

*All rate concessions will be considered by Council during the budget process. Rate concessions will not be proposed to Council outside of the budget process, unless due to extraordinary circumstances and authorized by the Chief Executive Officer."*

### **Strategic Planning Implications Nil**

#### Budget Implications

If Council chooses to award Wirraka Maya Health Service a 100% rates concession, the 2008/09 rates raised will have to be written off, which will directly affect the Council's revenue, reducing it by \$23,639.84 (see below table) and impacting on the Provision for Doubtful Debts, along with those anticipated for 2009/10.

Assessment	Address	2008/2009 Rates	2009/10 Rates
A106282	1-5 Hamilton Road South Hedland	\$19,894.84	\$7,424.00
A113807	3 Daylesford Close South Hedland	\$1,957.67	\$1,897.48
A116100	9 Morgans Street Port Hedland	\$1,787.33	\$1,535.04
	Total write-off	\$ 23,639.84	\$10,856.52

#### Officer's Comment

At present Council does not have a formal Community Rating policy, thus considering awarding Wirraka Maya Health Service a rates concession must be considered on an ad hoc basis as agreed at the informal briefing session held on 10 June 2009.

The Rating Policy 2/004 states that all rate concessions will be considered by Council during the budget process. Although the original letter from Wirraka Maya Health Service was not received until the 17<sup>th</sup> of September 2008, it was dated the 5<sup>th</sup> of June 2008 and an exemption should be also considered for 2008/09.

Wirraka Maya Health Service has requested a rates exemption on all three properties that they own. The actual Medical Centre is at 1-5 Hamilton Road South Hedland. The other two properties of 3 Daylesford Close South Hedland and 9 Morgans Street Port Hedland are residential properties.

Unlike Wangka Maya: Pilbara Aboriginal Language Centre, Wirraka Maya Health Service actually own all three properties to which they are requesting rates exemptions for. If the Wirraka Maya Health Service chose to sell any of their three properties, they would potentially gain a valuable profit in regards to the high property values experienced in the Pilbara region currently.

As mentioned previously, it is understood that Wirraka Maya Health Service is able to provide its services mainly through been funded by a combination of Medicare payments, and direct Federal and State Grants. While the services are directly funded, it does have the potential to generate income, and therefore not meeting the charitable organisation requirements of the current rating policy, similar to the Edgar Medical Centre which does not currently hold a rates exemption.

If Council chooses to make all three properties owned by the Wirraka Maya Health Service Health Service rates exempt it may be interpreted as inequitable to other medical centres and doctor surgeries in the District. If Council decides to support Wirraka Maya Health Service Health Service's request for rates exemption on their residential properties, that may be used for its employees, this may set a precedent for other non-profit organisations to request the same rating immunity in the future, thus costing Council thousands of dollars in potential revenue.

Council should also take into consideration that when comparing the rates levied in 2008/09 and the approximate rates to be levied in 2009/10, the Wirraka Maya Health Service will potentially receive a reduction of greater than 50% in their rates given the recent revaluation of the Gross Rental Values (GRVs) of properties within the Town.

#### Attachments

Attachment 1: Letter dated, 5<sup>th</sup> of June 2008

Attachment 2: Letter dated, 13<sup>th</sup> of October 2008.

#### Officer's Recommendation

That Council:

- i) does not approve a 100% rates exemption on the following three (3) properties owned by Wirraka Maya Health Service Health Services:
  - a) 1-5 Hamilton Road, South Hedland (A106282);
  - b) 3 Daylesford Close, South Hedland (A113807); and
  - c) 9 Morgans Street, Port Hedland (A116100); and
- i) notes that when the Community Rating Policy is established, all properties will be reviewed to ensure compliance.

200809/393 Council Decision

**Moved:** Cr K A Howlett

**Seconded:** Cr J M Gillingham

That Council:

- i) approves a 100% rates exemption on the following three (3) properties owned by Wirraka Maya Health Services:
  - a) **1-5 Hamilton Road, South Hedland (A106282);**
  - b) **3 Daylesford Close, South Hedland (A113807); and**
  - c) **9 Morgans Street, Port Hedland (A116100); and**
- ii) reviews the rates exemption after one year or until a Community Rating policy has been established; and
- iii) waives the rates for the following three (3) properties owned by Wirraka Maya Health Services for 2008/09

Assessment	Address	2008/2009 Rates	2009/10 Rates
A106282	1-5 Hamilton Road South Hedland	\$19,894.84	\$7,424.00
A113807	3 Daylesford Close South Hedland	\$1,957.67	\$1,897.48
A116100	9 Morgans Street Port Hedland	\$1,787.33	\$1,535.04
	Total write-off	\$ 23,639.84	\$10,856.52

*CARRIED BY ABSOLUTE MAJORITY 6/1*

*REASON: Council seeks to provide incentives for the provision of Aboriginal Health Services and support the Federal Government's aim to increase provision of indigenous health services.*

ATTACHMENT 1 TO AGENDA ITEM 11.4.1.5



**Wirraka Maya Health Service**

1-5 Hamilton Road / PO Box 2523 South Hedland 6722

Phone : Clinic (08) 9172 0400 / Administration (08) 9172 0410 / Director (08) 9172 0405

Fax Clinic: (08) 9140 2966 / Administration: (08) 9140 2295

**Wellbeing Centre**

Phone : (08) 9174 0444 / Fax : (08) 9172 3719

RECORD No. 08-02680

OFFICER SPO

17 SEP 2008

FILE No. Various

ACTION DATE \_\_\_\_\_

June 5<sup>th</sup>, 2008

Town of Port Hedland  
P O Box 41,  
Port Hedland WA 6721

Attention: Senior Rates Officer

Application for rates exemption for registered Charity Public Benevolent Institution

Dear Sir/Madam

Our organisation currently owns three properties in Port Hedland/South Hedland listed below, which are used to undertake Public Benevolent duties on behalf of various Federal and State Government departments. In the past the properties have been rated without any general charitable exemption.

Assess No	Name	Lot No.	House No.	Street Name	Street Type	Suburb
A106282	WIRRAKA MAYA HEALTH SERVICES AB. CORP.	500	1-5	HAMILTON	ROAD	STH HEDLAND
A113807	WIRRAKA MAYA HEALTH SERVICES AB. CORP.	3	3	DAYLESFORD	CLOSE	STH HEDLAND
A116100	WIRRAKA MAYA HEALTH SERVICES AB. CORP.	108	9	MORGANS	STREET	PT HEDLAND

08-02680  
08-02681  
08-02682

Our research indicates that our organisation is able to access the general exemption that applies to charitable not for profit organisations, and we intend to apply for this exemption.

We are requesting that you place this request to the TOPH Council at the next meeting for their consideration.

If you have any further queries, please contact our Operations Manager Geraldine Burgess on 91720401.

Yours faithfully

Wendy Clinch  
Chief Executive Officer

ATTACHMENT 2 TO AGENDA ITEM 11.4.1.5



Telephone: (08) 9268 5111  
Facsimile: (08) 9268 5016

Australian Taxation Office

45 Francis St Northbridge WA 6003  
GPO Box 9990 Perth WA 6001

Our Reference: NOR J10/50 Vol 60  
Contact Officer: Andrew Carver Extn: (08) 9268 5259  
Your Reference:

25 February 1999

Wirraka Maya Health Service  
Aboriginal Corporation  
PO Box 373  
PORT HEDLAND WA 6721



Dear Sir

**INCOME TAX: Public Benevolent Institution  
WIRRAKA MAYA HEALTH SERVICE  
ABORIGINAL CORPORATION**

We acknowledge receipt of your letter dated 3 February 1999 advising this office of the change of name of the organisation from Hedland Aboriginal Health and Medical Services to Wirraka Maya Health Service Aboriginal Corporation

Under the provisions of taxation legislation administered by the Commissioner of Taxation, we advise that the Wirraka Maya Health Service Aboriginal Corporation continues to be a Public Benevolent Institution

The following taxation concessions under the provisions administered by the Commissioner of Taxation apply to all public benevolent institutions ("PBI"):

1. Gifts of \$2 and upwards to the Corporation are an allowable deduction under the provisions of item 4.1.1 in section 30-45 of the *Income Tax Assessment Act 1997 (ITAA1997)*. All receipts which are issued to the donors should be printed to clearly display the name of the organisation exactly as Wirraka Maya Health Service Aboriginal Corporation, as it is under this name that the organisation is registered with this office, and always quote the Reference Number: **DGR 473 099**
2. Goods purchased for use and not for sale by the Corporation are exempt from sales tax under Item 140(c) in Schedule 1 to the *Sales Tax (Exemptions & Classifications) Act 1992*
3. The Corporation is exempt from income tax liability under item 4.1.1 in section 50-5 of the *Income Tax Assessment Act 1997* [formerly Sec 23(e) *ITAA1936*] as a charitable institution whose objects are for purposes beneficial to the community.
4. Benefits provided to employees of the Corporation in respect of those persons' employment by the organisation are exempt benefits under section 57A(1) of the *Fringe Benefits Tax Assessment Act*.

Stamp  
white  
D.P. 7

**IMPORTANT: THIS NOTICE SHOULD BE RETAINED FOR FUTURE REFERENCE.**

TAXES - Building a better Australia

If you have any further queries regarding this matter, please contact the officer named above.

Yours faithfully,



(Andrew Carver)

**For Neil Mann**

**DEPUTY COMMISSIONER OF TAXATION**

**Small Business Income**

*NOTE: Council considered Agenda Item 11.4.1.6 'South Hedland Owners & Trainers Association (Inc.) Rates Exemption Request (File No.: A802155), prior to Agenda Item 11.4.1.1 'Automatic Teller Machine at the Port Hedland International Airport (File No.: ...)'.*

**11.4.2 Governance***11.4.2.1 Department for State Development: Port Hedland Dust Taskforce (File No.: ...)*

**Officer** Chris Adams  
Chief Executive Officer

**Date of Report** 23 April 2009

**Disclosure of Interest by Officer** Nil

**Summary**

The Department for State Development (DSD) has formed the Port Hedland Dust Taskforce. This report seeks confirmation of Council's preferred position in relation to the issues being discussed by the Taskforce.

**Background**

The DSD has formed the Dust Taskforce to "*Develop a comprehensive management plan and implementation strategy for ongoing dust and noise reduction and management in Port Hedland by August 2009.*" The taskforce is reviewing previous research, reports and planning documents that have been prepared on this issue (including reports that have yet to be publicly released) and are planning to develop a simple, concise report that clearly articulates the governments preferred strategies to address this issue.

At the time of writing, the Taskforce had met on two occasions and was planning to meet a further three times prior to delivering a report for government consideration. The Town CEO has been involved in the initial two meetings.

**Consultation**

The Town has consulted widely with the community regarding the issue of dust and has previously considered a variety of issues, strategies and reports regarding this matter.

The current DSD Taskforce has sought input from senior government department representatives from relevant departments and senior industry representatives.

**Statutory Implications**

Nil

### Policy Implications

Nil

### Strategic Planning Implications

The Town's Land Use Master Plan (which has been adopted by the WAPC) sets the strategic direction for the management of dust related conflicts between industry and residential areas.

### Budget Implications

As the bulk of these meetings are in Perth, Council incurs travels and accommodation costs to send representatives to the meetings. These costs are within the budget allocation.

### Officer's Comment

Council's position regarding dust management has been discussed at various times over the past 10 years. With the adoption of the Land Use Master Plan by the WAPC in Sept 2008, it was assumed that there was an agreed position on the way forward on this issue – particularly in reference to the land use conflicts that exist between residential and industrial/port uses.

The current taskforce deliberations seem to be focusing on what level of dust in Port Hedland is acceptable, how should the dust levels be effectively monitored and measured and what preventative and planning strategies need to be put in place to effectively manage this issue from a holistic perspective.

Council needs to clearly and succinctly articulate its position in relation to this issue.

### Attachments

Nil

### Officer's Recommendation

That:

- i) Council's position to the current Department for State Development's Port Hedland Dust Taskforce be the following:
  - **Research:** Complete all outstanding studies relating to dust in Port Hedland and release the results publicly.
  - **Testing:** Coordinate an independent, air quality sampling program that regularly measures both the quantity and composition of airborne dust at strategic locations both inside and outside of industrial areas. Develop dust management and mitigation strategies that positively impact on these findings.



- **Future Growth:** Ensure future growth export approvals by the State Government do not increase the level of air borne dust or negatively impact on the air shed within Port Hedland.
  - **Inside the Gate:** Continue to progressively increase dust mitigation and management 'inside the gate' through improvements to systems and infrastructure.
  - **Outside the Gate:** Support the directions and actions from the Town's Land Use Master Plan (LUMP) in relation to the future use and development of residential land in the West End of Port Hedland.
  - **Regulation:** Locate Department of Environment and Conservation regulatory staff in Port Hedland so that regular monitoring and inspection of environmental compliance can be undertaken.
- ii) requests that the Department of State Development allow Cr \_\_\_\_\_ to attend the Port Hedland Dust Management meetings with the Town's Chief Executive Officer, or his nominated representative.

200809/394 Council Decision

**Moved:** Cr K A Howlett

**Seconded:** Cr J E Ford

That:

- i) Council's position to the current Department for State Development's Port Hedland Dust Taskforce be the following:
- **Research:** Complete all outstanding studies relating to dust in Port Hedland and release the results publicly.
  - **Testing:** Coordinate an independent, air quality sampling program that regularly measures both the quantity and composition of airborne dust at strategic locations both inside and outside of industrial areas. Develop dust management and mitigation strategies that positively impact on these findings.
  - **Future Growth:** Ensure future growth export approvals by the State Government do not increase the level of air borne dust or negatively impact on the air shed within Port Hedland.
  - **Inside the Gate:** Continue to progressively increase dust mitigation and management 'inside the gate' through improvements to systems and infrastructure.
  - **Outside the Gate:** Support the directions and actions from the Town's Land Use Master Plan (LUMP) in relation to the future use and development of residential land in the West End of Port Hedland.
  - **Regulation:** Locate Department of Environment and Conservation regulatory staff in Port Hedland so that regular monitoring and inspection of environmental compliance can be undertaken.

- ii) requests that the Department of State Development allow Councillors Grant Bussell and Jan Ford and George Daccache to attend the Port Hedland Dust Management meetings with the Town's Chief Executive Officer, or his nominated representative.

*CARRIED 7/0*

### 11.4.2.2 *Appointment of Returning Officer and Adoption of Electoral Code of Conduct (File No.: ...)*

<b>Officer</b>	Chris Adams Chief Executive Officer
<b>Date of Report</b>	15 June 2009
<b>Disclosure of Interest by Officer</b>	Nil

#### **Summary**

For Council to consider the following administrative matters with regards to the 17 October 2009 Local Government Election:

1. Appointment of Returning Officer;
2. Decision on whether to hold a Postal Election;

#### **Background**

Council elections occur every two (2) years on the third Saturday in October. This year, as per previous Council decisions, Council will be holding effectively two (2) elections, being the Mayoral election (public election for first time) and election for the remaining vacant Council positions (5 seats).

#### *Returning Officer*

Previously, the Chief Executive Officer has automatically been appointed as the Returning Officer, as per Section 4.20. The role of the Returning Officer is to manage and conduct the election process, specifically:

- to appoint places for the casting of votes, places for the delivery of postal votes and places for the counting of votes for elections (within or outside the district);
- to appoint other electoral officers to assist in the conduct of elections;
- to ensure that the necessary preparations are made for the conduct of elections;
- to do anything which the returning officer is authorised or required to do under this Act or which is necessary or expedient in order to ensure that elections are conducted in accordance with this Act; and
- in the case of a returning officer appointed under section 4.20(4), to do other things if directed to do so by the Electoral Commissioner.

Though the Chief Executive Officer has been the Returning Officer in previous elections, much of the day to day running of the election has been managed by the Deputy Returning Officer, traditionally Council's Director Corporate Services.

As much of the preparation of the election occurs between 56 to 80 days before the election, and given the Chief Executive Officer's extended leave during this time, it suggested Council's Director, Corporate Services be appointed Returning Officer for this year's election only. This would provide the Director with authority to prepare for the election, issue the various

notices required and provide both Council and potential candidates one person to deal with throughout the entire election process. To appoint Director Corporate Services, Council will also need the Electoral Commissioners approval. (4.20(2)).

### *Postal Election*

In previous elections, Council has chosen not to hold a purely postal election. Results from other Councils have shown postal elections do generate greater elector turnout, however at much higher cost, usually at least \$30,000. In a postal election, all electors are mailed a ballot, however the system is dependent on the electors mailing back their completed ballot papers, prior to the election day. The cost for individual candidates also increases, as rather than attending polling stations on the Election Day, candidates have to also mail out how to vote cards. When postal elections are held, the process is handed over to the Electoral Commission, rather than managed by the local government.

Local Government experience with the Electoral Commission is inconsistent, resulting in several well published disputes with the Electoral Commission over cost, process and outcomes.

### **Consultation**

The Director, Corporate Services has indicated a willingness to be the Town's Returning Officer for the 2009 Election.

### **Statutory Implications**

Local Government Act 1995 states (in part)

*"4.20.CEO to be returning officer unless other arrangements are made*

- (1) Subject to this section the CEO is the returning officer of a local government for each election.*
- (2) A local government may, having first obtained the written agreement of the person concerned and the written approval of the Electoral Commissioner, appoint\* a person other than the CEO to be the returning officer of the local government for —*
  - (a) an election; or*
  - (b) all elections held while the appointment of the person subsists.*

*\* Absolute majority required.*
- (3) An appointment under subsection (2) —*
  - (a) is to specify the term of the person's appointment; and*
  - (b) has no effect if it is made after the 80th day before an election day.*
- (4) A local government may, having first obtained the written agreement of the Electoral Commissioner, declare\* the Electoral Commissioner to be responsible for the conduct of an election, or all elections conducted within a particular period of time, and, if such a declaration is made, the Electoral Commissioner is to appoint a person to be the returning officer of the local government for the election or elections.*

*\* Absolute majority required.*

- (5) *A declaration under subsection (4) has no effect if it is made after the 80th day before election day unless a declaration has already been made in respect of an election for the local government and the declaration is in respect of an additional election for the same local government.*
- (6) *A declaration made under subsection (4) on or before the 80th day before election day cannot be rescinded after that 80th day.”*

*“4.61. Choice of methods of conducting the election*

- (1) *The election can be conducted as a —  
“postal election” which is an election at which the method of casting votes is by posting or delivering them to an electoral officer on or before election day; or  
“voting in person election” which is an election at which the principal method of casting votes is by voting in person on election day but at which votes can also be cast in person before election day, or posted or delivered, in accordance with regulations.*
- (2) *The local government may decide\* to conduct the election as a postal election.  
\* Absolute majority required.*
- (3) *A decision under subsection (2) has no effect if it is made after the 80th day before election day unless a declaration has already been made in respect of an election for the local government and the declaration is in respect of an additional election for the same local government.*
- (4) *A decision under subsection (2) has no effect unless it is made after a declaration is made under section 4.20(4) that the Electoral Commissioner is to be responsible for the conduct of the election or in conjunction with such a declaration.*
- (5) *A decision made under subsection (2) on or before the 80th day before election day cannot be rescinded after that 80th day.*
- (6) *For the purposes of this Act, the poll for an election is to be regarded as having been held on election day even though the election is conducted as a postal election.*
- (7) *Unless a resolution under subsection (2) has effect, the election is to be conducted as a voting in person election.”*

**Policy Implications** Nil

**Strategic Planning Implications** Nil

**Budget Implications**

In the Draft 2009/10 Budget, Council has budgeted \$15,000. In 2007, the cost of the “in house managed” voting in person election was \$8,300.40.

## Officer's Comment

*Returning Officer*

As previously stated, the Chief Executive Officer is automatically the Returning Officer, unless Council resolves otherwise. Given that the Director, Corporate Services, will in fact be Acting Chief Executive Officer, during the months of July and August, he would be managing much of the election preparation, including organising the electoral roll and advertising nominations.

Mr Scott has acted as Deputy Returning Officer in three Local Government Elections (Town of Port Hedland and Shire of Wyndham East Kimberley) and is eager to manage an entire election process. By making the Director the Returning Officer, the Chief Executive Officer (upon his return from leave) will be able to focus on other, more demanding projects, such as the \$20 million royalties for region project. The Chief Executive Officer will still be able to provide advice to the Director throughout the election process.

*Postal Election*

Council, in previous elections, has shown an unwillingness to have a postal election. The most recent postal election in the region was the Shire of Roebourne in 2007, which cost approximately \$30,000, however voter turnout was 25.85%, compared to the Town of Port Hedland, which cost \$8,300 and generated a voter turnout of 17.27%.

Council in considering its options with regards to election method needs to consider the additional cost of a postal election against the increase in voter turnout. Council should also note that those electors wishing to cast a postal vote can still do so in a "in person" election.

Also an "in person" voting method make the election day almost a like an all day event, with councilors, candidates and electors, being involved from the opening and closing of polling places, the vote counting process and ultimately the election outcome. A Postal election removes much of the community involvement and feel during the actual Election Day.

**Attachment**

Nil

200809/395 Council Decision/Officer's Recommendation

**Moved:** Cr K A Howlett**Seconded:** Cr G D Bussell

That Council:

- i) subject to written approval by the Electoral Commissioner (S4.20(2)), appoints Director Corporate Services, Mr Matthew Scott, as the Town of Port Hedland Returning Officer for the 17 October 2009 Local Government Election; and

- ii) resolves to hold a “voting in person” election for the Town of Port Hedland Local Government Election to be held on the Saturday 17 October 2009.

*CARRIED BY ABSOLUTE MAJORITY 7/0*

**ITEM 12 LATE ITEMS AS PERMITTED BY CHAIRPERSON/COUNCIL***12.1.1 Review of Policy 2/010 Council Investments (File No.: - )*

**Officer** Natalie Octoman  
Manager Financial Services

**Date of Report** 19 June 2009

**Disclosure of Interest by Officer** Nil

**Summary**

For Council to endorse an amendment to the current Investment Policy 2/010, for an additional Director to be included in those allowed to authorise investments, along with a reduction in the number of staff required to co-authorise investments, from three to two.

**Background**

The current investment policy requires that all investments have co-authorisation of three staff members, being the Chief Executive Officer, Director Corporate Services and the Manager Financial Services, along with the Mayor where the investment exceeds \$1 million.

The current process for investments is for rates to be sought from appropriate institutions, an investment strategy to be developed based on the rates provided and cashflow required in the upcoming months, paperwork to be completed that authorises the Town to make the investment, along with the physical transfer of funds between accounts.

The timing of the process is extremely tight. It will commence in the morning of the day that funds are available for investing and is required to be completed prior to 3pm on the same day in order for the funds to be transferred to the selected institutions and the rate locked in.

The authorisation process can be difficult to complete within these timelines due to either staff absences, or the availability of authorising staff members.

**Consultation**

The Town's Chief Executive Officer and Acting Chief Executive Officer have been consulted in relation to the proposed modifications.



## Statutory Implications

The *Local Government Act 1995* states (in part):

*“6.14. Power to invest*

- (1) Subject to the regulations, money held in the municipal fund or the trust fund of a local government that is not, for the time being, required by the local government for any other purpose may be invested in accordance with Part III of the [Trustees Act 1962](#) .*
- (2) Regulations in relation to investments by local governments may —*
  - (a) provide for the manner in which an approval under subsection (1)(b) may be sought;*
  - (b) prescribe classes of investment which may be made without the need to comply with subsection (1)(b);*
  - (c) prescribe circumstances in which a local government is required to invest money held by it;*
  - (d) provide for the application of investment earnings; and*
  - (e) generally provide for the management of those investments.”*

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

*“19. Management of investments*

- (1) A local government is to establish and document internal control procedures to be followed by employees to ensure control over investments.*
- (2) The control procedures are to enable the identification of —*
  - (a) the nature and location of all investments; and*
  - (b) the transactions related to each investment.”*

## Policy Implications

Council’s existing Policy 2/010 ‘Council Investments’ states as follows:

*“2/010 Council Investments*

### *Objectives*

*This policy is to be used to provide direction to staff in investing Council surplus cash funds in order to maximize return to council, without increasing risk. The minimum requirements of this policy are:*

- 100% preservation of capital;*
- Liquidity of Investment to meet Council’s Cash flow requirements;*
- A rate of return comparable to predetermined market based measurement criteria.*

### *Legislative requirements*

*This policy will be interrupted, implemented and comply with the following:*

- Local Government Act 1995, Section 6.14*
- The Trustee Act 1962, Part III Investment*
- Local Government (Financial Management) Regulations 1996*

- *Australian Accounting Standards*

*Prudent Person Standard*

*All investments will be managed with the care, diligence and skill that a prudent person would exercise. Officers are to manage the investment portfolio's to safeguard the portfolios in accordance with the spirit of the investment policy, and not for speculative purposes.*

*Prohibited Investments*

*This investment policy prohibits any investments carried out for speculative purposes including:*

- *Derivative based instruments; and*
- *Principal only investments or securities that provide potentially nil or negative cash flow; and*
- *Stand-alone securities issued that have underlying futures, options, forwards contracts and swaps of any kind.*

*It is recognised that there will be circumstances where Council may decide to invest surplus funds outside the parameters of this policy. This is permitted, if resolved by Council, and the investment is deemed to be in the interest of the local community and a business case been reviewed and approved by the Audit and Finance Committee.*

*Investment Funds*

*Council cash funds have been catergorised into the following:*

*Short Term*

*Short Term Funds are funds required for the immediate daily requirements of Council. Maximum value of this fund will be \$1,000,000, unless the daily needs require differently. Of this a maximum of \$50,000 plus the total outstanding cheques/payments and/or payroll requirements to be kept in the Municipal Cheque Account. Balance of funds to be maintained in the Business/Cash maximization Account.*

*Medium Term*

*The Maximum value of the is fund will be difference between the total Short Term Funds (see above) and the total funds required in the current financial years as prescribed in Council's Adopted Budget.*

*Long Term*

*Long Term Funds are Council surplus funds, except for short Term and Medium Term funds, which are unlikely to be needed in the current financial year. This fund contains cash funds not required in the current financial year as prescribe in Council's Adopted Budget.*

*Investment of these funds will be made on the advice received by Investment Advisors (Advisor), licensed by the Australian Securities and Investment Commission, appointed by Council, on the recommendation of the Audit and Finance Committee. No more than 70% of Long Terms funds can be invested on the advice of a single Advisor. All advisors must be an independent person who has no actual or potential conflict of interest in relation to any investment products recommended to Council; and is free to choose the most appropriate product within the terms of this policy.*

<i>Approved Investments</i>	<i>Short Term</i>	<i>Medium Term</i>	<i>Long Term</i>
<i>State/Commonwealth Government Bonds</i>	Yes	Yes	Yes
<i>Interest Bearing Deposits</i>	Yes	Yes	Yes
<i>Bank Accepted/Endorsed Banks Bills</i>	No	Yes	Yes
<i>Commercial Paper</i>	No	Yes	Yes
<i>Bank negotiated Certificate of Deposits</i>	No	Yes	Yes
<i>Managed Funds</i>	No	No	Yes

#### *Risk Management Guidelines*

*All investments obtained must comply with three key criteria relating to:*

- Limit overall credit exposure of the portfolio (Portfolio Credit Framework)*
- Limit exposure to individual counterparties/institutions (Counterparty Credit Framework)*
- Limits based upon maturity of securities (term to Maturity Framework)*

#### *Portfolio Credit Framework*

*All Council investments will have a minimum Standards and Poors (S&P) rating of AA (long term), A-1 (short term) or AAF (managed fund) depending on the nature of the investment.*

#### *Counterparty Credit Framework*

*No individual counterparty/institution will have more than 70% of Council total investment at any one time.*

#### *Term to Maturity Framework*

*All Short Term and Medium Term Funds must mature or be capable of maturing within 12 months of the initial investment*

*All Long Term Funds are to be invested for a minimum of 12 months and mature within 3 years of the initial investment.*

*Authority to Invest*

*All investments require the co-authorisation of the following staff:*

- *Chief Executive Officer*
- *Director, Corporate Services*
- *Manager Financial Services*

*All investments of \$1,000,000 or above also requires Mayoral approval.*

*Reporting/Measurement*

*Council will receive a summarised report on the monthly movement of all Investments, including performance, % exposure of total portfolio, maturity date and changes in market value for each individual investment. A detailed report of Council's Investments will be provided to the Audit and Finance Committee for review every 6 months.*

*Performance benchmarks will be based on the following table:*

<i>Investment Product</i>	<i>Performance Benchmark</i>
<i>Cash</i>	<i>Cash Rate</i>
<i>Enhanced/Direct Investments</i>	<i>UBSWA Bank Bill</i>
<i>Diversified Funds (managed funds)</i>	<i>CPI + 2%</i>

It is recommended the following amendment be made to Council's existing Policy 2/010 'Council Investments':

*"Authority to Invest*

*All investments require the co-authorisation of at least two of the following staff:*

- *Chief Executive Officer*
- *Director, Corporate Services*
- *Director, Community & Regulatory Services*
- *Manager, Financial Services*

*All investments of \$1,000,000 or above also require Mayoral approval.*

*Note that this does not incorporate the redemption of funds at maturity."*

Strategic Planning Implications Nil

Budget Implications Nil

*Officer's Comment*

The current investment policy requires three staff members to authorise any investment, with the Mayor also required to authorise those in excess of \$1 million.

After authorisation has been provided, the physical transfer of funds between institutions requires two staff members with password authorisation for NAB (National Australia Bank) Online to affect the transfer.

It is customary in many organisations to have two staff members authorise transactions to ensure there is a separation of duties to prevent fraudulent activities that will satisfy audit requirements.

The current investment policy requires three staff members to sign the paperwork associated with the investment, along with a fourth person being the Mayor if the investment exceeds \$1 million, while only two staff members are required to affect the transfer of funds with password authorisation.

Given the extremely tight timelines associated with the process, it is often difficult to affect the transactions on the same day, therefore requiring negotiations with the institutions to hold the quoted investment rate until the physical transaction can occur. Some institutions cannot hold the quoted rate, therefore resulting in a potential reduction in the interest income received, or commencing the process again to ensure the best rate of return for ratepayers.

It is therefore recommended that the authorisation requirements of the current investment policy be expanded to include an additional Director, and to have at least two staff, rather than the current requirement of three staff members authorise any investment in order to assist in this process, with the Mayor still required to authorise those investments in excess of \$1 million.

This will reduce the potential for breaches of the investment process where staff are on leave or unavailable, and expedite the process to ensure that investments can occur in the appropriate timeframe and not become an administrative burden.

Attachments

Nil.

200809/396 Council Decision Officer's Recommendation

**Moved:** Cr G D Bussell

**Seconded:** Cr G J Daccache

That Council amends Policy 2/010 'Council Investments' to read as follows:

“Authority to Invest

All investments require the co-authorisation of at least two of the following staff:

- Chief Executive Officer
- Director, Corporate Services
- Director, Community & Regulatory Services
- Manager, Financial Services

All investments of \$1,000,000 or above also require Mayoral approval. Note that this does not incorporate the redemption of funds at maturity.”

*CARRIED 7/0*

*12.1.2 Audit and Finance Committee – 3<sup>rd</sup> Quarterly Budget Review  
(File No.: ...)*

**Officer** Natalie Octoman  
Manager Financial Services

**Date of Report** 19 June 2009

**Disclosure of Interest by Officer** Nil

Summary

For Council to review the results of the third quarter budget review for the 2008-09 financial year.

Background

In every organisation there are many factors, both internal and external that can have an effect on program expenditure anticipated throughout the year, after the original budget is adopted. Part of ensuring that an organisation has effective financial management practices in place is for regular budget reviews to occur, and reports to be provided to Council on any modifications that may be required.

While management are required to monitor their particular programs frequently in order to ensure their departmental targets are being achieved, it is also important that senior management regularly review the income and expenditure in order to assess the achievement of the overall financial targets of Council.

The third budget review has been conducted with the financial data being used as at the end of March 2009. Funds required to be carried into the 2009-10 financial year have also been identified.

The table overleaf is a summary of the overall budget adjustments recommended to the Audit and Finance Committee thus far:

	Original Budget	Revised Budget	Adjustments	Council Approvals	Accounting Adjustments	Carryover into 2009-10	Proposed Budget
Operating Expenditure	25,839,163	26,708,313	(445,241)	60,000	(64,560)	(1,328,200)	24,930,312
Operating Revenue	(41,426,070)	(42,783,909)	(1,383,272)	(27,945)	(674,000)	3,161,550	(41,707,576)
Non-Operating Expenditure	48,970,482	51,576,604	(1,081,608)	79,945	1,260,000	(17,694,882)	34,140,059
Non-Operating Revenue	(25,280,490)	(26,476,411)	2,160,681	-	(521,440)	13,782,467	(11,054,703)
Net (Surplus) / Deficit	8,103,085	9,024,597	(749,440)	112,000	-	(2,079,065)	6,308,092
Add Back Non Cash Items	(4,484,595)	(4,500,815)	32,440	-	-	-	(4,468,375)
Surplus Carried Forward from 2007-08	(3,618,490)	(4,726,516)	-	-	-	-	(4,726,516)
Funds to be Carried Forward to 2009-10	-	-	-	-	-	-	2,079,065
(Surplus) / Deficit	-	(202,734)	(506,000)	112,000	-	(2,079,065)	(807,734)



Subsequent to the Audit and Finance Committee meeting, a further review was conducted that would take into account new information acquired since March, such as whether projects had commenced or whether there had been delays. Incorporating these adjustments, the above table would reflect the following:

	Original Budget	Revised Budget	Adjustments	Council Approvals	Accounting Adjustments	Carryover into 2009-10	Proposed Budget
Operating Expenditure	25,839,163	24,930,312	(91,785)	-	(80,000)	378,000	25,136,527
Operating Revenue	(41,426,070)	(41,707,576)	(795,746)	-	-	585,000	(41,918,322)
Non-Operating Expenditure	48,970,482	34,140,059	(58,171)	-	80,000	(1,770,112)	32,391,776
Non-Operating Revenue	(25,280,490)	(11,054,703)	(1,931)	-	-	3,000	(11,053,634)
Net (Surplus) / Deficit	8,103,085	6,308,092	(947,633)	-	-	(804,112)	4,556,347
Add Back Non Cash Items	(4,484,595)	(4,468,375)	-	-	-	-	(4,468,375)
Surplus Carried Forward from 2007-08	(3,618,490)	(4,726,516)	-	-	-	-	(4,726,516)
Funds to be Carried Forward to 2009-10	-	2,079,065	-	-	-	-	2,883,177
(Surplus) / Deficit	-	(807,734)	(947,633)	-	-	(804,112)	(1,755,367)

## Consultation

The Budget review was prepared by the Executive team, after meeting with each manager, where all revenue and expenditure accounts within that manager's responsibility was reviewed in detail.

### Statutory Implications

Local Government Act 1995 states (in part):

- “6.8. Expenditure from municipal fund not included in annual budget*
- (1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure -*
- (a) is incurred in a financial year before the adoption of the annual budget by the local government;*
  - (b) is authorised in advance by resolution\*; or*
  - (c) is authorised in advance by the mayor or president in an emergency.*
- \* Absolute majority required.*
- (1a) In subsection (1) -*  
*-additional purpose~ means a purpose for which no expenditure estimate is included in the local government's annual budget.*
- (2) Where expenditure has been incurred by a local government -*
- (a) pursuant to subsection (1)(a), it is to be included in the annual budget for that financial year; and*
  - (b) pursuant to subsection (1)(c), it is to be reported to the next ordinary meeting of the council.*

## Strategic Planning Implications Nil

### Budget Implications

The proposed amendments will create a net carryover requirement of \$2,883,177 with a budgeted cash surplus of \$1,755,367.

### Officer's Comment

The Annual Budget is developed based on number of assumptions that can and regularly change during the course of the financial year. To account for these fluctuations, the budget requires to be amended on a regular basis. The Council has developed a quarterly review process to monitor actual and potential variations, resulting in budget adjustments listed for the committee to review. This also creates an opportunity for Council to redirect funds to areas of greatest need or to utilise savings generated during the year for the benefit of ratepayers and residents.

There have been two budget reviews previously this financial year, with the March review being the final process. All carryover funds from 2007-08 were finalised and incorporated into the December budget review figures with the focus now being on forecasting the year-end position and the carryover of forecast unexpended funds into 2009-10 to ensure funds are available for the completion of projects.

From the above table, that there are significant funds to be carried forward this year particularly within non-operating expenditure of \$19,464,994 million, along with operating expenditure of \$950,200. The significant carryover items (in excess of \$300,000) are as follows:

Project	Amount \$
Marquee Park Development	3,750,000
Morgan Street Development	2,500,000
Facility Upgrade	2,050,000
Colin Matheson Clubrooms	1,731,730
Airport Housing Development	1,470,000
Reserve Developments	895,137
Turtle Boardwalk	727,500
Cycleway Development	521,660
Hedditch Street	500,000
Street Lighting Upgrades	458,000
Boulevard Tree Planting	444,000
Loan for the Yacht Club	350,000
Electrical Upgrades for the Airport	343,000
Community Safety – CCTV	300,000

Of the \$20.415 million carryover requested, \$13.785 million is funded from either reserves or new loans; \$3.747 million from other external sources such as grants from South Hedland New Living, with the remaining \$2.883 million from Council funds already committed to these projects.

All proposed budget amendments have been listed in the attached schedules separating the adjustments into carry forwards, Council approvals and accounting adjustments to reduce possible confusion with other amendments. Significant amendments, excluding carry forwards or reserve transfers include:

*Expenditure*

Grant- PAC	\$600,000	No longer receiving funds for the Facility Upgrade from the Federal Government.
Interest on Investments Reserve	\$365,000	Additional \$156k from investments expected for remainder of year. Interest rates have halved. Used to be in the 7% range, but now only about 3 or 4%. BHP contribution was incorporated in previous estimates with additional 3 months revenue anticipated also.
Less Alloc To Wks & Services	\$299,420	Adjustment to works allocation based on recommended amendments to the overheads budget.
Interest on Investments Muni	\$114,000	Additional \$18k expected in actuals for remainder of year.
General Tipping Fees	\$100,000	Budget adjustment required based on actual revenue received to date.
Leases And Rentals	\$100,000	Reduced rental expected.
PAPI upgrade	\$88,000	\$31k need to be add for RADS funding. Require additional \$57k.
Salaries	\$86,000	Now four staff at HACC.
Landfill Site Wages	\$84,600	Budget allocation too low for the 5 staff.
Reimb - Sh Schools Oval Mowing	\$70,000	Revenue is only meant to be cost recovery therefore reduction required.
Youth Events Income	\$69,182	Reduction in income to fund community events. Note that the expenditure within 811280 has also been partially reduced.
Less Allocations To Works	\$68,909	Adjust allocation for above amendments.
Building Terminal	\$66,000	Revised allocation based on actual expenditure.
Rates Interim Levies	\$60,000	Additional \$10k in actuals to April. Propose to reduce to original budget amount.

*Revenue*

Contribution - BHP	-\$2,500,000	Prepayment from BHP relating to next year.
Facility Upgrade	-\$579,955	Reduction in budget of \$600k as Federal Government no longer funding, \$2.05m carryover in funds incorporating \$800k loan (1104399), \$950k BHP contribution (1104398) and \$300k SHNL contribution (1104397), slightly offset by \$20,045 adjustment to correct the overall budget allocation.
Apron Lighting upgrades	-\$297,000	Invoices for RADS funding. Savings on Northern GA Apron project will be offset with overspend on other RADS funding projects.
Salaries	-\$207,000	Reduced salaries anticipated based on actuals to date.
Landing Charges	-\$190,000	Based on current landing fees
Extension of Main Runway	-\$150,000	RESA project funded by RADS. Underspend is being used on other projects that will be in excess of budget as agreed with RADS.
Unsealed Road Maintenance	-\$122,000	General grading costs reduced.
Grant - Hacc	-\$120,017	Overall adjustment required based on revenue and expenditure to date.
Native Plant Nursery	-\$100,000	Transfer funds from operating account 1111282. Savings in set-up identified.

Slashing	-\$95,000	Reduction in costs anticipated although work is being undertaken daily.
Skate Park Upgrade South Hedland	-\$83,150	Reduction in costs anticipated.
Hazardous Waste-Asbestos	-\$80,000	Budget adjustment required based on actual revenue received to date.
Drainage Construction	-\$75,000	Now completed Bell, Sutherland and Cooke Point Drive and not original schedule.
Tip Infrastructure	-\$75,000	Recycling shed tender rejected at January OCM therefore project delayed and requires carryover. \$75k savings for septage ponds.
Plant & Equipment	-\$74,000	Revised budget based on actuals to date.
Excavator	-\$70,000	Costs are down as it's not being used.
Hedditch street	-\$70,000	Final adjustment required.
Street Cleaning	-\$65,000	Reduced costs.
Annual Leave	-\$64,000	Reduced costs anticipated based on actuals to date.
Commercial Leases	-\$61,526	Final adjustment to reflect appropriate revenue to be received from TWA (Compass Group), and FMG for leases at the airport along with Cooke Point Caravan Park.
Terminal Extensions	-\$60,500	Revised budget based on actuals to date.
Building Upgrades	-\$60,000	Revised budget based on actuals to date and transfer to appropriate accounts.

While there is currently a surplus indicated as part of the March budget review, and significant projects have been reviewed in May, there are final accounting adjustments that occur in June for accruals. As Council resources are currently being utilized to ensure the completion of current projects, it is not recommended that the current surplus be allocated to any new priority projects for this financial year, but that they are used to fund priority projects for 2009-10.

Some of the adjustments that have been identified, such as the bringing forward of one quarter of the grants commission funding, will increase the surplus this year, but reduce the surplus for next financial year. As mentioned at the last budget workshop, final budget adjustments still need to occur, with a final position being brought back to Council during July.

### Attachments

1. Minutes of the Audit and Finance Committee meeting dated 10 June 2009.
2. Attachment 1 to the Minutes – Summary of March Budget Review
3. Attachment 2 to the Minutes – Details of the March Budget Review
4. Summary of adjustments to March Budget Review
5. Details of adjustments to March Budget Review

200809/397 Council Decision/Officer's Recommendation

**Moved:** Cr G D Bussell

**Seconded:** Cr G J Daccache

That Council:

- i) approves the total budget adjustments recommended resulting in a net carryover of \$2,883,177 and a surplus for 2008/09 of \$1,755,367;
- ii) notes that there are final adjustments occurring with the 2009/10 draft Budget and that any surplus funds identified be allocated to priority projects identified by Council during July; and
- iii) notes the discussion with the Town of Port Hedland Auditor, Mr Greg Godwin.

*CARRIED 7/0*

*12.1.3 Carpark Lease/Licence for Port Haven Lease – Transient Workforce Accommodation (File No.: ...)*

**Officer** Matthew Scott  
Acting Chief Executive  
Officer

**Date of Report** 21 June 2009

**Disclosure of Interest by Officer** Nil

**Summary**

For Council to consider providing the Compass Group a licence and/or lease for a car park and temporary lay down area adjacent to the Port Haven lease area.

**Background**

Earlier this year, Council executed the Lease for a 1,200 bed Transient workers accommodation camp at the Port Hedland International Airport, with Compass Group; called 'Port Haven'. Subsequently Council also issued Planning Approval, effectively permitting the Compass Group to commence development of the site.

One of the conditions of the Planning Approval was:

*"...4. Prior to the submission of a Building Licence application the applicant shall:*

- a. enter into a lease agreement and finalise such agreement prior to the occupation of stage 1, to secure the area indicated on the endorsed plans required for the heavy vehicle, boat trailer and over flow car parking bays. ..."*

The proposed car park is clearly identified on the attached diagram and covers an area of approximately 8,000m<sup>2</sup>.

Compass Group has also identified that the proposed car park area would initially be required as a temporary lay down area for construction materials and temporary facilities, during construction of Stage 1.

Given that the Compass Group must adhere to the Planning Approval, as a condition of the 'Port Haven' lease, they are eager to have this issue resolved and access the land in question. Construction is expected to commence on or around the 7 July 2009.



## Consultation

The Town's Manager Planning Services and Director Regulatory and Community Services are satisfied that the Officer's Recommendation will satisfy the requirements of the Planning Approval.

Compass Groups have indicated that they would be agreeable to the proposed recommendation.

## Statutory Implications

Local Government Act 1995 (in part) states:

*“3.58. Disposing of property*

- (1) In this section —  
“dispose” includes to sell, lease, or otherwise dispose of, whether absolutely or not;  
“property” includes the whole or any part of the interest of a local government in property, but does not include money.*
- (2) Except as stated in this section, a local government can only dispose of property to —  
(a) the highest bidder at public auction; or  
(b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.*
- (3) A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property —  
(a) it gives local public notice of the proposed disposition —  
(i) describing the property concerned;  
(ii) giving details of the proposed disposition; and  
(iii) inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given;  
and  
(b) it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.*
- (4) The details of a proposed disposition that are required by subsection (3)(a)(ii) include —  
(a) the names of all other parties concerned;  
(b) the consideration to be received by the local government for the disposition; and  
(c) the market value of the disposition as ascertained by a valuation carried out not more than 6 months before the proposed disposition.*
- (5) This section does not apply to —  
(a) a disposition of land under section 29 or 29B of the Public Works Act 1902;  
(b) a disposition of property in the course of carrying on a trading undertaking as defined in section 3.59;*

- (c) *anything that the local government provides to a particular person, for a fee or otherwise, in the performance of a function that it has under any written law; or*
- (d) *any other disposition that is excluded by regulations from the application of this section.”*

**Policy Implications** Nil

**Strategic Planning Implications** Nil

### **Budget Implications**

If Council resolves to grant a license or lease, the proposed area will need to be valued to determine a market valuation. Previously, Port Hedland International Airport land has been valued at \$6.30 per m<sup>2</sup>, which would equate to approximately \$50,000 for the area in question. This would be additional income for Council, which has not been budgeted.

### **Officer's Comment**

Council has two (2) options it may consider to provide Compass Group access to the land for the purpose of heavy vehicle, boat trailer and over flow car parking, being:

- 1) a lease for the car park area; or
- 2) a license for the car park area.

A lease effectively provides a lessee exclusive access to the lessors property. Normally a lease fee is payable, a lease term set and other terms and conditions agreed to between the parties before the lease is executed. From a Local Government perspective, at lease is a form of disposal, requiring either a tender, auction or “private treaty”, requiring public advertising. Lessees also have the right of “quiet enjoyment” of the lease, meaning that during the term of lease, the lessor cannot demand the lessee to do anything, or interfere with the property, unless permitted by the lease.

A license is effectively the same as a lease, except there is no exclusive access right. For example the owner of the property retains tenure of the property, and can allow other parties access or use of the property. The licensee only has permission or “licence” to access the property. Also there is no right of “quiet enjoyment”, as the tenure of land is still with the property owners. Conditions can be included on the license, and a licence fee is payable.

As no tenure of property is transferred through a license, section 3.58 of the Local Government Act relating to ‘Disposing of property’ does not apply.

The standard conditions of either of lease or licence, apart from a fee and term, would include the following:

- maintenance, repair and cleaning obligations;

- requirement to build to the Town's specifications and satisfaction;
- permitted purpose
- insurance;
- indemnity;
- obligations at expiry;
- other generic provisions, including no warranty and obligation to comply with statutes.

Given the timeframes involved, it is recommended that Council provide Compass Group a licence to build a temporary lay down area, during the construction of stage 1 of 'Port Haven' Transient Workforce Accommodation. Although Compass has indicated that the lay down area is only required for six (6) months, a period of twelve (12) months is recommended, should there be any delays in the construction timeframes; not unrealistic in the current economic climate.

After the construction phase, it is recommended a secure car park would need to be constructed, which then would be leased to Compass Group for the remaining term of the Port Haven lease. Given that Compass is planning to use the car park to securely store both heavy vehicles (trucks and trailers), equipment and boats, Compass will require exclusive access, which only a lease can provide.

Attachment

Planning diagram of the proposed lay down/car park area.

Officer's Recommendation

That Council:

- i) issues a licence to the Compass Group to build and access a temporary laydown area (as per the attached diagram) at license fee at a market valuation for a period of twelve (12) months;
- ii) prior to the expiration of the above license, authorise the Chief Executive Officer (or his delegate) to negotiate a lease for the same area for a carpark, with Compass Group for the remainder of the term of the 'Port Haven' Transient Workforce Accommodation lease;
- iii) advises the Compass Group that any Carpark that is build on the site is to be designed and built by Compass Group, at no cost to Council; and
- iv) requires any carpark developed on the site to meet both Council's Engineering and Town Planning requirements.

200809/398 Council Decision

**Moved:** Cr K A Howlett

**Seconded:** Cr G D Bussell

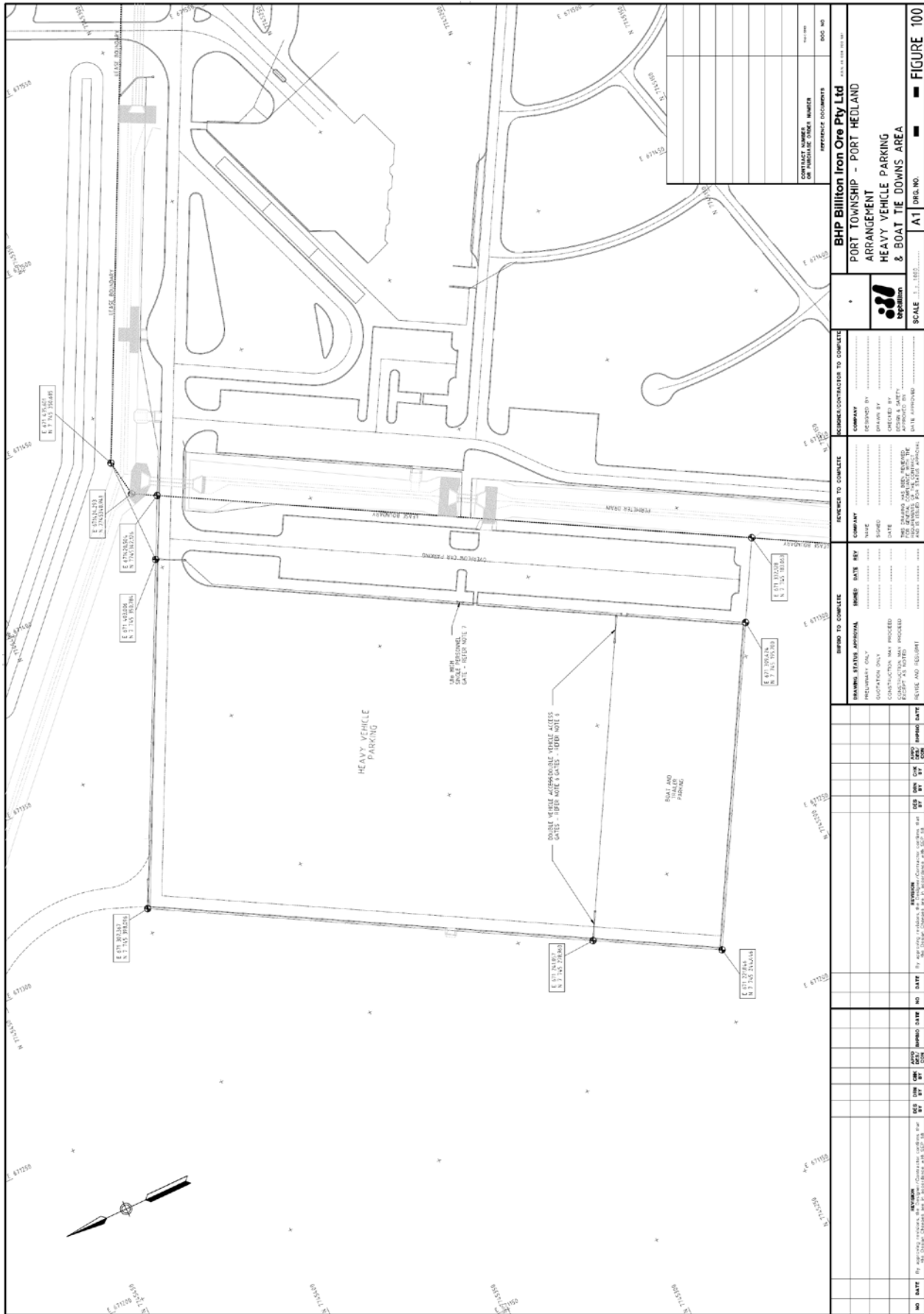
That Council:

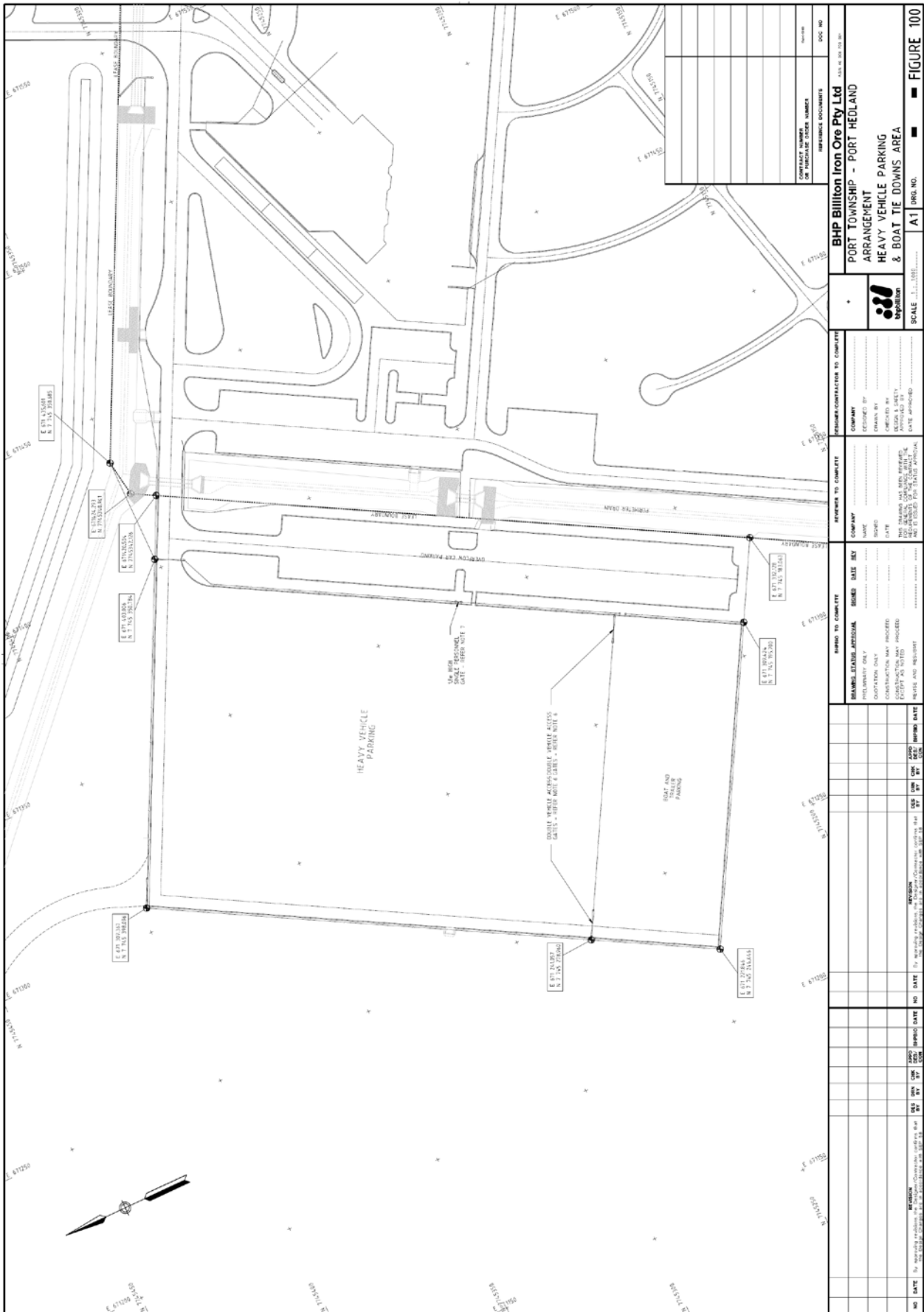
- i) issues a licence to the Compass Group to build and access a temporary laydown area (as per the attached diagram) at license fee at a market valuation for a period of twelve (12) months;
- ii) prior to the expiration of the above license, authorise the Chief Executive Officer (or his delegate) to negotiate a lease for the same area for a carpark, with Compass Group for the remainder of the term of the 'Port Haven' Transient Workforce Accommodation lease;
- iii) advises the Compass Group that any Carpark that is build on the site is to be designed and built by Compass Group, at no cost to Council; and
- iv) requires any carpark developed on the site to meet both Council's Engineering and Town Planning requirements (including landscaping to screen the car park from the Great Northern Highway).

*CARRIED 7/0*

*REASON: Council included Clause iv) to ensure landscaping would be undertaken to screen the car park from the view of the Great Northern Highway.*

ATTACHMENT TO LATE AGENDA ITEM 12.1.3





**12.2 Planning Services****12.2.1** *Changes to the Proposed Amendment to the Town of Port Hedland Town Planning Scheme No. 5 to Rezone Residential Land in the West End (File No.: 18/09/0029)*

<b>Officer</b>	Richard Bairstow Manager Planning
<b>Date of Report</b>	19 June 2009
<b>Application Number</b>	2009/251
<b>Disclosure of Interest by Officer</b>	Nil

## Summary

Council resolved to initiate an amendment to the *Town of Port Hedland Town Planning Scheme No. 5* (to rezone land and create a new residential zone in the West End) at its meeting on the 27<sup>th</sup> May 2009. However, when preparing documentation to be provided to the EPA, officers have become aware of minor variations are required. These are technical in nature and do not in any way alter the intent of Council's resolution. This report seeks to update Council on the changes to be made and obtain support for those changes.

## Background

At its Ordinary Meeting on the 27<sup>th</sup> May 2009, Council adopted an amendment to the *Town of Port Hedland Town Planning Scheme No. 5* to rezone land and create a new residential zone in the West End. In preparing documentation for the EPA it has become apparent that the following changes, technical and drafting, should be made:

1. *Relocation of the requirements of the new residential zone to another section of the scheme.*

It was originally proposed to create a new section of the planning scheme 6.6 – West End Residential and renumber the existing section 6.6 and subsequent sections. It is now proposed to insert the new zone requirements under section 6.3 – Residential Zone. The section will be altered to Residential Zones with general requirements commencing section 6.3.1. The West End Requirements will commence at 6.3.8.

2. *Minimum subdivision size to be incorporated into the West End Residential requirements.*

This subject was raised within the amendment documentation presented to Council. However, no scheme text changes were specified to enable Council to regulate the subdivision size. It is proposed to insert the following provision within the scheme under the West End Residential requirements of section 6.3:

*“Notwithstanding Section 6.1.1 of the Residential Design Codes of Western Australia, Council shall not recommend approval for the creation of lots that are less than 600m<sup>2</sup>, unless the lots are developed or it is demonstrated that the lots can be developed for grouped or multiple dwellings.”*

The area of 600m<sup>2</sup> is based on the R30 density requirements of the Residential Design Codes of Western Australia (being the minimum density proposed for the West End). The R30 density requires an average area of 300m<sup>2</sup> for a dwelling. By requiring 600m<sup>2</sup> as a minimum lot size, any lot would be capable of being developed for grouped/multiple dwellings. This is considered a necessary requirement as a Single Dwelling will be prohibited unless identified as an additional use in appendix 2 of the scheme.

3. *Amendment to the ‘Location and Site Description’.*

The location and site description incorrectly stated that all of the land included in the scheme amendment was above the 100 year flood level. Information held by Council identifies significant areas of land within the southern section of the amendment area and in the vicinity of Hardie Street are within the 100 year flood level.

4. *Minor grammatical/terminology corrections*

Consultation

Nil

Statutory Implications

The *Planning and Development Act 2005* and the *Town Planning Regulations 1967* provide Council the authority to amend its Local Planning Scheme and establish the procedure required to make this amendment.

The proposed additional provision relating to a minimum subdivision size will provide direction for assessing subdivision applications.



Policy Implications

Nil

Strategic Planning Implications

KRA 4 – Economic Development

Goal 5 – Town Planning & Building

Strategy 2 - Work closely with the State Government and Resource Companies to ensure that key projects/action identified with the Land use Master Plan are acted upon in a timely manner

The proposed additional provision relating to a minimum subdivision size will assist in achieving the goals identified within the LUMP for the West End.

Budget Implications

As this amendment is being initiated by the Town, no application fees have been received for this application. All assessment and advertising fees will be accommodated within existing budgets.

Officer's Comment

The proposed changes are predominantly administrative arising from editing issues within Town of Port Hedland and the planning consultant's offices. However, the proposed provision of a minimum lot size for the West End Residential zone does have impacts on the development potential of lots. It is considered that the provision would only have minimal impacts on existing owners as the owner can still subdivide to create lots smaller than 600m<sup>2</sup> as long as they can satisfy Council that the land can be developed for grouped/multiple dwellings. It essentially requires only that the end development be considered prior to subdivision.

It should be noted that while this resolution differs from Council's previous decision it is not, according to departmental advice, necessary to rescind the previous decision because Council's intent is unchanged.

The following marked up version of Council's decision relating to the matter from last month's Ordinary Council Meeting demonstrates amendments being recommended:

“That Council:

- i) Initiate a Town Planning Scheme Amendment to the Town of Port Hedland Town Planning Scheme No. 5 by:
  - a) Rezoning the land bounded by Anderson, Withnell, Sutherland and Taplin Streets and The Esplanade, Port Hedland currently zoned “Residential” to “West End Residential”, with an applied density code of “Minimum R30” as depicted on the amendment map;
  - b) Rezoning the land bounded by Withnell, McKay and Anderson Streets and The Esplanade, Port Hedland from “Residential” to “Town Centre” as depicted on the amendment map;
  - c) Amending the Scheme text by:
    - 1. Inserting section “3.1 (a) iv. West End Residential”
    - 2. Inserting as section 6.6[insert]3:

**[insert]‘General Provisions’ prior to section 6.3.1**

**[insert]‘West End Residential’ prior to section 6.3.8**

~~6.6.1~~[insert]3.8 The purpose of the West End Residential Zone is to establish a residential zone in which dwellings are designed and constructed in such a way as to be unsuitable for occupation by families with children or by elderly persons.

~~6.6.2~~[insert]3.9 Development within the West End Residential Zone shall be in accordance with any local planning policy, development plan or design guideline adopted by Council for this zone.

~~6.6.3~~[insert]3.10 Notwithstanding anything contained within the Residential Design Codes, all residential development in the West End Residential Zone, other than the development identified in section ~~6.6.8~~[insert] 6.3.15, shall comply with the following:

~~6.6.3.1~~ [insert] a The maximum plot ratio area for all dwellings is 110 m<sup>2</sup>.

~~6.6.3.2~~ [insert] b No dwelling shall have greater than two (2) bedrooms or rooms capable of being used as bedrooms

~~6.6.4 Council shall only support the subdivision of land in the West End Residential Zone where new lots are designed to accommodate the construction of grouped and/or multiple dwellings.~~

**[insert]6.3.11 Notwithstanding Section 6.1.1 of the Residential Design Codes of Western Australia, Council shall not recommend approval for the creation of lots that are less than 600m<sup>2</sup>, unless the lots are developed or it is demonstrated that the lots can be developed for grouped or multiple dwellings.**

~~6.6.5~~ [insert]3.12 The West End Residential Zone has no prescribed maximum residential density. The R30 minimum density coding is prescribed to ensure efficient use of available land and prevent the development of additional single dwellings within this zone.

~~6.6.6~~ [insert]3.13 When considering an application for planning approval within the West End Residential Zone, Council shall consider impact on streetscape, building setbacks from the boundary, open space and outdoor living provision, car parking provision and any other matter it deems appropriate prior to determining the application.

~~6.6.7~~ [insert]3.14 Council shall require as a condition of any planning approval granted for land in the West End Residential Zone, and prior to the commencement of any associated works, that the landowner prepare a notification, in a form acceptable to the Town, to be lodged with the Registrar of Titles for endorsement on the Certificate of Title for the subject lot. This notification is to be sufficient to alert prospective landowners or occupiers that:

- a) The Western Australian Department of Health has advised in a preliminary investigation that it does not support medium density residential development in this area due to a potential causal link between the dust generated by nearby ore mining processes and port facilities, and increased likelihood of respiratory health impacts;
- b) Seniors, children, and persons with existing heart or lung disease appear to be at an elevated risk of dust-related health impacts;

Should additional information be required in regard part ‘a’ or ‘b’, the prospective landowners should contact the Western Australian Department of Health.”

6.6-8 [insert]3.15 Where any lot is listed in Appendix 2 – Additional Development and Uses with the additional use of “Single Dwelling,” clause 6.6-3 [insert] 3.10 shall not apply.

~~d) Renumbering the succeeding sections accordingly;~~

e) Inserting the following column in the Zoning Table:

Town of Port Hedland TPS 5  
Zoning Table

ZONING TABLE		West End Residential
Residential		
1	Aged or Dependent Persons Dwelling	~
2	Ancillary Accommodation	~
3	Caretaker’s Dwelling	AA
4	Grouped Dwelling	AA
5	Holiday Accommodation	SA
6	Home Occupation	AA
7	Hotel	SA
8	Motel	SA
9	Movable Dwelling	~
10	Multiple Dwelling	AA
11	Residential Building	AA
12	Rural Settlement	~
13	Single House	~
14	Transient Workforce Accommodation	SA
Industry		
15	Abattoir	~
16	Agriculture	~
17	Arts and Crafts Centre	SA
18	Intensive Agriculture	~
19	Harbour Installation	~
20	Hire Service (Industrial)	~
21	Industry – Cottage	SA
22	Industry – Extractive	~
23	Industry – General	~
24	Industry – Light	~
25	Industry – Noxious	~
26	Industry – Rural	~

ZONING TABLE		West End Residential
27	Industry – Service	~
28	Industry – Resource Processing	~
29	Infrastructure	AA
30	Stockyard	~
31	Storage Facility/Depot/Laydown Area	~
Commerce		
32	Aerodrome	~
33	Display Home Centre	SA
34	Dry Cleaning	~
35	Market	SA
36	Motor Vehicle and/or Marine Repair	~
37	Motor Vehicle and/or Marine Sales or Hire	~
38	Motor Vehicle and/or Marine Service Station	~
39	Motor Vehicle and/or Marine Wrecking	~
40	Motor Vehicle Wash	~
41	Office	SA
42	On-site Canteen	~
43	Outdoor Display	~
44	Reception Centre	~
45	Restaurant (includes café)	SA
46	Restricted Premises	~
47	Shop	~
48	Showroom	~
49	Take-away Food Outlet	~
50	Warehouse	~
Health, Welfare & Community Services		
51	Carpark	SA
52	Child Care Service	~
53	Community Use	SA <sup>1</sup>
54	Consulting Rooms	SA
55	Education Establishment	SA <sup>1</sup>
56	Emergency Services	~
57	Funeral Parlour	~
58	Hospital	~
59	Juvenile Detention Centre	~
60	Medical Centre	~
61	Nursing Home	~
62	Place of Animal Care	~
63	Place of Public Meeting, Assembly or Worship	~
64	Prison	~
65	Public Mall	~
66	Public Utility	AA
Entertainment, Recreation & Culture		
67	Equestrian Centre	~

ZONING TABLE		West End Residential
68	Entertainment Venue	~
69	Private Recreation	SA <sup>1</sup>
70	Public Recreation	AA <sup>1</sup>

The symbols used in the zoning table have the following meanings:

- P The development is permitted by the Scheme
- AA The development is not permitted unless the Council has granted planning approval
- SA The development is not permitted unless the Council has granted planning approval after giving notice in accordance with clause 4.3
- IP The development is not permitted unless the use to which it is put is incidental to the predominant use as decided by Council
- ~ A development that is not permitted by the Scheme
- 1 Notwithstanding anything contained in Appendix 1 – Definitions, no land use shall be approved within the West End Residential Zone that is intended for use either exclusively or primarily by children or elderly persons.

f) Amending the Scheme Map accordingly.

~~ii) prepare the formal amendment documentation to enable referral to the Environmental Protection Authority."~~

Attachments

Scheme amendment documentation to be referred to EPA.

## Officer's Recommendation

That Council Initiate a Town Planning Scheme Amendment to the Town of Port Hedland Town Planning Scheme No. 5 by:

- a) Rezoning the land bounded by Anderson, Withnell, Sutherland and Taplin Streets and The Esplanade, Port Hedland currently zoned "Residential" to "West End Residential", with an applied density code of "Minimum R30" as depicted on the amendment map;
- b) Rezoning the land bounded by Withnell, McKay and Anderson Streets and The Esplanade, Port Hedland from "Residential" to "Town Centre" as depicted on the amendment map;
- c) Amending the Scheme text by:
  1. Inserting section "3.1 (a) iv. West End Residential"
  2. Inserting in section 6.3:

'General Provisions' prior to section 6.3.1

'West End Residential' prior to section 6.3.8

6.3.8 The purpose of the West End Residential Zone is to establish a residential zone in which dwellings are designed and constructed in such a way as to be unsuitable for occupation by families with children or by elderly persons.

6.3.9 Development within the West End Residential Zone shall be in accordance with any local planning policy, development plan or design guideline adopted by Council for this zone.

6.3.10 Notwithstanding anything contained within the Residential Design Codes, all residential development in the West End Residential Zone, other than the development identified in section 6.3.15, shall comply with the following:

- a. The maximum **plot ratio internal living** area for all dwellings is 110 m<sup>2</sup>.
- b. No dwelling shall have greater than two (2) bedrooms or rooms capable of being used as bedrooms

6.3.11 Notwithstanding Section 6.1.1 of the Residential Design Codes of Western Australia, Council shall not recommend approval for the creation of lots that are less than 600m<sup>2</sup>, unless the lots are developed or it is demonstrated that the lots can be developed for grouped or multiple dwellings.

6.3.12 The West End Residential Zone has no prescribed maximum residential density. The R30 minimum density coding is prescribed to ensure efficient use of available land and prevent the development of additional single dwellings within this zone.

6.3.13 When considering an application for planning approval within the West End Residential Zone, Council shall consider impact on streetscape, building setbacks from the boundary, open space and outdoor living provision, car parking provision and any other matter it deems appropriate prior to determining the application.

6.3.14 Council shall require as a condition of any planning approval granted for land in the West End Residential Zone, and prior to the commencement of any associated works, that the landowner prepare a notification, in a form acceptable to the Town, to be lodged with the Registrar of Titles for endorsement on the Certificate of Title for the subject lot. This notification is to be sufficient to alert prospective landowners or occupiers that:

- a. The Western Australian Department of Health has advised in a preliminary investigation that it does not support medium density residential development in this area due to a potential causal link between the dust generated by nearby ore mining processes and port facilities, and increased likelihood of respiratory health impacts;
- b. Seniors, children, and persons with existing heart or lung disease appear to be at an elevated risk of dust-related health impacts;

Should additional information be required in regard part 'a' or 'b', the prospective landowners should contact the Western Australian Department of Health."

6.3.15 Where any lot is listed in Appendix 2 – Additional Development and Uses with the additional use of "Single Dwelling," clause 6.3.10 shall not apply.

3. Inserting the following column in the Zoning Table:

Town of Port Hedland TPS 5  
Zoning Table

ZONING TABLE		West End Residential
Residential		
1	Aged or Dependent Persons Dwelling	~
2	Ancillary Accommodation	~
3	Caretaker's Dwelling	AA
4	Grouped Dwelling	AA



ZONING TABLE		West End Residential
5	Holiday Accommodation	SA
6	Home Occupation	AA
7	Hotel	SA
8	Motel	SA
9	Movable Dwelling	~
10	Multiple Dwelling	AA
11	Residential Building	AA
12	Rural Settlement	~
13	Single House	~
14	Transient Workforce Accommodation	SA
Industry		
15	Abattoir	~
16	Agriculture	~
17	Arts and Crafts Centre	SA
18	Intensive Agriculture	~
19	Harbour Installation	~
20	Hire Service (Industrial)	~
21	Industry – Cottage	SA
22	Industry – Extractive	~
23	Industry – General	~
24	Industry – Light	~
25	Industry – Noxious	~
26	Industry – Rural	~
27	Industry – Service	~
28	Industry – Resource Processing	~
29	Infrastructure	AA
30	Stockyard	~
31	Storage Facility/Depot/Laydown Area	~
Commerce		
32	Aerodrome	~
33	Display Home Centre	SA
34	Dry Cleaning	~
35	Market	SA
36	Motor Vehicle and/or Marine Repair	~
37	Motor Vehicle and/or Marine Sales or Hire	~
38	Motor Vehicle and/or Marine Service Station	~
39	Motor Vehicle and/or Marine Wrecking	~
40	Motor Vehicle Wash	~
41	Office	SA
42	On-site Canteen	~
43	Outdoor Display	~
44	Reception Centre	~
45	Restaurant (includes café)	SA
46	Restricted Premises	~
47	Shop	~

ZONING TABLE		West End Residential
48	Showroom	~
49	Take-away Food Outlet	~
50	Warehouse	~
Health, Welfare & Community Services		
51	Carpark	SA
52	Child Care Service	~
53	Community Use	SA1
54	Consulting Rooms	SA
55	Education Establishment	SA1
56	Emergency Services	~
57	Funeral Parlour	~
58	Hospital	~
59	Juvenile Detention Centre	~
60	Medical Centre	~
61	Nursing Home	~
62	Place of Animal Care	~
63	Place of Public Meeting, Assembly or Worship	~
64	Prison	~
65	Public Mall	~
66	Public Utility	AA
Entertainment, Recreation & Culture		
67	Equestrian Centre	~
68	Entertainment Venue	~
69	Private Recreation	SA1
70	Public Recreation	AA1

The symbols used in the zoning table have the following meanings:

- P The development is permitted by the Scheme
- AA The development is not permitted unless the Council has granted planning approval
- SA The development is not permitted unless the Council has granted planning approval after giving notice in accordance with clause 4.3
- IP The development is not permitted unless the use to which it is put is incidental to the predominant use as decided by Council
- ~ A development that is not permitted by the Scheme
- <sup>1</sup> Notwithstanding anything contained in *Appendix 1 – Definitions*, no land use shall be approved within the West End Residential Zone that is intended for use either exclusively or primarily by children or elderly persons.

### 3. Amending the Scheme Map accordingly.

200809/399 Council Decision

**Moved:** Cr J E Ford

**Seconded:** Cr G D Bussell

That Council Initiate a Town Planning Scheme Amendment to the Town of Port Hedland Town Planning Scheme No. 5 by:

- a) Rezoning the land bounded by Anderson, Withnell, Sutherland and Taplin Streets and The Esplanade, Port Hedland currently zoned “Residential” to “West End Residential”, with an applied density code of “Minimum R30” as depicted on the amendment map;
- b) Rezoning the land bounded by Withnell, McKay and Anderson Streets and The Esplanade, Port Hedland from “Residential” to “Town Centre” as depicted on the amendment map;
- c) Amending the Scheme text by:

1. **Inserting section “3.1 (a) iv. West End Residential”**

2. **Inserting in section 6.3:**

**‘General Provisions’ prior to section 6.3.1**

**‘West End Residential’ prior to section 6.3.8**

**6.3.8 The purpose of the West End Residential Zone is to establish a residential zone in which dwellings are designed and constructed in such a way as to be unsuitable for occupation by families with children or by elderly persons.**

**6.3.9 Development within the West End Residential Zone shall be in accordance with any local planning policy, development plan or design guideline adopted by Council for this zone.**

**6.3.10 Notwithstanding anything contained within the Residential Design Codes, all residential development in the West End Residential Zone, other than the development identified in section 6.3.15, shall comply with the following:**

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**6.3.11 Notwithstanding Section 6.1.1 of the Residential Design Codes of Western Australia, Council shall not recommend approval for the creation of lots that are less than 600m<sup>2</sup>, unless the lots are developed or it is demonstrated that the lots can be developed for grouped or multiple dwellings.**

**6.3.12 The West End Residential Zone has no prescribed maximum residential density. The R30 minimum density coding is prescribed to ensure efficient use of available land and prevent the development of additional single dwellings within this zone.**

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**6.3.14 Council shall require as a condition of any planning approval granted for land in the West End Residential Zone, and prior to the commencement of any associated works, that the landowner prepare a notification, in a form acceptable to the Town, to be lodged with the Registrar of Titles for endorsement on the Certificate of Title for the subject lot. This notification is to be sufficient to alert prospective landowners or occupiers that:**

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**Should additional information be required in regard part 'a' or 'b', the prospective landowners should contact the Western Australian Department of Health."**

**6.3.15 Where any lot is listed in Appendix 2 – Additional Development and Uses with the additional use of "Single Dwelling," clause 6.3.10 shall not apply.**

## 3. Inserting the following column in the Zoning Table:

**Town of Port Hedland TPS 5  
Zoning Table**

ZONING TABLE		West End Residential
Residential		
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4	Grouped Dwelling	AA
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6	Home Occupation	AA
7	Hotel	SA
8	Motel	SA
9	Movable Dwelling	~
10	Multiple Dwelling	AA
11	Residential Building	AA
12	Rural Settlement	~
13	Single House	~
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16	Agriculture	~
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29	Infrastructure	AA
30	Stockyard	~
31	Storage Facility/Depot/Laydown Area	~
Commerce		
32	Aerodrome	~
33	Display Home Centre	SA
34	Dry Cleaning	~
35	Market	SA
36	Motor Vehicle and/or Marine Repair	~
37	Motor Vehicle and/or Marine Sales or Hire	~
38	Motor Vehicle and/or Marine Service	~

ZONING TABLE		West End Residential
	Station	
39	Motor Vehicle and/or Marine Wrecking	~
40	Motor Vehicle Wash	~
41	Office	SA
42	On-site Canteen	~
43	Outdoor Display	~
44	Reception Centre	~
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46	Restricted Premises	~
47	Shop	~
48	Showroom	~
49	Take-away Food Outlet	~
50	Warehouse	~
Health, Welfare & Community Services		
51	Carpark	SA
52	Child Care Service	~
53	Community Use	SA1
54	Consulting Rooms	SA
55	Education Establishment	SA1
56	Emergency Services	~
57	Funeral Parlour	~
58	Hospital	~
59	Juvenile Detention Centre	~
60	Medical Centre	~
61	Nursing Home	~
62	Place of Animal Care	~
63	Place of Public Meeting, Assembly or Worship	~
64	Prison	~
65	Public Mall	~
66	Public Utility	AA
Entertainment, Recreation & Culture		
67	Equestrian Centre	~
68	Entertainment Venue	~
69	Private Recreation	SA1
70	Public Recreation	AA1

The symbols used in the zoning table have the following meanings:

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