



Town of Port Hedland

MINUTES

OF THE

SPECIAL MEETING

OF THE TOWN OF PORT HEDLAND COUNCIL

HELD ON

WEDNESDAY 31 JULY 2013

AT 5.30 PM

IN COUNCIL CHAMBERS

McGREGOR STREET, PORT HEDLAND

Agenda Items:

- 1. Initiation of Proposed South Hedland Town Centre Development Plan (File No.: 18/12/0030)*
- 2. South Hedland Youth Space – Endorsement of Final Design and Authority to Call for Construction Tenders (File No.: 26/09/0004)*
- 3. General Practitioner Housing – Preparation of Business Plan for Proposed Stage 2 Development (File No.: 15/01/0020)*
- 4. Adoption of the 2013/14 Budget*

DISCLAIMER

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

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

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

OUR COMMITMENT

To enhance social, environmental and economic well-being through leadership and working in partnership with the Community.

ITEM 1	OPENING OF MEETING	4
1.1	OPENING	4
ITEM 2	RECORDING OF ATTENDANCE AND APOLOGIES.....	4
2.1	ATTENDANCE.....	4
2.2	APOLOGIES	4
2.3	APPROVED LEAVE OF ABSENCE.....	4
ITEM 3	PUBLIC TIME	5
3.1	PUBLIC QUESTION TIME	5
3.1.1	<i>Mr Camilo Blanco.....</i>	<i>5</i>
3.2	PUBLIC STATEMENT TIME	8
ITEM 4	QUESTIONS FROM MEMBERS WITHOUT NOTICE.....	8
4.1	<i>Councillor Gillingham.....</i>	<i>8</i>
ITEM 5	DECLARATION BY MEMBERS TO HAVE GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPER PRESENTED BEFORE THE MEETING.....	8
ITEM 6	REPORTS OF OFFICERS	10
6.1	PLANNING & DEVELOPMENT	10
6.1.1	<i>Initiation of Proposed South Hedland Town Centre Development Plan (File No.: 18/12/0030) ..</i>	<i>10</i>
6.2	COMMUNITY DEVELOPMENT	21
6.2.1	<i>South Hedland Youth Space – Endorsement of Final Design and Authority to Call for Construction Tenders (File No.:26/06/0004)</i>	<i>21</i>
6.2.2	<i>General Practitioner Housing – Preparation of Business Plan for Proposed Stage 2 Development (File No.:15/01/0020).....</i>	<i>33</i>
6.3	CORPORATE SERVICES	39
6.3.1	<i>Adoption of the 2013/14 Budget (File No.: .../...).....</i>	<i>41</i>
ITEM 7	CONFIDENTIAL ITEMS	60
ITEM 8	CLOSURE.....	60
8.1	DATE OF NEXT MEETING	60
8.2	CLOSURE	60

ITEM 1 OPENING OF MEETING**1.1 Opening**

The Mayor declared the meeting open at 5:33pm and acknowledged the traditional owners, the Kariyarra people.

ITEM 2 RECORDING OF ATTENDANCE AND APOLOGIES**2.1 Attendance**

Mayor Kelly A Howlett
Councillor George J Daccache
Councillor Arnold A Carter
Councillor Jan M Gillingham
Councillor Michael (Bill) Dziombak
Councillor Gloria A Jacob
Councillor Julie E Hunt

Officers

Mal Osborne
Natalie Octoman
Russell Dyer
Gordon MacMile
Eber Butron
Brett Reiss

Josephine Bianchi
Grace Waugh

Chief Executive Officer
Director Corporate Services
Director Engineering Services
Director Community Development
Director Planning & Development
Program Director Airport
Redevelopment
Coordinator Governance
Administration Officer, Governance

2.2 Apologies

Nil

2.3 Approved Leave of Absence

Councillor David W Hooper
Councillor Penny M Taylor

ITEM 3 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 20.3 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 chairperson to do so.'

Mayor opened Public Question Time at 5:35pm.

3.1 Public Question Time**3.1.1 *Mr Camilo Blanco***

On page 27 of the 2013/14 Draft Budget the Underground Power Reserve has \$11,195,029 being transferred into the reserve and the same amount transferred out. Was that the loan amount?

Director Corporate Services advised that it was not the loan amount. The money was the total amount of the underground power funds that were meant to be received. The reserve account was established in anticipation that the funds may not be expended during the 2012/13 financial year with Horizon Power. Prior to the funding agreement being struck the scope of works required those funds to be transferred in 2012/13 and therefore the reserve funds did not collect any service funds and was not required to be used.

Has Horizon Power been paid in full?

Chief Executive Officer advised that the funds that the Town has collected have been paid to Horizon Power.

Last year's amount looks close to what was required to be paid to Horizon Power. What is left?

Chief Executive Officer advised that there are some outstanding payments. Some property owners have not made payments so the Town is paying Horizon Power the money as it is being received.

Mayor advised that some ratepayers have taken the instalment option.

Director Corporate Services advised that the outstanding amount from debtors that owe the Town is approximately \$2 million.

The Town is yet to make the final payment as some adjustments need to be made with Horizon Power in terms of incorrect information the Town received regarding property connections. WaterCorp was paying Horizon Power directly so those adjustments need to be made as well.

Can I please get the page number of where this figure of \$2 million is in the 2013/14 Draft Budget?

Director Corporate Services advised that the list of current debtors is not listed in the budget, however this information does appear in the monthly financial statements and would form part of the Town's receivable balance.

Would the budget be affected if the \$2 million is not included?

Mayor advised in the negative. The Town's agreement with Horizon Power is to pass on the funds that the Town receives for underground power.

Chief Executive Officer advised that the money is recorded as a receivable as these are funds owed to the Town. The Town has an obligation to pay those funds, once received, to Horizon Power.

As the Town pays instalments to Horizon Power and if \$11 million has already been paid the Town must be ahead of the instalments. Is that correct?

Director Corporate Services advised that the instalment option is over a 5 year period. The Town took out a loan, to fund the instalments, which was self-supporting through the ratepayers that were affected by underground power. Those funds have reimbursed the Town for the payments that have been made.

Mayor advised that the Town has paid the amount upfront and as the instalments come in the funds go back in to replace the loan that was taken out.

So the Town paid the full amount upfront?

Mayor advised that this is correct for the ratepayers that took the option of instalments. The Town was able to give the calculated loan rate when taking out the loan and is now factoring in the repayment of those instalments to pay back the loan.

So the Town has taken a loan out?

Director Corporate Services advised that this is correct. A loan was taken out for the ratepayers who chose to take the instalment option which ended up being \$644,000.

Mayor advised that if people did not respond or have not made any payment they have not been factored in.

Originally the Town was going to take a loan out for \$11 million or 25% of the money owing to Horizon Power. Is that right?

Mayor advised in the negative. The Town was only taking out a loan to cover ratepayers who chose the instalment option.

Director Corporate Services advised that the \$11 million was the full amount that the Town was required to pay to Horizon Power reflecting a 25% contribution from the Town. The assumptions that the Town had around the \$11 million was that some ratepayers would take the instalments and some ratepayers would pay up front. The estimates at the time were a \$6 million/ \$4 million split but the ratepayers who decided to take up the instalment option was considerably less. This has been a good result for the Town as it has impacted less on the debt capacity.

Has the Wallwork Road Bridge money from BHP Billiton been received by the Town?

Chief Executive Officer advised in the affirmative.

Is the Wallwork Road Bridge money reserved or restricted money?

Chief Executive Officer advised that it is not reserve funds as it has been provided by a funding agreement and is not required to be retained in a reserve account.

Chief Executive Officer advised that the Town is obligated through the agreement with MainRoads to pay that share of funds towards the Wallwork Road project together with the loan funds that the Town of Port Hedland has committed to of \$850,000.

Director Corporate Services advised that on page 33 of the 2013/14 Draft Budget the Wallwork Road Bridge funds have been identified as restricted income not as restricted reserves. The funds are maintained within the municipal account.

Is the \$20 million a restricted income?

Director Corporate Services advised in the affirmative.

Is that amount in the municipal account?

Chief Executive Officer advised in the affirmative.

Is the Town using the money in the municipal account just for the Wallwork bridge or is the Town using it for something else? If it is a restricted reserve it should be in a reserve account.

Chief Executive Officer advised that it is not a restricted reserve.

Mr Blanco noted that this is a restricted amount for a specific purpose.

Chief Executive Officer advised that through the budget process, if Council adopts the budget tonight, there is an obligation to make those funds available to pay the invoices from MainRoads in accordance with the funding agreement. There is no restriction as to how the Town may use those municipal funds.

Mayor closed Public Question Time at 5:44pm.

Mayor opened Public Statement Time at 5:44pm.

3.2 Public Statement Time

Nil

Mayor closed Public Statement Time at 5:44pm.

ITEM 4 QUESTIONS FROM MEMBERS WITHOUT NOTICE

4.1 *Councillor Gillingham*

Councillor Gillingham feels strongly for community members that have been impacted by an 8% rate increase adopted by Council this year on top of the large increase in 2012/13. Is the community likely to see a smaller rate increase next year?

Mayor advised that the 10 year Long Term Financial Plan will incorporate the rate increases for the next 10 years. It will ensure the Council is doing the right thing by the ratepayers of the town and hopefully there will not be another large rate increase next year.

Chief Executive Officer advised that during the 2013/14 financial year the Town will look at a rating strategy that will ideally advise members of the community and ratepayers as to what the projected rate increases are for future years. The Town will get the document out for public comment and engage with ratepayers and residents so they understand why the rate levels are set and what assumptions sit behind them.

ITEM 5 DECLARATION BY MEMBERS TO HAVE GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPER PRESENTED BEFORE THE MEETING

Mayor Howlett	Councillor Dziombak
Councillor Daccache	Councillor Jacob
Councillor Carter	Councillor Hunt
Councillor Gillingham	

Disclaimer

IMPORTANT NOTE:

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

27 February 2008 – Initiation of existing Development Plan

This report recognised that several attempts had been made to develop a Development Plan for the South Hedland Town Centre. On the recommendations of the Land Use Master Plan, the Hon. Minister for Planning and Infrastructure of the day directed LandCorp, in conjunction with the Town of Port Hedland to commission a Development Plan.

The report therefore presented a South Hedland Centre Development Plan (Development Plan) to Council for approval to commence public advertising in accordance with TPS5. The report presented five (5) different options for the Development Plan with one (1) recommendation.

Council resolved to defer the advertising of the Development Plan, until an informal briefing of Council could be held to discuss options presented.

26 March 2008 – Initiation of existing Development Plan

In response to the previous Council resolution on the 27 February 2008, this report was presented to Council for approval to commence public advertising in accordance with TPS5.

Council resolved to endorse the Development Plan for advertising for a period of 30 days including, a public meeting/workshop to highlight the design alternatives and a display at the South Hedland Shopping Centre.

28 May 2008 – Final adoption of existing Development Plan

Council resolved to endorse the Development Plan subject to modifications. The modifications were completed to the satisfaction of the Town and therefore became included within the Town of Port Hedland Local Planning Manual as a Local Planning Policy.

The Development Plan was forwarded to the Western Australian Planning Commission (WAPC) for adoption. The Development Plan was never fully endorsed by the WAPC.

24 March 2010 - Initiation of amended Development Plan

The amendment proposed extending residential uses to the west of the Development Plan area with increased densities.

Council resolved to endorse the amended Development Plan for the purpose of advertising in accordance with TPS5.

28 April 2010 – Final adoption of amendment to Development Plan

Council resolved to endorse the Development Plan subject to increasing the residential density. The modifications were completed to the satisfaction of the Town and therefore became included within the Town of Port Hedland Local Planning Manual as a Local Planning Policy.

The Proposal (Attachment 2)

Council has received a proposal for a South Hedland Town Centre Development Plan (SHTCDP) which is intended to replace the existing Development Plan adopted by the Town. Consistent with the existing Development Plan the proposed SHTCDP incorporates two parts:

Part One – Development Plan:

- Sets out the statutory guide for the Town to determine applications for approval with the defined South Hedland Town Centre.

Part Two – Master Plan:

- Provides the explanatory text behind the statutory requirements. Part Two, the Master Plan, sets the vision and objectives to be achieved. The Master Plan sets out the spatial arrangements through various elements, namely the movement network, activities, built form, public realm, car parking and water management.

Since the adoption of the existing Development Plan there has been significant economic growth and investment in Port Hedland. The Pilbara's Port City Growth Plan (Growth Plan) identifies both existing and future growth for Port Hedland, and makes recommendations for future strategic planning.

The Growth Plan identifies the South Hedland Town Centre area as Precinct 11 – City Centre. The SHTCDP generally envisions the recommendations made in the Growth Plan, and new regional frameworks.

In addition to the Growth Plan, the SHTCDP incorporates a number of additional projects being undertaken within the Town Centre, namely upgrades to the South Hedland Community Facilities.

The SHTCDP has been prepared in accordance with changes to the planning system with the introduction of the new Structure Plan Preparation Guidelines. In this aspect the SHTCDP includes all necessary material to ensure endorsement by the WAPC.

Consultation

The SHTCDP has been prepared as an update to the existing Development Plan and incorporates a number of additional community and commercial projects. A summary of the wider consultation that has occurred is outlined below:

Consultation on the existing Development Plan – 2007/2008

- As part of the initiation of the existing Development Plan, informal discussions were held with community, government and industry stakeholders. A total of five (5) options were presented as to how the Town Centre might develop. A breakdown of the options is contained within Appendix 4 of the SHTCDP.

Centennial Park – 2009

- A series of workshops were held with the South Hedland Town Centre Community Design Reference Group to develop a concept plan for a new Town Square.

South Hedland Youth Space – 2010/2011

- A range of consultation was undertaken on behalf of the Town of Port Hedland in regards to the existing south Hedland Skate Park and Youth Space.

Pilbara's Port City Growth Plan – 2011/2012

- A range of community engagement activities were undertaken to support development of the Growth Plan. This consultation included the establishment of Stakeholder Reference Key Theme Focus Groups. In addition, several interviews, presentations and targeted meetings were held with community, government and industry stakeholders.

LandCorp / Town of Port Hedland Workshops – 2012

- Informal workshops were held between the Town of Port Hedland and LandCorp on the 23 March 2012 and 10 October 2012. The workshops provided a forum to discuss the SHTCDP together with key initiatives for community and commercial facilities within the identified area.

The outcomes of the various stakeholder engagements mentioned above have informed and been incorporated into the development of the proposed SHTCDP.

The SHTCDP been referred to the following internal services to resolve any major concerns prior to initiation:

- Environmental Health Services
- Technical Services
- Engineering Services
- Infrastructure Development Services
- Economic Development Services
- Recreation Services
- Community Services

The various comments raised internally have either been addressed in the report or incorporated in the SHTCDP.

Should Council resolve to initiate the SHTCDP it will allow Council to formalise public advertising in accordance with the requirements of TPS5. It is expected the Town's internal services will continue to provide input to ensure any outstanding issues are resolved.

Statutory Implications

The preparation and matters to be addressed by Development Plans are contained within Part 5 and Appendix 6 of the Town of Port Hedland Town Planning Scheme No. 5 (TPS5).

Policy Implications

Once endorsed by Council a Development Plan becomes a policy statement under the statutory provisions of the Town of Port Hedland Town Planning Scheme No. 5 (TPS5).

Strategic Planning Implications

The following sections of the Town's Strategic Community Plan 2012 – 2022 are considered relevant to the proposal:

6.1	Community
6.1.1	Unified
	The Town of Port Hedland is an integrated community functionally, physically and culturally.
6.1.2	Vibrant
	Provide access to recreational, cultural, entertainment facilities and opportunities. Commit to improving the quality of life and wellbeing of residents.
6.2	Economic
6.2.1	Diverse Economy
	Facilitate commercial, industry and town growth. Enhance supply of suitably located and supported industrial and retail land.

6.3	Environment
6.3.1	Housing
	Attract and retain new residents to increase the population to 40,000 by 2025.
6.3.2	Community Facilities
	Provide safe and accessible community facilities, libraries, services and public open spaces that connect people and neighbours. Facilitate the provision of high quality health services and facilities for residents that are equal to or above the quality of those found in the metropolitan area.

The following sections of the Pilbara's Port City Growth Plan are considered relevant to the proposal:

Section 5.6.11

Precinct 11 – City Centre

Precinct Plan Summary

- The development and revitalisation of the South Hedland City Centre has the potential to act as a catalyst for further development and growth, engendering business confidence as well as local community pride and ownership.
- Providing a City Centre point or 'hub' of activity where people can meet and interact on an organised or chance basis and which supports a variety of services and functions.
- Providing stronger pedestrian / cyclist and vehicular connections into the City Centre making travel more convenient.
- Providing shaded pedestrian walkways and open areas in an attractive setting within the City Centre that encourages people to remain and spend time.
- Introducing a greater permanent residential population through the release of a variety of medium and higher density housing types reflective of a City Centre location.
- Providing a logical program for the redevelopment of available existing land and the future release of vacant land with an overall vision of a more vibrant place to live, work and recreate.
- Recognising demands for short-stay and tourism with the release of land for accommodation, entertainment and related uses.

Improvements to the public realm will be achieved in line with the following planning and design principles:

- Clear definition of public spaces, with each having a unique character and sense of place, and surrounding built form interacting positively for ease of site identification and recognition.
- Functionality and usability of public spaces for a wide range of people, with appropriate levels of landscaping and public facilities to encourage activity.
- High levels of visual amenity and points of interest, including key destinations, land marks and gateways.

- Ensuring that streets serve not only to provide for the safe, efficient movement of vehicles, but also for the movement of pedestrians and cyclists, and act as dynamic, interesting public spaces in their own right.
- Celebration of community heritage through the use of public art and landscaping to tell the story of the places and its people.
- Adequate levels of lighting, activity and passive surveillance to improve the safety of public spaces.

Implementation Indicators

- Review/refinement of existing South Hedland Town Centre Development Plan to reflect enhanced City Centre role.

Budget Implications

The applicant has paid the prescribed application fee of \$7,556.20.

Officer's Comment

The general aim of the SHTCDP is twofold. Firstly to update the existing Development Plan in accordance with the new growth and investment as recommended through the Growth Plan. Secondly to bring the existing Development Plan in to line with the introduction of the new Structure Plan Preparation Guidelines. In this aspect the SHTCDP includes all necessary material to ensure endorsement by the WAPC.

The SHTCDP has been prepared in accordance with the provisions contained in TPS5. The SHTCDP has been assessed with regards to Appendix 6 – Matters to be Addressed by Development Plans contained within TPS5.

The SHTCDP will operate alongside rather than instead of TPS5. Therefore development will need to meet the objectives and provisions of both TPS5 and SHTCDP.

The SHTCDP Area

The Development Plan boundary has been amended in the proposed SHTCDP. The boundary has been extended east across Forrest Circle to include the 'Mixed Business' area, and reduced by removing the north western residential area across Scadden Road. The relocated boundaries reflect recent changes to TPS5 through Scheme Amendment 53.

The boundary changes help to better centre the Town Centre within the future South Hedland urban fabric. The inclusion of the 'Mixed Business' area into SHTCDP will allow the Town Centre to have a broader focus and permit a 'business park' style of development. It is intended that this area develops as the Eastern Commercial Gateway with a high standard of built form that supports the City Centre.

Land Use & Activities

The SHTCDP has been workshopped to ensure the provisions do not discourage or limit the development of the South Hedland Town Centre. The SHTCDP sets out clear objectives for future growth while allowing flexibility for a range of suitable development.

The SHTCDP is presented as five (5) precincts each with a distinctive focus and role for the future growth of the Town Centre. The precincts propose different elements for development as categorised through the following headings: Movement Network, Land Use & Activities, Built Form, Public Realm, Car Parking and Water Management.

The provisions contained within Part One of the SHTCDP have been prepared to ensure a high level of flexibility. Any proposed development within the SHTCDP shall be consistent with the objectives of the relative Precinct and the overarching vision of the SHTCDP.

Built Form

The SHTCDP once adopted will operate as a Local Planning Policy. Part Two of the SHTCDP contains the Master Plan for the South Hedland Town Centre. The Master Plan promotes best practise development with a high quality built form. Applications for development within the SHTCDP will be subject to assessment against Design Guidelines currently being reviewed by the Town.

Public Realm and Open Space

Precinct A of the SHTCDP outlines the development of a 'Main Street and Community Hub'. Precinct A is expected to grow as the public 'face' of the Town Centre with the continued development of the services and facilities as identified with in the Library & Community Facilities Feasibility Business Plan (2012).

The design of the SHTCDP provides linear drainage systems that provide for shaded pedestrian linkages to encourage walking, jogging and cycling. The Town Centre at its furthest point is located approximately 1.1km south of the South Hedland Sport Complex. In addition, the Town Centre will ultimately be serviced in close proximity by another District Open Space through development of the Western Edge. Both of these spaces will provide district level recreation services for future residents within the Town Centre.

Car Parking

The SHTCDP identifies 'preferred' parking areas to ensure a suitable distribution of public parking to cater for and promote multi-purpose trips. The coordinated provision of parking is fundamental to the success and growth of the SHTCDP. Appendix 5 of the SHTCDP contains a Transport Assessment and Parking Study which has been used to inform the car parking methodology proposed within the SHTCDP. The SHTCDP proposes the following measures to ensure a suitable level of parking is provided within the Town Centre:

- A 20% shared parking reduction for all non-residential developments within the South Hedland Town Centre Parking Assessment Area.
- The provision of 1004 public car parking bays.
- A minimum 80% of required parking shall be provided as on-site parking.
- Cash-in-lieu is required for any off-site parking.

It is considered the SHTCDP suitably addresses all matters contained within Appendix 6 of TPS5 and is suitable for public advertising.

Attachments

1. Locality Plan
2. South Hedland Town Centre Development Plan (Under Separate Cover)

Options

1. Initiate the Development Plan.

This would allow the advertising of the Development Plan and to address any concerns or questions raised by the community or external stakeholders.

2. Require modifications prior to initiating advertising.

This option should be resolved if Council has concerns regarding the proposed Development Plan that are required to be addressed prior to advertising.

3. Refuse to initiate the Development Plan.

Refusing the initiation of the Development Plan would be in direct conflict with the Town's Local Planning Strategy.

201314/027 Officer's Recommendation/ Council Decision

Moved: Cr Carter

Seconded: Cr Jacob

That Council:

- 1. Pursuant to Clause 5.2.8 of the Town of Port Hedland Town Planning Scheme No. 5 initiates advertising of the South Hedland Town Centre Development Plan for a period of 42 days; and**
- 2. Following conclusion of the advertising period and consideration of all submissions received, the South Hedland Town Centre Development Plan is presented back to Council to consider final endorsement.**

CARRIED 7/0

ATTACHMENT 1 TO ITEM 6.1.1

LOCALITY PLAN & TOWN PLANNING SCHEME NO. 5 ZONING



Figure 1 - South Hedland Town Centre Boundary

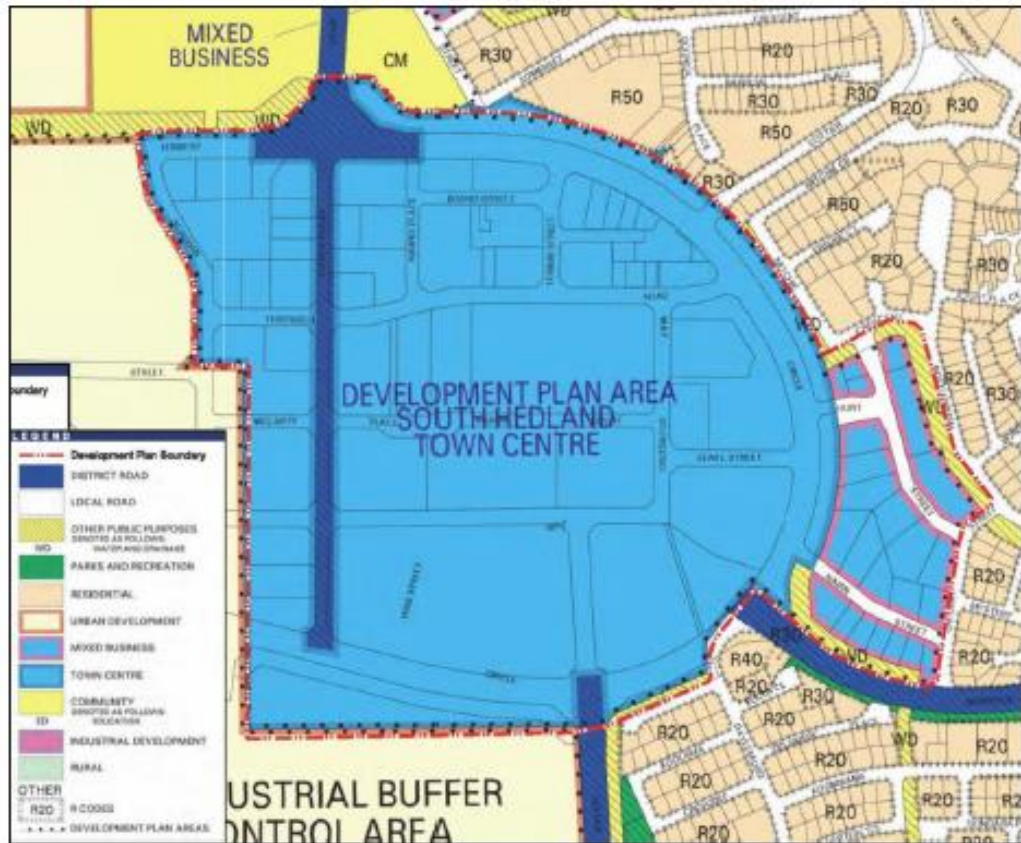


Figure 2 - Zoning as per Town Planning Scheme No. 5

6.2 Community Development

5:45pm Councillor Dziombak declared a financial interest in item 6.2.1 'South Hedland Youth Space – Endorsement of Final Design and Authority to Call for Construction Tenders (File No.: 26/06/0004)' BHP Billiton shares over the statutory threshold.

Councillor Dziombak left the room.

6.2.1 South Hedland Youth Space – Endorsement of Final Design and Authority to Call for Construction Tenders (File No.:26/06/0004)

Officer Lorna Secrett
Manager Community
Development

Date of Report 25 July 2013

Disclosure of Interest by Officer Nil

Summary

Council endorsed (December 2011) a master plan and conceptual drawings for the South Hedland Youth Space and requested further work in order to progress the project to construction stage.

This report outlines the final concept design, final audited costing, confirmation of funding strategy, recommended procurement method and construction program for the proposed facility.

On the basis of this information, Council is requested to endorse the calling of tenders for construction of the facility.

Background

Council has considered the location and design of the South Hedland Youth Space on several occasions since July 2011. A comprehensive community engagement delivered a master plan in December 2011, which has now been refined into final concept design and detailed design drawings.

Concurrently, funding for the Youth Space has been sought and confirmed. Funding and budget details are outlined in the Budget Implications section of this report.

The OCM (14 December 2011) resolved:

- “1. Notes the community engagement and consultation process undertaken for the proposed South Hedland Skate Facility and Public Space.

2. *Endorses the master plan and conceptual drawings for the proposed South Hedland Skate Facility and Public Space.*
3. *Notes that a subsequent report will be provided to Council in January 2012 with final concept design, final audited costing, confirmation of funding strategy, recommended procurement method and construction program for the proposed youth space/skate park facility.*
4. *Recommend that there is an increase in the bowl size or that additional bowls be incorporated into the final concept design.”*

A Request for Tender process was undertaken resulting in the appointment of Enlocus in November 2012. This work is now finalised and is presented in this report for Council's consideration.

Consultation

Strong community planning has supported both the evolution of the Youth Space project and the development of a best practice and innovative engagement process. The previous high level of engagement was delivered in this stage, with the Town and Enlocus presenting and workshopping the schematic design over two separate week periods.

Week One Consultation (November 2012)

This round of consultation was utilised to reconnect with the various youth of Hedland and present the draft schematic design. Consultation included meetings/workshops at numerous schools (primary and secondary) along with key groups at the JD Hardie Youth Zone.

Over 300 young people (predominately young girls) along with community leaders were consulted over the course of several days. These engagements included informal conversations at the existing skate park, design workshops with YIC through to group specific meetings. Project specific surveys were used to gather a range of ideas throughout the meetings. These documents were collated and summarised, allowing more contributions into the Youth Space.

In addition, a Facebook page was continually updated and used to expand the community engagement outside of the meetings, ensuring that the conversations continued.

Week Two Consultation (April 2013)

This engagement focused on the Portbound Festival for the final community consultation, utilising the proven attendance of this annual event.

The Portbound event allowed consultation to extend to the wider community, offering a demonstration that the proposed space will cater for a wider audience with elements such as social, viewing and informal events. The final schematic design was presented on display boards showcasing the various functions, materials and elements in the space over several 3D rendered views. This informal drop-in session was coupled with a broader approach around the event holding conversations with youth, parents, user groups and event organisers.

Comments from this last consultation were included in the final concept design.

Consultation Summary

Over 400 young people were consulted, with a significant percentage of young Aboriginal people. The following individuals, teams and groups were consulted:

Internal

- Councillors
- Chief Executive Officer and Executive Team
- Manager Community Development and relevant team members
- Manager Infrastructure Development and team members
- Manager Recreation Services and relevant team members
- Manager Engineering and relevant team members
- Planning Officer
- Coordinator Parks and Gardens
- Coordinator Waste.

External

- WALGA has been consulted in regard to the potential future procurement process
- The South Hedland Town Centre Working Group
- Local youth agencies including Youth Involvement Council, Youth Opportunities Unlimited, Youth Justice Team, Wirraka Maya, Population Health, Mental Health, HYSAG, HYLIC, Mingle Mob, Department of Child Protection, WA Police, Roller Derby group and Hip Hop group – The Hood
- Local schools including Hedland Senior High School, Cassia Primary, South Hedland Primary, Baler Primary and Port Hedland Primary
- Young people/users of the South Hedland and Port Hedland Skate Parks at different times of the day on different days of the week and over weekends to capture as broad a group of users as possible.

Statutory Implications

The Tender process will be conducted in accordance to the Local Government Act (1995):

“3.57. Tenders for providing goods or services

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

The Community Engagement Strategy (OCM 16 November 2011) was implemented and ensured that a comprehensive plan of consultation and involvement occurred with the community.

This item has also referenced Policy 9/010 Asset Management Policy.

Strategic Planning Implications

The South Hedland Youth Space project responds to the Strategic Community Plan 2012 – 2022 in the following areas:

6.1	Community
6.1.1	Unified
	Increase in the number of physical, cultural and social facilities in Port Hedland
6.1.2	Vibrant
	The Town’s wide range of recreation, entertainment and event facilities are well used and attended by residents and visitors. Increase in the number of recreational facilities available
6.1.2	Vibrant
	Increased number of youth accessing youth services and leadership opportunities.

Budget Implications

Confirmed funding for the project is as follows in Table 1.

Table 1

Income	Amount	Status
BHP Billiton Iron Ore	(\$ 70,000)	Expended – Masterplan and Concept Design
	(\$ 156,977)	Expended – Detailed design and preparation of contract documentation
	\$773,023	Balance, confirmed for

		construction
Landcorp	\$350,000	Confirmed for construction
FMG	\$500,000	Confirmed for construction
Lotterywest	\$650,000	Confirmed for construction
TOTAL	\$2,273,023	Confirmed for construction

Table 2 below describes quantity survey information to inform the tender process.

Table 2

Description	Amount (ex GST)
End Construction cost including 10% contingency	\$2,338,000
Client Project Delivery Costs – contract administration, project management and sponsor recognition	\$51,326
TOTAL	\$2,389,326

The shortfall between the confirmed budget and QS costing is \$116,303, with this shortfall being met through existing partnership funding between the Town and BHP Billiton Iron Ore. This will allow the project to proceed to tender with a balanced budget. Following receipt and assessment of tenders, should the shortfall remain, the budget will be finalised accordingly before award of tender is presented to Council for consideration.

The tender will also specify replacement of fencing between SHAC and Youth Space as an optional item, given that this is an aesthetic treatment and that the existing fencing is compliant. This item has been costed at \$65,000 and could be covered by remaining contingency funds at the end of the project.

Given the contingency funds of 10% and underwriting of the shortfall, it is recommended that tenders be called for this project.

Asset Management and Maintenance

The Youth Space is part of the overall South Hedland Town Centre, which is currently managed by Landcorp, with responsibility to be transferred to the Town of Port Hedland in December 2013.

As this wider asset management and maintenance plan and costing is currently under development by the Town, indicative costs have been calculated for the Youth Space. It should be noted that these indicative costs are conservative, providing for optimum cleaning, asset replacement and renewal and will reduce with efficiencies of scale, once the Youth Space is operating in May/June 2014, and costs have been apportioned into the wider body of maintenance works for the South Hedland Town Centre.

There currently is no specific asset management or maintenance budget for the existing South Hedland Skate Park, with these costs included to date within general maintenance expenditure.

Table 3 below shows indicative annual maintenance costs following practical completion, which is estimated to occur in May 2014. These costs will be revised once apportioned as part of the overall South Hedland Town Centre maintenance plan.

Further annual budgets will need to be developed by the responsible business unit for maintenance in 2014/2015 and onwards.

Table 3

Maintenance Description	Annual
General cleaning litter, glass etc. (every second day)	\$36,500
Vandalism/graffiti (once week)	\$20,000
High pressure clean (6 times a year include cyclone event cleanups)	\$18,000
Prune trees include fertilize and maintain irrigation	\$1520
Maintain gardens include prune, fertilize and irrigation	\$37,544
Maintain lawns and irrigation include fertilize	\$34,320
TOTAL	\$147,884

Table 4 below shows indicative whole of life costs. These costs are diverse and could include an annual replacement of a light globe, a 10 year replacement of street furniture or a 20 year replacement of a paver.

Table 4, as per table 3, is also indicative of asset cost to cover future replacement costs within the skate park into the future. With the Town is developing a robust asset system, the figures below are based on previous experience. Figures were derived from the youth space designers and the Town's Infrastructure Development team to provide indications of potential asset costs.

Table 4 identifies future budget requirements to be held in an asset reserve and should form part of ongoing asset reserves. Further budget allocation for the year 2014/15 will need to be captured by the business unit responsible for developing asset management plans.

Table 4

Description of assets	Annual
Concrete and pavers	\$23,392
Lighting globe and lens replacement	\$14,319
Drainage lids	\$760
Furniture includes seating , bins,	\$11,477

drink fountains	
Shelters	\$11,500
TOTAL	\$61,448

Officer Comment

The South Hedland Youth Space is a key element in a broader urban renewal project of the South Hedland Town Centre, including new-mixed use development, a redeveloped aquatic centre, new state-of-the-art Library, new Town Square with amphitheatre / entertainment spaces and community facilities to provide services such as women's health, toy library, accommodation for NGOs and informal meeting spaces. A place-making approach has been implemented to ensure that youth and broader community members are an integral part of the design team.

The community's vision for the Youth Space within the South Hedland Town Centre has been developed over a 3 year period of engagement. Through conversations, workshops, involvement in the design, agreement on the location and expansion from simply replacing a skate park to developing an inclusive youth space for all young people.

A key feature of the engagement process has been a 'circle back' approach, where the community is re-engaged at every stage to honour / maintain the integrity of the ongoing collaborative design vision. Results of consultation and the developing design have been presented to Council at each stage, strengthening the Council's commitment to supporting empowerment of young people in projects that affect them. This level of engagement will be ongoing in the development and implementation of an activation plan for the youth space.

The design of the youth space has taken into consideration integration with other South Hedland Town Centre community spaces, both present and future. Co-location with the future Library will enable greater interaction with and access to valuable literature, language, IT and knowledge resources for young people, whilst the adjacent SHAC offers an alternative recreational space to the free activity at the youth space.

The types of materials being used in the Town Centre have also been referenced in the youth space to ensure that a unique identity is created, whilst ensuring good pedestrian flow and way finding. The youth space will have frontage on the newly created McLarty Blvd, Wise Avenue and on Forrest Circle, enabling a visual connection across to the Town Centre Park and visibility from road.

Asset management and maintenance indicative costing will need to be further refined and developed as noted above in Budget Implications, as part of the overall South Hedland CBD asset management and maintenance plans.

The suggested project timeline is detailed in Table 5 below:

Table 5

	Timeline
Preparation of contract documentation finalised	6 August 2013
Tenders called	17 August 2013
Tender period closes	18 September 2013
Council award tender	23 October 2013
Appointment of contractor	Early November 2013
Works commence	Mid to late November 2013
Works conclude	April/May 2014

Attachments

1. South Hedland Youth Space - Final Design
2. Asset Management Spread Sheet

Officer's Recommendation

That Council:

1. Notes the final design, confirmation of funding strategy, indicative asset management and maintenance costs and construction program for the South Hedland Youth Space; and
2. Authorises the Chief Executive Officer to call for tenders for the construction of the South Hedland Youth Space.

201314/028 Council Decision

Moved: Cr Carter

Seconded: Cr Gillingham

That Council:

1. **Notes the final design, confirmation of funding strategy, indicative asset management and maintenance costs and construction program for the South Hedland Youth Space; and**
2. **Authorises the Chief Executive Officer to call for tenders for the construction of the South Hedland Youth Space and refer back to Council for consideration.**

CARRIED 6/0

5:46pm

Councillor Dziombak reentered the room and resumed his chair. Mayor advised Councillor Dziombak of Council's decision.

ATTACHMENT 1 TO ITEM 6.2.1

SOUTH HEDLAND'S YOUTH SPACE - FINAL DESIGN



SOUTH HEDLAND YOUTH AND SKATE SPACE
TOWN OF PORT HEDLAND
c/o: Madlary Street and Colbatch Way
South Hedland WA 6722

1237_DD01

DESIGN DEVELOPMENT / 8TH NOV 2013



This page has been left blank intentionally.

South Hedland - Youth Space (stage one) July 2013										
DESCRIPTION	ITEM	DESIGN INTENT	QTY	LIFETIME EXPECTANCY	LAST RENEWED	CURRENT RENEWAL COST	ANNUAL RENEWAL COST (approx)	SUPPLIER	CONTRACTOR	COMMENTS
Maintenance										
General	Daily clean up (bins, litter etc...)	Provide more bins to minimise rubbish	1	every second day		\$200.00	\$36,500.00		ToPH	As per maintenance and management plan
Anti-Graffiti	Graffiti removal with approved methods	Maximised site lines and lighting to minimise	1	weekly			\$20,000		ToPH	As per maintenance and management plan
Storm Clean	High pressure wash of park	Hard surfaces and drainage design to allow	6	6 times a year inc cyclones		\$3000 per clean	\$18,000		ToPH	As per maintenance and management plan
Mature Trees	Prune and fertilise trees	Inclusion of established trees not plantings	19	4 times a year		\$20 each prune	\$1,520.00		ToPH	Regular maintenance
Planting - mass	Prune and maintain plants, mulch and irrigation	Include irrigation	722 m2	once per fortnight		\$2 per m2	\$37,544.00		ToPH	Average dependent on time of year calculated as 26 visits
Lawn	Mow and maintain including irrigation		330m2	once per fortnight		\$4 per m2	\$34,320.00		ToPH	Average on time of year calculated as 26 visits
							\$147,884.00			
Hardstand										
Concrete	Skate 32mpa	Concrete chosen for durability and function	2016 /m2	20 years		\$450 /m2	\$9,000.00			life of project
Pool Coping	Granite blocks	Strength properties compared to concrete	8 l/m	5 years		\$60 /m	\$972.00	Granite Works		Granite included for strength properties
Paving 1	300x300x60 Masterpave (Spinifex)	As per South Hedland Town Centre	610 / m2	20 years		\$200 /m2	\$6,100.00	McKeno (Broome)		Replace as required
Paving 2	300x300x60 Masterpave (Argyle Red)	As per South Hedland Town Centre	555 / m2	20 years		\$200 /m2	\$4,000.00	McKeno (Broome)		Replace as required
Paving - Sealant	CCS - Streetscape Surface sealant	To retain cleaning and colour of pavers	1165m2	1 year		\$8 /m2	\$9,320.00	McKeno (Broome)		Replace as required
							\$29,392.00			
Lighting										
Overhead - fixture	Siteco A2 Maxi	Simple cost effective selection	7	5 years		\$1,500.00	\$2,100.00	Sylvania		
Overhead - lens		Affordable, strength and ease of replacement	13	2 years		\$225.00	\$1,462.00			
Overhead - globes	1x HIT/HST 1000W		13	1 year		\$250.00	\$3,250.00	Sylvania		Replace as required
Pathway - fixture	Bega 7068	Custom design to offer further durability	15	5 years		\$1,300.00	\$3,900.00	Zumbotel		
Pathway - lense		Affordable, strength and ease of replacement	15	2 years		\$225.00	\$1,687.00			
Pathway - globes	Avenue F – 70W MH		16	1 year		\$120.00	\$1,920.00	Thorn		
							\$14,319.00			
Shelters										
				20 years		\$230,000	\$11,500.00			
Drainage										
Pit Lid - Skate	Perforated Galvanised pit lid	Thick plate for durability and safety/function	8	8 years		\$600.00	\$600.00	Maxx Engineering		Replace as required
Pit Lid - Grated	Grated Galvanised pit lid	Thick plate for durability and safety/function	4	15 years		\$600.00	\$160.00	Maxx Engineering		Replace as required
							\$760.00			
Landscape - Hard										
Seating	As per drawings	Simple, robust and custom option	12	10 years		\$3,000 each	\$3,600.00	Maxx Engineering		whole of life
Drinking Fountain	Aqua Bubbler	As per South Hedland Town Centre	3	5 years		\$2,450 each	\$1,475.00	Aqua Bubbler		whole of life
Bin	240lt galvanised	Alternative to possibly burnt plastic bin	5	5 years		\$550 each	\$550.00	SULO		Replace individual items as required
Bin Enclosure - Recycle	240lt LandMark Brighton enclosure	Custom design to offset Town Centre issues	5	10 years		\$3,500	\$3,500.00	Street Furniture		Replace individual items as required
Barbeque	Modular Triple (HMOD-E-3/2)	As per existing Council BBQ's	1	5 years		\$11,760 each	\$2,352.00	Christie		Replace as required
							\$11,477.00			

This page has been left blank intentionally.

NOTE: Chief Executive Officer advised that a request for reduction of quorum was granted by the Department of Local Government for one of the three Elected Members that declared a financial interest in this item to re-enter the room and participate in the decision making process of the Council. However, the conditions imposed by the Department on the Elected Member stated that the full extent of their financial interest (number or value of shares at today's date) had to be declared at the meeting. The Elected Member has decided not to disclose this information at the meeting tonight.

5:47pm Councillors Dziombak, Hunt and Daccache declared financial interests in item 6.2.2 'General Practitioner Housing – Preparation of Business Plan for Proposed Stage 2 Development (File No.: 15/01/0020)' as they have BHP Billiton shares over the statutory threshold.

Councillors Dziombak, Hunt and Daccache left the room.

6.2.2 *General Practitioner Housing – Preparation of Business Plan for Proposed Stage 2 Development (File No.:15/01/0020)*

Officer Gordon MacMile
Director Community
Development

Date of Report 6 June 2013

Disclosure of Interest by Officer Nil

Summary

Council has received (July 2013) a proposal from BHP Billiton to develop (construct) Stage 2 GP Housing on Lot 5551 Dempster Street, Cooke Point.

Council is requested to endorse the preparation of a business plan, outlining the proposed development by BHP Billiton of an additional 3 houses for General Practitioner use on Lot 5551 Dempster Street, Port Hedland.

Background

Throughout 2010 and into early 2011, the Town of Port Hedland prepared and advertised a business plan for development of General Practitioner housing in Cooke Point.

The OCM (April 2011) resolved to receive the report on submissions and to continue with development of General Practitioner housing at Lot 5551 Dempster Street in accordance with business plan and section 3.59 of the Local Government Act.

Subsequently, the Town invited tenders for the design and construction of both the civil and housing components with the project split into two stages, with Stage 1 comprising the civil and earth works for the entire site, as well as the construction of 5 houses for the accommodation of GPs.

GP Housing – Stage 1 Development

The brief for the design of dwellings was to provide “Executive” style housing to attract and retain General Practitioners. The understanding of “Executive” nature of the houses should be translated to their size and number of rooms as opposed to the type of internal fittings and fixtures (although still important).

Within Stage 1 it was anticipated that the houses to be constructed be sympathetic to the Pilbara climate and:

- Be single storey, predominately 4 bedroom x 2 bathroom
- Include an outdoor patio / entertaining area
- Contain a low maintenance and native landscape design
- Take into account prevailing views and breezeways (orientation).

Funding for the construction of the 5 GP houses was comprised of contributions from BHP Billiton, the State Government (Royalty for Regions) and the Town of Port Hedland. Additional funding provided by BHP Billiton ultimately allowed for the construction of 7 houses in Stage 1.

Allocation of Stage 1 GP Houses

The construction project and subsequent allocation was intended to provide quality subsidised leased housing to general practitioners who support the Port Hedland community and was 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 expression of interest conducted for the allocation was oversubscribed by practices / agencies, supporting the provision of additional GP houses when the opportunity presented.

The SCM (14 November 2012) endorsed the disposal of Part Lot 5551 Dempster Street, Cooke Point by way of lease of:

- 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.

Signing of leases to the GP practices and occupation of the houses occurred throughout April and May 2013.

Consultation

The Stage 1 business plan for the development of GP housing was advertised publically in accordance with the Local Government Act.

Elected Member briefings occurred in mid-2012 to develop the housing allocation process and criteria.

Expressions of interest received for Stage 1 housing allocations were assessed by a stakeholder panel with representatives from BHP Billiton, Pilbara Development Commission, Department of Health and the Town of Port Hedland.

Statutory Implications

Local Government Act 3.59 . Commercial enterprises by local governments

(2) Before it —

(a) commences a major trading undertaking; or

(b) enters into a major land transaction; or

(c) enters into a land transaction that is preparatory to entry into a major land transaction,

a local government is to prepare a business plan.

(3) The business plan is to include an overall assessment of the major trading undertaking or major land transaction and is to include details of —

(a) its expected effect on the provision of facilities and services by the local government; and

(b) its expected effect on other persons providing facilities and services in the district; and

(c) its expected financial effect on the local government; and

(d) its expected effect on matters referred to in the local government's current plan prepared under section 5.56; and

(e) the ability of the local government to manage the undertaking or the performance of the transaction; and

(f) any other matter prescribed for the purposes of this subsection.

(4) The local government is to —

(a) give Statewide public notice stating that —

- (i) the local government proposes to commence the major trading undertaking or enter into the major land transaction described in the notice or into a land transaction that is preparatory to that major land transaction; and*
 - (ii) a copy of the business plan may be inspected or obtained at any place specified in the notice; and*
 - (iii) submissions about the proposed undertaking or transaction may be made to the local government before a day to be specified in the notice, being a day that is not less than 6 weeks after the notice is given; and*
- (b) make a copy of the business plan available for public inspection in accordance with the notice.*

(5) After the last day for submissions, the local government is to consider any submissions made and may decide to proceed with the undertaking or transaction as proposed or so that it is not significantly different from what was proposed.*

Policy Implications

Nil

Strategic Planning Implications

Provision of GP housing is prioritised in the Town of Port Hedland Corporate Business Plan 2012 – 2016 as,

Environment (3.2 Community Facilities) - Provide adequate housing to attract GP's to the region:

- Stage 2 planned by June 2013 and constructed by June 2014.

Budget Implications

Funding for the management and construction of the proposed Stage 2 GP Housing would be provided by BHP Billiton.

Normal statutory application fees apply to the development proposal.

Officer's Comment

Stage 2 GP Housing Proposal

The proposal from BHP Billiton in that with Stage 1 now complete, the company is keen to support the development of Stage 2 of the project, allowing for additional dwellings to be built for GP use. The intention is that an additional 3 houses would be built to the same standard as the Stage 1 houses.

BHP Billiton propose to support the development of further GP houses through:

- The execution of a development agreement with the Town of Port Hedland
- Continued utilisation of the available / vested land at Lot 5551 Dempster Street, Port Hedland
- The company funding and taking responsibility for building the additional houses by utilising an existing, mobilised contractor in Port Hedland to complete the work, endeavoring to increase the housing yield.

Upon completion, these dwellings would then be handed to the Town for ongoing ownership, management and maintenance.

Stage 2 GP Housing – Town Involvement

The intention within the proposal is for BHP Billiton to be responsible for management of the project and construction of the houses. This part of the proposal is intended to be able to use the company's existing construction contractor relationships and 'buying power', as well as in consideration of the Town's current resources and already committed project delivery program.

Aside from statutory approval processes, the Infrastructure Development Department will be the principle project contact point for the Town. This involvement will include some preliminary input into potential contractors, specifications for housing construction quality / continuity with existing houses, as well as project reporting and communication.

Stage 2 GP Housing – Allocation

The Stage 1 housing project has secured the maintenance of GP services in South Hedland through Kinetic Health Services, as well as expanding services (days, practice hours and range of medical specialists) through the Port Hedland Medical Centre.

With the Stage 1 expression of interest process being oversubscribed (a total of 5 practices applying), preliminary discussions with BHP Billiton has indicated support for maintaining the existing allocation process, criteria and priorities. By maintaining the existing allocation parameters it is believed that the Stage 2 houses can continue to fulfill the unmet need for GP / medical service accommodation.

Way Forward

With the success of the Stage 1 GP housing project and the existing unmet need for additional accommodation, Council is requested to support the preparation and advertising of a business plan reflecting the circumstances of the BHP Billiton proposal.

Potential timeframes to progress the Stage 2 proposal would be:

Consultant engaged (BP preparation)	end of July 2013
Business Plan completed	end of August 2013
Advertising period	Sept / October 2013
Council consideration (submissions)	OCM October 2013

Attachments

Nil

Officer's Recommendation

That Council:

1. Endorses the preparation and advertisement of a business plan in accordance with the Section 3.59 of the Local Government Act 1995 outlining the proposed development by BHP Billiton of an additional 3 houses for General Practitioner use on Lot 5551 Dempster Street, Port Hedland; and
2. Requests the Chief Executive Officer, or his delegate(s), to report back to Council on the public submissions received as a result of that business plan and then recommend a course of action in relation to the proposal from BHP Billiton.

MOTION LAPSED FOR WANT OF A QUORUM

5:51pm Councillor Dziombak, Hunt and Daccache re-entered the room and resumed their chairs. Mayor advised Councillors that the motion lapsed for want of a quorum and that this item will be considered at the next Ordinary meeting of Council.

6.3 Corporate Services

Note: Chief Executive Officer read out the following Ministerial approval letter for 'Differential Rates and Minimum Payments under Local Government Act 1995.'



The Hon Tony Simpson MLA
Minister for Local Government; Community Services;
Seniors and Volunteering; Youth

Our Ref: 49-01313

Mr Mal Osborne
Chief Executive Officer
Town of Port Hedland
PO Box 41
PORT HEDLAND WA 6721


Document #: ICR39569
Date: 25.07.2013
Officer: NATALIE RUTH OCTOMAN
File: 24/03/0005

A handwritten signature in black ink, appearing to read "NRO".

Dear Mr Osborne

MINISTERIAL APPROVAL – DIFFERENTIAL RATES AND MINIMUM PAYMENTS UNDER LOCAL GOVERNMENT ACT 1995

This letter is regarding the Town's application for Ministerial approval for differential rates and minimum payments proposed by the Town.

After much deliberation, I have decided to approve the Town's request.

This approval is only applicable to the specific rate categories and amounts that were proposed in the Town's application. If the Town's proposal is changed prior to formal adoption in the budget, my approval will not extend to those changes.

I have recently become concerned with the frequency at which local governments are requesting my approval for proposed differential rates that exceed the limits set by section 6.33(3) of the *Local Government Act 1995*.

In the event that a local government wishes to propose a differential rate that exceeds the statutory limits, it is highly desirable that the local government should directly consult the landowners who will be affected by that rate. This should be in addition to any formal public notice requirements prescribed by the Act.

It is my understanding that this course of action was suggested to the Town by the Department of Local Government. Since the Department's suggestion was both reasonable and practical, it is disappointing that the Town declined to act on it.

When considering applications of this nature in the future, I intend to pay closer attention to the extent to which local governments have directly consulted with their ratepayers.

- 2 -

My intention is to encourage greater levels of consultation between local governments and their ratepayers, particularly when these local governments propose significant increases in differential rates.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tony Simpson', written in a cursive style.

Hon Tony Simpson MLA

Minister for Local Government; Community Services;
Seniors and Volunteering; Youth

22 JUL 2013

201314/029 Council Decision**Moved: Cr Carter****Seconded: Cr Dziombak****That Council suspend Standing Orders.*****CARRIED 7/0***

5:52pm Mayor advised that the Standing Orders are suspended.

201314/030 Council Decision**Moved: Cr Daccache****Seconded: Cr Jacob****That Council resume Standing Orders.*****CARRIED 7/0***

6:05pm Mayor advised that the Standing Orders are resumed.

6.3.1 *Adoption of the 2013/14 Budget (File No.: .../...)***Officer****Natalie Octoman
Director Corporate Services****Date of Report****26 July 2013****Disclosure of Interest by Officer**

The officer discloses a financial interest in this item as salary and conditions of officers are incorporated within the municipal budget.

Summary

For Council to consider and adopt the 2013/14 Annual Budget together with the supporting schedules.

Background

The 2013/14 draft budget has been prepared over the last six months, principally as a result of at least 6 budget workshops/briefings conducted with Elected Members and Senior Management along with significant in-depth discussions with Managers.

The proposed differential rates were adopted on 24 April 2013 and advertised for public comment. Ministerial approval was initially sought at that stage in accordance with the legislation. Fifteen formal submissions were received by 29 May 2013 when the public comment period closed.

On 12 June, the Elected Members considered the public submissions, and during the Special Council Meeting, also considered the rates model. A revised rating model was subsequently adopted by Council on 12 June 2013 that saw the residential, commercial and industrial GRV rate reduced from 12% down to 8%. In accordance with section 6.36 (5)(b) of the *Local Government Act*, a local government is not required to give local public notice of the modified rates or minimum payments and therefore the sought Ministerial approval to impose differential rates in its unimproved value and gross rental value areas that exceeded the statutory two times limit and to impose minimum payments on more than 50% of vacant properties in its UV Mining Vacant and UV Other Vacant rating categories of the revised rates in the dollar. Ministerial approval was provided to the Town in relation to the revised rates in the dollar on 22 July 2013.

During the 2012/13 budget process, rates concessions were adopted by Council for a two year period, therefore meaning that those endorsed in 2012/13 were also relevant and applicable for 2013/14.

New applications were sought and some were subsequently endorsed on 24 April 2013. A complete listing of rates concessions adopted by Council has been incorporated into the draft 2013/14 Budget.

Fees and charges applicable for 2013/14 have already been adopted by Council over several meetings in the past few months. To ensure completeness, all fees and charges endorsed and applied from 1 July 2013 have been incorporated into the 2013/14 draft Budget.

Each of the Council decisions made throughout the process has been captured and forms part of the 2013/14 draft Budget.

Consultation

The annual budget process is significant in terms of its importance and also the time and resources required to be committed to the process to ensure its accuracy and timeliness.

Executive members, Managers and staff within the organisation have been significantly involved in many of the stages outlined below in order to present Elected Members with each of the proposals throughout the process.

The following outlines the consultation processes that have been undertaken in order to provide the opportunity for both the community and Elected Members to contribute to the 2013/14 Annual Budget process:

- 13 February 2013 Budget Forum – Timetable, initial budget assumptions and risks were outlined to Elected Members

- 6 March – Elected Members considered Elected Member Allowances (pre-SAT determination), fees and charges and reserves
-
- 7 March – public advertising for Community Budget Requests and Rates Concessions commenced
- 13 March 2013 Special Council Meeting – Council adopted most of the fees and charges to commence 1 July 2013 with some items required to be brought back for Council consideration
- 27 March 2013 Ordinary Council Meeting – Council laid the remaining fees and charges on the table for want of further information
- 3 April 2013 Special Council Meeting – Council adopted the remaining fees and charges apart from one
- 17 April 2013 Budget Forum – Elected Members considered the rates in the dollar, staffing and asset management
- 24 April 2013 Ordinary Council Meeting – Council adopted for advertising the proposed rates in the dollar
- 24 April 2012 – Council adopted the rates concessions and exemptions for the 2013/14 annual budget.
- 8 May 2013 Special Council Meeting – Council adopted the remaining fee to commence from 1 July 2013
- 8 May 2013 – advertising for proposed rates in the dollar for 4 weeks on 8 May, 15 May, 22 May and 29 May
- 29 May 2013 Budget Forum – Elected Members considered the financial position of the Town
- 3 July 2013 Budget Forum – Elected Members were provided with a budget update and information regarding the SAT determination for Elected Member allowances
- 12 June 2013 - Special Council Meeting – Council adopted modified rates in the dollar
- 25 July 2013 – Budget Meeting with Executive and Managers to discuss 2013/14 budget process
- 23 and 24 June 2013 – Budget Workshop to discuss draft budget in detail.

Statutory Implications

Local Government Act 1995

2.7. The role of the council

(1) The council:

- (a) directs and controls the local government's affairs; and*
- (b) is responsible for the performance of the local government's functions.*

(2) Without limiting subsection (1), the council is to:

- (a) oversee the allocation of the local government's finances and resources; and*
- (b) determine the local government's policies.*

6.11. Reserve accounts

(1) Subject to subsection (5), where a local government wishes to set aside money for use for a purpose in a future financial year, it is to establish and maintain a reserve account for each such purpose.

(2) Subject to subsection (3), before a local government —

- (a) changes* the purpose of a reserve account; or*
- (b) uses* the money in a reserve account for another purpose, it must give one month's local public notice of the proposed change of purpose or proposed use.*

** Absolute majority required.*

(3) A local government is not required to give local public notice under subsection (2) —

- (a) where the change of purpose or of proposed use of money has been disclosed in the annual budget of the local government for that financial year; or*
- (b) in such other circumstances as are prescribed.*

6.2. Local government to prepare annual budget

During the period from 1 June in a financial year to 31 August in the next financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the 30 June next following that 31 August.*

** Absolute majority required.*

(2) In the preparation of the annual budget the local government is to have regard to the contents of the plan for the future of the district made in accordance with section 5.56 and to prepare a detailed estimate for the current year of —

- (a) the expenditure by the local government; and*
- (b) the revenue and income, independent of general rates, of the local government; and*
- (c) the amount required to make up the deficiency, if any, shown by comparing the estimated expenditure with the estimated revenue and income.*

- (3) *For the purposes of subsections (2)(a) and (b) all expenditure, revenue and income of the local government is to be taken into account unless otherwise prescribed.*
- (4) *The annual budget is to incorporate —*
- (a) particulars of the estimated expenditure proposed to be incurred by the local government; and*
 - (b) detailed information relating to the rates and service charges which will apply to land within the district including —*
 - (i) the amount it is estimated will be yielded by the general rate; and*
 - (ii) the rate of interest (if any) to be charged by the local government on unpaid rates and service charges; and*
 - (c) the fees and charges proposed to be imposed by the local government; and*
 - (d) the particulars of borrowings and other financial accommodation proposed to be entered into by the local government; and*
 - (e) details of the amounts to be set aside in, or used from, reserve accounts and of the purpose for which they are to be set aside or used; and*
 - (f) particulars of proposed land transactions and trading undertakings (as those terms are defined in and for the purpose of section 3.59) of the local government; and*
 - (g) such other matters as are prescribed.*
- (5) *Regulations may provide for —*
- (a) the form of the annual budget; and*
 - (b) the contents of the annual budget; and*
 - (c) the information to be contained in or to accompany the annual budget.*

6.33. Differential general rates

- (3) *In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.*

Local Government (Financial Management) Regulations 1996

56. Contents of rate notice — s. 6.41

- (4) *The following information is to accompany or be included in the rate notice —*
- (a) a brief statement of the objects and reasons for —*
 - (i) any differential rates imposed by the local government under section 6.33;*
 - (ii) any differential minimum payments imposed by the local government under section 6.35(6)(c); and*
 - (iii) any service charges imposed by the local government;*
 - (b) if a differential general rate or minimum payment differs from the proposed rate or payment set forth in the local public notice given under section 6.36, reasons for the difference.*

As detailed above, section 6.2 of the *Local Government Act 1995* is specifically relevant along with Divisions 5 and 6 which refer to the setting of budgets and raising of rates and charges. The *Local Government (Financial Management) Regulations 1996* details the form and content of the budget. The draft 2013/14 Budget as presented is considered to meet the statutory requirements.

Policy Implications

The 2013/14 draft Budget document has been developed in accordance with the following Council policies:

- 2/001 Significant Accounting Policies
- 2/002 Budget Strategy
- 2/004 Rating
- 2/013 Rates Exemption Policy (Non Rateable Land)
- 2/014 Rates Concession Policy (Rateable Land)
- 3/004 Conferences – Study Tours
- 4/003 Annual Attendance Fee for Council Members
- 6/003 Community Funding & Donations Policy

Strategic Planning Implications

The Budget has been aligned to the Strategic Community Plan, which provides direction as to how the Council's resources should be allocated in order to achieve the Plan's goals. It has also been aligned to the draft Corporate Business Plan and will be incorporated into the 10 Year Long Term Financial Plan that is being developed as part of the Integrated Strategic Planning and Reporting Framework.

It was recognised that the current Corporate Business Plan where 2013/14 was endorsed in principal, is unaffordable within the timeframes initially proposed. The Town will be reviewing all of the associated documents to ensure they are realigned with the 2013/14 draft Budget, and examining how the programs can be delivered to still achieve the overall Strategic Community Plan's goals, even if it is with an extended timeframe in mind.

Budget Implications

The Annual Budget is the primary means for a local government to manage and allocate its financial resources. The Budget also provides the ability to impose rates, which is the primary means for a Council to raise income to fund the upcoming year's projects. Should Council not adopt the budget at this time, the issuing of rates will be delayed and approval may need to be sought from the Minister for an extension to the adoption of the annual budget, which is required if the timing pushes out to beyond 31 August.

Officer's Comment

While the Town of Port Hedland is currently implementing the Integrated Strategic Planning and Reporting Framework including the 10 Year Financial Plan, the process for developing the 2013/14 budget was significantly different to that undertaken in prior years. With a draft Community Business Plan and Workforce Plan was utilized in the first instance, it became very clear that the anticipated programs and projects could not be delivered within the Council's current resources.

This led to many discussions, both internally and with Elected Members of what would need to be modified in terms of the programs and services that would be delivered to the community in 2013/14.

Compounding this issue was a deficit of approximately \$3.122 million carried forward from the third quarter budget review mainly as a result of interim rate revenue that was not achieved.

The Executive and Management team reviewed every general ledger account within the organisation to determine where efficiencies could be made, programs reduced or revenue targets increased for those areas where there was confidence that the target could be achieved during 2013/14.

In relation to expenditure, at least 117 general ledger accounts were reviewed and reduced with the major items including the plant replacement program (both light and heavy plant), the Port Hedland Footpath Replacement Program, the Civic Centre Refurbishment, and Reseals along with the following smaller programs:

- Reduced public works overheads
- A current ICT position that is vacant, won't be filled and will be reconsidered in 2014/15
- A second ICT position that is vacant is eligible for staff housing. The rental costs for this position were removed for the first three months of 2013/14 reflecting the minimum time required for recruitment and these costs not being required
- Staff housing savings were included based on the expectations that rental prices will be less
- Organisational training savings
- Gratwick Aquatic Centre Needs Assessment will not go forward as it was dependent upon partial grant funding which was unsuccessful
- The cricket net upgrades will not be undertaken as these too were partially dependent upon grant funding which was unsuccessful
- Redbank Road will be delivered through the Reseals program instead of separately
- Stationery and staff uniform budgets were reduced

In relation to revenue, there were not as many lines reviewed, but significant alterations also made.

Some of the key areas included interest anticipated from the Spoilbank Precinct monies that are to be applied to the Municipal fund, interim rates, leasing income, regional road grants, external funding, utilisation of the Community Facilities Reserve and Asset Management Reserve monies. New loans will also be taken out for the JD Hardie roof and security upgrade, floodwater pump refurbishment and the JD Hardie land purchase anticipated.

One of the key areas discussed and incorporated into the budget includes an efficiency dividend of \$1.93 million. A key reason for including this in the budget is to provide a challenge to the organization to improve efficiency and effectiveness and to therefore demonstrate this to the community.

The efficiency dividend is anticipated to be achieved through a myriad of programs including staff vacancy savings whereby each vacant position will be analysed by the management team in order to ensure that the position is required and is paid at the appropriate salary level for the responsibilities that it undertakes. While this may delay the filling of some positions, it is anticipated that this will only assist in achieving the dividend. The condition around this strategy is to ensure that the staff are well supported by management and Elected Members in terms of managing both the pressure of the business as usual functions along with the community expectations, as program delivery may be delayed as result.

Other areas where the efficiency dividend may be achieved include travel savings, additional revenue streams, energy efficiency savings etc. The key with ensuring that it is achieved is to ensure that it is monitored and reported against on a regular basis. This is critical to ensuring that the efficiency dividend is always a consideration in any decision moving forward. While a formal process is yet to be developed, it is anticipated that it would potentially be through a monthly Council report that seeks a resolution from Council to modify the appropriate budget areas for the savings that have been achieved. This will ensure that the risk of still spending to the approved budget until the formal budget review is removed, and will allow for an open and transparent process to take place.

The efficiency dividend, while it certainly makes the budget document look a little unusual, has been incorporated in Schedule 14 as a negative expenditure. This ensures that it is transparent to the organization, Council and the community and allows for regular monitoring to be undertaken by any of these groups.

Through all of these strategies, the deficit that was carried forward from the 2012/13 third quarter budget review has been sourced and the budget remains in balance for 2013/14.

While this has been an extremely difficult process, it has been invaluable, and has certainly provided the catalyst for the organization to focus on internal efficiencies that will result in more effective service delivery.

The Budget Document

The Budget Document represents effectively over 6 months work in bring the total budget together and meets the expectations of both Council and the administration. Due to Financial Management regulation requirements, the Statutory Budget Document is similar to the Annual Financial Statements, having to meet various accounting and statutory reporting requirements. The budget is currently in balance (based on the below recommendations) and any changes will require the document to be amended.

As the 5 year plans require a significant review based on the decisions that were required to balance the budget for 2013/14, there is no management component to the draft budget this year. It is expected that through the schedules, the Council and the community will be able to clearly see where the funds are being sourced and expended. If there is additional information that the Council wishes to see in the management component for 2013/14, then as this is not a statutory requirement, the officer can prepare this after the Council meeting to be attached, which will not require a formal resolution of Council to include.

As Council is aware, the Town of Port Hedland performs quarterly budget reviews, which allows the Budget to be "flexed" as a result of changing situations. Should Council wish to amend the proposed budget, this is easier to be performed through the Budget Review Process, requiring less statutory reporting and/or advertising to occur. Should any proposed change result in a change in rates, all rates notices will require additional disclosure information, which will delay Council in charging and therefore collecting rates. As Council modified the rate in the dollar after advertising, this will require an explanation in the rates brochure, which is currently being drafted.

As Council may be aware, legislation has been modified to ensure that all assets are revalued at fair value over several years. For 2012/13, plant and equipment is required to be reflected at fair value, with buildings and infrastructure required in later years. As the fair values are in the process of being sourced for 2012/13, it is very unclear as to what the overarching impact will be, although it is non-cash and will not be budget impacting. There is reference in the budget document as to the requirements around fair value, and as the impacts are known, they will be brought through the budget reviews if required.

Asset management remains an issue for the Town, with very little expenditure being allocated to the "backlog" of infrastructure maintenance.

It is anticipated that through the strategies that are achieved and developed over the coming months, future budgets will continue to focus on asset management and the improvement of the quality of any deteriorating assets across the town.

Attachments

2013/14 Draft Budget – attached under separate cover

2013/14/031 Council Decision/Officers Recommendation/ En Bloc Resolution No. 1

Moved: Cr Jacob

Seconded: Cr Daccache

That Council adopts en bloc Officer's Recommendations 1 to 19 and 21 to 23 incorporated into Item 6.3.1 'Adoption of the 2013/14 Budget (File No.: .../...)'

CARRIED BY ABSOLUTE MAJORITY 6/1

Officers Recommendation 1

That Council, pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995*, imposes general and differential rates on Gross Rental Values and on Unimproved Values for the financial year 2013/14 as follows:

Rate Category	Cents in the Dollar
General Rates – Gross Rental Values	
GRV Residential	3.4748
GRV Commercial	3.5101
GRV Industrial	3.4748
GRV Shopping Centre	6.9496
GRV Mass Accommodation	9.9212
GRV Ex Gratia	3.4748
Differential Rates – Unimproved Valuations	
UV Mining Improved	39.6198
UV Mining Vacant	39.6197
UV Pastoral	6.4607
UV Other	13.1282
UV Other Vacant	14.9027

and for the purpose of general and differential rating, the following rate zone categories apply:

Residential

Includes all properties within the Town boundaries, classified for residential use in the Town Planning Scheme No 5, Port Hedland.

Commercial

Includes all properties within the Town boundaries, classified for commercial use (excluding properties classified as Shopping Centre) in the Town Planning Scheme No.5 Port Hedland.

Industrial

Includes all properties within the Town boundaries, classified for industrial use in the Town Planning Scheme No.5 Port Hedland.

Shopping Centre

Includes properties located at Lot 4 Throssell Road, South Hedland and Lot 724 Wilson Street, Port Hedland.

Ex Gratia

Includes all Government properties within the Town boundaries leased by Commonwealth third parties.

Mass Accommodation

Includes properties exceeding 80sqm within the district boundaries, approved and predominately utilized for the following activities, as identified in the Town Planning Scheme No.5

- Holiday Accommodation
- Hotel
- Lodge
- Motel
- Transient Workforce Accommodation
- Tourism Development
- Tourism Resort

Mining Improved

Includes all properties that currently operate under a mining lease tenure, and the land is significantly improved.

Mining Vacant

Includes all properties that currently operate under a mining lease tenure, and the land is not significantly improved.

UV Pastoral

Includes all properties that currently operate under a pastoral lease tenure.

UV Other

Includes all properties that do not meet criteria of any other rate zoning category and are significantly improved.

UV Other Vacant

Includes all properties that don't meet the criteria of any other rate zoning category and are not significantly improved.

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 2

That Council, pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995*, impose minimum payments according to the purpose for which the land is zoned or used and whether or not it is improved as follows:

Rate Category	\$
General Rates – Gross Rental Values	
GRV Residential	\$1,165
GRV Commercial	\$1,165
GRV Industrial	\$1,165
GRV Shopping Centre	\$1,165
GRV Mass Accommodation	\$1,165
GRV Ex Gratia	\$1,165
Differential Rates – Unimproved Valuations	
UV Mining Improved	\$1,165
UV Mining Vacant	\$1,165
UV Pastoral	\$1,165
UV Other	\$1,165
UV Other Vacant	\$1,165

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 3

That Council, pursuant to section 6.45 of the *Local Government Act 1995* and in accordance with regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, nominates the following instalment dates for the payment of rates and service charges for the 2013/14 financial year:

23 September 2013	Payment in full or 1 st instalment
2 December 2013	2 nd Instalment
10 February 2014	3 rd Instalment
10 April 2014	4 th Instalment

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 4

That Council in accordance with Section 6.47 of the *Local Government Act 1995*, 100% rating concessions be granted to the following:

- 1 - A106283 19 (Lot 5486) Hamilton Road, South Hedland
- 2 - A115030 2 Thompson Street, Port Hedland
- 3 - A155850 5/22-26 Throssell Road, South Hedland
- 4 - A803051 P48 Wharf Road, Port Hedland
29 Johnson Lane, Port Hedland (Pretty Pool Stables)
- 5 - A130005

- 6 - A113927 22 Beroona Loop, South Hedland
- 7 - A400610 10 Smith Street, South Hedland
- 8 - A152556 6/ 25-35 Egret Cr, South Hedland
- 9 - A156550 10 McKay Street, Port Hedland
- 10 - A106282 1-5 Hamilton Road, South Hedland
- 11 - A802207 34 Lawson Street, South Hedland
- 12 - A406870 69 Stanley Street, South Hedland
- 13 - A802155 Lot 254 Shoata Road, South Hedland
Lot 2529 Great Northern Highway, Port Hedland
- 14 - A130165 Hedland
29 Johnson Lane, Port Hedland (Pretty Pool Stables)
- 16 - A805022 Stables)
- 17 - A130114 2 Leake Street, South Hedland

and that 50% rating concessions be granted on the following:

- 1 - A154780 4 Treloar Close, South Hedland
- 2 - A402430 Lot 2513 Dempster Street, Port Hedland
- 3 - A156260 Loc 118 Madigan Road, Port Hedland

and that 33% rating concessions be granted on the following:

- 1 - A102320 3 Finlay Street, Port Hedland
- 2 - A116509 8 Martin Court, South Hedland
- 3 - A117190 15 Woodman Street, Port Hedland
- 4 - A117310 3 Thetis Place, Port Hedland
- 5 - A119270 17 Woodman Street, Port Hedland
- 6 - A121420 15 Craig Street, Port Hedland
- 7 - A123140 1 Neptune Place, Port Hedland
- 8 - A125790 185 Athol Street, Port Hedland
- 9 - A125800 2 Hall Street, Port Hedland
- 10 - A125800 4 Hall Street, Port Hedland
- 11 - A125820 187 Athol Street, Port Hedland
- 12 - A127350 5 Grant Place, Port Hedland
- 13 - A153246 16B Spoonbill Crescent, South Hedland

The total value of concessions for 2013/14 is estimated to be \$108,290.

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 5

That Council notes that the concessions outlined in Recommendation 4 above do not incorporate those community groups that have been deemed charitable, and have been classified as exempt under section 6.26 of the *Local Government Act 1995*.

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 6

That Council:

- a) In accordance with section 6.51 of the *Local Government Act 1995*, impose interest at 11% per annum calculated on a daily basis on rates and service charges, excluding underground power service charge and sundry debtors, remaining unpaid (excluding eligible pensioners opting to defer the payment of their rates) if no installment option taken.
- b) In accordance with section 6.51 of the *Local Government Act 1995*, impose interest, at a nominal charge equal to the cost of Council in loan funds for the Pilbara Underground Power, charge remaining unpaid (excluding eligible pensioners opting to defer the payment of their rates).

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 7

That Council, in accordance with section 6.54(3) of the *Local Government Act 1995* and Regulation 67 of the *Local Government (Financial Management) Regulations 1996*, impose administration fees as follows (excluding eligible pensioners and underground power service charges):

- a) Payment of rates and service charges by installments - \$13.20 plus interest at 5.5% per annum calculated daily.
- b) Late payment of rates and services charges - \$65.80
- c) Payment of rates and service charges by alternative arrangement or a late payment penalty - \$65.80 per arrangement plus interest at 5.5% per annum calculated daily.

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 8

That Council pursuant to section 67 of the *Waste Avoidance and Resources Recovery Act 2007*, imposes the following charges for the 2013/14 financial year:

- a) An Annual Classic Collection charge of \$265.00 for one (1) service per week, verge collection of waste from a 240 Litre Mobile Garbage Bin; and

- b) An Annual Premium Collection Charge of \$470.00 for one (1) service (i.e. per bin emptied of waste each week) for the collection of waste from a 240 Litre Mobile Garbage Bin, where the bin is manually picked up from the property, emptied and returned; and
- c) A 20% fee reduction applies to the above charges for eligible pensioners under the Pensioners and Seniors Rebate Scheme Rates and Charges (Rebates and Deferments) Act 1992.

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 9

That Council continues to support the previously approved fees and charges applied from 1 July 2013 as contained within the 2013/14 Budget Document.

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 10

That Council, in accordance with section 6.20 of the *Local Government Act 1995*, raises the following loans in 2013/14:

Catamore Court Housing (carry forward)	\$1,095,000
South Hedland Bowling & Tennis Club Self Supporting Loan (carry forward)	\$500,000
Wallwork Road Bridge (carry forward)	\$850,000
Civic Centre Refurbishment	\$5,000,000
JD Hardie Land Purchase	\$150,139
JD Hardie Roof & Security Upgrade	\$280,000
Floodwater Pump Refurbishment	\$300,000

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 11

That Council adopts the following reviewed fees, allowances and reimbursements for the 2013/14 financial year.

Council Meeting Fee – Mayor	\$750
Council Meeting Fee - Deputy Mayor and Councillors	\$600
ToPH Committee Meeting Fee – Mayor, Deputy Mayor and Councillors	\$300
Agenda Briefing Fee – Mayor, Deputy Mayor and Councillors	\$300
ICT Allowance	\$3,400
Mayor Allowance	\$75,000
Deputy Mayor Allowance	\$18,750

Travel Reimbursements	As Per public Service Award 1992
Childcare Reimbursement	Actual cost per hour or \$25 per hour, whichever is the lesser amount

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 12

That Council, in accordance with section 6.11 of the *Local Government Act 1995*, approves the creation of a Percent For Public Art Reserve with the purpose being: "to hold contributions from developers to be utilized for the purpose of providing public art within the locality or area of the subject site."

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 13

That Council, in accordance with section 6.11 of the *Local Government Act 1995*, approves the creation of an Unspent Grants Reserve with the purpose being: "to hold unexpended or prepaid grants and contributions provided for specific purposes."

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 14

That Council, in accordance with section 6.11 of the *Local Government Act 1995*, amalgamates the Waste Collection Reserve and the Waste Management and Recycling Reserve and approves the creation of a Waste Management Reserve with the purpose being: "to fund the development, operation and maintenance of Council's waste management facilities including the landfill and waste collection operations and any associated repayments of borrowings and employee entitlements."

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 15

That Council, in accordance with section 6.11 of the *Local Government Act 1995*, amalgamates the Plant Reserve, Lights Replacement Reserve, Depot Facilities Reserve, South Hedland Library Reserve and the Civil Building/Infrastructure Reserves and approves the transfer of funds to the Asset Management Reserve which was created in 2012/13 and modifies the purpose slightly to add the word "replacement" so that the purpose reads:

“for the ongoing maintenance, refurbishment, replacement and development of Council owned assets within the Town of Port Hedland.”

CARRIED BY EN BLOC RESOLUTION NO.1

Officer’s Recommendation 16

That Council, in accordance with section 6.11 of the *Local Government Act 1995*:

- a) acknowledges that the SES Shed Reserve established for the purpose of holding funds associated with the construction of the SES Shed at the ToPH Airport in fact did not appropriately transfer monies expended in relation to the prior years’ expenditure of this development which would have recognised that the funds were fully expended and the Reserve at that time should have been closed, to the effect that funds are still held within the Reserve account and earning interest; and
- b) approves the transfer of any remaining funds to assist in the funding of emergency management functions for the town, as outlined in the draft 2013/14 Budget.

CARRIED BY EN BLOC RESOLUTION NO.1

Officer’s Recommendation 17

That Council, in accordance with section 6.11 of the *Local Government Act 1995*, modifies the purpose of the Community Facilities Reserve to now read “for the ongoing maintenance, refurbishment, replacement and upgrade of community infrastructure within the Town of Port Hedland.”

CARRIED BY EN BLOC RESOLUTION NO.1

Officer’s Recommendation 18

That Council, in accordance with section 6.11 of the *Local Government Act 1995*:

- a) Recognises that the Newcrest Reserve was established to hold funds particularly associated with the development of Marquee Park, and that the interest earned in that Reserve was not allocated to Marquee Park specifically; and
- b) Approves that any funds now remaining in the Newcrest Reserve be used to assist in the operations of Marquee Park for 2013/14 and that the Reserve subsequently be closed.

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 19

In accordance with regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, and *AASB 1031 Materiality*, that Council adopts the following percentage or dollar value for determining and reporting material variances in 2013/14 as follows:

- a) 10% of the Function amended budget; or
- b) \$100,000 of the Function amended budget

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

- i) Operating Revenue
- ii) Operating Expenditure
- iii) Non-Operating Revenue
- iv) Non-Operating Expenditure

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 21

That Council notes that the Corporate Business Plan for 2013/14 will be reflective of the final Budget adopted by Council.

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 22

That Council notes that as part of the development of the Town's Integrated Strategic Planning and Reporting Framework (a requirement of the Department of Local Government), that the 2013/14 Annual Budget will form the second year when developing the 10 Year Financial Plan, Workforce Plan including Housing and Accommodation Strategy, Asset Management Plan and ICT Strategy.

CARRIED BY EN BLOC RESOLUTION NO.1

Officer's Recommendation 23

That Council supports the ongoing monitoring and reporting against the efficiency dividend, to the extent that budget adjustments may be requested on a monthly basis through Council, rather than through the usual budget review process considered in the first instance by the Audit and Finance Committee, to ensure timeliness of appropriate adjustments and effective ongoing management.

CARRIED BY EN BLOC RESOLUTION NO.1

201314/032 Officers Recommendation 20/ Council Decision

Moved: Cr Carter

Seconded: Cr Jacob

That Council adopts the Statutory Annual Budget for the year ending 30 June, including the Rate Setting Statement requiring \$22,557,573 rates to be raised.

CARRIED BY ABSOLUTE MAJORITY 7/0

ITEM 7 CONFIDENTIAL ITEMS

Nil

ITEM 8 CLOSURE

8.1 Date of Next Meeting

The next Ordinary Meeting of Council will be held on Wednesday 28 August 2013, commencing at 5.30 pm.

8.2 Closure

There being no further business, the Mayor declared the meeting closed at 6:21pm.