



# Agenda

Council Meeting to be held  
on Thursday 26 February 2015  
Commencing at 4.15pm

# A g e n d a

1. **DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**
2. **RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE**  
(previously approved)
3. **RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**
4. **PUBLIC QUESTION TIME**
5. **APPLICATIONS FOR LEAVE OF ABSENCE**
6. **PETITIONS/DEPUTATIONS/PRESENTATIONS**
7. **DECLARATIONS OF INTEREST**

The Shire President will read out any declarations received relating to financial, proximity or impartiality interests and ask for any further declarations to be made.

Members should make any declarations at the start of the meeting but may declare an interest before the resolution of any agenda item.

8. **CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**  
  
That the Minutes of the Ordinary Council Meeting of the Shire of Nannup held in Council Chambers on 22 January 2015 be confirmed as a true and correct record.
9. **MINUTES OF COUNCIL COMMITTEES**
10. **ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION**
11. **REPORTS BY MEMBERS ATTENDING COMMITTEES**

**12. REPORTS OF OFFICERS**

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**14. MEETING CLOSED TO THE PUBLIC  
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**15. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS  
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Cr Dean – Two Proposed motions

**16. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**

**17. CLOSURE OF MEETING**

# **COMMUNITY & DEVELOPMENT SERVICES**

AGENDA NUMBER:	12.1
SUBJECT:	Nannup Recreation Centre
LOCATION/ADDRESS:	Shire of Nannup
NAME OF APPLICANT:	Shire of Nannup
FILE REFERENCE:	Rec 2A
AUTHOR:	Bret Howson – Consultant Project Manager
REPORTING OFFICER:	Jim Kelly – Acting Chief Executive Officer
DISCLOSURE OF INTEREST:	None
DATE OF REPORT	10 February 2015
PREVIOUS MEETING REFERENCE	Agenda Item 12.8 (Minute No. 9089) January 2014 Agenda Item 12.3 (Minute No. 9116) January 2015 Various Information Report items 2014
ATTACHMENT	12.1.1 - Project Works Schedule

## **SUMMARY:**

This report provides an up-to-date picture of the project's current status, the challenges faced and the issues ahead. The report will be an important part of the briefing for the incoming CEO. A process for dealing with contract variations and ongoing reporting timelines is recommended.

## **BACKGROUND:**

At the Ordinary meeting of Council in January 2014, the Council resolved to:

- 1. Award the tender to BRC Constructions for the amount of \$1,993,651 (plus GST) for the construction of the Recreation Centre, excluding options B1-B4 and C1 - C4 and the two provisional sum items for the TV system and the Kitchenette for the Seniors Room.*
- 2. Seek quotations for the re-roofing of the existing change rooms and report back to Council with regard to using the Asset Management Reserve to perform these works*

3. *Authorise the CEO to make arrangements for the Shire of Nannup support of a loan by the Sports Association for the amount of not less than \$87,650,*
4. *Inform Council of the progress of the project with particular regard to any shortfall that may affect rate increases or result in a shortfall of borrowing.*

At the January 2015 Ordinary meeting of Council resolution 2 above was resolved:

*The quotation from BRC Building Solutions in the sum of **\$50,369 including GST** for works to the Recreation Centre roof is accepted and that these works be funded from the Asset Management Reserve.*

Between the award of this contract and the preparation of this item, the Council has been provided with up to date information via regular status reports from the Chief Executive Officer.

This item is to provide the Council with a detailed project update and is requesting consideration of the method of dealing with project variations.

**COMMENT:**

In January 2015, Bret Howson from Howson Management was requested to submit a quotation to provide Project Management services for the construction of the Nannup Recreation Centre. This was subsequently approved by the Chief Executive Officer, and the project management was handed over from Robert Jennings to Bret Howson in the first week of January 2015.

The project management services from Bret Howson (PM) was understood to be either, to keep the project moving along during the changeover of Chief Executive Officers, or for the full term of the project. This arrangement can be reviewed by the new Chief Executive Officer at a time which suits after commencing in the position.

At the time of this report there were a number of issues to be clarified and resolved. These issues were mainly “housekeeping” type issues, and also some back tracking over past issues as background information for the new project manager.

The Acting Chief Executive Officer has requested a detailed update of the project, which also should be presented to the Council. With the commencement of the new Chief Executive Officer on 3 March 2015, this report will be updated as necessary and the Project Manager will provide a briefing, and site inspection for the new Chief Executive Officer.

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The issues that have been researched and progress made, were:

ID	Task	Action
A1.	<p>There is an urgent need to have updated drawings and specifications from Bollig. There is too much confusion between tender and construction documents now that parts of contract have been deleted or amended. There currently is no formal, full set of drawings or specifications.</p> <p>No mechanic ventilation drawings. BRC needs these updated drawings to quote and order materials.</p>	<p>All drawings have been updated and issued to BRC, Project Manager and the Shire Office</p> <p>No further action required.</p>
A2.	<p>Discussions are needed to formalise Bollig's services.</p>	<p>Bollig were engaged by the Shire to provide Contract Administration Services, which involve site meeting and some supervision.</p> <p>With the engagement of the PM, Bollig's services have been reduced to:</p> <ul style="list-style-type: none"> <li>• Advice as required</li> <li>• Practical Completion Certification</li> <li>• Defects Liability Certification.</li> </ul> <p>BOLLIG will now be engaged on an hourly rate. This is will result in reduction of fees to BOLLIG.</p>
A3.	<p>All variations to date need to be documented and formally approved and costed</p> <p>PM to have full list of variation to discuss at next site meeting</p>	<p>There are 14 known variations, 3 of which have been approved and paid.</p> <p>However there are current 3 more variations to be considered.</p> <p>The variations are discussed in detail later in this report.</p>
A4.	<p>There is a need to check compliance with emergency and fire services codes after deletions and amendments have been made.</p> <p>BOLLIG to provide advice on this issue</p>	<p>At this stage, professional advice from BOLLIG states that the building is compliant with the relevant building codes.</p> <p>No further action is required.</p>
A5.	<p>There is need for a revised timeframe/schedule</p>	<p>Project schedule has now been developed and is attached to this item as information to Councillors.</p>



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A6.	<p>The section of roof over the existing foyer needs re-drafting to suit changes in contract.</p>	<p>Gary Dobbin was engaged to complete the drafting for the changes to the foyer and change room roof alterations.</p> <p>This was the subject of the variation approved at Council in January 2015.</p> <p>No further action is required.</p>
A7.	<p>Concerns have been raised about the wall ventilation to the existing sports hall. Bollig need to give advice of changes suggested by BRC. Will proposed changes have satisfactory airflow?</p> <p>BOLLIG to provide advice on this issue</p>	<p>At this stage, the wall ventilation has been installed. The existing "whirlybird" roof ventilation will remain.</p> <p>Should this action improve the ventilation in the hall, then the mechanical ventilation will be deleted.</p> <p>However the PM is still waiting on advice from BOLLIG in regards to building code compliance should the mechanical vents not be installed.</p>
A8.	<p>The feature drop ceiling panels have been deleted, however variation details and costs are yet to be finalised.</p> <p>This needs to be resolved, and the drawings and specification needs to be amended.</p>	<p>Drawings and specification has been amend to show deletion of drop ceiling, and replacement of proposed smooth Gyprock ceiling with perforated Gyprock ceiling panels.</p> <p>According to BRC the removal of the drop ceiling was deleted prior to tender award and included in the final price, however the additional price of perforated Gyprock was not included and may result is a variation in favour of BRC.</p>



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A9.	<p>Fire and water services.</p> <ul style="list-style-type: none"> <li>• The proposed design shows the fire and water service coming from a point near the entrance of Vasse Highway, however this service was found to be a 75mm service, and the building requires a 100mm service.</li> <li>• A location closer to Vasse Highway information bay and toilets has been determined to have 100mm water service.</li> </ul> <p>PM has requested a variation quotation for BRC for consideration.</p>	<p>With the deleting of part of the building, the water and fire service was reduced from 150mm to 100mm, therefore the variation required for the extra length to reach to the new connection point, may be offset by the reduction in cost from 150mm to 100mm.</p>
A10.	<p>Formal documentation is to be recorded clearly in the following components of the contract:</p> <ul style="list-style-type: none"> <li>• Contracted agreement</li> <li>• Construction variations</li> <li>• Asset Management of existing building</li> <li>• Other/Miscellaneous</li> </ul>	<p>Ongoing contract administration.</p>
A11.	<p>Discussions were held with BOLLIG and BRC about the ground conditions of the new building area. According to geotechnical reporting and contrary to advice from BOLLIG, the building was commenced during the worse ground conditions (approximately 5 months too early).</p> <p>Apparently the early commencement of the building was to comply with grant funding requirements.</p>	<p>At this stage, it is unlikely that any additional costs associated with the change in slab height can be successfully claimed from BOLLIG.</p>
A12.	<p>10% of all invoices from BRC needs to be held as retention.</p> <p>PM to arrange with the Client.</p>	<p>The Council should consider setting up a Reserve Account for this retention money to be returned, or used, at the end of the defects period.</p>

The issues that require further research and information to make a decision or provide the Council with information, are:

A13.	<p>It is noted that there are 2 budgets for this project :</p> <ul style="list-style-type: none"> <li>• New Centre Construction</li> <li>• Asset Management for existing structure.</li> </ul> <p>PM to request tender/construction cost breakdown from CEO and BRC</p>	<p>At the time of this report, this item still required some research.</p> <p>This will be included in the next progress report to the Council.</p>
A14.	<p>There could possible savings to be made with ordering of material for the kitchen and wet areas. These need to be identified and drawings and specifications need to be changed.</p>	<p>This issue will be clarified and will be included in the next progress report to the Council</p>

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A15.	<p>Check the refurbishing of the community facility room and the seniors room in regards to:</p> <ul style="list-style-type: none"> <li>• Layout of kitchenette may change;</li> <li>• Operable wall</li> <li>• Floor coverings</li> <li>• Lighting (too many flouros?)</li> <li>• Grill to window where liquor was stored</li> </ul> <p>To be confirmed with variation request</p>	<p>This issue will be clarified and will be included in the next progress report to the Council</p>
A16.	<p>Community office:</p> <ul style="list-style-type: none"> <li>• May interfere with disabled toilet. Bollig has done revised drawing. Needs to be documented and BRC needs to price as variation.</li> <li>• Where does communication rack/security panel get relocated to? Are they needed, if so, where do they go? This needs to be addressed</li> <li>• Security systems requirements needs to be resolved.</li> </ul>	<p>With the deletion of part of the original design, the installation / relocation of the communication rack and security system was deleted.</p> <p>Communications and security needs to be resolved, at a lesser level, for the new building.</p> <p>This issue will be clarified and will be included in the next progress report to the Council</p>
A17.	<p>The details of the Pump house and pump have not been defined.</p> <ul style="list-style-type: none"> <li>• No design has been done yet.</li> <li>• Part (fire tanks) of this is grant dependant.</li> </ul> <p>John Evans fire assessment. Define the requirement for tanks/water (BAL).</p>	<p>This issue will be clarified and will be included in the next progress report to the Council</p>
A18.	<p>Details need to be resolved around the use of Waste Water System.</p> <ul style="list-style-type: none"> <li>• This needs to be defined/design in accordance with the actual requirements.</li> <li>• Council will need to consider a policy to control the number of people, rather than a costly upgrade to the ultimate system that would be rarely required.</li> <li>• Leach drains to be relocated to enable full access and the use of the flat grassed area behind the new building.</li> </ul>	<p>This issue will be clarified and will be included in the next progress report to the Council</p>

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A19.	<p>Jarrah cladding on main columns.</p> <ul style="list-style-type: none"> <li>• BRC still has to do “homework” to source these timbers.</li> <li>• Timber cladding is in contract (therefore not known variation at this stage).</li> </ul>	<p>This issue will be clarified and will be included in the next progress report to the Council</p>
A20.	<p>There is a gap between the roof and gable where the existing and new buildings meet. Treating this area needs to be discussed.</p> <p>BRC has provided a quotation to close in the gap on the new eastern side of existing building, however the PM will discuss with Client</p>	<p>This issue will be clarified and will be included in the next progress report to the Council</p>
A21.	<p>Discussion were held in regards to “time delay variation” from the BRC. The contract does not allow for rise and fall, therefore the time delay variation may be the only mechanism to balance additional cost. This will be discussed at next meeting.</p> <p>PM to check documentation at the shire in regards to contract timeline.</p> <p>BRC to provide his record of contract timeline.</p>	<p>This issue will be clarified and will be included in the next progress report to the Council</p> <p>At this stage BRC has discussed a claim around CPI per month for each month of delay between contract award and contract start</p>
A22.	<p>Following the change in slab height of the new building, some problems between the new and old buildings need to be resolved, the known issues are:</p> <ul style="list-style-type: none"> <li>• There is a need to assess/check the levels of the entrance and outdoor area to ensure slopes/step are safe and adequate. This area will be reviewed after form work is in place, however no work in this area will continue until the floor slope/interface is approved by PM</li> <li>• It seems like the new roof will cover part of the existing windows on the sports hall. This needs to be assessed/checked and a solution needs to be detailed.</li> <li>• The steelwork of the new building which is bolted to the existing building now misses the brick level and there is a requirement to hang extra steel inside the existing sports hall to provide connection for the new steel work.</li> <li>• Where the new roof and columns meet the existing roof, the gable is asbestos. There may be a need to cut/remove this asbestos and to make good the interface between buildings.</li> </ul>	<p>This issue will be clarified and will be included in the next progress report to the Council</p>

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A23.	<p>Discussions around the proposed Community Office area were held. This has not been resolved and BOLLIG has not received any instruction to amend drawings at this stage. PM to follow up and advise accordingly.</p> <p>BOLLIG has provided a sketch of proposed changes to PM.</p>	<p>This issue will be clarified and will be included in the next progress report to the Council</p>
A24.	<p>A discussion was held with BOLLIG and BRC regarding the generator which led to few issues regarding the fire/emergency compliance and use of the building.</p> <p>The type and number of generators is dependent on the number of water tanks and pumps, and the fire suppression/sprinkler system to be used on the building.</p> <p>The building can only be used as an evacuation centre to a distance or district fire. The building is not compliant for a local/town fire. This level of compliance was deleted due to cost.</p> <p>PM to check with Client to see what external funding has been applied for to fund the fire suppression system and generator(s).</p>	<p>This issue will be clarified and will be included in the next progress report to the Council</p> <p>However, there is a 60Kva generator available for this purpose current at the Shire depot.</p>
A25.	<p>BOLLIG to check the location of the fire services on the western side of building, now the extension of existing building has been deleted. However, the service needs to be 10m clear of building so it may actually need to stay in the design location.</p>	<p>This issue will be clarified and will be included in the next progress report to the Council</p>

In regards to the schedule of variations, at the time of this report the following are the known variations:

No.	Variation	Approved	In favour of Shire or BRC
V1.	<p>Entrance to the north entry of the existing sports hall</p> <p><i>This is the ramp, lighting and access needed for the sport hall during construction.</i></p>	YES	BRC (paid)
V2.	<p>Installation of Generator</p> <p><i>This has to do with emergency use of facility</i></p>	NO	BRC
V3.	<p>Subsoil drainage</p> <p><i>This is to improve the subsoil drainage around the new building</i></p>	YES	BRC (paid)

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V4.	South Kitchen / Bar Entry  <i>This is the ramp, lighting and access needed for the south entrance to the existing building during construction</i>	YES	BRC (paid)
V5.	Raising of the slab height  <i>All works associated with raising the slab 380mm</i>	YES	BRC
V6.	Relocation of water main and fire service  <i>Relocating connection to 100mm existing service</i>	YES	BRC
V7.	Deleting of stormwater pipe to golf course dam  <i>This is a 300mm pipe running from the facility to the dam in the golf course. This has changed so the pipe outlets in the open drain, which goes to the same dam</i>	YES	SHIRE
V8.	Supply and installation of fire tanks and pump  <i>This has to do with emergency use of facility</i>	NO	BRC
V9.	Proposed works to Community office and disable toilet.  <i>Provision of community office space in the existing building</i>	NO	BRC
V10.	Modified ventilation grilles to existing sports hall  <i>Installation of wall vents in existing hall</i>	YES	BRC
V11.	Deleting mechanical roof ventilation  <i>To do with ventilation to existing hall</i>	NO	SHIRE
V12.	Delete column lighting and replace with down lighting.  Removal of feature lighting on the external columns and replace with down lights.	NO	SHIRE
V13.	Relocation of leach drains  <i>Relocation of leach drains to allow access and use of grassed area</i>	NO	BRC
V14.	Communication and security system	NO	BRC

The variations listed above will be presented to the Council for approval once information and formal quotations have been received. There will be situations where the timing of a decision will restrict a formal decision from the Council, however all variations will be presented to the Council, either for formal approval or for endorsement after a decision has been made by the Chief Executive Officer.

Council staff will make every endeavour to ensure that variations are within the original project budget and contingencies. Costing and project reports will be presented to the Council for information each month.

### **STATUTORY ENVIRONMENT:**

Legally a Local Government, as a public body, has the responsibility to follow the appropriate processes and to treat all tenderers fairly. The terms and conditions set out in this contract is the standard WALGA contract document and imply that the Shire of Nannup has acted legally and fairly to all tenderers in this case.

Section 3.57(1) of the Local Government Act 1995 requires a Local Government to invites tenders before it enters into a contract for a purchase of a prescribed kind, however Part 4 (Provision of Goods and Services) of the Local Government (Functions and General) Regulations 1996, Regulation 11 states this is only required for purchases worth more than \$100,000 unless Council have delegated otherwise.

The preparation, assessment and award of this tender complies with Part 4 (Provision of Goods and Services) of the Local Government (Functions and General) Regulations 1996 Division 2 – Tendering for Goods and Services.

### **POLICY IMPLICATIONS:**

Council's Consultation Policy Category 6 – Major projects with Shire wide impacts

### **FINANCIAL IMPLICATIONS:**

At the time of this report, the budget for the Nannup Recreation Centre Project is detailed as follows, however the Council can see that some sources of funding have been received and some, whilst confirmed, have yet to be received.

<b>Source</b>	<b>Budget</b>	<b>Confirmed Received</b>	<b>Confirmed Not Received</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
R4R Regional 2010/11	205,490	205,490	
R4R Individual 2011/12	140,000	140,000	
Department of Sport and Recreation CSRFF	660,000		660,000

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RLCIP Drainage	30,000	30,000	
Lotterywest (includes fit-out \$100,000)	300,000		300,000
Contributions - Golf Club	150,000		150,000
Shire of Nannup Reserves	787,388	787,388	
Sponsorship & Fundraising (ASF) Mainstreet Reserve to Cover shortfall	176,981	176,981	
Anonymous private contribution	80,000	15,000	65,000
Nannup Sport and Recreation Assoc	87,650		87,650
<i>LGEEP Grant</i>	10,620	7,225	3,395
<i>Disability Services Commission</i>	2,500	2,500	
<b>Total</b>	<b>2,630,629</b>	<b>1,364,584</b>	<b>1,266,045</b>

Type	Estimated Cost \$	Confirmed Cost \$
Building & Construction costs inclusive of location allowance	1,993,651	1,993,651
10% Contingency	199,365	
Professional Fees (Bollig) - paid prior to 14/15	225,272	225,272
Professional Fees (Storybook) - paid prior to 14/15	9,300	9,300
Professional fees 14/15	43,000	
Western Power	54,344	54,344
Solar Hot Water System supply & Installation	13,190	13,190
Fit Out/Commercial kitchen	100,000	9,704
Fit out other		2,820
Sundry Expenses	8,326	8,326
Marketing & signage	6,000	5,095
External Auditing	5,450	2,450
Approved Variations		36,421
Estimated Variations		155,000
<b>Total</b>	<b>2,657,898</b>	<b>2,515,573</b>

The difference between budget and confirmed costs to date is surplus of \$270,056. However, after taking account of the estimated variations of \$155,000 the surplus is reduced \$115,056.

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In regards to predicting the cost of the variations not yet confirmed, the following estimates have been made:

No.	Variation	Estimated Cost	In favour of Shire or BRC
1.	Entrance to the north entry of the existing sports hall		BRC (paid)
2.	Purchase and installation of Generator	\$50,000	BRC
3.	Subsoil drainage		BRC (paid)
4.	South Kitchen / Bar Entry		BRC (paid)
5.	Raising of the slab height	\$50,000	BRC
6.	Relocation of water main and fire service	\$1,500	BRC
8.	Supply and installation of fire tanks and pump	\$50,000	BRC
9.	Proposed works to Community office and disable toilet.	\$50,000	BRC
10.	Modified ventilation grilles to existing sports hall		BRC
13.	Relocation of leach drains	\$2,000	BRC
14.	Communication and security system	\$5,000	BRC
	<b>Subtotal – Additional costs</b>	<b>208,000</b>	
7.	Deleting of stormwater pipe to golf course dam	\$3,000	SHIRE
11.	Deleting mechanical roof ventilation	\$20,000	SHIRE
12.	Delete column lighting and replace with down lighting.	\$30,000	SHIRE
	<b>Subtotal – Savings</b>	<b>\$53,000</b>	
	<b>Nett estimated costs of variations to the project</b>	<b>\$155,000</b>	

The following table is a list of the contract components, their tendered amounts and claimed value to date (all figures exclude GST):

TRADE COMPONENTS		TOTAL \$	VALUE COMPLETE \$
1	Preliminaries	215,392	215,392
2	Earthwork	54,545	49,091
3	Site Work	42,000	
4	Concrete Work	58,545	43,909
5	Structural Steelwork	295,000	265,500
6	Metalwork	80,000	
7	Brickwork	89,273	
8	Carpentry	137,000	
9	Aluminium Windows and Doors	88,182	
10	Hardware	19,000	



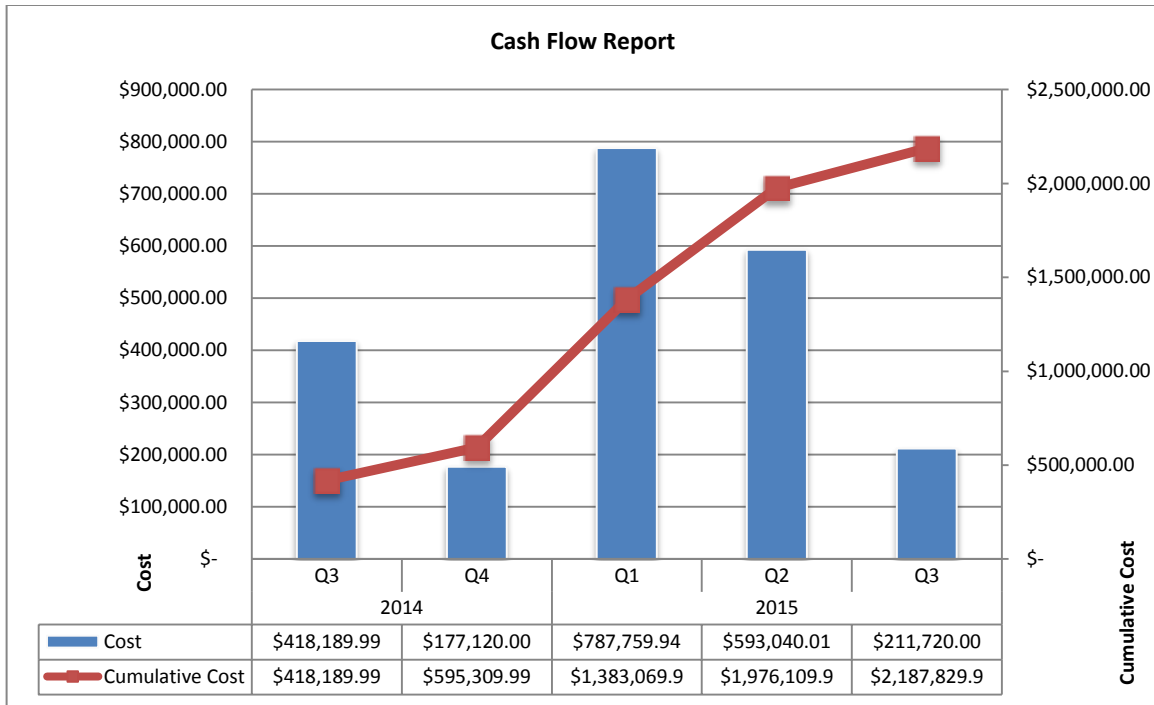
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11	Roofing	60,000	
12	Drainage and Plumbing	150,000	15,000
13	Electrical Services	283,636	28,364
14	Mechanical Services	110,000	
15	Plasterwork	31,455	
16	Suspended Ceilings	65,273	
17	Wall and Floor Tiling	35,000	
18	Resilient Finishes	45,000	
19	Glasswork	6,000	
20	Paintwork	42,500	
21	<u>PROVISIONAL SUMS</u>		
21a	Water Corp Headwork Charges	22,000	
21b	DoH Effluent Treatment Approvals	1,500	
21c	Western Power Headworks	54,350	
21d	Remote Switch Electric Heaters	3,000	
21e	Signage	5,000	5,000
<b>CONTRACT VARIATIONS</b>			
V1	North Sports Hall Entry	14,607	13,146
V3	Subsoil Drain	10,643	10,643
V4	South Kitchen/Bar Entry	7,817	5,863
	<b>TOTALS</b>	<b>2,026,718</b>	<b>651,907</b>

In regards to cash flow for this project, it was mentioned above that the total budget for the project is \$2,630,629, of which \$1,364,584 has been received. The project schedule of works has now been confirmed and the cost of each task has been allocated accordingly.

The chart below shows that the cumulative expenditure at the end of the first quarter of 2015 (March), the project will be at \$1,383,069. This figure exceeds the funds received against the project budget.

It is clear that prior to the end of March 2015, Council officers need to ensure at least \$600,000 is received to ensure cash flow through to June 2015. A milestone payment from the Department of Sport and Recreation is being requested.



**STRATEGIC IMPLICATIONS:**

**2.1 The Big Picture**

***We will have a sustainable, innovative and equitable economy***

- Promote innovative ideas and value add to businesses and industry
- Work collaboratively with State and Federal Government agencies to improve our economy
- Encourage and support more industry, businesses and employment into our Shire

**2.2 Tourism/Recreation**

***Working together to attract people to our amazing Shire***

- Support tourism providers and promote our district
- Marketing and branding of our Shire to promote regional produce and services

**3.1 Our Shire and Streetscape**

***Keep the charm and fabric of our unique shire and upgrade the amenity***

- Well maintained quality infrastructure for our community and visitors and promote activity
- Capture and promote our unique charm and fabric
- Maintain our town's distinct look and feel

**5.1 Listen**

***To listen and partner with our community leaders and all our diverse groups***

- Listen to the people

**VOTING REQUIREMENTS:** Simple Majority.

**RECOMMENDATION:**

That the Council:

1. Receive the February 2015 progress report for the Nannup Recreation Centre Project.
2. Request the Chief Executive Officer include a status report for the Nannup Recreation Centre Project in each Council Information Report.
3. Request the Chief Executive Officer provide a detailed agenda report for the Nannup Recreation Centre Project at the April 2015, June 2015 and September 2015 Ordinary Council meetings.
4. Give authority for the Chief Executive Officer to agree variations up the limit of the variations budget of \$155,000.

AGENDA NUMBER:	12.2
SUBJECT:	Amendment No. 17 to the Shire of Nannup Local Planning Scheme No. 3: submitted for final adoption
LOCATION/ADDRESS:	Lot 2008 Nursery Road, East Nannup
NAME OF APPLICANT:	Phil Hewitt (for Phil & Patricia Hewitt)
FILE REFERENCE:	TPL1/17
AUTHOR:	Steve Thompson - Consultant Planner
REPORTING OFFICER:	Jim Kelly – Acting Chief Executive Officer
DISCLOSURE OF INTEREST:	Edge Planning & Property receive payment for planning advice to the Shire and declare a Financial Interest (section 5.70 of the Local Government Act 1995)
DATE OF REPORT	9 February 2015
PREVIOUS MEETING REFERENCE	Agenda Item 12.1(Minute No. 9179) -23 October 2014
ATTACHMENTS	12.2.1 Location Plan 12.2.2 Special Use provisions – extract from Scheme 12.2.3 Submissions 12.2.4 Schedule of Submissions

**SUMMARY:**

It is recommended that the Council grant final adoption to Scheme Amendment No. 17 to rezone Lot 2008 Nursery Road, East Nannup from “Special Use (SU2)” to “Agriculture” to allow the applicant to build a private residence.

**BACKGROUND:**

*A) Proposal*

The applicant/landowner seeks Council support to rezone Lot 2008 Nursery Road, East Nannup from “Special Use (SU2)” to “Agriculture”. The landowner considers that a chalet complex, provided under the site’s Special Use (SU2) zoning, is economically unviable and financially unsustainable. The landowner has advised they have no intention of developing a large chalet complex. Instead, the landowner seeks to retire to Nannup permanently and live on the property. To accomplish the landowner’s proposals, the zoning needs to change back to “Agriculture”.

*B) Site context and features*

The site:

- is located approximately 7 kilometres east south-east of the Nannup townsite (shown in Attachment 12.2.1);
- adjoins and is near rural land and State Forest;

- is 64.77 hectares in area;
- contains a tree plantation, cleared land used for grazing and there are some areas of native vegetation. There is no dwelling on the site;
- has a range of slopes from gentle to steeper sloping land; and
- is accessed via the unsealed Nursery Road. The site also adjoins Uranium Road to the south.

*C) Planning framework*

The site is zoned “Special Use (SU2)” in *Shire of Nannup Local Planning Scheme No. 3 (LPS3)*. Attachment 12.2.2 sets out the Special Use provisions from LPS3. In summary, the zoning allows the potential for 20 strata titled holiday cottages (chalets) along with a timber plantation and rural pursuits.

The site is located in Precinct NR2 in the *Shire of Nannup Local Planning Strategy (2007)*. Precinct objectives are:

- “Protect agricultural areas of State/Regional significance.
- Provide for the sustainable use of land within the agricultural zones, and outside the Townsite Strategy Area, for a range of rural pursuits.
- Encourage tourist-based activities where not in conflict with above.”

The draft *Shire of Nannup Local Planning Strategy (2014)* classifies the site as “Tourism” which reflects the intent of the current LPS3 zoning.

*D) Council resolution*

At the Council Meeting on 23 October 2014, the Council passed the following motion at minute No. 9179:

“That Council:

1. Agree to adopt (initiate) an amendment to the *Shire of Nannup Local Planning Scheme No. 3*, pursuant to Part 5 of the *Planning and Development Act 2005*, by rezoning Lot 2008 on Plan 126679 Nursery Road, East Nannup from “Special Use (SU2)” to “Agriculture”.
2. Note that scheme amendment documents will be prepared to the satisfaction of the Shire’s Chief Executive Officer.
3. Authorise the Shire President and the Chief Executive Officer to execute the Scheme Amendment No. 17 documents.
4. Note the Shire’s Chief Executive Officer will refer Scheme Amendment No. 17 to the Environmental Protection Authority for assessment

pursuant to section 81 of the *Planning and Development Act 2005*. Should the Environmental Protection Authority advise that the amendment does not require assessment, advertise the amendment in accordance with the *Town Planning Regulations 1967*.”

**E) EPA decision and community/stakeholder consultation**

Following the Council resolution, the Environmental Protection Authority (EPA) determined that the scheme amendment should not be assessed via an environmental impact assessment. Further, the EPA determined that it is not necessary to provide any advice or recommendations on the proposed amendment. The EPA decision effectively gave its “environmental clearance” to Amendment 17.

Following the receipt of the EPA decision, the Shire met the requirements of the *Town Planning Regulations 1967* by seeking public comment on Scheme Amendment No. 17 for a six week period by:

- writing to adjoining/nearby neighbours along with relevant State Government departments, servicing agencies and other stakeholders;
- placing public notices in local papers and on the Shire office notice board; and
- details being provided on the Shire’s website.

**F) Submissions**

The Shire received five submissions on Scheme Amendment No. 17, which are set out in Attachment 12.2.3 and summarised in the Schedule of Submissions in Attachment 12.2.4. All submissions raise no objections. The only matter raised is from the Department of Parks and Wildlife (DPaW) which recommend the retention of a number of Special Provisions. Further details are outlined in the “Comment” section.

**COMMENT:**

**Overview**

Following an assessment of the submissions against LPS3, the Local Planning Strategy and relevant Council and Western Australian Planning Commission (WAPC) policies and strategies, it is suggested that the scheme amendment is suitable for final adoption. The reasons for this include:

- the proposal is consistent with the planning framework of wide-ranging planning policies, strategies and plans;
- the zoning is compatible with adjoining uses;
- it raises no planning issues and is essentially a “down zoning” which will result in the site’s zoning being consistent with adjoining and nearby

- agricultural properties;
- no objections have been raised from the community or stakeholders;
- the requested Agriculture zoning better aligns with the landowner's aspirations for the property; and
- is consistent with the principles of orderly and proper planning.

It is accordingly recommended that Council grant final adoption to Scheme Amendment No. 17.

#### Department of Parks and Wildlife submission

As outlined in Attachments 12.2.3 and 12.2.4, DPaW recommend that various Special Provisions (similar to those in the current SU2 outlined in Attachment 12.2.2) be retained in the proposed zoning to address environmental and land management matters. While understanding DPaW's rationale to make the Shire aware of potential risks and issues, this component of the DPaW submission is not supported. The reasons for not supporting the DPaW requested Special Provisions include:

- should the amendment be gazetted, future development and land use will be effectively controlled by LPS3 provisions which include bush fire management. Relevant environmental, land management and planning matters can be addressed at the planning (development) application and/or building permit stages such as occurs for other properties zoned Agriculture, Agriculture Priority 2 or similar. Depending on the nature, design and location of future applications, the Shire will consider the advice from DPaW and other agencies at the planning (development) application stage;
- the requested zoning to "Agriculture" is effectively a "down zoning" from the current "Special Use (SU2)" zoning. Significantly, the applicant/landowner is seeking only low-key development which has less environmental and land management impacts than the development set out in the SU2 zoning (the SU2 zoning includes the potential for 20 chalets); and
- the proposed Agriculture zoning is supported which simplifies the planning requirements for this property. Acceptance of the DPaW submission would require the site to remain as a Special Use Zone in order to impose the site specific provisions. Acceptance of the DPaW request would be at cross-purposes with the requested scheme amendment.

#### Next Steps with the Scheme Amendment Process

Following the Council's decision whether or not to support final adoption of the scheme amendment, the WAPC will next assess the scheme amendment request with the final decision made by the Minister for Planning. Should the amendment

be finally gazetted, the applicant is then required to gain relevant approvals from the Shire.

**STATUTORY ENVIRONMENT:**

*Planning and Development Act 2005, Town Planning Regulations 1967 and LPS3.*

**POLICY IMPLICATIONS:** None.

**FINANCIAL IMPLICATIONS:**

The applicant has paid the required scheme amendment processing fee.

**STRATEGIC IMPLICATIONS:**

The site forms part of Precinct NR2 in the *Shire of Nannup Local Planning Strategy*.

**VOTING REQUIREMENTS:** Simple Majority.

**RECOMMENDATION:**

That Council:

1. In pursuance of Section 75 of the *Planning and Development Act 2005* grant final adoption of Amendment No. 17 to the *Shire of Nannup Local Planning Scheme No. 3* by rezoning Lot 2008 on Plan 126679 Nursery Road, East Nannup from "Special Use (SU2)" to "Agriculture".
2. Accept the recommendations in Attachment 12.2.4 relating to submissions and advise all persons and agencies who lodged a submission that their comments were noted.
3. Refer Scheme Amendment No. 17 to the Western Australian Planning Commission and seek final approval by the Honourable Minister for Planning.



AGENDA NUMBER:	12.3
SUBJECT:	South West Development Commission Community Bus Grant
LOCATION/ADDRESS:	N/A
NAME OF APPLICANT:	N/A
FILE REFERENCE:	FNC 6W
AUTHOR:	Louise Stokes – Community Development Officer
REPORTING OFFICER:	Jim Kelly – Acting Chief Executive Officer
DISCLOSURE OF INTEREST:	None
DATE OF REPORT	17 February 2015
PREVIOUS MEETING REFERENCE	Agenda item 12.2 (Minute No 9143) Ordinary Meeting of Council 6 June 2014 Agenda item 12.10 (Minute No 9173) Ordinary Meeting of Council 8 August 2014
ATTACHMENT	12.3.1 Letter of approval, Hon Terry Redman MLA

**SUMMARY:**

A feasibility plan has been developed for the purchase of a community bus. Funding applications, community consultation and fundraising are now underway. The total project cost is \$96,000 including the purchase and housing of the bus, management running costs and administration.

A grant application of \$20,000 has been approved from the South West Development Commission through their Community Chest program. As this funding is over \$5,000, Council is required to accept the funding.

**BACKGROUND:**

The need for a community bus was first identified as a priority in a de-brief after the Volunteer's Ball in 2001. The Community Bus Feasibility Plan outlines consultation that has been undertaken with the community from 2001 until 2011, when a pilot program was developed by the Shire in partnership with the Department of Sport and Recreation and the South West Development Commission.

This project utilised the resources of existing school buses outside of travel hours for school children and provided a fortnightly bus service to Busselton and Manjimup, linking with recreational facilities that are not available in Nannup. The pilot program identified that there was a need for a community bus and that

ongoing funding for a public transport service was not available. Any service provided would need to include the purchase of a community bus.

A presentation was made to the June Council meeting and the Shire of Nannup Community Bus Feasibility Plan was endorsed at the August 2014 Council meeting.

**COMMENT:**

A grant application of \$20,000 has been approved from the South West Development Commission through their Community Chest program. As this funding is over \$5,000, Council is required to accept the funding as per Council policy FNC 6.

**STATUTORY ENVIRONMENT:** None.

**POLICY AND CONSULTATION IMPLICATIONS:**

Community consultation now underway through the 'Friends of the Community Bus' working party.

**FINANCIAL IMPLICATIONS:**

\$5,000 per year from 2015/16. The cost of the purchase price of the bus plus housing would be covered by funding applications and funds allocated in Council's restricted assets.

**STRATEGIC IMPLICATIONS:**

The Shire of Nannup Community Strategic Plan 2013- 2023 *1.3 Our Youth*  
The Shire of Nannup Community Strategic Plan 2013- 2023 *1.2 Our Aged*

**VOTING REQUIREMENTS:** Simple majority.

**RECOMMENDATION:**

That Council accept the South West Development Commission grant of \$20,000 towards the purchase of a community bus.

AGENDA NUMBER:	12.4
SUBJECT:	'Rest a While' Cancer Support Garden & Landscaping Plan Recreation Precinct
LOCATION/ADDRESS:	N/A
NAME OF APPLICANT:	N/A
FILE REFERENCE:	REC 2a
AUTHOR:	Louise Stokes – Community Development Officer
REPORTING OFFICER:	Jim Kelly – Acting Chief Executive Officer
DISCLOSURE OF INTEREST:	None
DATE OF REPORT	17 February 2015
PREVIOUS MEETING REFERENCE	Agenda 12.5 (Minute No 9184) Ordinary Meeting of Council 10 October 2014
ATTACHMENT:	12.4.1 Concept Plan 'Rest a While' garden & landscaping plan Recreation Precinct

**SUMMARY:**

The Cancer Support group has been communicating with Council for the past two years to consider an appropriate location for the 'Rest a While' garden that is a place of reflection for residents and visitors who may be undergoing cancer treatment, or have lost family or friends to cancer. At the October 2014 Council meeting it was resolved to establish this garden at the Recreation Centre and to proceed to undertake consultation and develop a concept plan for the landscaping and 'Rest a While' garden. It is now recommended that Council receive the concept plan.

**BACKGROUND:**

The Cancer support group has donated \$1,656.45 to date and committed to raising funds required to complete the 'Rest a While' project. Other fundraising and sponsorship monies from community groups and businesses have contributed to this project and a funding application has been submitted to the South West Development Commission through their Regional Grants Scheme program of \$144,294. This grant (if approved) will assist with the establishment of landscaping works, drainage, car-parking, kerbing and the aesthetic integration of the two buildings.

**COMMENT:**

In developing the consultation plans there has been ongoing discussion with the Cancer Support group and a meeting was held with the Recreation Centre Project Manager/Architect, Head Gardener, Councillors Longmore and Stevenson and the Chief Executive Officer. This concept plan has also been informally discussed with members of the Nannup Sport & Recreation Centre Committee and a presentation will be made to their 9<sup>th</sup> March meeting.

The 'Rest a While' garden will link into the existing footpaths to reduce the requirement for new infrastructure; however the paths currently do not comply with legislative requirements and will be increased from 1m – 2m in width.

In discussion with the Head Gardener and Bret Howson, the Recreation Centre project manager, there are several options for consideration that require additional consultation with the public and stakeholder groups. These include the option to incorporate the existing open drain into the 'Rest a While' garden and to construct a bridge over the proposed new pathway. This then potentially has options for the inclusion of a water feature within the garden. This project can be completed in stages, as additional fundraising monies become available.

**STATUTORY ENVIRONMENT:** None.

**POLICY IMPLICATIONS:** None.

**FINANCIAL IMPLICATIONS:**

1. Ongoing maintenance costs of the garden.
2. Savings to Council of landscaping for the establishment of the garden at the Recreation Centre.

**STRATEGIC IMPLICATIONS:**

Shire of Nannup Community Plan 2013 – 2023:

3. *Our Built Environment. Shire and Streetscape*

**VOTING REQUIREMENTS:** Simple majority.

**RECOMMENDATION:**

That Council receive the 'Rest a While' Cancer support garden and landscaping plan for the Recreation Precinct and advertise for public comment for a period of 14 days.

# **WORKS & SERVICES**

AGENDA NUMBER:	12.5
SUBJECT:	RAC Electric Highway
LOCATION/ADDRESS:	N/A
NAME OF APPLICANT:	RAC of WA
FILE REFERENCE:	WRK 33
AUTHOR:	Jim Kelly - Acting Chief Executive Officer
REPORTING OFFICER:	Jim Kelly – Acting Chief Executive Officer
DISCLOSURE OF INTEREST:	None
DATE OF REPORT	17 February 2015
PREVIOUS MEETING REFERENCE	Information items July and October 2014 and January 2015.
ATTACHMENTS	12.5.1. RAC Electric Highway Partnering Agreement

## **SUMMARY:**

RAC of WA are developing an Electric Highway which involves RAC paying for fast charging stations and their installation in nine (9) locations between Perth and Augusta and east to Nannup and Bridgetown. It is proposed that the charging station will be a part of the Main Street redevelopment project.

The project fits in with the Shire of Nannup Community Strategic Plan 2013-23. It is recommended the Shire of Nannup participate in this innovative project and sign the Partnering Agreement

## **BACKGROUND:**

RAC representatives, Patrick Walker and Kelly Hick, first met with the CEO on 25 June 2014 to explain this proposal and that was briefly reported to Council in the Information Report in July 2014. Unfortunately the documentation which was attached to that item appears to have been mixed up. Initially an Electric Highways Committee issued some documentation that proposed a network of electric vehicle charging stations throughout south western WA's most popular tourist routes and was seeking contributions of up to 50% of the cost.

However, included with the same documentation was detail from the RAC that they had decided to fund the supply and installation of the fast charging stations for an 'RAC Electric Highway' which covered the towns of Mandurah, Harvey,

Bunbury, Busselton, Dunsborough, Margaret River, Augusta, Nannup and Bridgetown.

Following the incorrect advice in the first Information Report item the involvement of the RAC was clarified and this was reported to Council in an Information Report item in October 2014.

Then, in January 2015 the CEO reported again in the Information Report and attached the draft agreement, saying that a report would be provided in February 2015.

**COMMENT:**

The main points that cover this exciting and innovative proposal are:

1. Independent research by the Electric Highways Committee showed the practicality of installing electric vehicle charging stations to serve the most popular tourist routes in WA's south west.
2. The RAC of WA decided to financially back the proposal to install fast charging stations in nine (9) locations between Perth and Augusta and east to Nannup and Bridgetown. Where the Local Government is able to provide two bays the RAC will also provide a separate slower charger as not all electric vehicles today can accept the fast charge.
3. A partnering agreement is being sought with all the local governments involved that will see the charging stations branded with the RAC Electric Highway logo with joint branding opportunities between the relevant local government and the RAC, including associated signage. Indications are that all other local governments have in-principle agreement to sign up.
4. This agreement is for five (5) years and basically involves the RAC meeting all upfront supply and installation costs (with the exception of the parking bays themselves) and the Shire of Nannup covering ongoing maintenance and upkeep costs which are expected to not exceed \$1500 per year to cover such things as graffiti removal. The Shire will manage the installation process.
5. The launch and promotion of this RAC Electric Highway will be handled by the considerable resources and expertise of the RAC. The relevant local government and town will feature with particular emphasis on the partnering arrangement – a win-win scenario.
6. Main Roads has also developed a standard sign for electric vehicle charging stations, which will further assist with promotion and awareness with the travelling public.

7. How the fast charging stations are accessed and used has been fully researched and will be relatively simple using state of the art technology including pre-booking and payment systems similar to the TransPerth smart rider system.
8. Owners of electric cars fully understand the ramifications of owning and operating an electric car including the charging times and frequency.
9. Whilst at present the number of electric cars in WA is relatively small there is no doubt that as technology improves the numbers will rise.
10. Charging rates for the electricity consumed will be managed by the local governments and can be set at rates to fully compensate the local government for all costs including allowances to cover upkeep and maintenance.
11. The benefits to Nannup will be significant, including:
  - a) The Electric Highway follows a route using Mowen Road between Margaret River and Nannup and this can form a part the promotion of Mowen Road.
  - b) The Shire of Nannup will be a part of a positive step to see the reduction of CO<sub>2</sub> emissions, empowering Shire residents to use electric vehicles to travel both within their region and to and from Perth as required. If RAC funds permit there may be alternative routes added. Interest is also being expressed by other local governments.
  - c) This project will be part of the Main Street upgrade and seen as a part of a revitalised Nannup CBD.
  - d) The fast charger takes about 30 minutes to charge a vehicle and while this is occurring the motorist and passengers will have access to the business houses in Nannup, resulting in an increase in trade.
  - e) In this partnership the Shire of Nannup will be joining with the RAC, which enjoys very wide acceptance in the WA community as a highly credible and independent motoring organisation. RAC has over 850,000 members in WA

The RAC are keen for this project to proceed as soon as possible. Their timeline is having the work done by June or July 2015. The program for the Main Street project will possibly be able to accommodate this timeline because street and footpath levels for the Main Street works will not be altered. The installation of the fast charger will be managed by the Project Manager (Bret Howson). The RAC will meet all installation costs.

**STATUTORY ENVIRONMENT:** None.

**POLICY IMPLICATIONS:** None.

**FINANCIAL IMPLICATIONS:**

The indirect costs associated with finalising the agreement are minimal and any other minor administrative and project management costs can be a part of the Main Street project. A small allowance to cover maintenance costs will be included in the 2015/16 Budget, although this will be offset by income from electricity sales.

**STRATEGIC IMPLICATIONS:**

The sections of the Community Strategic Plan 2013-23 that cover this project are:

**Our Community Statement:**

- We are a unique town that role models, **sustainability, friendliness...**

**Strategies:**

**2.1 The big picture**

- Promote innovative ideas and value add to business and industry

**4.3 Our sustainable future**

- To support a sustainable, harmonious community...
- Promote a healthy lifestyle and alternative methods of transport

**6.1 Lead, Listen, Advocate, Represent and Provide**

- Be an exemplar of sustainability

**VOTING REQUIREMENTS:** Simple majority.

**RECOMMENDATION:**

That Council agree to be a part of the RAC Electric Highway and the Shire President and CEO be authorised to sign the RAC Electric Highway Partnering Agreement.



# **FINANCE & ADMINISTRATION**

AGENDA NUMBER:	12.6
SUBJECT:	Annual Electors Meeting Minutes
LOCATION/ADDRESS:	Nannup Shire
NAME OF APPLICANT:	N/A
FILE REFERENCE:	ADM 17
AUTHOR:	Vic Smith – Manager Corporate Services
REPORTING OFFICER:	Vic Smith – Manager Corporate Services
DISCLOSURE OF INTEREST:	None
DATE OF REPORT	13 February 2015
PREVIOUS MEETING REFERENCE	None
ATTACHMENT	12.6.1 Electors Meeting Minutes 12 February 2015

**SUMMARY:**

The minutes of the Annual Electors Meeting of 12 February 2015 are attached and no further action is required other than to receive them. Questions raised at the meeting have all been responded to.

**BACKGROUND:**

The 2013/14 Annual Meeting of Electors for the Shire of Nannup was held on 12 February 2015 and the minutes are attached.

**COMMENT:**

Council is required to consider any decisions made at the electors meeting at the next ordinary council meeting held.

There were no decisions made at the electors meeting. To ensure absolute compliance a recommendation to note this matter is put forward. Other points raised at the meeting as noted in the minutes have been actioned or noted where applicable. The questions taken on notice have been responded to in writing.

**STATUTORY ENVIRONMENT:** Section 5.33 (1) Local Government Act 1995.

**POLICY IMPLICATIONS:** None.

**FINANCIAL IMPLICATIONS:** None.

**STRATEGIC IMPLICATIONS:** None.

**VOTING REQUIREMENTS:** Simple Majority.

**RECOMMENDATIONS:**

That Council receive the 2013/14 Annual Electors Meeting minutes held on 12 February 2015.

AGENDA NUMBER:	12.7
SUBJECT:	Compliance Audit Return 2014
LOCATION/ADDRESS:	Nannup Shire
NAME OF APPLICANT:	Shire of Nannup
FILE REFERENCE:	ADM 14
AUTHOR:	Vic Smith – Manager Corporate Services
REPORTING OFFICER:	Vic Smith – Manager Corporate Services
DISCLOSURE OF INTEREST:	None
DATE OF REPORT	10 February 2015
PREVIOUS MEETING REFERENCE	Audit Advisory Committee 22 January 2015
ATTACHMENTS	12.7.1: Completed 2014 Compliance Audit Return

**SUMMARY:**

This annual statutory return has been completed and is recommended for Council adoption. There was one area of non-compliance as explained in the report.

**BACKGROUND:**

Council is required by section 14 of the Local Government Audit Regulations 1996 to complete a Compliance Audit Return each year covering the period 1 January to 31 December. The Compliance Audit Return is to be:

1. Presented to Council at a meeting of the Council.
2. Adopted by the Council.
3. The adoption recorded in the minutes of the meeting at which it is adopted.
4. Signed by the Shire President and Chief Executive Officer and returned to the Department of Local Government with a copy of the Council minutes of the meeting at which it was received.
5. Submitted to the Department for Local Government by 31 March each year.

The return must also be reviewed by the Audit Committee prior to its adoption by Council.

**COMMENT:**

The Annual Compliance Audit Return contains 78 questions of which:

- 50 were complied with;
- 27 were not applicable to the Shire of Nannup during the year under review; and
- 1 area of non-compliance.

The area of non-compliance related to the receipt of the auditor's report. The statutory deadline for the receipt of the report is 31 December but the report was not received until 7 January 2015. Although the audit was scheduled to take place in mid October officers agreed at the request of the auditor to delay the audit until mid November, to allow them to accommodate other clients.

There were a number of audit queries that needed to be resolved following the audit and the final amendments were submitted to the auditor on the afternoon of Friday 19 December. Unfortunately the auditors had closed for their Christmas break prior to receiving the final amendments and were not able to issue the final report until after the Christmas and New Year holidays.

**STATUTORY ENVIRONMENT:** Local Government Audit Regulations 1996.

**POLICY IMPLICATIONS:** None.

**FINANCIAL IMPLICATIONS:** None.

**STRATEGIC IMPLICATIONS:** None.

**VOTING REQUIREMENTS:** Simple Majority.

**RECOMMENDATION:**

That Council adopt the Local Government Compliance Audit Report for the Shire of Nannup for the period 1 January 2014 to the 31 December 2014, and submits the report to the Department of Local Government as required.

AGENDA NUMBER:	12.8
SUBJECT:	Budget Review 2014/15
LOCATION/ADDRESS:	Nannup
NAME OF APPLICANT:	Shire of Nannup
FILE REFERENCE:	FNC 3
AUTHOR:	Tracie Bishop – Corporate Finance Officer
REPORTING OFFICER:	Vic Smith – Manager Corporate Services
DISCLOSURE OF INTEREST:	None
DATE OF REPORT:	14 January 2015
PREVIOUS MEETING REFERENCE:	None
ATTACHMENTS:	None

**SUMMARY:**

As per the Financial Management Regulations 1996 Section 33A a review of a Local Government’s annual budget must be completed between 1 January and 31 March each year. The following item allows the Shire of Nannup to reach compliance within this area.

There are some variances expected from the original estimates of the Budget which was adopted at the June 2014 Ordinary Council Meeting. These are largely as a result of timely and prudent savings by officers. Overspends are anticipated as a result of recruitment costs for two senior management positions and staff training.

Based on the current financial information that is available it is anticipated that for the 2014/15 financial year the Shire of Nannup may finish this year with a surplus of \$30,304; this will offset the deficit of \$35,899 that was carried forward from the 2013/14 financial year.

**BACKGROUND:**

Council is required by section 33A of the Local Government (Financial Management) Regulations 1996 (the Regulations) to conduct a review of its budget. This review must be completed between 1 January and 31 March each financial year. Council is also required to submit the outcome of the review to the Department of Local Government within 30 days of the acceptance of the review.

**COMMENT:**

The statutory requirement for the budgetary review is relatively limited and simply requires the Council to evaluate the likely position at the end of the current financial year. This report goes much further than this and presents an in depth review of the Council's finances covering:

- Performance on the previous year
- Current expectations on income and expenditure
- The longer term financial prospects
- The sustainability of reserves
- The Council's exposure to financial risk

Outturn from 2013/14 Budget – Actual v Estimated

The Annual Report adopted by Council on 22 January 2015 showed a gross surplus carried forward of \$979,418. This varies to the estimated expected outturn that was reported during the budgeting process for the 2013/14 financial year. At that point in time it was estimated that the gross surplus carried forward would be \$633,499.

On analysis, it appears that the \$345,919 variance is a result of capital expenditure being less than previously expected which has had the flow on effect of reducing the reserve contribution anticipated. Additionally Mowen Road expenses have not been as high as budgeted expectations.

The table below shows a breakdown of the surplus carried forward from 2013/14.

	\$
Set Aside to meet current liabilities arising in 2014/15	-62,062
Unspent grants carried forward to 2013/14	1,058,553
Grants for 2014/15 received in 2013/14	0
Expenditure committed in 2013/14 carried forward to 2014/15	18,822
Uncommitted deficit carried forward	-35,899
<b>Total</b>	<b>979,414</b>

The uncommitted deficit of \$35,899 is in contrast to the previous two years' surpluses reported.

Anticipated Outturn for 2014/15

Members will see from the budget monitoring reported elsewhere on today's agenda that as at 31 January 2015 a surplus for the year of \$30,304 is currently predicted. This is primarily as a result of savings in expenditure and is predicted based on current trends continuing.

Insurance costs are expected to be lower than budgeted by approximately \$25,000; this is the result of fewer employees as the Mowen Road project comes to a close. The reduced number of employees has a consequent impact on the cost of Workers' Compensation Insurance.

Staff training costs have been higher than budgeted. With the recruitment of three new outdoor employees has come the need for additional training to ensure that they are capable and trained for their new positions, this has resulted in an overspend within this area. There will also be recruitment costs associated with replacing both the Chief Executive Office and the Manager of Corporate Services. Both of these were not accounted for within the original budget. Additionally from an OH&S perspective there are areas where required skills needed to be updated in order to comply with legislative requirements. At this point in time, it is anticipated that the overspend in this area will be \$10,000.

The running costs for the Community Emergency Service Officer's vehicle are likely to be higher than budgeted. This is a result of the vehicle being replaced by a new leased vehicle with a higher mileage allowance to reflect the greater distances being travelled. These costs will be offset by 80% under the grant arrangements with the Department of Fire and Emergency Services.

With the change within senior staff there is unbudgeted expenditure now required within housing. At this point, the spending is for refurbishment of the CEO's house prior to his family taking up residence. A decision is needed as to which house he would like to occupy before any quotes can be obtained for any refurbishments required. An amount of \$7,000 is included within this review and it is recommended that this be funded from the Asset Management Reserve.

Savings will be achieved from the Manager Infrastructure being on unpaid leave for part of the year. Although this was covered by a temporary appointment the majority of this cost was borne by the Mowen Road project.

The report adopting the 2014/15 budget noted that the income and expenditure profile assumed for the caravan park posed a significant risk of variation because of the proposal to lease the park part way through the year. Income for the year is down by approximately \$106,000 but this is offset by lower expenditure of approximately \$40,000. Costs and income are currently being finalised and will be reported on more fully in the March monitoring report; this projection assumes that the net position will be approximately \$40,000 worse than expected.

Capital expenditure items are all within allocated budgets. There have been savings in the purchase costs of the loader and tractor, with trade in values being close to expectations. There will therefore be a saving of \$50,000 at the end of the year that will be offset by a reduced contribution from the Plant and Equipment Reserve. Costs have been incurred in replacing the central server and upgrading

five PCs; this cost will be offset by a contribution from the Office Equipment Reserve.

### Long Term Financial Position

The Long Term Financial Plan (LTFP) was formally adopted by Council at the June 2013 Council meeting. Identified within this document was the fact that despite the Shire of Nannup having a history of prudent financial management and of making difficult decisions when the need arises, this stability is being threatened by a projected reduction in capital grants that are supporting ongoing revenue expenditure.

The predominance of capital grant income as a main contributor to overall council income lessened in 2013/14. This saw a shift from the previous year's capital grant income of approximately \$7.5 million to \$3.8 million. Revenue grants account for another \$1.08 million; rate income of \$1.5 million; Fees & Charges for services were approximately \$380,000 and interest earnings at \$140,000. As reported in previous years, this heavy reliance on capital grants continues to put pressure on the other income streams, the most significant of which remains the rate income as the balancing point between expenditure and shortfall. The reason that this shortfall remains after capital projects are finished is that fixed overheads and other operational costs remain, regardless of current work projects being operational or capital, and these costs must now be borne from other sources i.e. rate income.

Based on this outlook, Council identified that there was a need to establish a reserve to act as a buffer for periods where high rate increases would otherwise be needed. Included within the 2013/14 financial year there was a budgeted reserve contribution of \$150,000 to a Rates Equalization Reserve as a method of mitigating the projected shortfall in capital grants. Contributions from this reserve were used within the 2014/15 budget for a contribution amount of \$50,000. It is anticipated that a further \$50,000 will be used within the 2015/16 budget to mitigate against the loss of capital income we are now experiencing.

Since this projection was prepared the 2014/15 budget has been adopted at a lower level than earlier projections showed. The revised projection shows that the predicted cost pressures have been bought forward from 2015/16 to 2014/15; this is a result of the works to Mowen Road in the final year (2014/15) having a different cost profile to previous years.

The table below shows the most recent projection incorporated in the Long Term Financial Plan.



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<b>Year</b>	<b>Budget Projection \$</b>	<b>Increase Annual \$</b>	<b>Increase Annual %</b>	<b>Increase Cumulative \$</b>	<b>Increase Cumulative %</b>
2014/15	1,364,969	0	5.16	0	0
2015/16	1,509,844	144,875	10.61	144,875	10.61
2016/17	1,614,413	104,568	6.93	249,444	18.27
2017/18	1,749,255	134,843	8.35	239,411	28.15
2018/19	1,808,334	59,079	3.38	193,922	32.48
2019/20	1,847,970	39,635	2.19	98,714	35.39
2020/21	1,856,499	8,529	0.46	48,164	36.01
2021/22	1,897,195	40,697	2.19	49,226	38.99
2022/23	1,928,334	31,139	1.64	71,835	41.27
2023/24	1,975,837	47,503	2.46	78,642	44.75
2024/25	1,990,410	14,573	0.74	62,076	45.82

A series of workshops will be held over the coming months to examine options for reducing the anticipated rate increase. An update of the Long Term Financial Plan projections will be presented to Council at the March meeting.

#### Asset Management Plan

The Asset Management Plan (AMP) was formally adopted by Council at the June 2013 Council meeting. Within this document it was acknowledged that the replacement value of all Council owned buildings is \$17,378,000. This figure will be revised over the coming months to reflect valuations currently being arranged to take place within March/April this year. As per statutory requirements, all assets need to be revalued within a three year period. The majority of land and buildings was last revalued in 2011, hence the need for a full revaluation this financial year. The AMP will be updated with these new valuations.

Based on the current AMP, over the next ten years the costs associated with maintenance and repairs to these assets is estimated to be \$1,811,343. This will require an annual revenue contribution of \$181,134. Included within the budget for the 2014/15 financial year was a contribution to the Asset Management Reserve of \$180,000 to reflect this liability.

#### Sustainability of Reserves

The Council maintains a number of reserves to meet recurrent capital expenditure requirements and other liabilities, such as long service leave. The budgeted position of these reserves is as follows:

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<b>Reserve</b>	<b>Opening Bal</b>	<b>Additions</b>	<b>Payments</b>	<b>Closing Bal</b>
	<b>1.7.14</b>	<b>2014/15</b>	<b>2014/15</b>	<b>30.6.15</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Long Service Leave	167,768	27,400		195,168
Plant	606,708	146,300	(325,000)	428,008
Recreation Centre	384,346	10,000	(394,346)	0
Office Equipment	34,923	15,100		50,023
Main Street Upgrade	346,438	4,500	(100,000)	250,938
Land Fill Site	30,696	10,200		40,896
Gravel Pit	7	20,180		20,187
Emergency Management	52,185	500		52,685
Aged Housing	20,876	200		21,076
Asset Management	292,824	182,500		475,324
Rate Equalization	150,000	2,500	(50,000)	102,500
<b>Total</b>	<b>2,086,771</b>	<b>419,380</b>	<b>(869,346)</b>	<b>1,636,805</b>

As mentioned in the AMP, there is a reserve contribution of \$180,000 budgeted within the 2014/15 financial year to allow the council to continue to strategically plan to be in a strong position to provide for all necessary capital expenditure moving forward. The contribution that was made to a Rate Equalization Reserve has been used this year to help ease the burden that would have otherwise been applied to the required rate income to cover shortfalls as a result of capital income reductions. Overall, Council's reserve funds represent a strong and sustainable position going forward.

### Risks

The Council's immediate financial position is relatively strong but this must be considered in the light of limited information on future expenditure needs and the impact that these would have on the rate liability.

A number of key funding streams have now ceased and the overall impact that this will have on rate revenue is yet to be fully analysed. Funding for road construction under the Commodity Routes program ceased in 2013/14, the Royalties for Regions programs have also ceased and the grant funding received under Mowen Road is drawing to a close. In general this will mean upward pressure will be applied to the base budget, which in turn will mean that either pressure will be applied to the amount of rates revenue required each year or savings must be found.

The initial work on the Long Term Financial Plan will need to be revisited and updated to address this issue. This will be reported to Council at the March meeting.

The impact of Council's decision to lease out the running of the Brockman Street and Riverbend caravan parks should result in a decrease in risk associated with the expenditure on this facility. The lease agreement is based around a 20 year lease with income being 5% of estimated turnover each year, due in advance. This will then be compared to audited statements at the close of each year and adjustments made where necessary. Based on the fact that expenditure for this facility has now been dramatically reduced to cover only insurance this change in the running of this facility reduces the risk dramatically.

Other risks identified at last year's budget review have been mitigated and the underlying financial position remains strong.

### Budget Timetable

The timetable for compiling the 2015/16 budget is set out below. In an effort to provide Councillors with the information required to make informed decisions for the upcoming budget, a number of workshops and consultation times for discussion on the various components of the budgetary process have been arranged. These workshops have been expanded from previous years to allow Councillors' the opportunity to delve into the detail within the budget on a line by line basis if they wish. This year's workshops commenced in December 2014 and are scheduled to continue through to mid May 2015. This should then allow both the Budget and Rate in the Dollar to be finalised and ready to be brought to the May 2014 Council meeting for adoption.

<b>Financial Workshop Schedule - 2015/16 Year</b>		
<b>Activity</b>	<b>Date</b>	<b>Description</b>
LTFP Presentation	12/12/2014	First presentation to Councillors, broad overview of LTFP implications, obtaining a figure from Councillors as to where they would like salary projection for next 3 years.
First Councillor Base Budget Workshop	15/01/2015	First workshop aimed at allowing Councillors to delve into budget on a line by line basis if required. First workshop will look solely at expenses in any areas that Councillors feel necessary.
Second Councillor Base Budget Review	29/01/2015	2nd workshop following on from first, look at outcomes from 1st workshop and/or Fees & Charges 2015/16.
3rd Councillor workshop - Fees and Charges / Asset Management Presentation	12/02/2015	Time permitting workshop will be based around finishing fees & charges for 15/16 and annual review of which assets will require budgetary consideration for 15/16.

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AMP/Works Program Information Session	26/02/2015	Additional date set to ensure that if Asset Management Plan not included within workshop of 12/2/2015 this can be completed on this date. If completed workshop will focus on works program and plant & equipment requirements going forward.
Formal Budget Workshop - Councillors	19/03/2015	Completion of workshop 4 if required then first full budget workshop aimed as Councillor level to go through budget considerations for the 15/16 Financial Year based around recommendations from base budget reviews of January 2015.
Second formal budget workshop - Councillors	2/04/2015	Follow on from previous workshop
Third budget workshop (if required) and Rate in the Dollar workshop - Councillor level	16/04/2015	Budget workshop - if required and first Rate in Dollar workshop
Second Rate in the Dollar workshop	7/05/2015	If required second rate workshop
Third Rate in the Dollar workshop - if required	14/05/2015	If required third rate workshop
Rate in Dollar and Budget for 2014/15 brought to Council	28/05/2015	
Rate in Dollar and Budget for 2014/15 brought to Council - Second time if required	25/06/2015	

### Conclusions

The variance that is shown between the actual and the estimated outturn for 2014/15 is primarily as a combined result of Mowen Road expenditure not being as high as first anticipated and additional grant funding being sourced that was not included within the budget. Mowen Road has been an ongoing capital project which will draw to a conclusion within the current 2014/15 financial year.

Once the budget is amended to include unanticipated spending within Housing and Ranger Services, based on the performance in the first six months of 2014/15 it is projected that there will be an end of year surplus of \$30,304. This surplus will be as a result of both budgetary savings being applied wherever possible and the additional grant funding being sourced as mentioned above. It is recommended to use this surplus to cover the deficit carried forward from 2013/14.

The Long Term Financial Plan will be updated and refined to inform the 2015/16 budget and to comply with the requirements of the Integrated Planning Framework. Consideration must be taken of the impact that the reduction of capital

grants will have on the overall revenue required from rates in order to continue to maintain our cost base.

The Asset Management Plan will be revised to reflect current trends identified within the revaluation.

The overall reserve position is strong and supports Council's decision to ensure that it is in a good position to address potential capital projects identified by the community.

The work to complete the 2015/16 budget has already commenced and Officers anticipate that with the inclusion of the various workshops arranged over the coming months that Council will be in a position to make an informed decision relating to the budget by the May 2015 Council meeting. This will enable officers to implement the budget and raise rates at the beginning of the 2015/16 financial year. This should place Council in a strong financial position moving forward.

**STATUTORY ENVIRONMENT:**

Sub-section 2A of the Regulations requires the Council to:

- (a) Consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and
- (b) Consider the local government's financial position as at the date of the review; and
- (c) Review the outcomes for the end of that financial year that are forecast in the budget.

**POLICY IMPLICATIONS:** None.

**FINANCIAL IMPLICATIONS:** A potential surplus of \$30,304 for 2014/15.

**STRATEGIC IMPLICATIONS:** None.

**VOTING REQUIREMENTS:** Absolute majority.

**RECOMMENDATION:**

That Council amend the 2014/15 budget as follows:

- 1) Include an item of \$7,000 for refurbishment of property chosen by incoming CEO to be funded from the Asset Management Reserve;
- 2) Any surplus arising in 2014/15 will first be used to offset the deficit carried forward from the 2013/14 financial year.

AGENDA NUMBER:	12.9
SUBJECT:	Budget Review - January
LOCATION/ADDRESS:	Nannup Shire
NAME OF APPLICANT:	N/A
FILE REFERENCE:	FNC 8
AUTHOR:	Vic Smith – Manager Corporate Services
REPORTING OFFICER:	Vic Smith – Manager Corporate Services
DISCLOSURE OF INTEREST:	None
PREVIOUS MEETING REFERENCE:	None
DATE OF REPORT	17 February 2015
ATTACHMENTS	12.9.1: Financial Statements for the period ending 31 January 2014 12.9.2: Table Showing Detailed Variances for 2014/15

**SUMMARY:**

This report summarises the movements in the budget for 2014/15. At this point it is anticipated that there will be a saving at the end of the year of approximately \$30,000. This will be used to offset the deficit brought forward of \$35,899.

**BACKGROUND:**

Local Government (Financial Management) Regulation 34(1) requires that Council report monthly on the financial activity from all the various operating and capital divisions. Council has adopted a variance threshold of 10% or \$5,000, whichever is the greater on which to report. The statutory statements are appended at Attachment 12.9.1.

Whilst this has resulted in all variances of 10% being identified and reported, it only focuses attention on the performance to the month in question and not the likely outturn at the end of the year.

Monthly reporting draws on the flexibility allowed in the Financial Management Regulations to draw attention to likely under and overspends at the end of the year.

**COMMENT:**

The gross surplus that is anticipated for the end of this financial year is expected to be \$30,304; this is shown in the table below.

	<i>(Surplus)/Deficit</i> \$
<b>Gross (surplus)/deficit expected for the year</b>	
Income – under received	\$10,708
Expenditure – underspent	(\$41,012)
<b>Projected surplus at end of the year</b>	<b>(\$30,304)</b>

Income for the year is expected to be \$10,708 lower than budgeted. Grant funding of \$19,900 has been received to develop a bridle trail; this will have a nil effect overall as expenditure within the Community Development budget will increase. The grant for the SES is \$10,200 lower than expected as a bid for new equipment has not been successful; there will be a nil overall effect on the budget as the budgeted equipment will not now be purchased.

Additional properties being added to the rate base have resulted in higher rates and service charges, generating additional income of approximately \$6,500. Financial Assistance Grants are slightly lower than anticipated but this is offset by the direct roads grant from Main Roads being higher than budgeted.

Income from fees and charges will exceed budgets if current income trends continue. Similarly, assuming investment income matches that for 2013/14, income from this source will be \$6,000 lower than budgeted.

Insurance costs are expected to be lower than budgeted by approximately \$25,000; this has arisen because there will be fewer employees as the Mowen Road project comes to a close. The reduced number of employees has a consequent impact on the cost of Workers Compensation Insurance.

Staff training costs have also been higher than budgeted. With the recruitment of three new outdoor employees has come the need for additional training to ensure that they are capable and trained for their new positions, this has resulted in an overspend within this area. Additionally from an OH&S perspective there are areas where required skills needed to be updated in order to comply with legislative requirements. At this point in time, it is anticipated that the overspend in this area will be \$5,350.

The running costs for the Community Emergency Service Officer's vehicle are likely to be higher than budgeted. This is a result of the vehicle being replaced by a new leased vehicle with a higher mileage allowance to reflect the greater

distances being travelled. These costs will be offset by 80% under the grant arrangements with the Department of Fire and Emergency Services.

Savings will also be achieved from the Manager Infrastructure being on unpaid leave for part of the year. Although this was covered by a temporary appointment the majority of this cost was borne by the Mowen Road project.

Works will be required to improve the property at 29 Carey Street now that it has been vacated by the outgoing CEO. The cost of these works will be funded from the Asset Management Reserve.

The report adopting the 2014/15 budget noted that the income and expenditure profile assumed for the caravan park posed a significant risk of variation because of the proposal to lease the park part way through the year. Income for the year is down by approximately \$106,000 on 2013/14 but this is offset by lower expenditure of approximately \$40,000 (comparison is with a full year's income and expenditure). Costs and income are currently being finalised and will be reported on more fully in the March monitoring report; this projection assumes that the net position will be approximately \$40,000 worse than expected.

Capital expenditure items are all within allocated budgets. There have been savings in the purchase costs of the loader and tractor, with trade in values being close to expectations. There will therefore be a saving of \$50,000 at the end of the year that will be offset by a reduced contribution from the Plant and Equipment Reserve. Costs have been incurred in replacing the central server and upgrading five PCs; this cost will be offset by a contribution from the Office Equipment Reserve. Grant income for the Mowen Road project will be \$160,000 higher than budgeted and will be fully spent, resulting in no variation against overall expenditure.

Attachment 12.9.3 provides a detailed breakdown of income and expenditure incurred to 31 January 2015 and the associated annual budgets. The first two columns show the budget and the income or expenditure to date against each account code. The two columns on the right show the budget remaining for the year and the anticipated income or expenditure at the year end.

The variances shown in the statutory statements at Attachments 12.9.1 and 12.9.2 that are not commented on above result from income and expenditure not being in accordance with the profile adopted for the budgets and are therefore due to timing differences.

#### **STATUTORY ENVIRONMENT:**

Local Government (Financial Management) Regulation 34(1)(a).

**POLICY IMPLICATIONS:** None.



**FINANCIAL IMPLICATIONS:**

An anticipated saving at the end of the year of \$30,304.

**STRATEGIC IMPLICATIONS:** None.

**VOTING REQUIREMENTS:** Simple Majority.

**RECOMMENDATION:**

It is recommended that the Monthly Financial Statements for the period ending 31 January 2015 be received.

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AGENDA NUMBER:	12.10
SUBJECT:	Monthly Accounts for Payment - January 2015
LOCATION/ADDRESS:	Nannup Shire
NAME OF APPLICANT:	N/A
FILE REFERENCE:	FNC 8
AUTHOR:	Vic Smith – Manager Corporate Services
REPORTING OFFICER:	Vic Smith – Manager Corporate Services
DISCLOSURE OF INTEREST:	None
PREVIOUS MEETING REFERENCE:	None
DATE OF REPORT	12 February 2015
ATTACHMENTS	12.10.1: Schedule of Accounts for Payment – January 2015

**SUMMARY:**

The schedule of accounts paid in January 2015 is submitted to Council for endorsement.

**BACKGROUND:**

The Accounts for Payment for the Nannup Shire Municipal Account fund and Trust Account fund to 31 January 2015 as detailed hereunder and noted on the attached schedule, are submitted to Council.

**COMMENT:**

If Councillors have questions about individual payments prior notice of these questions will enable officers to provide properly researched responses at the Council meeting.

There are two corporate credit cards currently in use. A breakdown of this expenditure in the monthly financial report is required to comply with financial regulations. There are no credit card transactions to report for January 2015.

**Municipal Account**

Accounts paid by EFT	6784 - 6869	\$143,244.01
Accounts paid by cheque	19691 –19719	\$86,010.96
Accounts paid by Direct Debit		\$0.00
Sub Total Municipal Account		<hr/> \$229,254.97

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<b>Trust Account</b>	
Accounts paid by EFT	\$0.00
Accounts Paid by cheque	\$0.00
Sub Total Trust Account	<hr/> \$0.00
<b>Total Payments</b>	<hr/> <b>\$229,254.97</b> <hr/>

**STATUTORY ENVIRONMENT:** LG (Financial Management) Regulation 13

**POLICY IMPLICATIONS:** None.

**FINANCIAL IMPLICATIONS:** As indicated in Schedule of Accounts for Payment.

**STRATEGIC IMPLICATIONS:** None.

**VOTING REQUIREMENTS:** Simple majority

**RECOMMENDATION:**

That Council endorse the List of Accounts for Payment totalling \$229,254.97 as set out in the attached schedule.

**13. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY  
DECISION OF MEETING**

**13.1 OFFICERS**

**13.2 ELECTED MEMBERS**

**14. MEETING CLOSED TO THE PUBLIC**  
(Confidential Items)

## **CONFIDENTIAL ITEMS**

**PROCEDURAL RECOMMENDATION**

*That the meeting be closed to members of the public in accordance with Sections 5.23(2) (a), (b) and (c) of the Local Government Act 1995.*

*(The following report is confidential in accordance with Section 5.23(2)(a),(b) and (c) and of the Local Government Act 1995, being a matter effecting an employee, the personal affairs of a person and a contract that may be entered into by the Local Government)*

The confidential report is provided separately to Council Members, the Chief Executive Officer and Directors. In accordance with the legislation, the report is to be kept confidential until determined by the Council to be released for public information. At the conclusion of these matters, Council may wish to make some details available to the public.

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AGENDA NUMBER:	14.1
SUBJECT:	CEO Contract Amendment
LOCATION/ADDRESS:	N/A
NAME OF APPLICANT:	N/A
FILE REFERENCE:	PSN 22
AUTHOR:	Jim Kelly - Acting Chief Executive Officer
REPORTING OFFICER:	Jim Kelly - Acting Chief Executive Officer
DISCLOSURE OF INTEREST:	None
DATE OF REPORT	17 Feb 2014
PREVIOUS MEETING REFERENCE	Agenda Item 12.11 (Minute No.9125,9126,9127) Ordinary Meeting 23 January 2015
ATTACHMENTS	14.1.1 Amended Employment Contract for CEO

**14.2 PUBLIC READING OF RESOLUTIONS THAT MAY BE MADE PUBLIC**

**15. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

**Cr Dean – Proposed motions**

**15.1**

That this Council write to the Minister for Environment to seek urgent clarification of its burning programme for the Shire of Nannup and in particular the eastern section of the townsite.

**15.2**

That this Council write to the Premier of Western Australia and the Minister for Environment expressing its alarming concerns at the scale and magnitude of the recent Northcliffe wild fires. We ask for an increase in staffing levels at the Nannup Department of Parks and Wildlife depot to at least four full crews to implement the lower south west.

**16. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**

**17. CLOSURE OF MEETING**