



Ordinary Council Meeting

Unconfirmed Minutes 2 November 2017

Bunbury-Harvey Regional Council

Lot 45 Stanley Road, Wellesley
Western Australia

Correspondence to:
Post Office Box 111
Australind WA 6233

Ordinary Council Meeting Declaration of Opening

The Chairman declared the meeting open at **4:01pm**.

These Minutes are confirmed as being true and correct by Council – **RESOLUTION: OC81023-1510**

Cr Murray Cook
Chairperson

Mr Tony Battersby
Chief Executive Officer

Minutes 2 November 2017

Council Members:

Member Name	Representing
Cr Murray Cook	City of Bunbury (Chairperson)
Cr Anita Shortland	Shire of Harvey (Deputy Chairperson)
Cr Betty McCleary	City of Bunbury
Cr James Hayward	City of Bunbury
Cr Peter Monagale	Shire of Harvey

Ex-officio Members (non-voting):

Member Name	Representing
Mr Tony Battersby	Chief Executive Officer (BHRC)
Mr Michael Parker	Chief Executive Officer (Shire Of Harvey)
Mr Mal Osborne	Acting Chief Executive Officer (City of Bunbury)

Support Staff:

Name	Title
Ms Martinette Pieterse (minute taker)	Secretary
Chris Welham	Accountant

Table of Contents

<u>Item No</u>	<u>Subject</u>	<u>Page No</u>
1.	Attendances	4
1.1	Apologies	4
2.	Swearing in of Presiding Members of Council – <i>(To be performed by the Justice of The Peace)</i>	4
3.	Election of the Council Chairman	4
4.	Swearing in of the Council Chairman – <i>(To be performed by the Justice of The Peace)</i>	4
5.	Election of Deputy Chairman.....	4
6.	Swearing in of Deputy Chairman – <i>(To be performed by the Justice of The Peace)</i>	4
7.	Appointment of Council Representative on the Municipal Waste Authority Council.....	4
8.	Public Question Time	5
9.	Summary of Response to previous Questions taken on notice.....	5
10.	Applications for Leave of Absence.....	6
11.	Confirmation of Minutes.....	6
12.	Petitions / Memorials / Presentations	6
13.	Declarations of Interest	6
14.	Announcements (by the presiding member without discussion).....	6
15.	Reports of Committees	6
16.	Reports of Officers.....	6
16.1	Financial Statements for Period Ending 30 September 2017	6-8
16.2	Summary of Accounts paid for September 2017.....	8-9
16.3	General Conditions of Contract Policy	9-10
16.4	Status Update – October 2017	11
17.	Elected Member motions of which previous notice has been given	11

18. Urgent business approved by the person presiding or by decision of the Council.....11

19. Confidential Business (Meeting Closed to the Public)11

20. Next Meeting11

21. Closure of Meeting11

ATTACHMENTS:

- Attachment 1 - Financial Statements for Period Ending 30 September 2017
- Attachment 2 - Summary of Accounts Paid for September 2017
- Attachment 3 - Draft - General Conditions of Contract Policy
- Attachment 4 - Status Updated - October 2017
- Attachment 5 - Letter from COR Cordis Chartered Accountants "Aurigen"
- Attachment 6 - Stanley Road Report of a Known of Suspected Contaminated Site (Initial Report from KIRSA Environmental
- Attachment 7 - Organics Audit Results 2017
- Attachment 8 - Health and Safety Committee Meeting Minutes 5 October 2017
- Attachment 9 - Staff Training Matrix 2017

1. Attendances

Council Members:

Member Name	Representing
Cr Murray Cook	City of Bunbury (Chairperson)
Cr Anita Shortland	Shire of Harvey (Deputy Chairperson)
Cr Betty McCleary	City of Bunbury
Cr James Hayward	City of Bunbury
Cr Peter Monagle	Shire of Harvey
Cr Paul Beech	Shire of Harvey (Proxy)

Ex-officio Members (non-voting):

Member Name	Representing
Mr Tony Battersby	Chief Executive Officer (BHRC)
Mr Michael Parker	Chief Executive Officer (Shire of Harvey)
Mr Mal Osborne	Acting Chief Executive Officer (City of Bunbury)

Support Staff:

Name	Title
Mr David Ransom	Manager for Finance – City of Bunbury
Miss Martinette Pieterse (minute taker)	Secretary

1.1 **Apologies**

Cr Wendy Dickinson – Shire of Harvey
 Chris Welham – Accountant
 Gavin Harris – Director for Works and Services (City of Bunbury)

2. **Swearing in of the Presiding Members of Council – (To be performed by the Justice of the Peace)**

Performed by Eliot Fisher (Justice of the Peace).

3. **Election of the Council Chairman**

The Chief Executive Officer will call for and read aloud the nominations for the position of Council Chairman. If more than one nomination is received, the Chief Executive Officer will call on the nominees to give a short presentation on their capabilities for the position. A ballot will then be conducted.

4. **Swearing in of the Council Chairman – (To be performed by the Justice of the Peace)**

Council's Elected Chairman: Cr Murray Cook

*Cr McCleary puts her name forward for the Position.
 Cr. Hayward nominated Cr Cook for the Position.*

5. **Election of the Deputy Chairman**

The Chairman will call for and read aloud the nominations for the position of Deputy Chairman. If more than one nomination is received, the Chairman will call on the Nominees to give a short presentation on their capabilities for the position. A ballot will then be conducted.

6. **Swearing in of the Deputy Chairman – (To be performed by the Justice of the Peace)**

Cr Monagle nominates Cr Shortland for the Position. No other nominations received.

Council's Elected Deputy Chairman: Cr Anita Shortland

4:15m – Cr Cook formally opens meeting.

7. **Appointment of Council Representative on the Municipal Waste Advisory Council**

Council's Appointment: Cr Murray Cook

Cr Shortland nominated Cr McCleary, but she declined as she can't make the day they have meetings as she already have another meeting on this day.

No one else interested to represent – Cr McCleary then nominates Cr Cook to represent and accepts nomination.

8. **Public Question Time**

NIL

9. **Summary of Response to previous Questions taken on notice**

NIL

10. **Applications for Leave of absence**

NIL

11. **Confirmation of Minutes**

Council Decision: Moved Cr Peter Monagle Seconded Cr Anita Shortland

The minutes of the Ordinary meeting of Council held on 21 September 2017, are confirmed as a true and accurate record.

CARRIED/~~LOST~~

5/0

RESOLUTION: OC81023-1502

12. Petitions / Memorials / Presentations

NIL

13. Declarations of Interests

NIL

14. Announcements (by the presiding member without discussion)

Cr Cook wants to arrange a meeting with Don Punch to discuss the Regional Waste Facility.

15. Reports of Committees

NIL

16. Reports of Officers**16.1 Financial Statements for the period ending 30 September 2017**

Reporting Officer: Chris Welham, Accountant
 File Number:
 Attachments: **Attachment 1-** Appendices 1 to 8

Summary

The following comments are provided on the key elements of Council's financial performance.

1. Statement of Comprehensive Income (**attached** at Appendix 1)

a. Year-to-date Financial Performance to 30 September 2017

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date income	1,025,552	1,381,753	(356,201)	<i>unfavourable</i>
• Year-to-date expenditure	945,747	1,363,795	418,048	<i>favourable</i>
• Year-to-date operating surplus	79,806	17,958	61,848	<i>favourable</i>

2. Statement of Financial Activity (**attached** at Appendix 3)

Closing Funding Surplus to 30 June 2018 is forecast to remain at \$195K as per the Budgeted Closing Surplus.

3. Capital Works (**attached** at Appendix 4)

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date capital expenditure	616,936	663,036	46,100	<i>favourable</i>

4. Statement of Financial Position (**attached** at Appendix 5)

• Current Assets of \$6,615,738 includes:	Year-to-date	Forecast	
○ Cash and Cash Equivalents		6,052,816	4,303,937

○ Trade and Other Receivables	566,449	300,000
○ Prepayments	5,361	-
○ Inventories	1,112	2,000
• Current Liabilities of \$367,873 includes:		
○ Trade and Other Payables	131,788	209,569
○ Provisions	236,085	179,882
• Working Capital (Current Assets <i>less</i> Current Liabilities) is	6,247,865	4,216,486
• Equity (Total Assets <i>less</i> Total Liabilities) is	10,829,822	13,312,914
• Reserves of \$5,455,416 includes:		
○ Plant and Infrastructure Reserve	506,792	833,289
○ Site Post Closure Rehabilitation Reserve	3,107,164	2,249,483
○ Waste Minimisation Reserve	257,468	354,385
○ Stanley Road Lined Cell Construction Reserve	544,242	555,018
○ Organics Processing Reserve	1,039,750	28,747

5. Investments

- Total of \$5,922,659 includes:
 - Commonwealth Bank 218,553
 - National Australia Bank 80,461
 - Westpac 5,623,645

Background

A financial management report is provided to Councillors on a monthly basis which includes the following summaries:

- Statement of Comprehensive Income (**attached** at Appendix 1)
- Banksia Road Operations (**attached** at Appendix 2)
- Statement of Financial Activity (**attached** at Appendix 3)
- Capital Works Expenditure Summary (**attached** at Appendix 4)
- Statement of Financial Position (**attached** at Appendix 5)
- Statement of Net Current Assets (**attached** at Appendix 6)
- Fees and Charges Summary (**attached** at Appendix 7)
- Debtors Report (**attached** at Appendix 8)

Legislative Compliance

In accordance with the provisions of Section 6.4 of the Local Government Act 1995 and Regulation 34(1) of the Local Government (Financial Management) Regulations 1996, a Local Government is to prepare each month a Statement of Financial Activity (Attached at Appendix 3) reporting on the revenue and expenditure as set out in the annual budget under Regulations 22 (1) (d) for this month.

At the Council Meeting on 27 July 2017, Council adopted that a variance between actual and budget-to-date of greater than or equal to 10% and \$15,000 is considered to be a material variance for reporting purposes in the Statement of Financial Activity for 2017/18.

The following is an explanation of significant variances identified in the Statement of Comprehensive Income and the Statement of Financial Activity:

Statement of Comprehensive Income	YTD Actual to YTD Budget Variance
Operating Income	
Fees and Charges	
Casual Tipping Fees Unfavourable year-to-date budget variance due to: (a) seasonal effect of winter weather (b) deferment of sourcing of waste from the Perth metropolitan area pending DER approvals for site rehabilitation and new lined cells at Stanley Road.	\$(209,878) (37)%
Disposal – City of Bunbury Unfavourable year-to-date budget variance due to seasonal effect of winter weather. October should be favourable as there will be both hard waste and green waste bulk verge collections carried out during the month.	\$(20,890) (16)%
Other Revenue	
Landfill Levy Income Unfavourable year-to-date budget variance due to: (a) seasonal effect of winter weather (b) deferment of sourcing of waste from the Perth metropolitan area pending DER approvals for site rehabilitation and new lined cells at Stanley Road.	\$(112,825) (50)%
Operating Expenditure	
Materials and Contracts	
Earthworks Operations Favourable year-to-date budget variance due to savings in repairs and maintenance of plant.	\$29,570 52%
Site Rehabilitation Favourable year-to-date budget variance due to deferment of works in anticipation of DER approvals for the Gabion Wall and associated works.	\$266,835 93%
Other Expenditure	
Landfill Levy Favourable year-to-date budget variance mainly due to: (a) seasonal effect of winter weather (b) deferment of sourcing of waste from the Perth metropolitan area pending DER approvals for site rehabilitation and new lined cells at Stanley Road.	\$103,799 50%
Statement of Financial Activity	YTD Actual to YTD Budget Variance
Operating Revenues by Nature and Type	
Fees and Charges Unfavourable variance. See explanation above included in the Statement of Comprehensive Income variances.	\$(258,779) (24)%
Other Revenue Unfavourable variance. See explanation above included in the Statement of Comprehensive Income variances.	\$(97,959) (40)%
Operating Expenses by Nature and Type	
Materials and Contracts Favourable variance. See explanation above included in the Statement of Comprehensive Income variances.	\$323,915 63%
Other Expenditure Favourable variance. See explanation above included in the Statement of Comprehensive Income variances.	\$100,691 37%

Executive Recommendation**Council Decision:** Moved Cr James HaywardSeconded Cr Betty McCleary

The Financial Statements for the period ending 30 September 2017 be received.

CARRIED/LOST**5/0****RESOLUTION: OC81023-1503**

16.2 Summary of Accounts paid for September 2017

Reporting Officer: Chris Welham, Accountant
File Number:
Attachments: **Attachment 2** – Summary of Accounts Paid for September 2017

Summary

Section 13 (2) of Government (Financial Management) Regulations 1996 require that where Local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing detail for each account paid since such list was prepared. This item is presented to Council to advice of payments made for September 2017.

Background

As noted above

Officer Comment

The attachment details all payments made for September 2017.

Consultation

Nil

Financial Implications

As per the declaration within the schedule summary, the accounts have been checked and are fully supported by vouchers and invoices and which have been duly certified as to the receipt of goods and the rendition of service and as to prices, computations and costing(s). Sufficient allocations are contained within the 2017/2018 budget to cover payment of the accounts.

Statutory Environment

Sections 12 and 13 of the Local Government (Financial Management) Regulations 1996 Apply.

Strategic Implications

Nil

Policy Implications

Nil

Voting Requirement

Simple Majority

Officer Recommendation

Council Decision: Moved Cr Anita Shortland Seconded Cr James Hayward

That the attached summary of accounts paid for September 2017 be received.

CARRIED/LOST
5/0
RESOLUTION: OC81023-1504

16.3 General Conditions of Contract Policy

Reporting Officer: Tony Battersby, Chief Executive Officer
File Number: -
Attachments: **Attachment 3: General Conditions of Contract**

Précis

This document is a formal agreement between the Bunbury Harvey Regional Council and any party engaged under contract to perform works and services to the Council.

Background

The BHRC has not previously adopted a General Conditions of Contract Policy and has previously unofficially utilised the City of Bunbury General Conditions of Contract Policy for BHRC contracts.

The intent of the General Conditions of Contract Policy is to include items necessary for completion of the Work by the Contractor. The Contract Documents are complementary, and what is required by one shall be as binding as if required by all.

Performance by the Contractor shall be required to the extent consistent with the Contract Documents and reasonably inferable from them as being necessary to produce the intended results. The Contract shall be governed by the laws of the State of Western Australia and the parties hereby submit to the exclusive jurisdiction of the courts of that State.

Consultation

BHRC Employees

Financial Implications

The General Conditions of Contract Policy will not have an increased financial impact to Council.

Statutory Environment

- Occupational Safety and Health Act 1984
- Occupational Safety and Health Regulations 1996
- Quality Management System
- Construction Contracts Act 2004 (WA)
- Contamination Sites Act 2003 (WA)
- Civil Liability Act 2002 (WA)
- Environmental Protection Act 1986 (WA)
- Goods and Services Tax Act 1999
- Local Government Act 1995 (WA)
- Corporations Act 2001
- Personal Property Securities Act 2009
- Australian Bureau of Statistics Act 1975
- AS/NZS 4360-2004 Risk Management

Strategic Implications

Nil

Policy Implication

As discussed in the body of the Report.

Voting Requirement

Simple Majority

Officer Recommendation

Council Decision: **Moved Cr James Hayward** **Seconded Cr Peter Monagle**

That Council adopt the General Conditions of Contract Policy as detailed in attachment.

CARRIED/LOST
5/0
RESOLUTION: OC81023-1505

16.4 Status Update

Reporting Officer: Tony Battersby, Chief Executive Officer
File Number: -
Attachments: **Attachment 4: Status Update - October 2017**

Officer Recommendation

Council Decision: **Moved Cr James Hayward** **Seconded Cr Anita Shortland**

That Council receive the Status Update Report – October 2017 as detailed in attachment.

CARRIED/LOST
5/0
RESOLUTION: OC81023-1506

17. Elected Member motions of which previous notice has been given

NIL

18. Urgent business approved by the person presiding or by decision of the Council

NIL

19. Confidential Business (Meeting Closed to the Public)

NIL

20. Next Meeting

To be held on Thursday 23 November 2017 at the Shire of Harvey Council Chambers, Mulgara Street, Australind, commencing with the Audit Committee Meeting at 4:00pm and followed by the Ordinary Council Meeting.

21. Close of Meeting

The Presiding Member declares meeting closed at **4:56pm**