

Town of
Port Hedland



TOWN OF PORT HEDLAND

AUDIT, RISK AND GOVERNANCE COMMITTEE MEETING MINUTES

**THURSDAY 10 SEPTEMBER 2015 AT
11:30AM**

**COUNCIL CHAMBERS, MCGREGOR
STREET, PORT HEDLAND**

**“A nationally significant, friendly city that people are
proud to call home”**

*M.J. (Mal) Osborne
Chief Executive Officer*

Terms of Reference

AIM/PURPOSE:

The Audit, Risk and Governance Committee objective is to assist the Town of Port Hedland Council in liaising with the auditor and overseeing the external audit function and promoting the transparency and accountability of Council's financial management systems and reporting

The Audit, Risk and Governance Committee has been established in accordance with Part 7 of the Local Government Act 1995 to:

1. Liaise with the Auditor(s) to assist Council in carrying out functions in relation to external audit, including liaising with the Auditor and develop a process for selection and appointment of a person as the Auditor.
2. Receive Quarterly Budget Review Reports;
3. Receive Quarterly Financial Reports on all of the Town of Port Hedland's Managed Community Facilities;
4. Review and suggest improvements to Risk Management within the organisation; and
5. Assist the organization in the development of an internal audit program and make recommendations to Council regarding:
 - Financial Management
 - Risk Management
 - Internal Controls
 - Legislative Compliance
 - Internal and External Audit Planning and Reporting

QUORUM:

The quorum for the Committee be a minimum of 50% of its membership.

MEMBERSHIP:

Elected Members:

Mayor Kelly Howlett

Councillor Gloria Jacob – Presiding Member

Councillor Julie Hunt

Councillor Lorraine Butson – Deputy Presiding Member

Community Member:

Mr Bill Hrambanis

Ms Nina Pangahas

Deputy Members:
Councillor George Daccache
Councillor Jan Gillingham
Councillor David Hooper
Councillor Troy Melville

MEETING FREQUENCY:

As and when required.

DELEGATION:

The Town of Port Hedland Council provides delegated authority to the Audit, Risk and Governance Committee to meet annually with the Town's auditor(s) as required by Section 7.12A(2) of the Local Government Act 1995.

TENURE:

Ongoing

RESPONSIBLE OFFICER:

Director Corporate Services

(Adopted by Council at its Ordinary Meeting held 16 November 2011. Amended by Council at its Ordinary Meeting held 23 October 2013. Amended by Council at its Ordinary Meeting held on 11 December 2013. Amended by Council at its Ordinary Meeting held on 27 May 2015.)

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ITEM 1 OPENING OF MEETING

The Presiding Member declared the meeting open at 11:34pm.

ITEM 2 ACKNOWLEDGMENT OF TRADITIONAL OWNERS

The Presiding Member acknowledged the traditional owners, the Kariyarra people.

ITEM 3 RECORDING OF ATTENDANCE AND APOLOGIES

3.1 Attendance

Elected Members:

Councillor Gloria Jacob – Presiding Member

Councillor Julie Hunt

Councillor Lorraine Butson – Deputy Presiding Member

Councillor George Daccache (Deputy Member for Mayor Howlett)

Community Member:

Ms Nina Pangahas

Officers

Mal Osborne Chief Executive Officer

Peter Kocian Executive Officer

Sid Jain Director Corporate Services

Anna Hoebergen Minute Taker

Travis Bate RSM Bird Cameron

David Wall RSM Bird Cameron

Public 0

Media 0

ToPH Officers 3

3.2 Apologies

Mayor Kelly Howlett

Mr Bill Hrambanis

3.3 Approved Leave of Absence

Nil

ITEM 4 RESPONSE TO PREVIOUS QUESTIONS

4.1 Questions from Public at Audit, Risk and Governance Committee Meeting held on Wednesday 10 June 2015

Nil

4.2 Questions from Public at Audit, Risk and Governance Committee Meeting held on Wednesday 17 June 2015

Nil

4.3 Questions from Committee Members at Audit, Risk and Governance Committee Meeting held on Wednesday 10 June 2015

4.3.1 Councillor Jacob – Presiding Member

At the 22 April 2015 Audit and Finance Committee meeting there was a request for Town officers to provide a register of the outstanding recommendations and their status from the internal audit performed by UHY Haynes Norton. It hasn't been included in this agenda. Can this be included in future agendas?

A status report on the interim audit findings has been prepared and was presented to the Committee meeting on 10 June 2015. This status report will be further expanded to include the recommendations from the risk management review and internal audit, and will be presented as a standing item on the Committee agenda.

As previously requested at the last Audit and Finance Committee meeting, would it be possible for the Officers to provide information regarding the cost to repair or remove the Tower at the Port Hedland Visitors Centre?

A scope of works is currently being finalised to engage a Structural Engineer to look into cost to repair or remove the Port Hedland Observation Tower near the Visitors Centre. Further information will be presented to Elected Members once a report has been received and analysed.

4.4 Questions from Committee Members at Audit, Risk and Governance Committee Meeting held on Wednesday 17 June 2015

Nil

ITEM 5 PUBLIC TIME

Important note:

'This meeting is being recorded on audio tape as an additional record of the meeting and to assist with minute-taking purposes which may be released upon request to third parties. If you do not give permission for recording your participation please indicate this at the meeting. The public is also reminded that in accordance with Section 6.16 of the Town of Port Hedland Local Law on Standing Orders nobody shall use any visual or vocal electronic device or instrument to record the proceedings of any meeting unless that person has been given permission by the presiding member to do so.'

Presiding Member opened Public Question time at 11:37am.

5.1 Public Question Time

Nil

Presiding Member closed Public Question time at 11:38am.

Presiding Member opened Public Statement time at 11:38am.

5.2 Public Statement Time

Nil

Presiding Member closed Public Statement time at 11:38am.

ITEM 6 QUESTIONS FROM MEMBERS WITHOUT NOTICE

Nil

ITEM 7 DECLARATION BY MEMBERS TO HAVE GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPER PRESENTED BEFORE THE MEETING

Councillor Jacob – Presiding Member	Councillor Daccache – Deputy Committee Member
Councillor Hunt	Ms Pangahas

Councillor Butson advised she had not had time to read the agenda.

ITEM 8 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

8.1 Confirmation of Minutes of the Audit, Risk and Governance Committee Meeting held on Wednesday 10 June 2015

201516/001 RECOMMENDATION/ AUDIT, RISK AND GOVERNANCE COMMITTEE DECISION

MOVED: CR HUNT

SECONDED: CR DACCACHE

That the Audit, Risk and Governance Committee confirm that the Minutes of the Audit, Risk and Governance Committee Meeting held on Wednesday 10 June 2015 are a true and correct record.

CARRIED 4/1

8.2 Confirmation of Minutes of the Audit, Risk and Governance Committee Meeting held on Wednesday 17 June 2015

201516/002 RECOMMENDATION/ AUDIT, RISK AND GOVERNANCE COMMITTEE DECISION

MOVED: CR HUNT

SECONDED: CR DACCACHE

That the Audit, Risk and Governance Committee confirm that the Minutes of the Audit, Risk and Governance Committee Meeting held on Wednesday 17 June 2015 are a true and correct record.

CARRIED 4/1

ITEM 9 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

Nil

ITEM 10 PETITIONS/ DEPUTATIONS/ PRESENTATIONS/ SUBMISSIONS

10.1 Mr Travis Bate and Mr David Wall, Principal and Partner RSM Bird Cameron

Mr Bate and Mr Wall provided a brief update on the progress of the audit of the draft Annual Financial Report for 2014/15.

Disclaimer

Members of the public are cautioned against taking any action on Committee decisions, on items on today's Agenda in which they may have an interest, until formal notification in writing by the Town has been received. Decisions made at this meeting can be revoked, pursuant to the Local Government Act 1995.

ITEM 11 REPORTS OF OFFICERS

11.1 Corporate Services

11.1.1 Unaudited Annual Financial Report for the Year Ended 30 June 2015

Linda Zietsman, Acting Manager Financial Services
File No. 12/14/0003

DISCLOSURE OF INTEREST BY OFFICER

Nil

201516/003 RECOMMENDATION/ AUDIT, RISK AND GOVERNANCE COMMITTEE DECISION

MOVED: CR HUNT

SECONDED: MS PANGAHAS

That the Audit, Risk and Governance Committee receive the Unaudited Annual Financial Report for the Year Ended 30 June 2015.

CARRIED 4/1

EXECUTIVE SUMMARY

This report presents the unaudited Annual Financial Report (AFR) for the Year Ended 30 June 2015 for consideration by the Audit, Risk and Governance Committee.

DETAILED REPORT

The Town is required to prepare general purpose financial reports each year and refer them to audit as soon as practicable, as and no later than 30 September following end of financial year (Section 6.4 of the Local Government Act 1995). The Audit Report is to be received by no later than 31 December following the end of financial year (Section 7.9 of the Local Government Act 1995).

The Town's Auditors, RSM Bird Cameron, will be conducting the end of year audit onsite over the period 8-11 September 2015, with the draft Annual Financial Report submitted to the Auditors on 1 September 2015. It is anticipated that the Audit Report will be received in early October 2015 (Audit Report is required to be forwarded within 30 days of completing the Audit).

The annual financial reports are prepared in accordance with Australian Accounting Standards; the Local Government Act 1995; and the Local Government (Financial Management) Regulations 1996. Management's responsibility is to prepare them in accordance with the Standards, Act, and Regulations and to ensure that the reports present fairly the financial performance and position of the Town, free from material misstatement, whether due to fraud or error.

The role of the Auditor is to provide an opinion based on their audit as to whether Management has fulfilled these obligations. The Auditors also prepare a separate, more detailed report for Management identifying any issues arising from the conduct of the audit, and recommending any corrective actions. A copy of the detailed report along with the Auditor's opinion will be provided to the Committee at their next meeting.

The Audit, Risk and Governance Committee has delegated authority to liaise with the Auditor, and receive and examine the Auditor's report and any Management Letters arising from the conduct of the audit.

Summary of Financial Report for the Year Ended 30 June 2015

- Brought Forward Surplus – the brought forward surplus as at 30 June 2015 is \$5.064m compared to the projected surplus brought forward of \$2.95m in the 2015/16 Budget. The following comments were provided in the Agenda Item which considered the adoption of the 2015/16 Budget:

The draft 2015/16 Budget is predicated on an estimated surplus brought forward from the 2014/15 financial year of \$2.95M. The composition of the estimated net current asset position is provided on page 31 of the draft Budget. This amount is calculated based on projected net current assets of \$1.774M as per the March 2015 Quarterly Budget Review, plus the advance payment of the Towns 2015/16 financial assistance grant amounting to \$1.173M which is recognized as revenue as soon as control of the funds is transferred (funds received on 30 June 2015).

The estimated surplus brought forward is a conservative estimate. An analysis of the components of net current assets has been undertaken, including a review of open purchase orders, unpaid contract payments, leave accruals, reconciliation of restricted cash including Reserve funds, debtor's invoices, inventory, and accruals. It is anticipated that the brought forward surplus figure may be higher than the \$2.95M budget position; however it is prudent to apply a conservative estimate. Budgetary issues will eventuate where the estimated brought forward surplus is much greater than the actual surplus, which will become known once all end of year accounting adjustments are finalized. This occurred in the 2013/14 Budget where the Town estimated a brought forward surplus of \$3.26M compared to an actual deficit of \$2.5M. This effectively created a budget shortfall of \$5.76M in 2013/14.

Any variance between the estimated brought forward surplus of \$2.95M and the actual net current asset position as at 30 June 2015 will be addressed in the September 2015 Quarterly Budget Review (or earlier if timing allows). It will be recommended that any favourable improvement in the brought forward surplus be used to fund a transfer to either the Asset Management or Strategic Reserve.

Unaudited Brought Forward Surplus

Now that the draft Annual Financial Report has been completed, the estimated brought forward surplus is \$5.064m (as shown in the rate setting statement in the attached AFR). This is a \$2.1m improvement on the 15/16 budget estimate and a \$3.262m increase on the 2014/15 original budgeted closing surplus. The increase in the surplus is mainly attributable to under expenditure on capital projects. As recommended above, it will be proposed as part of the September 2015 Quarterly Budget Review that the additional surplus be allocated to either the Asset Management or Strategic Reserve for the purpose of funding strategic projects or prepaying debt. There may also be requests for municipal carryovers that were not captured as part of the 15/16 budget deliberations.

- Operating Expenditure – total operating expenditure as at 30 June 2015 amounted to \$65.6m compared to an original Budget of \$63.8m. The variance is primarily explained by an increase in depreciation due to revaluation of buildings at 30 June 2015. More detail can be found in Note 2(a) of the attached draft AFR.
- Operating Income – total operating income as at 30 June 2015 amounted to \$78.3m compared to an original Budget of \$67.9m. The variance can be attributed to an increase in interim rate revenue, better than expected interest income, increased income from fees and charges and other revenue. More detail can be found in Notes 2(a), 24(a) and 29 of the attached draft AFR.
- Capital Expenditure – total capital expenditure as at 30 June 2015 amounted to \$74.53m of which \$36.7m was for construction and purchase of roads, drains, footpaths, parks & ovals, airport infrastructure, property, plant and equipment. Also contained within the \$74.53m total capital expenditure were developer contributed land assets to the Town of \$37.8m, relating to the Kingsford Smith Business Park.
- Cash and Cash Equivalents – as at 30 June 2015 these amounted to \$81.1m compared to \$75.4m in the previous financial year. \$79.5m of this is restricted while \$1.6m is unrestricted. More detail can be found in Note 3 of the attached draft AFR.
- Net Assets and Revaluation of Land and Buildings – total net assets as at 30 June 2015 amounted to \$584m compared to \$401m as at 30 June 2014. The increase in net assets is primarily explained by the revaluation of land and buildings with total asset revaluation of \$113m. The value of Property, Plant and Equipment increased from \$188m to \$212m whilst the value of Infrastructure assets increased from \$164m to \$295m.

FINANCIAL IMPLICATIONS

As demonstrated by the Statement of Comprehensive Income (by nature and type) in the attached unaudited draft AFR the Town's financial position is strong with an Operating Result from Continuing Operations of \$12.7m and a carry forward surplus as at 30 June 2015 of \$5.064m.

Note 22 of the unaudited draft AFR details the financial ratios which are a measure of financial sustainability. All financial ratios of the town for 2014/15 are better than minimum targets set by the Department of Local Government and Communities.

STATUTORY AND POLICY IMPLICATIONS

Local Government Act 1995

Section 6.4 – Annual Financial Report – to be submitted to Auditor no later than 30 September

Section 5.54 – Acceptance of Annual Reports – No later than 31 December

Local Government (Audit) Regulations 1996

Regulation 10 – An auditor's report is to be forwarded within 30 days of completing the audit.

Regulation 16 – Outlines the functions of the Audit Committee

There are no Council Policies relative to this item.

Pursuant to the Community Strategic Plan, the Town is to provide high quality corporate governance, accountability and compliance. The Town will also deliver responsible management of infrastructure, assets, resources and technology.

ATTACHMENTS

1. Unaudited Annual Financial Report for the Year Ended 30 June 2015 (Under separate cover).

4 September 2015

11.2 Community and Development Services

11.2.1 Community Donations - Update

Graeme Hall, Manager Recreation Facilities and Services
File no: 02/05/0001

DISCLOSURE OF INTEREST BY OFFICER

Nil

201516/004 RECOMMENDATION/ AUDIT, RISK AND GOVERNANCE COMMITTEE DECISION

MOVED: CR HUNT

SECONDED: CR DACCACHE

That the Audit, Risk and Governance Committee note the report of donations provided to the community as outlined in Attachment 1.

CARRIED 4/1

EXECUTIVE SUMMARY

Council Policy 6/003 Funding & Donations states the Town of Port Hedland will work in collaboration with the community to support the delivery of events, celebrations and community activities which reflect the unique identity, add to the social fabric of the Town of Port Hedland and the wellbeing of residents.

This report recommends that the Audit, Risk and Governance Committee note the funding support offered to community groups for the period 1 July 2015 to 31 August 2015.

DETAILED REPORT

The objectives of the policy are:

1. To support community initiatives that strengthen the capacity of local organisations and that deliver valuable outcomes to the Town's residents.
2. To assist in the initiation and establishment of new, independently sustainable events, programs and activities that build capacity within the community.
3. To enable the Town to implement a consistent response to support requests received from community organisations, individuals and not for profit organisations.
4. To provide budget certainty to applicants.
5. To provide both local residents and community organisations with guidance in respect to the Town's expectations of such requests.

The Town considers applications from community organisations on an ongoing basis. Attachment 1 outlines to the Audit, Risk and Governance Committee how these funds have been expended during the period 1 July 2015 to 31 August 2015. During this period the Town has considered seven applications all of which have been supported (At least in part).

Consultation

Mayor
Chief Executive Officer
Director Community and Development Services
Manager Community Development
Manager Recreation Facilities and Services

FINANCIAL AND RISK IMPLICATIONS

Donations are funded from GL Account 813285 and GL Account 813286. The budget and actuals for the current financial year are outlined in the tables below:

GL Account 813285	
2015/16 Financial Year Budget	\$70,000
Expenditure as at 31/08/2015	\$6,050
Balance as at 31/08/2015	\$63,950

GL Account 813286	
2015/16 Financial Year Budget	\$25,625
Expenditure as at 31/08/2015	\$2,675
Balance as at 31/08/2015	\$22,950

STATUTORY AND POLICY IMPLICATIONS

Support provided to the community through the Council Policy 6/003 Funding & Donations contribute to the following goals as outlined in the Strategic Community Plan 2014 - 2024:

- 1.1 A unified community across our townships
- 1.2 A vibrant community rich in diverse cultures
- 4.2 Engage our community and stakeholders

ATTACHMENTS

1. Summary of Community Funding Applications up to 31 August 2015

3 September 2015

ATTACHMENT 1 TO ITEM 11.2.1



SUMMARY OF COMMUNITY FUNDING APPLICATIONS
TO BE NOTED AT THE AUDIT AND FINANCE COMMITTEE MEETING
ON 10 September 2015

2015 – 2016 Financial Year Budget for Donations:	\$95,625.00
Donations Endorsed To Date:	\$0.00
Amount Remaining in Budget (prior to considering these applications):	\$95,625.00

	Organisation	Event	Assistance Requested	Value of support	Officer's Comment
1	Training Ship Pilbara	Youth Adventure Voyage on Sail Training Ship Leeuwin 2	Assistance to pay part of the deposit for the 5 day voyage	\$2000	The assistance would enable TS Pilbara cadets to attend the Fremantle to Fremantle voyage with the assistance helping to pay for airfares, transport and accommodation. It would also enable cadets from socially and financially disadvantaged families to participate.
2	Hedland Senior High School	Year 10 Shooting Goals New Zealand Netball Tour	Assistance to offset tour costs including airfares, accommodation, uniforms and meals	\$2000	17 students and 2 teachers will attend a netball tour of New Zealand. The group is undertaking significant fundraising and each student's contribution is \$2800.
3	Hedland Little Athletics Club	End of season presentation	Assistance to purchase awards, trophies and refreshments for end of season presentation	\$800	The assistance would enable them to present awards and trophies to encourage their volunteers, participants and families to keep contributing to the club.
4	Australian Breastfeeding Association Isolated Members North West	Australian Breastfeeding Association WA Branch Conference	Assistance to meet the cost of registration fees for the conference	\$250	Attendance at the conference will assist volunteer Ann Whitney in completing her training, after which she will be able to run Australian Breastfeeding Association meetings locally, as well as provide face to face breastfeeding support to mothers. There is currently no one else trained locally.
5	Dragons Netball Club	End of season presentation	Assistance to purchase trophies for the clubs end of season	\$1000	The equipment being purchased will be used for junior development within the club which will contribute to the sport of netball in Port Hedland.



SUMMARY OF COMMUNITY FUNDING APPLICATIONS
 TO BE NOTED AT THE AUDIT AND FINANCE COMMITTEE MEETING
 ON 10 September 2015

Organisation	Event	Assistance Requested	Value of support	Officer's Comment
	and junior development	presentation and equipment to be used for junior development		
6 Hedland Touch Association	Hedland Touch Season 2 2015	Waiver of fees for facility and light usage at Colin Matheson Oval	\$2000	The waiver of fees will enable the club to use existing funds to purchase equipment for junior touch so that the sport can continue to be developed.
7 Rovers Football Club	Breast Cancer Awareness Fundraiser (06/06/2015) and Suicide Prevention Fundraiser (01/08/2015)	Waiver of hire fees at the Colin Matheson Oval Pavilion	\$675	Support for room hire for two fundraising events for Breast Cancer Awareness and Suicide Prevention. The events raised \$14,700 for the two causes and therefore a significant contribution has been made to the community.
Total			\$ 8,725	

Amount remaining in budget if Officer's recommendations are followed - \$ 86,900

11.2.2 Courthouse Gallery Quarterly Review: April to June 2015

Paul Howrie, Manager Community Development
File No. 20/01/0026

DISCLOSURE OF INTEREST BY OFFICER

Nil

201516/005 RECOMMENDATION/ AUDIT, RISK AND GOVERNANCE COMMITTEE DECISION

MOVED: CR HUNT

SECONDED: MS PANGAHAS

That the Audit, Risk and Governance Committee receive the quarterly report (1 April to 30 June 2015) for the Courthouse Gallery from FORM Contemporary Craft and Design Inc.

CARRIED 4/1

EXECUTIVE SUMMARY

The purpose of this report is for the Audit, Risk and Governance Committee to review the quarterly report (1 April to 30 June 2015) for the Courthouse Gallery from FORM Contemporary Craft and Design Inc.

DETAILED REPORT

The contract for the management of the Courthouse Gallery was agreed between the Town of Port Hedland and FORM Contemporary Craft and Design Inc. for the period 1 July 2010 to 30 June 2012. A further period of contract management has since been negotiated and endorsed by Council at OCM 27 June 2012 from 1 July 2012 to 30 June 2015.

Under clause 3.3.10.1 of the agreement, FORM is to provide Council with a quarterly report, including the following:

- Income and expenditure
- Statement of variations (between budget and actual)
- Patronage of programs and activities
- Customer/consumer trend analysis
- Any complaints
- Customer feedback
- Statement of repairs and maintenance undertaken
- Any capital works recommended
- Report on safety issues
- Opportunities for collaboration with the Town of Port Hedland
- Damage incurred by the Centre
- Progress on KPIs.

This report and subsequent attachments endeavour to provide the Committee with information to satisfy the requirements listed in Section 3.3.10.1 of the FORM contract.

Desired outcomes of the agreement with FORM are as follows:

- High and increasing usage of the facilities by a broad diversity of groups and individuals in keeping the integrity of the Gallery's core purpose
- High quality customer service to visitors of the Gallery
- A focus on continuous improvement and service growth at the facility
- A safe, clean and hygienic environment for staff, customers and other visitors
- Strong, accountable financial management
- Clear, concise, accurate quarterly reporting on the operations of the facility
- Input into the service direction and/or capital improvement initiatives that can/should be undertaken to improve operations at the facility.

The FORM report is based on a calendar year, and they have reported on the April to June quarter. The bottom line for this period is \$340,733 with sponsorship income of \$500K being a key feature. Expenditure includes costs of sales, marketing and promotion, employment and administration costs. The positive bottom line for the current quarter offsets a negative figure of -\$151,627 for the January to March quarter.

Some of the events and activities associated with the Gallery during the reporting period include the Cruise Ships visits, Public School artists talks; textile workshop; school excursions; Fevor Dinner; photography workshop; furniture making workshop, West End Markets and; De Grey Station Artists camp.

FINANCIAL IMPLICATIONS

Council's 2014/15 budget contains an allowance of \$404,790 per annum for the contract management of the Courthouse Gallery, payable quarterly.

STATUTORY AND POLICY IMPLICATIONS

Section 1.2 of the Town's Strategic Community Plan 2014 – 2024 refers to the Town having a vibrant community rich in diverse cultures. This includes providing safe and accessible community facilities, services, events and open spaces that connect people and neighbours.

ATTACHMENTS

1. Operational Report
2. Financial reports
3. April– June 2015 Quarterly Financial Reports

15 August 2015

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building a state of creativity

PORT HEDLAND COURTHOUSE GALLERY OPERATIONS

Statement of Profit and Loss

for the Year Ending 31 December 2015

Budget Lines	2015 Quarterly Actual Ending				2014 Actual Total \$	2015 Budget \$	Variance Between Actual and Budget \$
	March	June	September	December			
Turnover							
Sales	68,994	159,517			228,511	424,000	-195,489
Management Fee - Town of Port Hedland	98,325	98,325			196,650	393,300	-196,650
OFTA (DEWHA) - Indigenous Exhibition Development					0	100,000	-100,000
Sponsorship		500,000			500,000	500,000	0
Hedland Art Award Partners		20,000			20,000	50,000	-30,000
Other Grants		15,105			15,105	150,000	-134,895
Sundry Income - Donations, Workshop Fees, etc.	13,425	4,673			18,098	32,075	-13,977
Total grants and sponsorships	111,750	638,102	0	0	749,852	1,225,375	-475,523
Total Turnover	180,744	797,619	0	0	978,363	1,649,375	-671,012
Expenditure							
Cost of Sales	46,839	101,933			148,772	291,030	-142,258
Operating expenses							
Programming expenses							
- Exhibition Program	25,753	29,808			55,560	200,175	-144,615
- Workshops Program	53,181	82,095			135,276	369,447	-234,171
- Other Programs	12,732	43,597			56,329	137,972	-81,642
Total programming costs	91,666	155,499	0	0	247,166	707,594	-460,428
Marketing and Promotion Costs							
- Advertising	1,468	6,341			7,809	7,000	809
- Website devt & hosting stage 1					0	1,000	-1,000
Total marketing and promotion costs	1,468	6,341	0	0	7,809	8,000	-191
Employment costs							
- Salaries, wages and on-costs	153,909	142,341			296,250	478,963	-182,712
- Staff Housing	19,506	19,711			39,217	85,788	-46,572
Total employment costs	173,415	162,052	0	0	335,467	564,751	-229,284
Administration Costs							
- Office Consumables & Resources	13,239	24,795			38,034	52,000	-13,966
- Communications	2,882	3,527			6,410	9,000	-2,590
- Legal, Finance & Governance	584	459			1,043	7,000	-5,957
- Insurance	2,279	2,279			4,558	10,000	-5,442
Total Administration Costs	18,983	31,060	0	0	50,043	78,000	-27,957
Total Operating Expenses	285,532	354,953	0	0	640,485	1,358,345	-717,860
Total Cost of Sales and Operating Expenses	332,371	456,886	0	0	789,257	1,649,375	-860,118
Net Income / (Expenditure)	-151,627	340,733	0	0	189,107	0	189,107

form.

building a state of creativity

Port Hedland Courthouse Gallery Programs

Statement of Profit and Loss

For the Year Ending 31 December 2015

Budget Lines	2015 Budget \$	Cumulative Total - Actual	2015 Quarterly Actuals Ending				Notes
			March	June	September	December	
Programming Budget Calendar Year 2014							
Exhibition Program							
Converge/A Dot on the Run	51,690	47,730	25,039	22,691			
Tjanpi Weavers Exhibition	38,980	0					1
Hedland Arts Award	109,505	7,117		7,117			
It's What You See		713	713	0			
Total Exhibition Program Cost	200,175	55,560	25,753	29,808	0	0	
Workshops							
Indigenous Exhibition Development	218,602	107,937	44,157	63,780			
The Unexpected Jeweller	105,350	8,150	132	8,017			
Visual Arts Development Workshop	14,915	5,422	3,896	1,526			
Photo P.H.otography: Photography Camp	30,580	13,767	4,996	8,771			
Total Workshops Program Cost	369,447	135,276	53,181	82,095	0	0	
Other Programs:							
Westend Markets	129,472	53,320	10,332	42,988			
STAFF Travel	8,500	3,009	2,400	609			
Total Other Programs	137,972	56,329	12,732	43,597	0	0	
Total Projected Programming Expenditure	707,594	247,166	91,666	155,499	0	0	

Notes:

1) Exhibition no longer happening

ATTACHMENT 3 TO ITEM 11.2.2

Port Hedland Courthouse Gallery

Quarterly Report: April – June 2015

Repairs and Maintenance

The following repairs and maintenance were carried out:

DATE	ISSUE	CONTRACTOR	ACTION/COMMENTS
14.05.2015	Fluorescent light underneath the gallery awning at the front entrance is not working and needs replacing.	Gary ToPH	14.05.2015 - fixed
14.05.2015	Aircon not working in main gallery	Gary ToPH	20.05.2015 Fixed by air con contractor
14.05.2015	Pavers loose in Gallery courtyard	Gary ToPH	15.05.2015 - fixed

Incident reporting

No incidents to report

Damage to the Gallery and/or Gallery assets

Damage reported and repaired to a retaining brick in the Edgar Street courtyard garden.

Air-condition faults were reported and repaired by expert.

The security light outside the main entrance was replaced and now provides ample lighting for walkways.

11.2.3 GP Housing Quarterly Review: Quarter 4 – April – June 2015

Paul Howrie, Manager Community Development
File No. 15/01/0020

DISCLOSURE OF INTEREST BY OFFICER

Nil

201516/006 RECOMMENDATION/ AUDIT, RISK AND GOVERNANCE COMMITTEE DECISION

MOVED: CR HUNT

SECONDED: MS PANGAHAS

That the Audit, Risk and Governance Committee receive the 4th quarter reports (1 April to 30 June 2015) for GP Housing from the Port Hedland Medical Centre (OSH Group), Port Hedland Family Practice, Wirraka Maya Health Services, and Sonic Health Plus.

CARRIED 4/1

EXECUTIVE SUMMARY

The purpose of this report is for the Audit and Finance Committee to review the reports for GP Housing for the fourth quarter; April to June 2015.

DETAILED REPORT

The construction project and subsequent allocation of the GP houses is intended to provide quality subsidised leased housing to general practitioners who support the Port Hedland community and is focused on:

- Assisting in the retention of existing general practitioner / emergency services
- Encouraging and facilitating the expansion of general practitioner service levels and availability
- Assisting in the provision of specialist services not currently available
- Assisting in the provision of services linked to areas of disadvantaged health services / remote servicing / bulk billing
- Beginning to cater for future GP service requirements.

The SCM on 14 November 2012:

1. *Endorsed the disposal of Part Lot 5551 Dempster Street, Cooke Point by way of lease to:*
 - *3 general practitioner houses to Kinetic Health Services (\$600 per week, to be reviewed annually in accordance with the Asset Management Plan) for a term of 3 years;*
 - *4 general practitioner houses to the OSH Group (\$600 per week, to be reviewed annually in accordance with the Asset Management Plan) for a term of 3 years.*

2. *Delegated authority to the Chief Executive Officer or delegate to negotiate the provision of housing to preferred doctors within the Kinetic Health Service (Sonic Health Plus) and OSH Group allocations.*
3. *Endorsed the provision of local public notice of the proposed disposals in accordance with section 3.58 of the Local Government Act.*
4. *Delegated authority to the Chief Executive Officer to enter into lease agreements should no public submissions be received.*

The allocation of GP houses above was based on outcomes / KPI's detailed in submissions, and are the subject of quarterly reporting. Lease agreements were executed with Port Hedland Medical Centre (OSH Group) on 16 April 2013 and with Kinetic Health (Sonic HealthPlus) on 1 May 2013. These leases were cancelled and renewed immediately in December /January 2104, to align with the expiry date of the newly completed 3 additional GP house completed in December 2014. All GP housing leases are now aligned and will expiry simultaneously.

Port Hedland Medical Centre (OSH Group)

Noted for the Quarter 4 report (Attachment 1) is that:

- Hours are Monday to Friday 7.30AM – 7.30PM and Saturday 8AM-1PM.
- Remains unviable to operate a Sunday clinic.
- Service delivery and available services are consistent with the previous quarter.
- The level and range of specialists services and skills is consistent with the previous quarter.
- Rural clinical medical school education training continues at PHMC.

Sonic HealthPlus (Kinetic Health)

Noted for the Quarter 4 report (Attachment 2) is that:

- Hours of service remain unchanged, with the service however also working outside of normal hours providing onsite services.
- Services available include: GP; Care Plans; Injury Management; Pap Smears; Phlebotomy; Occupational Health; Occupational Health Physician; Physiotherapy; Diabetic Health Care planning.
- Wagpet Registrar has started with the clinic in February.
- Clinic is actively recruiting for a male doctor.

Port Hedland Family Practice

Noted for the Quarter 4 report (Attachment 3) is that:

- Practice is operational and has 3 GPs
- Practice has the following staff: 2IC; 2 x receptionists and practice nurse
- Hours of operation are Monday to Friday 7AM – 9PM and on Saturday and Sundays from 9AM – 2PM.

Wirraka Maya Health Service

Noted for the Quarter 4 report (Attachment 4) is that:

- Over the reporting period the service has treated over 400 patients and provided over 200 episodes of care to the Warralong community population. Services being delivered to Warralong are: Child & Maternal Health team; Community Midwife, Child Health Registered Nurse and Aboriginal Health Worker along with Paediatrician.
- Service hours have remained consistent
- Medicare Bulk Billing service has continued.

FINANCIAL IMPLICATIONS

The construction of the general practitioner houses was funded through contributions from WA State Government, resource industry and the Town.

Under the terms of the lease agreements, the medical practices are responsible for the payment of weekly rental, minor upkeep of the homes and utilities; the Town is responsible for maintenance and asset management.

STATUTORY AND POLICY IMPLICATIONS

This initiative is supported in section 3.3 of the Town's Strategic Community Plan 2014 – 2024, to be a safe, attractive and accessible environment, where the Town looks to facilitate public health initiatives across the community.

ATTACHMENTS

1. Port Hedland Medical Centre (OSH Group) Q4 FY 2015 (April to June 2015)
2. Sonic HealthPlus Q4 FY 2015 (April to June 2015)
3. Port Hedland Family Practice correspondence (April to June 2015)
4. Wirrakaya Maya correspondence (April to June 2015)

15 August 2015

ATTACHMENT 1 TO ITEM 11.2.3

Attachment 1



7 Edgar Street Port Hedland WA 6721
 PO Box 441 Port Hedland WA 6721
 T: +61 8 9173 3733
 F: +61 8 9173 5219
 reception@porthedlandmedical.com.au
 ABN: 65 143 532 478
 www.oshgroup.com.au

Town of Port Hedland

Contract: GP Housing (PHMC)

Period: Q4 FY15

Contract Number: N/A

Item	Description	KPI	Outcome
1	Expansion of clinical practice hours, including:	(a) Increased clinical hours: Monday to Friday 7:30 am to 7:30pm , Saturday 8am to 12 noon (b) Additional general practitioners available on Saturday mornings. This KPI must be achieved within 6 months of execution of the Lease and maintained for the remainder of the Lease term.	Achieved Mon – Fri 7.30 – 7.30 Sat – 8 – 1 pm Q4: No change since Q2 report, although patient numbers down 7%
2	Expansion of clinical practice hours, to include a Sunday Clinic	This KPI must be achieved within 12 months of execution of the Lease and maintained for the remainder of the Lease term.	Not yet achieved Q4: Business position – remains unviable (no change since last period)
3	Expansion of the services available, including the introduction of the following services:	(a) Mental health support, identified as particularly important to FIFO workers and residents due to shift work, geographic remoteness and climate and being a regional and remote town; (b) Re-introduction of Sleep Studies to address the cycle of fatigue management and obesity; and (c) Indigenous health including-diabetes, heart disease and obesity. These KPIs must be achieved within 6 months of execution of the Lease and maintained for the remainder of the Lease term.	Q4: No change to this report since last quarter.
4	Expansion of the services available, including the introduction of the following services:	(a) ability to deliver programs such as based exercise programs to combat obesity, Pilates and supervised rehabilitation programs; (b) access to the services of a dietician, if not residential then by Telehealth (although a	Pilates classes delivered. See above (continued alternatives being investigated,

SPECIALISTS IN CORPORATE HEALTH AND SAFETY





7 Edgar Street Port Hedland WA 6721
 PO Box 441 Port Hedland WA 6721
 T: +61 8 9173 3733
 F: +61 8 9173 5219
 reception@porthedlandmedical.com.au
 ABN: 65 143 532 478
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		<p>Medicare rebates not available via Telehealth) to combat diabetes; and</p> <p>(c) ability to offer diagnostic ultrasound services from the practice.</p> <p>These KPIs must be achieved within 12 months of execution of the Lease and maintained for the remainder of the Lease term. However, the parties acknowledge that achievement of these measures is conditional on physical expansion to suitable and financially viable additional premises.</p>	<p>some private 'skype' style sessions with Perth doctors have been delivered</p> <p><i>Q4 Status: Business position – remains unviable (no change since last period)</i></p>
5	<p>Expansion of the existing range of specialists' services and skills. This KPI will be an ongoing item that will be negotiated over the term if the Lease.</p>		<p>Variable services, female GP performs weekly bulk billed services at Well Women's Centre. Stress ECG and Sleep Science services are replacing PATS</p> <p><i>Q4 Status: No change since last period</i></p>
6	<p>Developing a program to provide training placements to junior doctors to expose the junior doctors to Rural and Remote medicine by applying to become accredited training post.</p>	<p>One of the requirements will be suitably qualified general practitioners to supervise the junior doctors. This KPI must be achieved within 12 months of execution of the Lease and maintained for the remainder of the Lease term.</p>	<p>WAGPET Accreditation: Site visit 19 June 2014 (part 1). 12 Month review period</p> <p><i>Q4 – Rural clinical medical school education training (UWA) continues at PHMC</i></p>

SPECIALISTS IN CORPORATE HEALTH AND SAFETY



ATTACHMENT 2 TO ITEM 11.2.3

Town of Port Hedland Contract: GP Housing (Sonic HealthPlus)

Period: April to June 2015

Item	KPI	Service Level at commencement of contract (April 2013)	Current Service Level (30 June 2015)	Comments / Update
1	Maintenance of existing days of operation, as at commencement date (April 2013)	Monday – Friday Extended hours Thursday till 7.30pm Saturday	Monday – Friday Extended hours Thursday till 7.30pm Saturday Early morning hours for onsite screening	
2	Maintenance of existing times of operation, as at commencement date (April 2013)	Mon – Wed, Fri 8.30 – 5.30 Thur - 8.30 – 7.30 Sat – 8.30 – 1pm	Mon – Wed, Fri 8.00 – 5.30 Thur - 8.00 – 7.30 Sat – 8.30 – 1pm	Hours are unchanged, we also work outside normal hours providing onsite services.
3	Maintenance of existing services available	GP Care Plans Injury Management Pap Smears Phlebotomy Occupational Health	GP Care Plans Injury Management Pap Smears Phlebotomy Occupational Health Occupational Health Physician – Physiotherapist Diabetic Health Care planning	
4	Maintenance of existing number of doctors available	3 x FT Permanent Doctors	5 x F/t Doctors (4x FTE Female Drs)	Wagpet Registrar has started with us in February. Actively recruiting for Male doctor.

5	Additional services / facilities / programs / achievements	New Clinic July 2014 Occ Health Physician Health Care Plans	Physio service increasing Pyscologist every 2 nd Saturday	
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ATTACHMENT 3 TO ITEM 11.2.3

PORT HEDLAND FAMILY PRACTICE

APRIL TO JUNE REPORT

At present we have a total of three doctors providing a service in the practice.

The doctors are:

Dr Gopisetty

Dr Maurice

Dr Jacoub

The practice is also staffed with the following as well:

2IC Waytie Ruba (full time)

Receptionist – Melanie Veljacich (part time)

Receptionist – Karen Webb (part time)

Tarryn Cox – Practice Nurse (full time)

Port Hedland Family Practice provides a service to the community on Monday to Friday (7.00am to 9pm) and on Saturday and Sundays (9.00am to 2.00pm) at present.

ATTACHMENT 4 TO ITEM 11.2.3

Period: April to June 2015

Item	KPI	Service Level at commencement of contract	Current Service Level (30 June 2015)	Comments / Update
1	Maintenance of existing days of operation, as at commencement date	Monday to Friday	Pharmacy: Home Medication Reviews Webster packs Dispensing medications Medication advise and Education	This is an onsite service for WMSAC clients however we have clients who are discharged from Hedland Health Campus with prescriptions to fill.
2	Maintenance of existing times of operation, as at commencement date	8.30am to 5pm Friday hours 8.30am to 4pm	Medicare Bulk Bill service	We have recently implemented an appointments system which also complements the transport service.
3	Maintenance of existing services available		<p>Clinic Services: Reception and Transport Primary Health Care Doctor nurses Aboriginal Health worker/practitioner care Medical Student Training Warralong Outreach clinic</p> <p>Well Being Centres: Indigenous Family Healing: Men & Woman groups Transition to Adulthood Patient Assistance Travel Scheme PHAMS-Mental Health Support Registered Training Organisation Health Promotions Counselling services Community Support Officer</p>	<p>Over the three month reporting period 1st April 2015 to 30th June 2015 WMSAC we have treated over 400 individual patients and provided over 700 episodes of care to the Warralong community population. The additional service we also deliver to Warralong are: Child & Maternal Health team: Community Midwife Child Health Registered Nurse and Aboriginal Health Worker along with the Paediatrician. Home Medication Reviews with our pharmacist. General Medical Practitioners. Allied Health Care Providers: Podiatrist</p>

4	Maintenance of existing number of doctors available		4 permanent General Medical Practitioners 2 part time GP Registers	Over the three month reporting period 1st April 2015 to 30 th June 2015, WMIHSAC have treated over 2000 individual patients and provided over 6000 episodes of health care.
5	Additional services / facilities / programs / achievements		<p>Chronic Disease Team: Aboriginal Torres Strait Islander Health Checks Retinal screening Team Care arrangements Telehealth Ear eye oral health Dialysis care QAAMS program Education workshops Outreach visits Child and Maternal Health: Child Immunisations Child Health Checks Antenatal and postnatal care Outreach visits Aged Care & Outreach Treatment Room Allied Health Care Professionals: Podiatrist Optometrist Ophthalmologist Liver specialist Physiotherapist Diabetic Educator Dietitian</p>	

11.2.4 Town of Port Hedland Leisure Facilities Management Contract June Report 2014/15 Financial Year

Graeme Hall, Manager Recreation Services and Facilities
File No. 26/04/0015

DISCLOSURE OF INTEREST BY OFFICER

Nil

201516/007 RECOMMENDATION/ AUDIT, RISK AND GOVERNANCE COMMITTEE DECISION

MOVED: CR HUNT

SECONDED: CR DACCACHE

That the Audit, Risk and Governance Committee receive the June report (attachment 1) being for the operation of the Town of Port Hedland Leisure Facilities Management Contract with the YMCA of Perth incorporating the period 1 July 2014 up to 30 June 2015.

CARRIED 4/1

EXECUTIVE SUMMARY

The purpose of this report is for the Audit, Risk and Governance Committee to receive the June 30 2015, report being for the conclusion of the fourth quarter.

DETAILED REPORT

The YMCA of Perth is engaged to manage the Town of Port Hedland Leisure Facilities. The current contract agreement commenced in July 2012 and is for a four year term. Attachment 1 is the June 2015 monthly report.

The operations of the Town's three leisure facilities by the YMCA has been subject to significant discussion by both the Audit Risk and Governance Committee and the Council. At its Ordinary meeting 22 July 2015 the Council endorsed:

"That an amended contract variation calculation of \$173,289.20 requested from the YMCA be accepted for the following items:

- *Facility Operating Hours \$30,265*
- *Wave Rider Reliability \$39,862*
- *Impact of child pool entry and family passes \$103,162.20"*

There is a general acknowledgement that the operations of the Town's leisure facilities has not met expectations up until this point. There have however, been some positive signs in the operation of the facilities. These positive adjustments to the management of the Town's facilities and an amended budget position also endorsed at the July meeting, should give the Council a high level of optimism regarding future reports. The YMCA will be providing a first quarter report during

October 2015, this is anticipated to provide a detailed analysis of the new operating paradigm.

The first quarter report from the YMCA will be presented to the Audit, Risk and Governance Committee at their next meeting, along with the Audited Financial Statements for the 2014/2015 financial year.

FINANCIAL IMPLICATIONS

Table 1 below, outlines the financial performance of the three leisure facilities for the 2014/2015 financial year.

Table 1 – June 2015 Actuals

	Budget	Actual	Variance
Income	\$3,600,739	\$2,642,948	\$957,791
Expenditure	\$5,460,437	\$4,917,271	\$543,166
TOTAL	\$(1,859,698)	\$(2,274,323)	\$(414,625)

STATUTORY AND POLICY IMPLICATIONS

Section 1.2 'A vibrant community rich in diverse cultures' of the Strategic Community Plan 2014 – 2024 applies as the contract with the YMCA seeks to deliver facilities and services of a high standard and therefore attract and retain residents and increase the permanent population of the Town.

ATTACHMENTS

1. YMCA Report 30 June 2014 (Under Separate Cover)

1 September 2015

11.2.5 Port Hedland Visitor Centre: Financial Quarterly Review of the Fourth Quarter being April to June 2015

Brie Holland, Economic Development and Strategic Planning Officer
File No. 05/09/0017

DISCLOSURE OF INTEREST BY OFFICER

Nil

201516/008 RECOMMENDATION/ AUDIT, RISK AND GOVERNANCE COMMITTEE DECISION

MOVED: CR DACCACHE

SECONDED: CR HUNT

That the Audit, Risk and Governance Committee receive the financial report from FORM Building a State of Creativity for the management of Port Hedland Visitors Centre of the fourth quarter being April to June 2015;

CARRIED 4/1

EXECUTIVE SUMMARY

The purpose of this report is for the Audit, Risk and Governance Committee (Committee) to review the financial and general operations of the Port Hedland Visitor Centre (PHVC), managed by FORM Building a State of Creativity (FORM) for the fourth quarter from April – June 2015. More specifically, this report puts forward the reporting requirements outlined in clauses; 6.3 (2) submission of an annually audited financial report and 23.2 quarterly reporting detailed in the Management Agreement between FORM and the Town of Port Hedland (ToPH).

DETAILED REPORT

Council at its Ordinary Council Meeting Wednesday 24 June 2015 resolved the following;

That Council:

- 1. Note that a report on the Port Hedland Visitor Centre Contract Management Agreement extension formed part of the Audit, Risk and Governance Committee Agenda on the 10 June 2015;*
- 2. Endorse the variations to the Port Hedland Visitor Centre management agreement with FORM Contemporary Craft and Design Inc. for the 2015/16 and 2016/17 financial periods;*
- 3. Acknowledge FORM Contemporary Craft and Design Inc.'s fixed management fee of \$365,000 (ex GST) and includes this fee in the annual budget processes for the 2015/16 and 2016/17 financial periods;*

4. *Authorise the Chief Executive Officer to negotiate and enter into a Management Agreement with FORM Contemporary Craft and Design Inc. for the Port Hedland Visitors Centre for a two year period concluding on 30 June 2017; and*
5. *Request the Chief Executive Officer, or his delegate(s), to prepare a report for the 22 July 2015 OCM on the formation and operations of the proposed Tourism/Economic Development reference group as recommended by the Audit, Risk and Governance Committee.*

The two year contract was signed late July 2015.

The Economic unit is finalising the Tourism/ Economic Development reference group report and will aim to update the Committee in the following quarterly report (July – September 2015).

Audit, Risk and Governance Committee at its Meeting Wednesday 22 April 2015 resolved (in part 201415/041) the following;

3. *Request the Chief Executive Officer, or his delegate(s), to approach the Port Hedland Visitors Centre to help package, promote and assist with the attraction of members; and*
4. *Request the Chief Executive Officer, or his delegate(s), bring a report back to the Audit & Finance Committee with costs to repair or remove the Port Hedland Observation Tower.*

FORM in partnership with the Chamber of Commerce hosted a Business after Hours event with the aim of promoting membership to the Port Hedland business community. Even though the event was attended by over 30 businesses, only two businesses noted their intention to sign up for membership. In reaction to this FORM decreased the PHVC membership fees. A direct mail campaign managed to attract an additional eight new memberships being the Hospitality Inn, Black Rock Caravan Park, Ibis Styles, Seafarers Centre, Café Maison, Karijini Eco Resort, Kalbarri Accommodation Services and Mackerel Islands. The Economic unit will continue to support FORM in attracting additional members.

The Engineering Department has been tasked with facilitating an engineering report of the Port Hedland Observation Tower. The report is yet to be finalised. The report will handed to the Committee once completed.

The PHVC is carrying a surplus of \$14,215 ending 30 June 2015. The full list of activities are reflected in the 201415 Quarter Operational Report April – June (attachment one) and the Profit and Loss report (attachment two).

FORM on behalf of the PHVC has successfully gained funding from the Pilbara Development Commission's Community Chest for the development and printing of a destination guide, titled the Pilbara Pathfinder. The publication can be found on line

http://www.form.net.au/wpcontent/uploads/2015/08/The_Pilbara_Pathfinder_web.pdf The aim of the guide is to aid the promotion and development of cultural tourism and for all visitor centres in the Pilbara to use as a key marketing tool. Distribution of the print version should be available early August.

Cruise ships visits continue to be managed successfully. The PHVC report that the cruise ships are a value source of revenue to the centre in the off peak tourist season and to the home-based businesses from Port Hedland and Karratha who participate in the markets on the day. The last visit by the Voyager of Seas delivered a successful visit with 239 patrons joining the BHP Billiton tour.

FORM has secured a preferred provider to develop and install a tourism specific touchscreen at the Port Hedland International Airport, with the addition of a website. It is anticipated that the associate website and the actual installation of the touchscreen should occur in September of this year.

The following assemblies were consulted in order to complete this agenda item;

Town of Port Hedland

- Economic Development and Strategic Planning unit
- Engineering Directorate

External

- FORM Building a State of Creativity

FINANCIAL IMPLICATIONS

Council's 2014/2015 budget contains an allowance of \$353,504 per annum for the contract management of the PHVC, payable quarterly.

STATUTORY AND POLICY IMPLICATIONS

Strategic Community Plan 2014 – 2024

This report aligns with the strategic theme and associated performance indicators within the current *Strategic Community Plan 2014 - 2024*. This proposed project falls under the strategic theme (section 2.2.2) to support a diverse economy; develop Port Hedland's tourism industry, facilitate increased accommodation offerings and position Port Hedland as a unique destination.

Local Government Act 1995 (WA) Section 5.17(c) (i) – Limits on delegation of powers and duties to certain committees.

ATTACHMENTS

1. Quarterly Operational Report April – June 2015
2. Profit and Loss Statement Period Ending June 2015

14 August 2015

ATTACHMENT 1 TO ITEM 11.2.5

APRIL 2015

QUARTERLY OPERATIONS REPORT – PORT HEDLAND VISITOR CENTRE

Income and Expenditure statements for the Port Hedland Visitor Centre for this reporting period (please see attached).

REPAIRS AND MAINTENANCE

The following repairs and maintenance were carried out during the period:

Date	Issue	Responsibility	Action
May	Scheduled maintenance of automatic door	Town of Port Hedland	Contractors attended, serviced and adjusted range of sensor for door
May	Dirty fan blades	Town of Port Hedland	Contractor attended and cleaned fan blades and changed light globes in ceiling
June	Light bulb blew in overhead lights	Town of Port Hedland	ToPH maintenance team attended and changed light globe
June	Ladies toilet blocked	Town of Port Hedland	ToPH maintenance team attended and advised contractor would be sent to remedy issue

Incident Reporting/ Damage

No incidents to report.

Attendance for Port Hedland Visitor Centre - 2015

Month	Walk-in attendance - 2015	Cruise ship - 2015
April	615	1,500
May	1,890	
June	3,301	
Total	5,806	1,500

Attendance comparison (Calendar year)

Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
2013	1,027	3,761	4,894	4,085	11,640
2014	4,257	2,778	6,588	3,546	17,169
2015	3,004	7,306			

Private Tours

Date	Tour	Customer	Tour numbers
Saturday, 4 April 2015	BHP Billiton Tour	Voyager of the Seas	239

Visitor Centre Tours

Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
2015 – Cruise ship tours	628	239			
2015	0	333			

Standing Operational Activities

The following provides trends for standing operational activities and enquiries within the Visitor Centre over the quarter.

Tour	April – daily average	May – daily average	June – daily average
Telephone enquiries	40	55	70
Mail enquiries	3	5	6
Email enquiries	10	20	30

ACCREDITATION

The Port Hedland Visitor Centre continues to maintain Level One Tourism Accreditation and T-Qual accreditation (ATAP/ Trust the Tick) as well as enjoying an ongoing relationship with Tourism WA. In addition we maintain a Visitor Centre accreditation also (yellow 'i').

Building on the recommendations of the Tourism Council audit, the Visitor Centre has established an Instagram account in order to further the promotion of the region through social media, incorporating social media marketing to the existing Facebook and twitter presence Port Hedland has already earned through the use of #porthedland and #discoverpilbara.

CRUISE SHIP VISITS

The Voyager of the Seas was the final cruise ship arrival for the 2014/15 season on Saturday 4 April 2015. In conjunction with the Town of Port Hedland the Port Hedland Visitor Centre delivered a successful visit with 239 patrons joining the BHP Billiton Tour direct from the ship. The arrival and departure of the ship was well received by the community and port-based operators and continues to cement Port Hedland as a viable tourism destination on the Australian cruise schedule.

Activation activities in West End, particularly the Cruise ship Markets were well received by visitors and community alike, many commenting on the friendliness of the community and the effort of the town to ensure a positive, fun filled day. Cruise ship visits continue to be an important source of revenue during the off-peak tourism season.

PORT HEDLAND DESTINATION GUIDE

The Port Hedland Destination Guide is in design stage of development and will progress to print and distribution in early July. The Destination Guide will act as the primary marketing tool for Port Hedland through the network of Visitor Centres throughout Western Australia. The Destination Guide plays a key role in the promotion and development of cultural tourism, showcasing the networks of Indigenous Art Centres, natural attractions and cultural heritage icons of port Hedland and the broader Pilbara region.

TOURISM TOUCHSCREEN AT PORT HEDLAND INTERNATIONAL AIRPORT

A preferred provider has been appointed to the development of an interactive touchscreen kiosk to be installed at the Port Hedland International Airport. Humana has a positive track record in delivering engaging and appropriate websites to suit the market and has recently completed the Pretty Pool Providedore website: www.prettypoolprovidedore.com.au.

The touchscreen will operate a website with touch activated buttons and simple navigation through a three tiered system of information.

- Home screen with five key categories (events; accommodation; sights and tours; eating; shopping)
- Each category will then flow through to a navigation screen detailing the available services; eg: Accommodation: The Esplanade; Ibis Styles; Hospitality Inn; Cooke Point Caravan Park etc
- Third tier will take the user to an overview and contact details for each establishment.

The Port Hedland Visitor Centre is managing the collation and development of content for the website.

The website will be managed with a content management system which can be accessed by Visitor Centre or ToPH staff to ensure the information contained is easily updated and relevant.

It is anticipated the website will be delivered within 6 weeks; screens will then be tested and shipped for installation at the airport.

MEMBERSHIP

The Visitor Centre reviewed its membership offerings and value for money propositions during the second quarter, developing a new prospectus and refining the membership categories as well as reducing the annual membership fee in line with other Pilbara visitor centres.

The new prospectus details three membership options:

- Tourism membership (\$165), targeted at accommodation and tourism services providers in Port Hedland;
- Supporting membership (\$130), targeted at retail and support services benefitting directly from referral/ endorsement through the Visitor Centre; and
- Associate membership (\$75), targeted at tourism providers in surrounding regions that benefit primarily through on-site brochure racking.

The membership is being promoted through a direct mail campaign, which is being executed in a number of stages and supported through advertising with the Chamber of Commerce and Industry newsletter:

1. Port Hedland-based tourism business
2. Port Hedland-based retail and trade
3. Port Hedland-based supporting business
4. Regional tourism businesses; Pilbara, Coral Coast, Broome

The direct mail campaign is delivering positive results; current memberships:

Tourism Member
Hospitality Inn
Black Rock Caravan Park
Ibis Styles
Seafarers Centre
Café Maison
Supporting Member
Karijini Eco Retreat
Associate Member
Kalbarri Accommodation Services
Mackerel Islands

Staffing

- Visitor Centre Manager – Natasha Fry
- Visitor Centre Support Officer – Sue McMahon
- Visitor Centre Support Officer – Alex Seddon
- Visitor Centre Support Officer – Jane Kirby

Supported by FORM's Perth office for accounting, purchasing and promotional activities.



building a state of creativity

PORT HEDLAND VISITOR CENTRE OPERATIONS
Statement of Profit and Loss
For the Period Ending 31st December 2015

Budget Lines	2015 Quarterly Actual Ending				2015 Actual Total \$	2015 Budget Total \$	Variance Between Actual and Budget \$	Notes
	March	June	September	December				
Sales								
Sales - Retail	24,149	46,986			71,135	235,000	-163,865	
Sales - Tours	1,445	5,379			6,825	65,000	-58,175	
Sales - Membership		600			600	27,000	-26,400	
Management Fee	85,388	88,376			173,764	356,263	-182,500	
Sales - Cruise Ship Tours	15,700	6,450			22,150	35,000	-12,850	
Other Earned Income	5,476	19,879			25,355	20,000	5,355	1
Contribution by FORM	29,000				29,000	29,000		
Total Sales	161,158	167,671	0	0	328,829	767,263	-438,434	
Expenditure								
Cost of Sales								
Cost of Sales - Retail	13,864	30,800			44,664	156,763	-112,099	
Cost of Sales - Cruise Ship Tours	7,369	2,921			10,289	20,000	-9,711	
Cost of Sales - Tours	1,020	6,970			7,990	43,000	-35,010	
Total Cost of Sales	22,252	40,691	0	0	62,943	219,763	-156,820	
Operating expenses								
Programming expenses								
- Contractor, Consultant & Staff								
Fees/Travel/Expenses	768	609			1,377	15,000	(13,623)	
- Staff Development & Training	597	0.00			597	5,000	(4,403)	
- Freight, Install and Destall	59	123			182	3,000	(2,818)	
Total programming costs	1,423	732	0	0	2,155	23,000	-20,845	
Marketing and Promotion Costs								
- Advertising	3,421	5,976			9,397	30,000	-20,603	
- Publications & Printed Material	3,584	18,555			22,139	45,000	-22,861	2
- Distributions						21,000	-21,000	
- Subscriptions/Memberships		1,180			1,180	500	680	
- Website devt & hosting stage 1	1,400	350			1,750	10,000	-8,250	
Total marketing and promotion costs	8,405	26,061	0	0	34,466	106,500	-72,034	
Employment costs								
- Salaries, wages and on-costs	78,902	93,223			172,125	325,000	-152,875	
- Staff Housing	10,920	6,689			17,609	30,000	-12,391	
Total employment costs	89,822	99,912	0	0	189,734	355,000	-165,266	
Administration Costs								
- Office Consumables & Resources	8,755	8,946			17,701	40,000	-22,299	
- Communications	1,024	1,167			2,190	8,000	-5,810	
- Legal, Finance & Governance	254	279			533	5,000	-4,467	
- Insurance	2,446	2,446			4,891	10,000	-5,109	
Total Administration Costs	12,479	12,837	0	0	25,316	63,000	(37,684)	
Total operating expenses	112,129	139,542	0	0	251,671	547,500	-295,829	
Total Cost of Sales and Operating Expenses	134,381	180,233	0	0	314,614	767,263	-452,649	
Net Income / (Expenditure)	26,777	-12,562	0	0	14,215	0	-891,082	

Budget Variance Notes:

- 1) Includes funds from PDC for Destination Guide
- 2) Destination Guide Expenses

**ITEM 12 LATE ITEMS AS PERMITTED BY PRESIDING MEMBER/
COMMITTEE**

Nil

ITEM 13 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

ITEM 14 CONFIDENTIAL ITEMS

Nil

**ITEM 15 APPLICATIONS FOR LEAVE OF ABSENCE FOR THE NEXT
AUDIT & FINANCE COMMITTEE MEETING**

Nil

**ITEM 16 ATTENDANCE BY TELEPHONE/ INSTANTANEOUS
COMMUNICATIONS**

Nil

ITEM 17 CLOSURE

17.1 Date of Next Meeting

Due to the Election to be held 17 October, the next Audit, Risk and Governance Committee Meeting of Council will be held at a date and time that is to be confirmed by the Chief Executive Officer.

17.2 Closure

There being no further business, the Presiding Member declared the meeting closed at 12:20pm.