



Ordinary Council Meeting

Notice of Meeting & Agenda

30 July 2020

Meeting to be held at: The Shire of Harvey Council Chambers, 7 Mulgara Street, Australind on Thursday 30 July 2020, commencing at 4:00pm

Open Council Meetings – Procedures

1. All Council meetings are open to the public, except for matters raised by Council under “confidential items”.
2. Members of the public may ask a question at an ordinary Council meeting under “public question time”.
3. Members of the public who are unfamiliar with meeting procedures are invited to seek advice at the meeting. If unsure about proceedings, just raise your hand when the presiding member announces public question time.
4. All other arrangements are in accordance with the Council’s standing orders, policies and decisions of the Council.

Undersigned

Chief Executive Officer

A

Bunbury-Harvey Regional Council
Lot 45 Stanley Road, Wellesley
Western Australia 6233

Correspondence to:
Post Office Box 111
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ATTACHMENTS

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VISION

To develop, implement and maintain innovative and sustainable waste reduction, recycling and landfilling services while managing waste facilities with best practice standards for the councils of the Wellington Region and beyond.

To provide sustainable waste minimisation, recycling and alternative waste treatment services to an informed community while reducing the environmental impact of waste and maximising the conservation of natural resources through reduced material use and increased resource recovery

MISSION

To ensure the delivery of an integrated, cost-effective and environmentally sound waste management system and to promote sustainable community programs and policies ensuring that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations.

Reduce the environmental impact of waste and maximise conservation of natural resources through reduced overall material use and increased materials and energy recovery.

VALUES

Excellence:

To provide best practice facilities and waste services to our community through the development of quality controls and continuous improvements.

Leadership:

Having a clear vision and direction, that engages with key stakeholders and our community.

Integrity:

Acting with a level of trust, respect, honesty, hard work, communication and shared responsibility that is exhibited by its people.

Accountability:

To ensure the collection and management of solid waste and recovered materials in an environmentally sound manner and in accordance with regulatory requirements and the Department of Water and Environmental Regulation licence conditions.

Innovation:

Embrace new and better ways to achieve improved results through creativity, inventiveness and teamwork.

Respect

We value diversity and respect and are committed to work towards integrating the principles of Equal Employment Opportunity and ensure that the work environment is free from harassment and discrimination. We value and respect all members of our community.



Bunbury-Harvey Regional Council

Notice of Meeting

The next Ordinary Meeting will be held at the Shire of Harvey Council Chambers, 7 Mulgara Street, Australind on Thursday 24th September at 4.00pm.



Signed:

Tony Battersby

Chief Executive Officer

(Date of Issue: 23 July 2020)

AGENDA

Note: The recommendations contained in this document are not final and are subject to adoption, amendment (or otherwise) at the meeting.

Council Members:	Representing
Cr Tresslyn Smith (Chairperson)	City of Bunbury
Cr Tania Jackson (Deputy Chairperson)	Shire of Harvey
Cr Jaysen Miguel	City of Bunbury
Cr Karen Turner	City of Bunbury
Cr Bill Adams	Shire of Harvey
Executive Leadership Team (Non-Voting)	Representing
Mr Tony Battersby	Chief Executive Officer (BHRC)
Ms Annie Riordan	Chief Executive Officer (Shire of Harvey)
Mr Mal Osborne	Chief Executive Officer (City of Bunbury)
Officers (Non-Voting)	Representing
Mr Chris Welham	Accountant
Mrs Taryn York	Council Meeting Support Officer
Others(Non-Voting)	Representing
Ms Wendy Dickinson	Shire of Harvey

1. Declaration of Opening / Announcement of Visitors

The Presiding Member Declares Meeting open _____

2. Attendances and Apologies

2.1. Attendances

2.2. Apologies

Cr Bill Adams
Ms Annie Riordan

3. Public Question Time

4. Summary of Response to previous Questions taken on notice

5. Applications for Leave of Absence

6. Confirmation of Minutes

The minutes of the Ordinary meeting of Council held on 28 May 2020, are confirmed as a true accurate record.

MOVED BY: _____ SECONDED BY: _____

RESULT: CARRIED / LOST _____

RESOLUTION:

7. Petitions / Memorials / Presentations

8. Declarations of Interests

9. Announcements (by the presiding member without discussion)

10. Reports of Committees

11. Reports of Officers

11.1. Financial Statements for the period ending 31 May 2020

Applicant / Proponent:	Internal			
Responsible Officer:	Chris Welham, Accountant			
Responsible Manager:	David Ransom, Manager Finance			
Executive:	Tony Battersby, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input checked="" type="checkbox"/>
Attachment(s):	Attachment 1 – Appendices 1 - 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 31 May 2020

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date Income	4,103,782	3,983,117	120,665	Favourable
• Year-to-date Expenditure	(4,601,200)	(4,323,422)	(277,778)	Unfavourable
• Year-to-date Operating Surplus/(Deficit)	(497,418)	(340,305)	(157,113)	Unfavourable

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

Closing Funding Surplus to 30 June 2020 is forecast at \$812,655. The Budgeted Closing Surplus amount of \$233,361 has been increased by \$579,295 due to:

Carried forward capital expenditure:	\$4.77M	(Organics \$4.5M, administration building \$227K)
Decrease in grant funding:	(\$3.4M)	(Waste Authority (\$1.4M), Commonwealth (\$2.0M))
Decrease in transfers from reserves:	(\$1.247M)	(Organics Processing reserve (\$ 1.1M))
Decrease in transfers to reserves:	\$84K	(Plant and Infrastructure reserve)
Increase in Fees and Charges:	\$277K	(includes casual tipping fees \$240K)
Decrease in Fees and Charges:	(\$45K)	(includes organics \$40K)
Increase in Other Revenue:	\$89K	(includes landfill levy income \$68K)
Decrease in Other Revenue:	(\$45K)	(container deposit scheme (CDS))
Increase in Employee Costs:	(\$120K)	(organics \$104K)
Decrease in Employee Costs:	\$58K	(container deposit scheme)
Decrease in Materials & Contracts Expenditure:	\$362K	(site rehabilitation \$350K)
Increase in Materials & Contracts Expenditure:	(\$161K)	(includes organics (\$70K),
Increase in Insurance Expenditure:	(\$3K)	
Decrease in Other Expenditure:	\$20K	(Constituent Council rebates)
Increase in Other Expenditure:	(\$403K)	(offset land \$340K, landfill levy \$63K)
Increase in Capital Expenditure:	(\$20K)	(2 x Containers, CDS \$1K)
Decrease in Capital Expenditure:	\$357K	(CDS \$28K, offset land \$329K)
Other savings:	\$6K	
Total:	\$579K	

3. Capital Works (attached at Appendix 4)

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date Capital Expenditure	(404,396)	(762,831)	358,435	Favourable (see variance comments below)**
• Year-to-date Capital Income	44,591	44,591	0	On budget

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

• Current Assets of \$4,075,171 includes:	Year-to-date	Forecast
○ Cash and Cash Equivalents	3,483,534	3,913,654
○ Trade and Other Receivables	583,521	400,364
○ Prepayments	-	5,910
○ Inventories	8,116	8,116

Current Liabilities of \$442,992 includes:		
○ Trade and Other Payables	137,090	93,353
○ Provisions	305,902	320,465

• Working Capital (Current Assets less Current Liabilities) is:	3,632,179	3,914,246
• Equity (Total Assets less Total Liabilities) is:	8,630,475	8,847,943
• Reserves of \$2,598,694 includes:		
○ Plant and Infrastructure Reserve	738,554	943,381
○ Site Post Closure Rehabilitation Reserve	315,512	534,874
○ Stanley Road Environmental Protection Lined Cell Construction Reserve	435,992	512,236
○ Organics Processing Reserve	1,108,636	1,111,100

5. Investments

Total of \$3,366,533 includes:			
	Invested Funds \$	% of Total Funds	Max % of Total Funds Allowed
○ Commonwealth Bank	420,836	13	75
○ National Australia Bank	2,590,087	77*	75
○ Westpac	355,610	10	75
TOTAL:	3,366,533	100	

- *NOTE: At the time of each investment in NAB, the percentage of total of funds was within the maximum percentage allowed (75%) in the Council Investment Policy. The withdrawal of funds from Westpac has increased the percentage for NAB to 77%.

Executive Recommendation

That Council:

Receive and accept the Financial Statements for period ending 31 May 2020 as presented to Council.

MOVED BY: _____ **SECONDED BY:** _____

RESULT: CARRIED / LOST _____

RESOLUTION:

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 Regulations 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 June 2019, 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 2019/2020.

Consultation

Nil

Financial Implications

As per the 2019/2020 Financial Budget.

Statutory Environment

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

Strategic Implications

Nil

Policy Implications

Nil

Officer Comment

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

Operating Income	\$
Fees and Charges	
Banksia Road Sale of Compost Unfavourable year-to-date variance to budget. Compost sales are expected to strongly increase following decontamination works and strong customer interest including the Department of Main Roads WA.	(\$61,553) (47%)
Other Revenue	
Landfill Levy Income Favourable year-to-date variance to budget due to an increase in skip bin tonnages and other commercial waste being received from the Perth metropolitan area.	\$68,233 33%
Operating Expenditure	\$
Employee Costs	
Organics Expenditure Unfavourable year-to-date variance to budget due to extra casual staff required for decontamination at Banksia Road to prepare for new customers planning to buy 1,000 tonne of compost per month. The casual staff finished up in early May.	(\$104,223) (45%)
Materials and Contracts	
Organics Expenditure Unfavourable year-to-date variance to budget which is mainly due to: an increase in plant hours resulting in higher maintenance costs resulting from increased organics tonnages received; increased cost of the decontamination unit implementation, \$5,250 for a FOGO audit, \$26,512 for a cartage contractor, and urgent IT repairs at Banksia Road.	(\$69,498) (41%)
Waste Transfer Station Unfavourable year-to-date variance to budget which is mainly due to higher fuel costs. This is under review by the CEO.	(\$41,161) (40%)
Earthworks Operations Unfavourable year-to-date variance to budget which is mainly due to higher fuel costs. This is under review by the CEO.	(\$15,697) (13%)
Site rehabilitation Favourable year-to-date variance to budget mainly due to the delayed delivery of the new cell capping.	\$363,984 46%
Other (Site Survey, General Maintenance, etc) Unfavourable year-to-date budget variance due to increased vehicle operating expenses. This is under review by the CEO.	(\$17,206) (74%)
Other Expenditure	
Landfill Levy Expenditure Unfavourable year-to-date variance to budget due to an increase in skip bin and other commercial waste being received from the Perth metropolitan area. This expenditure is fully recouped from customers.	(\$63,469) (34%)
** Environmental Offset Land Contribution Unfavourable year-to-date variance to budget due to the transfer of this expense from capital to operating expenses. Note that there is a corresponding favourable variance in capital expenditure.	(\$340,370) (100%)
Statement of Financial Activity	

Revenues by Nature and Type	
Other Revenue Favourable year-to-date variance to budget. Please refer to the comments related to the Statement of Comprehensive Income as above.	\$83,695 29%
Expenses by Nature and Type	
Employee Costs Unfavourable year-to-date variance to budget. Please refer to the comments related to the Statement of Comprehensive Income as above.	(\$164,642) (10%)
Materials and Contracts Favourable year-to-date variance to budget. Please refer to the comments related to the Statement of Comprehensive Income as above.	\$263,334 16%
Other Expenditure Unfavourable year-to-date variance to budget. Please refer to the comments related to the Statement of Comprehensive Income as above.	(\$371,544) (94%)

Voting Requirement

Simple Majority

11.2. Financial Statements for the period ending 30 June 2020

Applicant / Proponent:	Internal			
Responsible Officer:	Chris Welham, Accountant			
Responsible Manager:	David Ransom, Manager Finance			
Executive:	Tony Battersby, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input checked="" type="checkbox"/>
Attachment(s):	Attachment 2 – Appendices 1 - 8			

Summary

The following comments are provided on the key elements of Council's Financial Performance:

6. Preliminary Statement of Comprehensive Income (**attached at Appendix 1**)
 - b. Year-to-date Financial Performance to 30 June 2020

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date Income	4,556,589	4,468,380	88,209	Favourable
• Year-to-date Expenditure	(5,260,913)	(5,116,281)	(144,632)	Unfavourable
• Year-to-date Operating Surplus/(Deficit)	(704,324)	(647,901)	(56,423)	Unfavourable

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

Closing Funding Surplus to 30 June 2020 is forecast at \$235,943. The Budgeted Closing Surplus amount of \$233,361 has been increased by \$2,582.

8. Preliminary Capital Works (**attached at Appendix 4**)

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date Capital Expenditure	(421,190)	(5,178,663)	4,757,473	Favourable
Made up as follows:				
Carried forward capital expenditure:				
Organics Processing Facility			4,483,330	
Administration Building			220,212	
Plant Compound			45,000	
Container Deposit Scheme (CDS)			<u>16,775</u>	
			4,765,317	
Increase in Capital expenditure			<u>(7,844)</u>	
2 x Containers and CDS			<u>4,757,473</u>	
• Year-to-date Capital Income	69,591	44,591	(25,000)	Unfavourable

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

• Current Assets of \$4,234,337 includes:	Year-to-date	Forecast
○ Cash and Cash Equivalents	3,713,325	3,713,325
○ Trade and Other Receivables	514,284	514,284
○ Inventories	6,728	6,728

Current Liabilities of \$774,977 includes:		
○ Trade and Other Payables	420,199	420,199
○ Provisions	354,778	354,778

• Working Capital (Current Assets less Current Liabilities) is:	3,459,360	3,459,360
• Equity (Total Assets less Total Liabilities) is:	8,423,567	8,423,567
• Reserves of \$3,223,416 includes:		
○ Plant and Infrastructure Reserve	738,553	738,553
○ Site Post Closure Rehabilitation Reserve	859,039	859,039
○ Stanley Road Environmental Protection Lined Cell Construction Reserve	517,188	517,188
○ Organics Processing Reserve	1,108,636	1,108,636

10. Investments

Total of \$3,541,623 includes:			
	Invested Funds \$	% of Total Funds	Max % of Total Funds Allowed
o Commonwealth Bank	595,926	17	75
o National Australia Bank	2,590,087	73	75
o Westpac	355,610	10	75
TOTAL:	3,541,623	100	

Executive Recommendation

That Council:

Receive and accept the Preliminary Financial Statements for period ending 30 June 2020 as presented to Council.

MOVED BY: _____ SECONDED BY: _____

RESULT: CARRIED / LOST _____

RESOLUTION:

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 Regulations 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 June 2019, 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 2019/2020.

Consultation

Nil

Financial Implications

As per the 2019/2020 Financial Budget.

Statutory Environment

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

Strategic Implications

Nil

Policy Implications

Nil

Officer Comment

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

Operating Income	\$
Contributions	
South West Alliance Bunbury Outer Ring Road (BORR) Project Favourable year-to-date variance to budget. A contribution has been received from Main Roads Western Australia. A further \$100K has been included in the draft 2019/20 budget. Please refer to comment below on the BORR project expenditure variance.	\$50,000 100%
Fees and Charges	
Sale of Scrap Metal Unfavourable year-to-date variance to budget due to timing of Scrap Metal sales. High volumes of scrap metal (\$49K as at 16/7/2020) have been sold during June and July.	(\$54,173) (23%)
Banksia Road Sale of Compost Unfavourable year-to-date variance to budget. Compost sales are expected to strongly increase in the new financial year following decontamination works and strong customer interest including the Department of Main Roads WA.	(\$64,825) (46%)
Other Revenue	
Fuel Tax Credits Favourable year-to-date variance to budget due to higher than expected usage of plant and vehicles at the Stanley Road and Banksia Road Facilities.	\$15,302 21%
Container Deposit Scheme (CDS) Unfavourable year-to-date variance to budget due the deferment of the CDS start date to 1 October 2020. The 2020/21 draft budget includes carried forward capital and operating estimates.	(\$45,240) (100%)
Landfill Levy Income Favourable year-to-date variance to budget due to an increase in skip bin tonnages and other commercial waste being received from the Perth metropolitan area.	\$87,716 38%
Operating Expenditure	\$
Employee Costs	
Organics Expenditure Unfavourable year-to-date variance to budget due to extra casual staff required for decontamination at Banksia Road to prepare for new customers planning to buy 1,000 tonne of compost per month. The casual staff finished up in early May.	(\$122,056) (49%)
Gatehouse Unfavourable year-to-date variance to budget due to employee leave not taken during the year.	(\$19,753) (12%)
Waste Transfer Station Unfavourable year-to-date variance to budget due to employee	(\$42,587)

leave not taken during the year.	(13%)
Earthworks Operations Unfavourable year-to-date variance to budget due to employee leave not taken during the year.	(\$20,823) (10%)
Container Deposit Scheme (CDS) Favourable year-to-date variance to budget due the deferment of the CDS start date to 1 October 2020. The 2020/21 draft budget includes carried forward capital and operating estimates.	\$57,889 100%
Materials and Contracts	
Organics Expenditure Unfavourable year-to-date variance to budget which is mainly due to: an increase in plant hours resulting in higher maintenance costs resulting from increased organics tonnages received; increased cost of the decontamination unit implementation, \$5,250 for a FOGO audit, \$26,512 for a cartage contractor, and urgent IT repairs at Banksia Road.	(\$85,092) (44%)
Waste Transfer Station Unfavourable year-to-date variance to budget which is mainly due to higher fuel costs. The 2020/21 draft budget has been increased accordingly.	(\$53,210) (48%)
Earthworks Operations Unfavourable year-to-date variance to budget which is mainly due to higher fuel costs. The 2020/21 draft budget has been increased accordingly.	(\$39,200) (29%)
Site Rehabilitation Favourable year-to-date variance to budget mainly due to the delayed delivery of the new cell capping.	\$390,055 45%
Electronic Waste Recycling Unfavourable year-to-date variance to budget which is due to increased consumer upgrade and disposal of electronic hardware during COVID-19 restrictions and end of year retail price reductions.	\$(16,867) (154%)
Recycling Operations (BORR) Project Unfavourable year-to-date variance to budget. This expenditure has been made from a contribution which has been received from Main Roads Western Australia as per the above comment under 'Contributions'. Unspent funds have been carried forward into the 2020/21 draft budget.	(\$18,548) (100%)
Other (Site Survey, General Maintenance, etc) Unfavourable year-to-date budget variance due to increased vehicle operating expenses. The 2020/21 draft budget has been increased accordingly.	(\$19,537) (77%)
Other Expenditure	
Landfill Levy Expenditure Unfavourable year-to-date variance to budget due to an increase in skip bin and other commercial waste being received from the Perth metropolitan area. This expenditure is fully recouped from customers.	(\$146,440) (75%)
Shire of Harvey Tonnage Rebate Favourable year-to-date variance to budget due to a higher than expected volume of organic waste being diverted from Stanley Road to Banksia Road during the financial year.	\$15,990 21%
Non-Operating Income	
Grants and Contributions for the Development of Assets	
Grant Funding - Organics Unfavourable year-to-date variance to budget due to the deferment of the application for grant funding for the relocation of the Organics facility	(\$3,400,000)

from Banksia Road to Stanley Road due to delays in obtaining approvals for the use of the Stanley Road site.	(100%)
Statement of Financial Activity	
Revenues by Nature and Type	
Contributions Favourable year-to-date variance to budget. Please refer to the comments related to the Statement of Comprehensive Income as above.	\$50,769 41%
Other Revenue Favourable year-to-date variance to budget. Please refer to the comments related to the Statement of Comprehensive Income as above.	\$55,256 16%
Expenses by Nature and Type	
Employee Costs Unfavourable year-to-date variance to budget. Please refer to the comments related to the Statement of Comprehensive Income as above.	(\$189,844) (10%)
Materials and Contracts Favourable year-to-date variance to budget. Please refer to the comments related to the Statement of Comprehensive Income as above.	\$177,475 10%
Other Expenditure Unfavourable year-to-date variance to budget. Please refer to the comments related to the Statement of Comprehensive Income as above.	(\$124,015) (17%)
Capital Income	
Proceeds from Sales of Assets Unfavourable year-to-date variance to budget due to the trade in of the John Deere 326E Skid Steer Loader being deferred to the 2020/21 financial year	(\$25,000) (35%)
Capital Grants, Subsidies/Contributions Unfavourable year-to-date variance to budget. Please refer to the comments related to the Statement of Comprehensive Income as above.	(\$3,400,000) (100%)
Capital Expenditure	
Land and Buildings Favourable year-to-date variance to budget mainly due to : The new administration building cost (\$220,212) being carried forward into the 2020/21 year as per the draft budget. The building is expected to be on site at Stanley Road before the end of July 2020, with final commissioning to follow over the next 2 to 3 months.	218,758 51%
Stanley Road Infrastructure Favourable year-to-date variance to budget mainly due to the carry forward of CDS Infrastructure and the Stanley Road Plant Compound.	\$52,480 86%

Organics Processing Infrastructure Favourable year-to-date variance to budget due to the deferment of the application for grant funding for the relocation of the Organics facility from Banksia Road to Stanley Road due to delays in obtaining approvals for the use of the Stanley Road site.	\$4,483,330 99%
Transfers from Reserves Favourable year-to-date variance to budget mainly due to carrying forward of Site rehabilitation costs (\$467K), Organics Processing Facility (\$1.1M), and the new Plant Hardstand (\$45K).	\$1,684,403 64%
Transfers to Reserves Unfavourable year-to-date variance to budget mainly due to increases in the operating deficit compared to the original budget (\$131K) for the 2021/20 financial year, and the need to retain enough net current assets as at 30 June 2020.	(\$399,653) (35%)

Voting Requirement

Simple Majority

11.3. Summary of Accounts paid for period ending 31 May 2020

Applicant / Proponent:	Internal			
Responsible Officer:	Chris Welham, Accountant			
Responsible Manager:	David Ransom, Manager Finance			
Executive:	Tony Battersby, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input checked="" type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input type="checkbox"/>
Attachment(s):	Attachment 3 - Summary of Accounts paid for period ending 31 May 2020			

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 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 31 May 2020

Officer Recommendation

That Council:

Receive and accept the Summary of Accounts paid for period ending 31 May 2020 as presented to Council.

MOVED BY: _____ SECONDED BY: _____

RESULT: CARRIED / LOST _____

RESOLUTION:

Background

As noted in Summary.

Officer Comment

The attachment details all payments made for May 2020.

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, computation and costing(s). Sufficient allocations are contained within the [Click here to enter text.](#) 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

11.4. Summary of Accounts paid for period ending 30 June 2020

Applicant / Proponent:	Internal			
Responsible Officer:	Chris Welham, Accountant			
Responsible Manager:	David Ransom, Manager Finance			
Executive:	Tony Battersby, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input checked="" type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input type="checkbox"/>
Attachment(s):	Attachment 4 - Summary of Accounts paid for period ending 30 June 2020			

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 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 30 June 2020

Officer Recommendation

That Council:

Receive and accept the Summary of Accounts paid for period ending 30 June 2020 as presented to Council.

MOVED BY: _____ SECONDED BY: _____

RESULT: CARRIED / LOST _____

RESOLUTION:

Background

As noted in Summary.

Officer Comment

The attachment details all payments made for June 2020.

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, computation and costing(s). Sufficient allocations are contained within the [Click here to enter text.](#) 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

11.5. Budget for the Year Ending 30 June 2021

Applicant / Proponent:	Internal			
Responsible Officer:	Chris Welham, Accountant			
Responsible Manager:	David Ransom, Manager Finance			
Executive:	Tony Battersby, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input checked="" type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input type="checkbox"/>
Attachment(s):	Attachment 5 – Budget for 2020/2021			

Précis

Section 6.1 of the Local Government Act 1995 requires a local government to prepare and adopt (in the period June 1 to August 31) an annual budget of its Municipal fund for that same year.

Background

Discussions regarding the draft budget for the 2020/21 Financial Year were held at budget workshops on the 28th May and the 25th June 2020. The new schedule of Fees and Charges to apply from 1st July 2020 was adopted at the 28th May 2020 Ordinary Meeting of Council and has been used as the basis for the 2020/21 income budget. It was resolved at the 28th May 2020 meeting to adopt the budget at the Meeting of Council on 30th July 2020.

1. Elected Members Meeting Attendance Fees

In accordance with the Local Government Act 1995, fees will be paid to Councillors for attendance at meetings of Council and Council (Standing) Committees. This is in addition to any other expenses which may be reimbursed.

The prescribed minimum and maximum payments under the Local Government (Administration) Regulations 1996, 30(3A) are:

(a) Councillor Meeting Attendance Fees:

Chairperson: Minimum: \$91.00 per meeting Maximum: \$490 per meeting
Councillors: Minimum: \$91.00 per meeting Maximum: \$238 per meeting

(b) Committee Meeting fees:

Chairman and Councillors:
Minimum \$46.00 per meeting Maximum \$119.00 per meeting.

(Refer to Recommendation 1)

2. Adoption of the 2020/21 Budget

A copy of the Draft Budget 2020/21 has been circulated under separate cover.

Councillors developed the Draft Budget at the Council Workshops on 28th May and the 25th June 2020.

The budget as presented includes provision to charge a \$61.00/tonne (GST incl.) gate fee for Co-mingled Waste, \$29.00/tonne (GST incl.) for Green Waste, and \$35.00 per tonne for Organic Waste, and to provide an \$12.50/tonne (GST incl.) rebate to Member Councils on Municipal waste disposed to landfill.

(Refer to Recommendation 2)

3. Reporting of Material Variances in the Monthly Statement of Financial Activity for 2020/21

It is a requirement under the Local Government (Financial Management) Regulations, for the Council to adopt (each year) a percentage or value, to be used for reporting material variances in the Statement of Financial Activity.

Any variance meeting these criteria will be required to have a supporting explanation in the monthly report to Council. Information is considered "material" if its omission, miss-statement or nondisclosure has the potential to adversely affect decisions by users of the financial report or affect the discharge of accountability by management or Council.

(Refer to Recommendation 3)

4. Late Payment Interest Charge

An interest charge of 8% per annum, calculated on a simple interest basis for the number of days outstanding, may apply on unpaid debts outstanding 35 days from the date of invoices raised after 1 July 2020 subject to:

- (a) This interest rate cannot be applied to a person who is considered by the Bunbury-Harvey Regional Council to be suffering financial hardship as a consequence of the COVID-19 pandemic.

(Refer to Recommendation 4)

Consultation

Budget Workshops was held with Councillors on 28th May and the 25th June 2020.

Financial Implications

Notes are included in the draft budget papers in regard to new items of income and expenditure in addition to Officer Comments in this report.

Statutory Environment

Section 6.1 of the Local Government Act 1995 applies.

Strategic Implications

Nil

Policy Implications

Nil

Officer Recommendations

Recommendation 1 – Elected Members Meeting Attendance Fees

That Council adopt the Elected Member sitting fees as prescribed by the Local Government (Administration) Regulations 1996 being:

- (a) Council Meeting fees:
 - Chairman \$182.00 per meeting (This is double the minimum prescribed fee)
 - Councillors \$91.00 per meeting
- (b) Committee Meeting fees:
 - Chairman and Councillors \$46.00 per meeting.

Note: Absolute Majority Vote Required

Recommendation 2 – Adoption of the 2020/21 Budget

Budgets for the following funds for the year ended 30 June 2021, be adopted:

- Municipal Fund
- Plant and Infrastructure Reserve
- Site (Post Closure) Rehabilitation Reserve
 - Stanley Road Environmental Protection Cell Construction Reserve.
- Organics Processing Reserve

Note: Absolute Majority Vote Required

Recommendation 3 – Reporting of Material Variances in the Monthly Statement of Financial Activity for 2020/21

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 2020/21.

Note: Absolute Majority Vote Required

Recommendation 4 – Late Payment Interest Charge

An interest charge of 8% per annum, calculated on a simple interest basis for the number of days outstanding, may apply on unpaid debts outstanding 35 days from the date of invoices raised after 1 July 2020 subject to:

- a. This interest rate cannot be applied to a person who is considered by the Bunbury-Harvey Regional Council to be suffering financial hardship as a consequence of the COVID-19 pandemic.

Note: Absolute Majority Vote Required

Officer Comment

The attachment details all payments made for [Click here to enter a date.](#)

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, computation and costing(s). Sufficient allocations are contained within the [Click here to enter text.](#) 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

11.6. Draft Meeting Schedule 2019/2020

Applicant / Proponent:	Internal			
Responsible Officer:	Tony Battersby, Chief Executive Officer			
Executive:	Tony Battersby, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input checked="" type="checkbox"/>	Review	<input checked="" type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input type="checkbox"/>
Attachment(s):	Attachment 6 - Draft Meeting Schedule 2020/2021			

Précis

Regulation twelve (12) of the Local Government (Administration) Regulation 1996 requires that once a year a local government is to give local public notice of Ordinary meetings proposed for the next twelve (12) months. This item is presented to Council to consider a schedule of meeting for the next twelve (12) months to enable the Chief Executive Officer (CEO) to give local public notice of the intended meetings.

Officer Recommendation

That Council:

That Council request the Chief Executive Officer to give Local Public Notice of the following meeting schedule:

COUNCIL DECISION:

MOVED BY: _____ **SECONDED BY:** _____

CARRIED / LOST _____

RESULT:

Day	Date	Meeting	Time	Venue
Thursday	24 September 2020	Ordinary	4:00pm	Shire of Harvey office, Australind
Thursday	26 November 2020	<u>Audit</u>	4:00pm	Shire of Harvey office, Australind
Thursday	26 November 2020 *Adoption of Annual Report*	Ordinary	4:15pm	Shire of Harvey office, Australind
Thursday	28 January 2021	Ordinary	4:00pm	Administration Complex, Lot 45 Stanley Rd, Wellesley
Thursday	25 March 2021	Ordinary	4:00pm	Administration Complex, Lot 45 Stanley Rd, Wellesley
Thursday	27 May 2021	<u>Audit</u>	4:00pm	Administration Complex, Lot 45 Stanley Rd, Wellesley
Thursday	27 May 2021 *Adoption of Fees & Charges*	Ordinary	4:15pm	Administration Complex, Lot 45 Stanley Rd, Wellesley
Thursday	29 July 2021 *Adoption of Annual Budget*	Ordinary	4:00pm	Administration Complex, Lot 45 Stanley Rd, Wellesley

Background

Regulation 12 of the Local Government (Administration) Regulation 1996 requires that once a year a local government is to give local public notice of Ordinary Council meeting (and Committee meeting that are required to be open to the public) proposed for the next twelve (12) months.

Officer Comment

The scheduled has allowed for bi-monthly Ordinary Council meetings on the last Thursday of the allocated month and also includes two Audit meetings per year.

Consultation

Local Public Notice of meeting is required.

Financial Implications

Advertising costs are provided for in the 2020/2021 budget.

Statutory Environment

Regulation 12 of the Local Government (Administration) Regulations 1996 requires that:

1. At least once each year a local government is to give local public notice of the dates on which, the time and place at which:
 - The Ordinary Council meetings; and
 - The Committee Meetings that are required under the Act to be open to members of the public are to be held in the next twelve (12) months.
2. A local government is to give local public notice of any change to the date, time or place of a meeting referred to in sub regulation 1

3. Subject to sub regulation 4, if a special meeting of a council is to be open to members of the public then the local government is to give local public notice of the date, time, place and purpose of the special meeting.
4. Subject to sub regulation 4, if a special meeting of a council is to be open to members of the public but, in the Chief Executive Officer's opinion, it is not practicable to give local public notice of the matters referred to in sub regulation 3, then the local government is to give public notice of the date, time, place and purpose of the special meeting in the manner and to the extent that, in the Chief Executive Officer's opinion, is practicable.

Strategic Implications

Nil

Policy Implications

Nil

Voting Requirement

Simple Majority

11.7. Membership of the CEO Performance Review Committee 2019/2020

Applicant / Proponent:	Internal			
Responsible Officer:	Tony Battersby, Chief Executive Officer			
Executive:	Tony Battersby, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input type="checkbox"/>	Review	<input checked="" type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input type="checkbox"/>
Attachment(s):	Attachment 7 –2019/2020 CEO Performance Review (KPI's)			

Summary

The purpose of this report is for Council to consider appointments to the CEO Performance Review Committee 2019/2020.

Executive Recommendation

That Council:

Appoint three (3) Councillors as members of the CEO Performance Review Committee 2019/2020.

(1) -----

(2) -----

(3) -----

The Terms of Reference for this committee are as follows:

- Facilitate the setting of annual Key Performance Indicators (KPI's) for the Council's Chief Executive Officer;
- Facilitate the CEO performance reviews, including all activities that are part of that review;
- Provide the CEO with feedback through a written report and facilitating feedback sessions.

COUNCIL DECISION:

MOVED BY: _____ **SECONDED BY:** _____

CARRIED / LOST _____

RESULT:

Background

Responsibilities of CEO Performance Review Committee are to make recommendations to Council on the Chief Executive Officer's performance targets and remuneration.

The Terms of Reference for this committee are as follows:

- *Facilitate the setting of annual Key Performance Indicators (KPI's) for the Council's Chief Executive Officer;*
- *Facilitate the CEO performance reviews, including all activities that are part of that review;*
- *Provide the CEO with feedback through a written report and facilitating feedback sessions.*

Council Policy Compliance

Not Applicable

Legislative Compliance

Section 5.8 of the *Local government Act 1995* relates to Establishment of Committees and states:

- a. A local government may establish* committees of 3 or more persons to assist the council and to exercise the powers and discharge the duties of the local government that can be delegated to committees.

Section 5.38 of the *Local government Act 1995* relates to Annual Review of Certain Employee's Performances and states:

- a. The performance of each employee who is employed for a term of more than one year, including the CEO and each senior employee, is to be reviewed at least once in relation to every year of the employment.

Officer Comments

The CEO performance review is required to be finalised by 31 October of each calendar year. The 2019/2020 CEO Performance Review KPI's are provided as an attachment to this agenda item.

Analysis of Financial and Budget Implications

Annual Budget

Community Consultation

Not required.

Councillor/Officer Consultation

This matter is presented to Council for consideration.

Voting Requirement

Absolute Majority

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

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

14. Confidential Business (Meeting Closed to the Public)

15. Next Meeting

The next meeting is scheduled for Thursday, 24 September 2020 at the Shire of Harvey Council Chambers, 7 Mulgara Street, Australind, commencing at 4.00pm

16. Close of Meeting

The Presiding Member declares meeting closed at _____