the first reporting period ending on or after 31 December 2007.”

Local Government (Financial Management) Regulations 1996 states (in part):

“16. The annual financial report of a local government –

(a) is not to include as an asset –

(i) Crown land that is a public thoroughfare, the responsibility for managing which is vested in the local government; or

(ii) land that is not owned by the local government but which is under the control or management of the local government (whether that land is Crown land or is owned by another person, or not); and

(b) is to include as an asset a structure or any other improvement placed by the local government on land referred to in paragraph (a).”

Policy Implications

Nil

Budget Implications

Nil

Officer’s Comment

In order to recognise an asset in the financial statements, the item can only be recognised if it satisfies all of the following three criteria:

1. It is probable that **future economic benefits** associated with the item will flow to the entity;
2. The cost or other value of the item can be **measured reliably**; and
3. The amount is **material**.

In relation to future economic benefits, the AASB Framework states that even for not-for-profit entities, assets provide a means for entities to achieve their objectives and future economic benefits are synonymous with service potential. While there is no indication within the Framework in regards to the degree of the contribution necessary to meet this requirement, the future economic benefits test is satisfied.

Paragraph 15 of AAS 116 "Property, Plant and Equipment" indicates that "An item of property, plant and equipment that qualifies for recognition as an asset shall be measured at its cost." Section AUS15.1 continues to state that "notwithstanding paragraph 15, in respect of not-for-profit entities, where an asset is acquired at no cost, or for a nominal cost, the cost is its fair value as at the date of acquisition."

The accounting standards define fair value as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction, where the fair value is usually determined from market-based evidence.

Given the vast majority of our roads were acquired so long ago, it is not realistic to ascertain the original cost, or alternatively, were acquired for no or nominal cost – again many years ago – that it is not realistic to ascertain a fair value as at the date of acquisition. Thus recognition strictly in accordance with AASB 116 becomes a practical impossibility, and it is largely for these reasons that AASB 1051 provides the option not to recognise.

Along with this, within the commentary of the above-mentioned accounting standards, there have been concerns raised by both government practitioners and members of the valuation profession that a reliable measure of a carrying amount for land under roads controlled by local governments can seldom be determined, because of the unique features of land under roads. These concerns were the basis for the introduction of the transitional provisions incorporated in the standards.

In Western Australia, since 1993 the *Local Government (Financial Management) Regulations* have prohibited Councils from recognising any values for land under roads. Despite changes to these regulations in the last 12 months, that prohibition has been retained. However, local government auditors have advised that they will be reviewing the materiality of any non-compliance with the Australian Accounting Standards, and may need to qualify their reports at some point in the future. In the meantime, they are urging Councils to make elections required by AASB 1051 – notwithstanding the regulations – in order to minimise any non-compliance with the Standards.

In South Australia, the 2008 SA Model Financial Statements reported: "The Financial Management Project Group has formed the opinion that it is not possible to **reliably measure** the fair value of land under roads previously acquired. Further, the Group is of the opinion that land newly acquired for road purposes that adjoins land under an existing road then forms an integral part of the combined road reserve, such that the fair value of the combined area must be assessed as a unit, and hence cannot be **reliable measured**. This also applies to roads in a subdivision transferred to Council without cost, in that such land forms an integral part of the road network, and the contribution of value of the added land to the road network, and of the road network to the added land, cannot be **reliably measured**. In accordance with AASB 116 paragraph 7(b), reliable measurement is an essential component for the recognition of an asset: in the absence of the ability to reliably measure the value of an asset, it is the opinion of the Working Party that the asset cannot be recognised."

While Victoria has not yet made a final decision, they are giving serious consideration to recognition of land under roads in accordance with a methodology that has been developed by a working party. It appears that the methodology suggested would not be using market-based evidence and therefore would not comply with the accounting standards.

Other States including New South Wales, Queensland and Tasmania are still considering the matter, but are either awaiting advice from Treasury or have not yet made a recommendation.

On 1 April 2009, Council received a circular from the Department of Local Government and Regional Development that provided an overview and a proposal from the Local Government Financial Reporting Party to all Local Governments in relation to how to the recognition and subsequent disclosure of the treatment of land under roads in the notes to the financial statements. A copy of the circular has been attached.

Within the circular it is maintained that the *Local Government (Financial Management) Regulations* over-rides the requirements of the Australian Accounting Standards whereby local governments are not to recognise land under roads that are Crown Land vested in and managed by local government, and that this is clearly disclosed in the notes to the accounts. The circular has provided appropriate wording for inclusion in the financial statements to indicate this treatment.

Given the regulations over-ride the accounting standards, and the impossibility to reliably determine a market-value for land under roads, it is proposed that Council adopt the recommendation made by the Department of Local Government and Regional Development in that land under roads is not recognised.

Attachments

Circular 05-2009 from the Department of Local Government and Regional Development.

200809/349 Council Decision/Officer's Recommendation

Moved: Cr G D Bussell

Seconded: Cr A A Gear

That Council elects to incorporate the following disclosure in the significant account policy notes of future financial statements until such time that the regulations are modified, or it is recommended to do so otherwise.

- 1) Council has elected not to recognise the value of land under roads acquired before 1 July 2008 in accordance with AASB 1051.

CARRIED 5/0

7.34pm Councillor J M Gillingham left the room.

ATTACHMENT TO AGENDA ITEM 11.4.1.4

31.Mar. 2009 17:27

Dept of Local Govt & Reg Develop

No. 4555 P. 1/2

COPY

Government of **Western Australia**
Department of **Local Government and Regional Development**

TO ALL LOCAL GOVERNMENTS

CIRCULAR N^o 05-2009

RECORD No.	09/01808
OFFICER	DGS
	1 APR 2009
FILE No.	12/11/0002
ACTION DATE	N/A

DISCLOSURE REQUIREMENTS FOR LAND UNDER ROADS

The Local Government Financial Reporting Working party met on the 10 February 2009 to discuss the treatment of land under roads due to a requirement under AASB 1051 "Land Under Roads" for an entity to disclose in its accounting policy whether it elects to recognise, or not recognise, as an asset, land under roads acquired on or before the 30 June 2008. Land under roads acquired after 30 June 2008 is required to be treated under AAS 116 "Property, Plant and Equipment".

There is regulation in place that over-rides the requirements of the Australian Accounting Standards. Regulation 16 of the *Local Government (Financial Management) Regulations 1996* (regulations) precludes the recognition of the land under roads that are Crown Land vested in and managed by a local government. Land under roads is Crown Land and therefore needs to comply with the regulation.

In order to ensure compliance with the Australian Accounting Standards, due to the lapse in the transitional provisions and the new requirement to comply with AASB 116 and to make an election under AASB 1051, the Department suggests that there is full and proper disclosure in accordance with the Australian Accounting Standards and the regulations in the annual financial statements on the treatment of land under roads.

For consistency, it is proposed that local governments disclose the treatment of land under roads in the notes to the accounts. The significant accounting policy note to read that:

1. Council has elected not to recognise the value of land under roads acquired before the 1 July 2008 in accordance with AASB 1051.
2. In addition, the [name of local government] is required by Regulation 16 of the *Local Government (Financial Management) Regulations 1996* not to recognise a value for land under roads.

It is recommended that local governments consult with their auditors in relation to this matter when preparing the 30 June 2009 annual financial statements.

31. Mar. 2009 17:28

Dept of Local Govt & Reg Develop

No. 4555 P. 2/2

Should you require any further information in relation to this circular, please contact Peter Hayes on 9217 1513 or email peter.hayes@dlgrd.wa.gov.au; or Ning Yan on 9217 1443 or email ning.yan@dlgrd.wa.gov.au .



Jennifer Mathews
DIRECTOR GENERAL

9 March 2009

11.4.1.5 2007-08 Audited Financial Statements - Response to Management Report Items (File No.: -)

Officer Natalie Octoman
Manager Financial Services

Date of Report 12 May 2009

Disclosure of Interest by Officer Nil

Summary

For Council to note the response to the items outlined in the Management Report that was written by the Council's Auditors in relation to the 2007-08 Audited Financial Statements.

Background

On the 20 February 2008, Council received its audited 2007-08 Financial Statements and Associated Notes, Audit Report and Management letter from Mr Greg Godwin, Partner of UHY Haines Norton and Town of Port Hedland Auditor.

The Audit and Finance Committee met on 4 February 2009 to adopt the Financial Statements and to consider the comments made within the Audit Management letter.

The minutes of the Committee meeting were adopted at the 22 April Council meeting and a request was incorporated in the recommendations of that agenda item for a response to the Management Report items outlined by the Auditors to be circulated to Council.

Consultation

As indicated above, the Audit and Finance Committee and Council have considered the Audited Financial Statements.

Statutory Implications

Auditing Standard "ASA 320 Materiality and Audit Adjustments" states (in part):

"24 The auditor shall bring to the attention of management, misstatements identified during the audit, other than those that are clearly trivial, for correction prior to evaluating the effect of remaining uncorrected misstatements."

Policy Implications Nil

Budget Implications Nil

Officer's Comment

There were four key issues raised by the Council's Auditors in the Management Report, along with details of 11 Corrected Misstatements.

The four issues included Electronic Payments, Rates Revaluation Reconciliation, Tender Register and Offsite Backups of Computer Data, where both the issue and the response to the auditors were included in the Minutes to the Audit and Finance Committee that were adopted by Council during the meeting dated 22 April 2009. While the corrected misstatements weren't explained in the response to the auditors, they were explained to the Audit and Finance Committee during the meeting whereby the above-mentioned reports were subsequently adopted.

In relation to the corrected misstatements, during the preparation of financial statements, there is generally an agreed date whereby the organisation is required to submit a draft copy of the statements to the auditors in order for them to commence their audit processes.

For the 2007-08 financial statements, this date was agreed between the auditor's and Town financial staff members to be as at 27 November 2008. It was acknowledged by both the auditors and the staff involved in the process that there would still be adjustments required subsequent to this date given the staff shortages that had occurred in the preceding months. Any material adjustments to the figures after this date are required to be included as a corrected misstatement in the auditor's management report in accordance with Auditing Standards.

Upon sending the information to the auditors, the areas that were outstanding were communicated and involved mainly loans and reserve transfers which accounts for the majority of the corrected misstatements outlined. Most of the adjustments required were identified by the finance staff in the first instance, and each was communicated to the auditors in a timely manner and with the appropriate documentation. Explanations of each of the corrected misstatements mentioned in the Management Letter are outlined in the table overleaf.

Corrected Misstatements

Journal	Debit (\$)	Credit (\$)	Explanation
Loan Liability – Non Current Loan Liability – Current Reclassification of Loan Liability	38,294.77	38,294.77	To allocate the loan liabilities between those that are current (paid within the next 12 months) and those that are non current.
In Home Care Benefit Pilbara Family Day Care Provision Journal correction to clear overpayment debt	4,668.90	4668.90	To recognise the amount of the Home Care Benefit to remain in provisions as it was payable in the 2008-09 financial year.
Accrued Income FBT Expense FBT Expense Fringe Benefits Tax Adjustment to FBT expense to reflect FBT refund received	20,936.00 18,757.14	20,936.00 18,757.14	To recognise the Fringe Benefits Tax that was refunded given the payments made throughout the financial year.
Interest on investments reserve Accrued Income Reverse reserve interest accrual	6,915.92	6,915.92	It was advised by IT Vision that interest accrued on reserves cannot be accurately recognised in the SynergySoft financial system (the Reserves and General Ledger module would not remain in balance). This reverses the interest that was attempted to be accrued.

<p>Accrued loan interest</p> <p>Interest Payments</p> <p>Other minor sundry expenses</p> <p>Journal correction to bring to account accrued loan interests</p>	<p>24,407.46</p>	<p>22,642.63</p> <p>1,764.83</p>	<p>To recognise the amount of interest accrued on loan repayments given their timing.</p>
<p>Work in Progress Infra Assets – Muni</p> <p>Adjustment to separate works in progress from infrastructure assets</p>	<p>13,849.82</p>	<p>13,849.82</p>	<p>To remove the works in progress payments that had been recognised as an increase in the balance of the infrastructure asset account.</p>
<p>SSL Principal – Current</p> <p>Principal Repayment – Loan 105 & 111</p> <p>SSL Principal – Non Current</p> <p>Adjustment to recognise loan receivables</p>	<p>748.63</p> <p>4,281.21</p>	<p>5,029.84</p>	<p>To allocate the amount of the Golf Club Loan that was to be separately recognised as current and non-current receivables.</p>
<p>Loan Liability – Non Current</p> <p>Loan Repayment</p> <p>Adjustment to reflect the loan repayment</p>	<p>583,811.00</p>	<p>583,811.00</p>	<p>To reflect the amount of loan repayments that were to be recognised as non-current liabilities versus those that were current liabilities.</p>

Public open space equity Public open space trust Transfer public open space fund from Reserve to Trust	470,898.29	470,898.29	To transfer the funds that were held within the Public Open Space Reserve to the Trust account as required by the Planning and Development Act.
Fund 1 – Muni Fund Bank Airport capital work equity Transfer airport capital work from reserve to Muni	488,644.28	488,644.28	To finalise the transfer of funds from the Airport Reserve to the Municipal Bank Account given the total transactions for the airport during the year.
BHP reserve equity Fund 1 – Muni Fund Bank To correctly allocate reimbursement from BHP	24,400.00	24,400.00	To recognise the contribution from BHP for the vertimower purchased by the depot that was not paid for until 2008-09.

The intention for the 2008-09 financial statements is to prepare the draft by 31 August 2009 to be forwarded to the auditors, with the intention of the auditors being onsite during September. While there may still be some outstanding items, particularly associated with assets given the implementation of the new Assetic MyData Asset Management System, the aim is to ensure that the Financial Statements can be completed in September with the Audit Report provided to the Audit and Finance Committee in October. Communication has commenced with the auditors in relation to the timing outlined.

Attachments

Audit and Management Report prepared by UHY Haines Norton.

200809/350 Council Decision/Officer's Recommendation

Moved: Cr G D Bussell

Seconded: Cr A A Gear

That Council receives the response to the Management Report Items as outlined above.

CARRIED 5/0

ATTACHMENT TO AGENDA ITEM 11.4.1.5



20 February 2009

Mr C Adams
Chief Executive Officer
Town of Port Hedland
PO Box 41
PORT HEDLAND WA 6721

Dear Chris

**AUDIT OF TOWN OF PORT HEDLAND
FOR THE YEAR ENDED 30TH JUNE 2008**

We advise that we have completed the audit of your Town for the year ended 30th June 2008 and enclose our Audit Report and a copy of the Management Report.

A copy of the Audit Report and Management Report has also been sent directly to the President as is required by the Act.

We would like to take this opportunity to thank you and your staff for the assistance provided during the audit.

Please contact us if you have any queries.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Greg Godwin', written over a light blue circular stamp.

GREG GODWIN
PARTNER

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20 February 2009

The Mayor
Town of Port Hedland
PO Box 41
PORT HEDLAND WA 6721

Dear Mayor Martin

MANAGEMENT REPORT FOR THE YEAR ENDED 30TH JUNE 2008

We advise that we have completed our audit procedures for the year ended 30th June 2008 and enclose our Audit Report.

We are required under the Local Government Audit Regulations to report certain compliance matters in our audit report. Other matters which arise during the course of our audit that we wish to bring to Council's attention are raised in this management report.

It should be appreciated that our audit procedures are designed primarily to enable us to form an opinion on the financial statements and therefore may not bring to light all weaknesses in systems and procedures, or all audit matters of interest to Council, which may exist. However, we aim to use our knowledge of the Town's organisation gained during our work to make comments and suggestions, which, we hope, will be useful to you.

Electronic Payments

Whilst we acknowledge management has implemented detective controls around payments processed by EFT, we noted controls over the loading of EFT payments and changing of staff and creditors banking details could be improved.

Evidence suggests adequate preventative controls have not yet been established or implemented.

To ensure all payments made are bona fide and appropriately authorised, we recommend further investigation and implementation of appropriate higher level control measures that are preventative (rather than detective) in nature be implemented.

The system should be structured to allow for risk areas to be easily reviewed and these reviews should be routinely conducted by staff independent of the payment process.

Rates Valuation Reconciliation

There has been no reconciliation of valuations as per the rates system to the amendments/variations received periodically from the Valuer General.

To help ensure valuations are correctly recorded, thus ensuring the correct amount of rates are charged and the integrity of the rating system is maintained, we recommend a manual reconciliation of valuations be performed as changes from the Valuer General are notified.

A senior officer should also review the reconciliation and sign it as evidence of the review.

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Tender Register

This register was found to be generally of a good standard and complies with the requirements of Local Government (Function and General) Regulations except:

- The register did not include details of the decision to call tenders for each invitation to tender.

Recommendation: To help ensure the tender register complies with F & G Regulation 17 (2)(b), we recommend for each tender called the register include particulars of the decision to call tenders.

- In one instance a copy of the notice calling tenders was not included in the register.

Recommendation: To help ensure the tender register complies with F & G Regulation 17 (2)(d), we recommend for each tender called the register include a copy of the notice of the invitation to tender.

Off-site back-ups of computer data

In following up on the points raised following our interim visit we noted regular backup copies of all data and programs are still not stored off the premises

To help ensure Council is able to continue operations in the event of a disaster, we recommend a current version of backups be kept off site.

We noted no other matters we wish to draw to Council's attention.

Corrected Misstatements

We advise we have informed Town management of certain misstatements which were corrected during the course of our audit and are reflected in the financial report. These corrected misstatements are attached at Appendix I to this letter.

Uncorrected Misstatements

We advise we have informed Town management that there were no uncorrected misstatements above \$5,000 noted by us during the course of our audit

We take this opportunity to thank the Chief Executive Officer and all staff for the assistance provided during the audit.

Should you wish to discuss any matter relating to the audit or any other matter, please do not hesitate to contact us.

Yours faithfully



GREG GODWIN
PARTNER
Encl.

3
TOWN OF PORT HEDLAND
APPENDIX 1
FORMING PART OF THE MANAGEMENT REPORT
FOR THE YEAR ENDED 30TH JUNE 2008



Corrected Misstatements

	Dr (\$)	Cr (\$)
Loan Liability - Non current Loan Liability - Current Reclassification of Loan Liability	38,294.77	38,294.77
In home care benefit Pilbara Family day care provision Journal correction to clear overpayment debt.	4,668.90	4,668.90
Accrued Income FBT Suspense FBT Suspense Fringe Benefit Tax Adjustment to FBT suspense to reflect FBT refund received.	20,936.00 18,757.14	20,936.00 18,757.14
Interest on investments reserve Accrued income Reverse reserve interest accrual	6,915.92	6,915.92
Accrued loan interest Interests payments Other minor sundry expenses Journal Correction to bring to account accrued loan interests	24,407.46	22,642.63 1,764.83
Work in Progress Infra Assets – Muni Adjustment to separate work in progress from infrastructure assets.	13,849.82	13,849.82

4
TOWN OF PORT HEDLAND
APPENDIX 1
FORMING PART OF THE MANAGEMENT REPORT
FOR THE YEAR ENDED 30TH JUNE 2008



Corrected Misstatements(Continued)

	Dr (\$)	Cr (\$)
SSL principal – Current Principal repayment – Loan 105 & 111 SSL principal – Non current Adjustment to recognise loan receivables.	748.63 4,281.21	5,029.84
Loan Liability – Non current Loan repayment Adjustment to reflect the loan repayment.	583,811.00	583,811.00
Public open space equity Public open space trust Transfer public open space fund from Reserve to Trust.	470,898.29	470,898.29
Fund 1- Muni fund bank Airport capital work equity Transfer Airport capital work from reserve to Muni.	488,644.28	488,644.28
BHP reserve equity Fund 1- Muni fund bank To correctly allocated reimbursement from BHP.	24,400.00	24,400.00



**INDEPENDENT AUDITOR'S REPORT
TO THE ELECTORS OF THE TOWN OF PORT HEDLAND**

Report on the Financial Report

We have audited the accompanying financial report of the Town of Port Hedland, which comprises the balance sheet as at 30 June 2008 and the income statement by nature or type, income statement by program, statement of changes in equity, cash flow statement and rate setting statement for the year ended on that date and a summary of significant accounting policies and other explanatory notes.

Council's Responsibility for the Financial Report

Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report: The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report of the Town of Port Hedland is in accordance with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended), including:

- a giving a true and fair view of the Town's financial position as at 30 June 2008 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

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**INDEPENDENT AUDITOR'S REPORT
TO THE ELECTORS OF THE TOWN OF PORT HEDLAND (Continued)**

Other Matters

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) There are no matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Town.
- b) No matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) All necessary information and explanations were obtained by us.
- d) All audit procedures were satisfactorily completed in conducting our audit.

UHY HAINES NORTON
CHARTERED ACCOUNTANTS


GREG GODWIN
PARTNER

Address: Perth, WA
Date: 20 February 2009

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11.4.2 Governance**11.4.2.1 *Kerbside Recycling: Proposed Regional Tender***

Officer Chris Adams
Chief Executive Officer

Date of Report 23 April 2009

Disclosure of Interest by Officer Nil

Summary

Report seeks Council direction on whether it is willing to be involved in a Regional Kerbside Recycling Request for Tender that is proposed to be operated by the Pilbara Regional Council.

Background***General***

Waste management and recycling is an area of increasing activity for Council and the community. Given the similarity of issues in the Pilbara, this matter has been an area of activity for the Pilbara Regional Council (PRC). The Town of Port Hedland and the three other Pilbara Council's have provided resources to the PRC to undertake a number of initiatives over the past 2.5 years. This has included:

- 1) Developing a Regional Waste Management Plan that:
 - Reviews current waste management systems and practices
 - Identifies trends/issues in landfill management
 - Identifies opportunities for sharing of resources
 - Examined opportunities for recycling/re-use
- 2) Undertaking a combined 'refuse shredding' trial at the various Pilbara landfills.
- 3) Seeking to engage a regional Waste Management Coordinator.
- 4) Undertaking an Expression of Interest for the conduct of Kerbside Recycling in the Pilbara

The 4th item above, kerbside recycling, requires consideration, direction and a decision by Council.

Expression of Interest (EOI) Process & Outcomes

In late January 2009 the PRC advertised an Expression of Interest (EOI) for the potential delivery of kerbside recycling throughout the Pilbara via a consolidated service contract with the Regional Council. The purpose of the EOI was to determine:

- Who was willing to provide a service.
- What service/s they were willing to offer.
- Which Town's communities they were willing to offer services to.
- What products they were willing to recycle
- An indication of the likely costs for the service

The submission period closed in late February with four submissions being received – two of which were deemed to be compliant. The compliant submissions offered similar services with both offering fortnightly collection of

- Paper
- Steel
- Aluminium
- Cardboard
- Plastics
- Glass (if it can be reused locally)

Residents would be provided with a recycling bin at their home. The fortnightly bin collections would be sorted at materials recovery facilities (MRF's) that would be established in Karratha, Port Hedland and/or Newman, depending on the successful tenderer. The estimated service costs varied depending on the tenderer and the township location with some localities being more expensive to provide recycling services to than others. In the Town of Port Hedland's case, the anticipated service cost is in the middle-range of costs when compared to other localities.

To progress this matter, a decision is required from each of the four Pilbara Council's indicating if they are willing to be involved with the proposed PRC tender process. If there is agreement by the Councils, contracts will need to be drawn up between the respective LGA's and the PRC for the provision and management of the proposed kerbside recycling service.

Consultation

In recent years the Town has not specifically consulted on the issue of kerbside recycling. Research undertaken approximately 5 years ago did indicate strong support for kerbside recycling and the Town's Annual Community Survey regularly receives comments and feedback from residents supporting greater effort in this regard.

While there is clearly strong community support for the concept, until recently we have not been aware of the likely costs to ratepayers for the potential introduction of this service. Given that there are costs associated, it may be appropriate for Council to consult more widely on this matter prior to making a commitment to proceed with this proposal.

Statutory Implications Nil

Policy Implications Nil

Strategic Planning Implications

The following statements from the Town's Plan for the Future support the development and implementation of a kerbside recycling service.

Waste Management Goal: That the Town of Port Hedland is recognised as a regional leader in Waste Management.

Strategy 1: Progressively develop the South Hedland Landfill Facility in accordance with the Landfill Strategic Plan.

Strategy 2: In conjunction with other Pilbara Regional Council, implement the Pilbara Regional Waste Management Strategy with a particular focus on opportunities for the development of sustainable reuse and/or recycling of waste materials.

Strategy 3: Implement a green waste/mulching program that services both Council and the community's need for mulch.

Leadership Strategy 4 : Work with other Pilbara Regional Council to implement agreed actions that achieve measurable benefits to the Town of Port Hedland community.

Budget Implications

While the actual cost to Council and ratepayers would ultimately be determined through the proposed tender process, the EOI did provide some indication of the likely costs of providing the proposed service. In the Town of Port Hedland's circumstance, the EOI proponents indicated that the service would cost up to **\$215** per property per annum to operate.

If Council wishes to pursue this matter it needs to recognize that the cost to Council is likely to be in the vicinity of **\$1,300,000** per annum.

The mean residential rates in the Town of Port Hedland in 2008/09 were \$1,523pa. In addition to this, a Classic Bin Service fee of \$177 is charged on residential properties (Total = \$1700). A levy of an additional \$215 recycling charge per ratepayer would represent a **12.6%** increase in rates and charges payable by the 'average' ratepayer.

Officer's Comment

Clearly there is a strong community desire to implement kerbside recycling in Port Hedland. Given legislative changes and changing community attitudes in relation to waste management, it is highly likely that this service will be 'must provide' service for Council at some stage in the future. The issue for Council is whether it believes that 'now' is an appropriate time to be introducing the service.

The primary issues of concern relating to the provision of the service will be:

- **Cost:** Council does not have the currently disposable resources to fund a recycling service without severely cutting back on other services or infrastructure development programs. To operate the service Council would need to place additional rates or a fee/levy on ratepayers. Council needs to consider whether it wishes to go down this path at this time.
- **Ability to Recycle Goods:** The market value of recycled materials has deteriorated over recent months making some products less viable. There are several examples of where collected recyclable goods have subsequently been dumped at landfill due to an inability to find viable markets for the product. While this issue would not necessarily be a concern to the LGA's under a tender arrangement as the responsibility for managing the recyclables would lie with contractor, the issue would become a concern for the Council and the community if collected goods were not actually being recycled.

Attachments

Nil

Officer's Recommendation

That Council advises the Pilbara Regional Council that:

- i) it is willing to be involved in a regional tender for the provision of kerbside recycling service; and
- ii) it acknowledges that, for this project to proceed, a contract will need to be established between the PRC and the Town for the provision of funding to enable the PRC to manage this service on behalf of the Town.

OR

That Council advises the Pilbara Regional Council that:

- i) the Town of Port Hedland is proposing to consult widely with the local community prior to making a decision on whether to participate in the proposed Pilbara Kerbside Recycling Tender; and

- ii) Council is likely to make a decision on this matter at its July Ordinary Council Meeting (scheduled for 29 July 2009).

NOTE: SIMPLE MAJORITY VOTE REQUIRED

200809/351 Council Decision/Officer's Recommendation

Moved: Cr K A Howlett

Seconded: Cr S J Coates 5/0

That Council advises the Pilbara Regional Council that:

- i) the Town of Port Hedland is proposing to consult widely with the local community prior to making a decision on whether to participate in the proposed Pilbara Kerbside Recycling Tender; and
- ii) Council is likely to make a decision on this matter at its July Ordinary Council Meeting (scheduled for 29 July 2009).

CARRIED 5/0

7.35pm Councillor J M Gillingham entered the room and assumed her chair.

11.4.2.2 Western Australian Local Government Convention and Exhibition 2009 and Associated Professional Development for Elected Members (File No: 13/01/0009)

Officer Gaye Stephens
Executive Assistant

Date of Report 4 May 2009

Disclosure of Interest by Officer Nil

Summary

To determine attendees to Local Government Convention and Exhibition 2009, and register Voting Delegates at the WA Local Government Association's Annual General Meeting.

Background

The Local Government Convention and Exhibition is held annually in Perth and comprises formal presentations, seminars and workshops relevant to the business of local governments, and social events providing an opportunity to network with other Councillors and local government professional officers.

The event is promoted by the Western Australian Local Government Association (WALGA), as the premier local government event held each year. WALGA also offers the opportunity for Elected Members to attend Professional Development in the days before and/or after the Convention.

Officer's Comment

This year's event is being held at the Perth Convention and Exhibition Centre from Thursday 6 to Saturday 8 August.

WALGA's Elected Member Development Program will be held from Tuesday 4 August, prior to the Convention, and afterwards on Sunday 9 and Monday 10 August 2009.

The following Modules are offered to elected members:

- *Tuesday 4 August* - Module 1 : Legal Responsibilities of An Elected Member (9:00 am to 4:43 pm)
- *Wednesday 5 August* – Module 2: Land Use Planning (9am – 4:30 pm); Module 9 : Ethics and Conduct of an Elected Member (9:00 am to 12:30 pm); and Module 7: Local Government Finance (1:00 pm to 4:30 pm)
- *Sunday 9 August* - Module 17 : Introduction to Environmental Management (8:30 am to 4:30 pm; Module 6 : Strategic

- Planning (9am to 12:30pm), and Module 10 : Change Management (1pm to 4:30pm)
- Monday 10 August – Module 15 : sustainable Asset Management (9:00 am to 4:30 pm)

Events at the Convention will include Annual General Meetings, including that of the Western Australian Local Government Association (WALGA) on Saturday 8 August, at 7:00 am, of which the Mayor plus one other attendee is a voting delegate.

There will also be a meeting of the Pilbara Regional Council, of which Councillors S R Martin and A A Carter are delegates, and Councillors J E Ford and A A Gear are proxies.

It is recommended that Town of Port Hedland delegates stay at the Somerset St Georges (formally Chifleys on the Terrace), which is in walking distance from the Convention and Exhibition Centre and offered to delegates at a reasonable charge of \$175 - \$200 per night.

Statutory Implications

Nil

Policy Implications

Council adopted Policy 4/005 'Members Professional Development and Associated Travel and Accommodation at its Ordinary Meeting held on 28 May 2008, as follows:

“4/005 MEMBERS PROFESSIONAL DEVELOPMENT AND ASSOCIATED TRAVEL AND ACCOMMODATION

Objective

To ensure members receive appropriate opportunities for professional development, and are provided with adequate travel and accommodation expenses, as part of their obligation and duty to fulfill their role as a Councillor.

Entitlement

Professional Development

At the beginning of each financial year, members will be advised on an equal amount available to be used individually for professional development (Conferences, Study Tours, seminars, conventions, etc.), as allocated in the Annual Budget. This amount will be referred to as the member's professional development allocation.

Excluded from this allocation will be the costs associated to attend the Annual Local Government Week, Joint Pilbara and Kimberley Zone Regional Council Meeting or travel required

for specific Council business (statutory committee meetings, etc.).

Members have the ability to use their member's professional development allocation, on any form of professional development they deem appropriate in their role as a Councilor, without having to make a formal request of Council.

Members are to submit a six monthly report to Council (April and October), listing how their members professional development allocation has been utilised and benefits they and the town have derived from it utilisation.

At the end of each financial year any unused portion of the Members professional development allocation will be forfeited.

Members Professional Development Allocation costs include:

- 1. Conference, study tour, seminars, conventions, etc. registration fees;*
- 2. Travel to and from conference, study, seminars, conventions, etc;*
- 3. Accommodation;*
- 4. Meals and incidentals as per policy;*
- 5. All Travel and Accommodation daily allowances;*
- 6. Any other costs approved by Council.*
- 7. Laundry after three (3) days away from the Town of Port Hedland district.*

Once a member's annual allocation has been expended, any additional professional development requires the prior approval of Council.

Travel and Accommodation

All travel and accommodation on Council business and or members' professional development is to be arranged by an Officer nominated by the Chief Executive Officer, who will endeavour to seek any discount possible to minimise the cost to Council, whilst ensuring that an appropriate standard is obtained.

All travel will be booked at economy rates, and any upgrade will be made at the member's expense.

All travel while away from Port Hedland will be by Taxi, through the use of "cab charges" provided prior to departure from Port Hedland.

Accommodation is to be arranged at an appropriate standard in reasonable proximity to the where the majority of purpose for the visit is to occur (i.e. hotel where conference is being presented). Should a member choose not to stay at the

- iii) Mayor Stan R Martin and _____ attend the Pilbara Regional Council Meeting being held during the Convention.

200809/352 Council Decision

Moved: Cr K A Howlett

Seconded: Cr G D Bussell

That:

- i) Mayor Stan R Martin, Councillors Grant Bussell, Arnold Carter, Steve Coates, George Daccache, Jan Ford, Arthur Gear, Jan Gillingham and Kelly Howlett attend the WALGA Local Government Convention and Exhibition 2009;
- ii) Mayor Stan R Martin and Councillor Steve J Coates represent Council as voting delegates at the Western Australian Local Government Association's Annual General Meeting, being held on Saturday 8 August 2009 during the Convention; and
- iii) Mayor Stan R Martin and Councillor Arnold A Carter attend the Pilbara Regional Council Meeting being held during the Convention.

CARRIED 6/0

REASON: Council nominated elected members to attend the WALGA Local Government Convention and Exhibition 2009; Council's voting delegates at the WALGA AGM; and Council's representatives to attend the Pilbara Regional Council meeting being scheduled during the Convention.

11.4.2.3 Plan for the Future 2008 – 2013: Third Quarterly Review Update Report (File No.: ...-...)

Officer Gaye Stephens
Executive Assistant

Date of Report 5 May 2008

Disclosure of Interest by Officer Nil

Summary

Council's Plan for the Future is reviewed and updated on a quarterly basis to ensure that projects are 'on-track'. This review provides Council with the results of the third quarterly review of Council's Plan for the Future 2008 – 2013.

Background

At its Ordinary Meeting held on 27 August 2008, Council adopted the Town of Port Hedland Plan for the Future 2008 - 2013. The Plan identifies the six Key Result Areas (KRA) for Council's operations, 24 Goal areas, and 110 specific strategies that are to be implemented this calendar year.

A review of the current status of the implementation of the strategies has been undertaken (see attachment), to ascertain the level of progress that has been made towards the implementation of the strategies listed with the plan.

While all strategies that are listed are important and must be implemented, Council also identified Critical Success Strategies in each KRA area. Critical success strategies are the projects that have been identified as being imperative to achievement of Council Vision for the Town. A review of the Critical Success Strategies has also been undertaken.

Consultation

Council endorsed its Strategic Plan 2008-2013, after significant community/stakeholder consultation was undertaken.

The third quarterly review has been undertaken in consultation with each of the Town's officers who are responsible for implementation of the individual strategies.

Statutory Implications

The Local Government Act requires each municipality to develop a 'Plan for the Future'.

Council has determined that its plan for the future is the Town's Plan for the Future coupled with the Five (5) year Financial Plan.

Policy Implications

Nil

Strategic Planning Implications

The Plan for the Future is the key resource-planning document for the Town of Port Hedland. It sets out the vision for the Town along with actions that the Town is planning to undertake over the current financial year to move towards delivery of this vision.

Regular reviews of the direction of the plan are necessary to ensure that Council's resources are being utilised in the most efficient and effective way.

Budget Implications

The strategies within the Plan for the Future 2008 – 2013 have been cross-referenced against the Town's adopted 2008/09 budget.

Officer's Comment

The Plan for the Future 2008 - 2013 is Council's most important document. It sets the direction for Councillors and staff in relation to the goals Council wants to achieve, and how it intends on achieving these things through the implementation of targeted strategies.

To ensure that the Plan remains current, it is essential for the document to be reviewed regularly, and updated to reflect Council and community priorities.

Critical Success Strategies

The 22 Critical Success Strategies which have been identified by Council as being imperative to achievement of its Vision for the Town have also been reviewed. A summary of the review of the Critical Success Strategies follows:

KRA1 – Infrastructure

Critical Success Strategy	Actions/Works Undertaken to Date
Ensure that the Port Hedland Road Project (Auslink Road) progresses in a timely manner.	MainRoads presented to Council's Informal Briefing Session 08.10.08. Progress dependent on State Government funding.

Implement the Town's Park Improvement Program, with a specific focus on the development of new and/or upgraded park infrastructure in South Hedland.	Shade installation completed at KSO & CMO. Design development of Marquee park ongoing.
Developing and implementing an Airport Master Plan.	Council's Airport Working Group discussions continuing.
Pursuing the development of Underground Power in South Hedland.	Awaiting advice relating to application process.

KRA 2 – Community Pride

Strategy	Actions/Works Undertaken to Date
The implementation of initiatives that reduce the prevalence of litter within the Township.	Green waste collection completed. White goods collection underway May 09. Partnership with Care For Hedland Litter Reduction Pilot Program. \$5 Bag initiative ongoing. Regularly reporting litter collection statistics and waste reduction initiatives in North West Telegraph.
Development of the Townscape of the South Hedland Central Business District	State Government announced \$23M to implement SH Town Centre Development Plan – Feb 09.
Increased number and attendance at both Council and community managed events.	Remaining events for 08/09 calendar: Youth event now expanded to Youth Week, Multicultural event and Welcome to Hedland Night combined in 09.

KRA 3 – Community Development

Strategy	Actions/Works Undertaken to Date
Development of a range of facilities and activities for local young people including the upgrade of the JD Hardie Centre.	MRS – Minimum of 5 x youth based programs per week at JD Hardie Centre, plus holiday program, and a minimum of 2 x events per annum targeting youth. Facilities and services increasing. Working HYLIC & HYSAG to develop youth based events. MCED – Architect concept drawings reworked following service provider and youth consultation. Working on detailed design and documentation for tender process. Upgrade of car park completed.