



TRUE MINUTES

**The Ordinary Meeting of Council was held on Tuesday 3rd July 2012
in the Midwest Room of the State Library Building, Perth.**

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I, Chairperson, Councillor Lynne Craigie, of the Pilbara Regional Council, hereby declare on behalf of the Councillors of the Pilbara Regional Council that the enclosed minutes are true and accurate record of the Pilbara Regional Council Meeting held on Tuesday 3rd July 2012 at the Midwest Room of the State Library Building, Perth.

27/08/12

Cr Lynne Craigie

Date

Chairperson

TABLE OF CONTENTS

No.	Subject	Page No
1.	OATH OF OFFICE	3
2.	OFFICIAL OPENING	3
3.	PUBLIC QUESTION TIME	3
4.	RECORD OF ATTENDANCE	3
4.1	APPLICATIONS FOR LEAVE OF ABSENCE	3
5.	RESPONSE TO QUESTIONS WHICH WERE TAKEN ON NOTICE.....	4
6.	DECLARATION OF INTEREST AND INTERESTS AFFECTING IMPARTIALITY	4
7.	PETITIONS/ DEPUTATIONS/ PRESENTATIONS	4
8.	CONFIRMATION OF MINUTES AND BUSINESS ARISING FROM MINUTES OF PREVIOUS MEETING	6
9.	ANY BUSINESS LEFT OVER FROM PREVIOUS MEETING.....	6
10.	CHAIRPERSONS REPORT	6
11.	COUNCILLORS' REPORTS	7
11.2	WALGA STATE COUNCIL AGENDA.....	8
12.	FINANCE.....	12
13.	STRATEGIC ISSUES	14
14.	GOVERNANCE.....	16
15.	CHIEF EXECUTIVE OFFICER'S REPORT.....	21
16.	ITEMS FOR INFORMATION ONLY	31
17.	REGIONAL COLLABORATIVE GROUP	32
17.1	IMPLEMENTATION OF THE PRC REGIONAL BUSINESS PLAN	32
18.	GENERAL BUSINESS	34
19.	CONFIDENTIAL ITEMS.....	34
20.	CLOSURE.....	35

1. OATH OF OFFICE

Nil.

2. OFFICIAL OPENING

The Ordinary Meeting of Council was held on Tuesday 3rd July 2012 in the Midwest Room of the State Library Building, Perth and was declared open by the Chairperson at 9.08 am.

3. PUBLIC QUESTION TIME

Nil.

4. RECORD OF ATTENDANCE

Councillors	Cr Lynne Craigie, Chairperson	Shire of East Pilbara
	Cr Kelly Howlett, Deputy Chairperson	Town of Port Hedland
	Cr George Daccache	Town of Port Hedland
	Cr Kerry White	Shire of Ashburton
	Cr Lorraine Thomas	Shire of Ashburton
	Cr Fiona White-Hartig	
Deputy Councillors	Cr Anita Grace	Shire of East Pilbara
Staff	Mr Tony Friday	Chief Executive Officer
	Ms Sue Shepherdson	Executive Assistant
Guests:	Mr Allen Cooper, CEO	Shire of East Pilbara
	Mr Simon Kot, Acting CEO	Shire of Roebourne
	Mr Jeff Breen, CEO	Shire of Ashburton
	Mayor Troy Pickard, President	WALGA (10.15am to 11.30am)
	Ms Jodie Holbrook, Policy Manager Community	WALGA (9.08am to 11.30am)
	Ms Caroline Tuthill, Manager	DLG (9.08am to 10.18am)
	Mr Tim Fowler,	Department of Local Government
Presenters:	Ms Julie Clausen, AEC Group	9.43am to 10.18am
	Ms Kerry Neill, The Futures Group	9.08am to 9.42am

Apologies: Cr Sharon Vertigan, Shire of Roebourne, Mr Ian Hill, Acting CEO – Town of Port Hedland.

Leave of Absence: Nil

4.1 APPLICATIONS FOR LEAVE OF ABSENCE

Cr Kelly Howlett applied for a leave of absence from the 20th July to the 6th August 2012.

5. RESPONSE TO QUESTIONS WHICH WERE TAKEN ON NOTICE

Nil

6. DECLARATION OF INTEREST AND INTERESTS AFFECTING IMPARTIALITY

Additional Information is detailed on page 2 of this agenda.

6.1 Disclosure of Financial Interest and Proximity Interests

Members must disclose the nature of their interest in matters to be discussed at the meeting. (Sections 5.60B and 5.65 of the Local Government Act 1995). Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Sections 5.70 and 5.71 of the Local Government Act 1995).

Nil.

6.2 Disclosure of Interest Affecting Impartiality

Members and staff must disclose their interest in matters to be discussed at the meeting in respect of which the member or employee has given or will give advice. (Pilbara Regional Council Code of Conduct, Local Government (Admin) Reg. 34C).

Nil.

7. PETITIONS/ DEPUTATIONS/ PRESENTATIONS**7.1 The Futures Group – Kerry Neill – Workforce Analysis and Location Strategy presentation.**

Kerry Neill presented to council on the Workforce Analysis and Location project:

Opportunities for remote location

- Housing Management
- Rates
- Payroll
- Finance
- Customer Service

Opportunities for shared services

- Legal Services
- Building Management
- Emergency Services
- Asset Management
- Planning Services

1. Direct consultation and dialogue with the four Shire CEOs was established to determine the key functions that would best benefit from moving to either a shared services model or operating remotely (e.g. Perth).
2. Interview times were established for key stakeholders identified by the respective Shires' CEO. Subsequent to this, additional stakeholders were identified and authorised by the CEO for feedback to be obtained.
3. External stakeholders from Local Government, other Shires that have utilised shared services and WALGA were identified and their feedback obtained regarding the opportunities and merits associated with shared services between Shires.
4. Feedback was obtained through telephone conversations and one-on-one meetings with the following stakeholders. Notes were then summarised and emailed back to the stakeholder and an opportunity to suggest any further additions or clarification was given.
5. Financial information was requested or obtained from online sources (e.g. annual reports) to examine trends related to expenditure for each of the Shires.

Kerry Neill from the Futures group left the meeting at 9.42am.

7.2 AEC Group - Julie Clausen – Fly in Fly Out (FIFO)- Economic Impact Assessment.

Julie Clausen and her team from AEC Group presented to council on the Economic Impact Assessment of FIFO in the Pilbara.

Project Background:

- Assess the economic impact of the use of FIFO practices.
- Understand net cost of FIFO to local governments.
- Understand the use of local government services and infrastructure by FIFO and non FIFO workers
- Identify the funding gap for infrastructure.
- Identify total current and future costs of FIFO

Submission Recommendations:

- Support FIFO as a valid option for resourcing the major resource projects in the Pilbara Region.
- Recognise the filtered impact of the benefits from significant resource driven economic growth on the local government area.
- Undertake further piece of work to provide a statistical basis for the demand of the local government services and infrastructure by workforce composition and location.
- Establish full stakeholder involvement in assessment process by incorporating the local government as a key stakeholder in the assessment of the financial impact of the resource project.

Julie Clausen and the team from the AEC group left the meeting at 10.18am.

Caroline Tuthill from the Department of Local Government left the meeting at 10.18am

Council suspended standing orders at 10.18am for short break.
Council resumed standing orders at 10.40am.

8. CONFIRMATION OF MINUTES AND BUSINESS ARISING FROM MINUTES OF PREVIOUS MEETING

Attachments: 8. Minutes of the PRC Meeting - 30th April 2012
8. Special Meeting Minutes of the PRC - 26th May 2012
Responsible Officer: Mr Tony Friday, Chief Executive Officer
Action Officer: Ms Sue Shepherdson, Executive Assistant
Officer Disclosure of Interest: Nil

Cr Thomas raised corrections to the 30th April 2012 minutes page 15 correct the spelling of Hedland and page 29 change the work “may” to “shall” in the second paragraph.

COUNCIL RESOLUTION

RESOLUTION NUMBER: 1164
Moved: Cr White-Hartig
Seconded: Cr White

That the minutes of the Ordinary Meeting of Council held on the 30th April 2012 and the minutes of the Special Meeting of Council held on 26th May 2012 be confirmed as a true and correct record of proceedings.

Carried 7-0

9. ANY BUSINESS LEFT OVER FROM PREVIOUS MEETING

Nil.

10. CHAIRPERSONS REPORT

A verbal update was provided from the Chairperson Cr Lynne Craigie:

- Welcoming the new CEO Mr Tony Friday to the Pilbara Regional Council;
- Further to the FIFO presentation earlier, a number of media opportunities as Chairperson with the ABC, BBC and the Australian.

11. COUNCILLORS' REPORTS**11.1 STATE COUNCIL REPORT**

Attachments: 11.1 State Council Presidents Report July 2012.
Responsible Councillor: Cr Craigie – Councillor to State Council
Action Officer: Ms Sue Shepherdson, Executive Assistant
Officer Disclosure of Interest: Nil

Attached for Councils information is Mayor Mr Troy Pickard, President, WALGA State Council Report for July 2012 including updates on:

- Advocacy Success
- Local Government Finance Regulations – Reduction in Interest Rates
- Metropolitan Local Government Review – Forum of Metropolitan Mayors
- ALGA – National General Assembly
- President's Local Government Diploma Scholarship (2013)
- Parliamentary Breakfast
- 2012 WA Local Government Convention
- Presidents Contacts.

Policy Implications – Nil

Legislative Implications - Nil

Financial Implications - Nil

Voting Requirements - Simple Majority

COUNCIL RESOLUTION

RESOLUTION NUMBER: 1165
Moved: Cr Grace
Seconded: Cr White-Hartig

That the State Council President's Report as presented be received.

Carried 7-0

11.2 WALGA STATE COUNCIL AGENDA

Attachments: Nil
Responsible Councillor: Ms Lynne Craigie, Chairperson
Action Officer: Ms Sue Shepherdson, Executive Assistant
Officer Disclosure of Interest: Nil

Purpose

To seek Council agreement to the Pilbara Country Zone's position on of the WALGA State Council meeting. The next meeting of the Western Australia Local Government Association State Council will be held at WALGA 15 Altona Street, West Perth on Wednesday 4 July 2012 commencing at 5.00pm.

Background

The Pilbara Regional Council is also the secretariat to WALGA Pilbara Country Zone delegate and is responsible for assisting the delegate to prepare to represent the Zone at the next State Council meeting. WALGA has distributed its State Council agenda for its meeting.

The Pilbara Country Zone delegate will represent the Zone's views at the State Council meeting and is seeking feedback on State Council agendum Items to represent the Zone's views at the State Council meeting.

State Council Agendum Items

State Council Agendum is divided into three main parts that require Zone endorsement or comment, which are Part 5 - Matters for Decision; Part 6 – Matters for Noting / Information; and Part 7 – Organisational Reports.

5. MATTERS FOR DECISION

5.1 Metropolitan Local Government Review – WALGA Submission: Response to Draft Findings Recommendation

That:

1. The Association's Submission to the Metropolitan Local Government Review Panel's Draft Findings be endorsed, and;
2. The Record of Proceedings of the Meeting of Metropolitan Mayors and Presidents be noted.

5.2 WALGA Submission – Review of Royalties for Regions Country Local Government Fund Recommendation

That the Association's Submission to the Review of the Royalties for Regions Country Local Government Fund be endorsed.

5.3 State Government Boards and Committees – Effect on Elected Members who are Public Service Employees Recommendation

That WALGA advocate to the State Government to permit the remuneration of all Local Government Elected Members who represent the Local Government sector on a State Government Board, Committee or Panel.

5.4 Proposed Dog Act 1976 Amendments

Recommendation

That WALGA write to the Minister for Local Government and the Director General, Department of Local Government, to:

1. Commend them for their commitment to amend the Dog Act 1976; and,
2. Request a thorough consultation process with the Local Government sector on the details of the proposed amendments.

5.5 Review of State Planning Policy 2.6 – State Coastal Planning

Recommendation

That:

1. The interim submission to the WA Planning Commission on the Review of State Planning Policy 2.6 – State Coastal Planning Policy, is endorsed; and
2. WALGA advocate the State Government to provide a clear funding path for the implementation of the finalised State Planning Policy 2.6, to ensure that Local Governments are appropriately funded to prepare and implement coastal hazard risk management and adaptation plans.

5.6 Productivity Commission Issues Paper – The Role of Local Government as a Regulator

Recommendation

That the interim submission on the Productivity Commission Issues Paper – ‘The Role of Local Government as Regulator’ be endorsed.

5.7 Proposed Service Level Agreement for the Repair and Maintenance of Fire Hydrants

Recommendation

That:

1. State Council endorses the Service Level Agreement as an agreement suitable to meet the requirements of Local Government in fire hydrant management and maintenance; and
2. Each Local Government be encouraged to enter into a Service Level Agreement with the Fire and Emergency Services Authority (FESA) and the Water Service Utility responsible for their Local Government Area.

5.8 Submission on the draft Western Australian Bicycle Network Plan 2012-2021

Recommendation

That the submission on the draft Western Australian Bicycle Network Plan 2012-2021 be endorsed.

6. MATTERS FOR NOTING / INFORMATION

6.1 Municipal Waste Advisory Council (MWAC)

Recommendation

That the resolutions of the Municipal Waste Advisory Council at its 18 April and 21 May 2012 meetings be noted.

7. ORGANISATIONAL REPORTS

7.1 Key Activity Reports

7.1.1 Report on Key Activities, Environment & Waste Unit

Recommendation

That the Key Activity Report from the Environment and Waste Unit to the July 2012 State Council meeting be noted.

7.1.2 Report on Key Activities, Governance and Strategy

Recommendation

That the Key Activity Report from the Governance and Strategy Unit to the July 2012 State Council meeting be noted.

7.1.3 Report on Key Activities, Infrastructure

Recommendation

That the Key Activity Report from the Infrastructure Unit to the July 2012 State Council meeting be noted.

7.1.4 Report on Key Activities, Planning and Community Development

Recommendation

That the Key Activity Report from the Planning and Community Development Unit to the July 2012 State Council meeting be noted.

7.2 Policy Forum Reports

The following provides an outline of the key activities of the Association's Policy Forums since the last State Council meeting.

Recommendation

That the report on the key activities of the Association's Policy Forums to the July 2012 State Council Meeting be noted.

Policy Implications - Nil

Legislative Implications - Nil

Financial Implications - Nil

Conclusion

A copy of the State Council agenda is available on the WALGA website www.walga.asn.au. The Pilbara Zone Councillors and CEO have reviewed the State Council agenda and have noted the issues.

The Pilbara Zone Delegate to the State Council is requested to pass on the Pilbara Zones concerns at the next meeting of the State Council.

Voting Requirements - Simple Majority

COUNCIL RESOLUTION

RESOLUTION NUMBER: 1166
Moved: Cr Howlett
Seconded: Cr Grace

It is recommended that the Council endorse the Pilbara Country Zone Delegate to pass on the Zone's endorsements and comments on the matters for the State Council consideration at its meeting on Wednesday 4th July 2012.

Carried 7-0

12. FINANCE

12.1 FINANCIAL STATEMENT OF FINANCIAL ACTIVITY

Attachments:	12.1 (1) Financial Statements as at 30th April 2012 12.1 (2) Financial Statements as at 31st May 2012
Responsible Officer:	Mr Tony Friday, Chief Executive Officer
Action Officer:	Ms Sue Shepherdson, Executive Assistant
Officer Disclosure of Interest:	Nil

Purpose

The purpose of this report is to seek Council's consideration and adoption of the April and May 2012 Statements of Financial Activity and explanations of material variances between budget estimates and actual for expenditure, revenue and income.

Background

The PRC Council is required to review and approve the PRC expenditure and financial position on a regular basis.

The PRC's financial system is QuickBooks which generates Monthly Financial Reconciliations that show the PRC's expenditure and financial position on a monthly basis. Excel spreadsheets are used to provide statutory compliant reporting based on the QuickBooks output.

To enable the reporting of material variances to be consistent and compliant with the Local Government Financial Management Regulations (FMR 34) the Council adopted the material variance threshold of plus/minus 10% at sub-program and /or individual project level as per FM 34(1)(d), for 2011/12 financial year in accordance with Australian Accounting Standards (AAS 5).

The Local Government Act Financial Regulations require that a statement of financial activity, including reporting on revenue and expenditure, an explanation of the composition of net current assets and an explanation of any material variances between actual and (now) revised budget allocations be presented to Council to consider for inclusion in the minutes of the meeting.

The following financial statements for the periods ending 29th February 2012 and 31st March 2012 are attached:

- (1) Comprehensive Income Statement by Program;
- (2) Comprehensive Income Statement by Nature/Type;
- (3) Statement of Financial Position;
- (4) Statement of Changes in Equity;
- (5) Statement of Cash Flows;
- (6) Statement of Financial Activity;
- (7) Statement of Current Assets and Current Liabilities;
- (8) Supporting Schedules detailing income and expenditure

Policy Implications - Nil.

Legislative Implications - Local Government (Financial Management) Regulations 1996, reg. 34

Financial Implications - Nil

Conclusion

That Council receive the Monthly Financial Statements, the Statement of Financial Activity and commentaries on variances to the adopted budget for the periods ended 30th April and 31st May 2012.

Voting Requirements - Simple Majority

COUNCIL RESOLUTION

RESOLUTION NUMBER: 1167
Moved: Cr White-Hartig
Seconded: Cr Grace

- (1) That Council receive the Monthly Financial Statements, the Statement of Financial Activity and commentaries on variances to the adopted budget for the period ended 30th April 2012.
- (2) That Council receive the Monthly Financial Statements, the Statement of Financial Activity and commentaries on variances to the adopted budget for the period ended 31st May 2012.

Carried 7-0

13. STRATEGIC ISSUES

13.1 PRC FY13 OPERATING PLAN (DRAFT)

Attachments:	13.1 PRC FY13 Operating Plan (Draft)
Responsible Officer:	Mr Tony Friday, Chief Executive Officer
Author Name:	Mr Tony Friday, Chief Executive Officer
Disclosure of Interest:	Nil

Purpose

The purpose of this report is to obtain endorsement for the Draft PRC FY13 Operating Plan.

Background

The Integrated Planning Framework used by the PRC is structured to ensure that PRC activities are being driven by the strategic priorities of the organisation. The Operating Plan is derived through a review of the Strategic Plan and analysis of the requirements of the four member Councils.

The Council's Strategic Plan, and therefore the Operating Plan are framed so that they address the four key result areas identified during the Integrated Planning process. The four key result areas are:

- Key Result Area 1 – Regional Service Delivery
- Key Result Area 2 – A Voice for the Pilbara
- Key Result Area 3 – Economic Value
- Key Result Area 4 – Governance Support

For FY13, Strategic Objectives were developed for each of the key result areas which in turn were used to inform the development of the annual Operating Plan and budget.

Comment

In order to coincide with member Council's budget preparations for FY13, the Chief Executive Officer has commenced planning for the preparation of the PRC FY13 Operating Plan.

The previous Chief Executive Officer presented PRC FY12 achievements to the March meeting, and the four member Council CEOs have now had the opportunity to review the Regional Business Plan prepared by KPMG with their Executive team and identify projects from the Regional Business Plan plus any additional projects which could be undertaken by the PRC.

A facilitated workshop with PRC Councillors and member CEO's was held on Friday 30th March to review the PRC Strategic Plan and to suggest projects for the member Councils. Based on these activities, a draft Operating Plan has been developed for the consideration of the Council. This plan has since been updated with information gathered by the new CEO from the Department, member CEOs, and industry to represent a series of strategic initiatives that are intended to provide greater alignment with the needs of the member local governments, and to focus on delivering regional support towards local government reform.

Once the projects and budget have been approved by each member Council the Operating Plan and Budget will be submitted to the PRC for approval at the 27th August Council meeting in order to meet compliance requirements.

Policy Implications Nil.

Legislative Implications

5.56. Planning for the future

(1) A local government is to plan for the future of the district.

(2) A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.

[Section 5.56 inserted by No. 49 of 2004 s. 42(6).]

[5.57, 5.58. Deleted by No. 49 of 2004 s. 42(6).]

Financial Implication Nil

Conclusion

The PRC has begun the process of transforming into a quality driven organisation striving for excellence as a Regional Council in the business of Local Government. We see our commitment to business excellence as fundamental in achieving our strategic and business operating outcomes. In particular, our desire to align PRC business objectives with those of our member Councils wherever possible is of paramount importance.

Voting Requirements

Simple Majority

Officer Recommendation:

That Council:

1. Approve the draft PRC FY13 Operating Plan;
2. Approve development of the PRC FY13 Budget based on the FY13 Operating Plan.

ALTERNATE RECOMMENDATION

COUNCIL RESOLUTION

RESOLUTION NUMBER: 1168

Moved: Cr White-Hartig

Seconded: Cr White

That Council:

1. **Receive the Draft PRC FY13 Operating Plan;**
2. **Approve development of the PRC FY13 Budget based on the draft FY13 Operating Plan, pending input from member Council CEO's.**

Carried 7-0

14. GOVERNANCE

14.1 USE OF COMMON SEAL

Attachments: Nil.
Responsible Officer: Mr Tony Friday, Chief Executive Officer
Action Officer: Ms Sue Shepherdson, Executive Assistant
Officer Disclosure of Interest: Nil

Purpose:

This report is a standard report and for noting purposes only.

Background:

Section 9.49A. Execution of documents of the Local Government Act 1995 states:

- (1) A document is duly executed by a local government if —
 - (a) the common seal of the local government is affixed to it in accordance with subsections (2) and (3); or
 - (b) it is signed on behalf of the local government by a person or persons authorised under subsection (4) to do so.
- (2) The common seal of a local government is not to be affixed to any document except as authorised by the local government.
- (3) The common seal of the local government is to be affixed to a document in the presence of—
 - (a) the mayor or president; and
 - (b) the chief executive officer or a senior employee authorised by the chief executive officer,each of whom is to sign the document to attest that the common seal was so affixed.
- (4) A local government may, by resolution, authorise the chief executive officer, another employee or an agent of the local government to sign documents on behalf of the local government, either generally or subject to conditions or restrictions specified in the authorisation.
- (5) A document executed by a person under an authority under subsection (4) is not to be regarded as a deed unless the person executes it as a deed and is permitted to do so by the authorisation.
- (6) A document purporting to be executed in accordance with this section is to be presumed to be duly executed unless the contrary is shown.
- (7) When a document is produced bearing a seal purporting to be the common seal of the local government, it is to be presumed that the seal is the common seal of the local government unless the contrary is shown.

[Section 9.49A inserted by No. 17 of 2009 s. 43.]

Since the last meeting of Council the common seal has been applied to the following documents:

- Engagement for FIFO Review.

Comment:

The Chief Executive Officer is primarily responsible for the governance role of the PRC which includes ensuring all legislative requirements are complied with including: adopting plans and reports, accepting tenders, directing operations, setting and amending budgets. This use of the Common Seal is a Standard Report for noting by Council.

All documents validly executed will have the common seal affixed and the President and the Chief Executive Officer's attestations affixing the seal. Use of the common seal is to be recorded in the common seal register and must have the Council resolution number included and the date that the seal was applied.

Policy Implications - Nil.

Legislative Implications:

Section 9.49(A) of the Local Government Act 1995.

Financial Implications: Nil

Conclusion:

This is a standard report for information.

Voting Requirements: Simple Majority

COUNCIL RESOLUTION

RESOLUTION NUMBER: 1169
Moved: Cr White-Hartig
Seconded: Cr Grace

That the action of the Chief Executive Officer in executing the documents listed under the Common Seal of the Pilbara Regional Council, be noted.

Carried 7-0

14.2 PRC ASSET REGISTER

Attachments:	Nil.
Responsible Officer:	Mr Tony Friday, Chief Executive Officer
Action Officer:	Ms Sue Shepherdson, Executive Assistant
Officer Disclosure of Interest:	Nil

Purpose:

To inform Council of the current assets of the PRC.

Background:

At its meeting in March 2012 the PRC Council endorsed the Policy for the Disposal of Assets Policy to ensure:

1. Compliance with the Local Government Act 1995 and the Local Government Acts (Functions and General) Regulations 1996.
2. Provide unambiguous and transparent direction for the disposal of assets and in doing so:
 - promote fair and effective competition to the greatest possible extent;
 - consider any potential benefit to the community; and
 - ensure best value for money is achieved.

Comment:

To strengthen the PRC Corporate Governance a stocktake of assets was carried out in May 2012. Five (5) assets could not be located. With the transition of the PRC office to Perth and staff changeover there is not a clear record of when these assets were disposed of. The assets which could not be located are listed below and are all fully depreciated with no commercial value to the PRC.

1. 1 Filing cabinet – purchased February 2000
2. Sony GRZ20 Notebook, 2.0GHZ, 256MB, 30GB SN:7101789, inclusive of 256 ram module and Sony Port Replicator & Freight. – Purchased in June 2003
3. Desktop Computer – Compac/HP & 15" TFT Computer – Purchased in December 2003
4. Desk W/Station 1800x1800x750, Grey in colour – Purchased October 2003
5. HP Notebook Computer – purchased in September 2008

In addition to the stocktake of assets a request was received from a Perth Childcare Centre by the CEO in May 2012 for donation of any obsolete computers. The CEO dispose of two assets (2 HP Notebook Computer – purchased in September 2008) to a Perth Childcare Centre in accordance with PRC Policy – Disposal of Assets to the Childcare Centre. These assets now need to be removed from the Asset Register.

Policy Implications

PRC Policy – Disposal of Assets

Legislative Implications:

Local Government Act 1995.

Financial Implications: Nil

Conclusion:

To update the PRC Asset Register removal of seven (7) assets with a net value of zero and of no commercial value to the PRC from the PRC Asset Register will ensure an up-to-date Asset Register.

Voting Requirements: Simple Majority

COUNCIL RESOLUTION

RESOLUTION NUMBER: 1170
Moved: Cr Grace
Seconded: Cr White

That Council endorse:

1. The removal of five (5) assets which are unable to be located with a net value of zero and of no commercial value to the PRC from the PRC Asset Register.
2. The CEO's action of disposal of two (2) assets in accordance with the PRC Disposal of Asset Policy via donation to a not-for-profit Community Organisation.

Carried 7-0

Mayor Troy Pickard, President, WALGA and Ms Jodie Holbrook, Policy Manager Community, WALGA left the meeting at 11.30am.

14.3 AUDIT COMMITTEE – TERMS OF REFERENCE

Attachments: 14.3 Audit Committee Terms of Reference
Responsible Officer: Mr Tony Friday, Chief Executive Officer
Action Officer: Mr Tony Friday, Chief Executive Officer
Officer Disclosure of Interest: Nil

Purpose:

To introduce a Terms of Reference for the PRC Audit Committee to ensure Compliance with the Local Government Act 1995.

Comment:

At present the PRC does not have an endorsed Terms of Reference for its Audit Committee. To ensure a more robust role for this committee the CEO has complete a draft Terms of Reference for the Audit Committee as attached to meet the requirements of the Local Government Act.

Issues: - Nil

Policy Implications:

If endorsed this policy will form part of the Pilbara Regional Council Policy Manual to ensure a more transparent and compliant process.

Legislative Implications:

Local Government Act 1995 (the Act) and associated regulations.

Financial Implications: – Nil

Conclusion:

An endorsed Terms of Reference for the Audit Committee would ensure that the PRC has a more transparent and robust process in place to ensure compliance with the Local Government Act 1995 and the Local Government Acts (Functions and General) Regulations 1996.

Voting Requirements: - Absolute Majority

COUNCIL RESOLUTION

RESOLUTION NUMBER: 1171
Moved: Cr White-Haritg
Seconded: Cr Daccache

That council endorse the Pilbara Regional Council Audit Committee Terms of Reference.

ABSOLUTE MAJORITY REQUIRED

Carried 7-0

Allen Cooper left the meeting 11.40am

15. CHIEF EXECUTIVE OFFICER'S REPORT

15.1 COUNTRY LOCAL GOVERNMENT FUNDING 2011/12

Attachments: Nil.
Responsible Officer: Mr Tony Friday, Chief Executive Officer
Action Officer: Mr Tony Friday, Chief Executive Officer
Officer Disclosure of Interest: Nil

Report Purpose

The purpose of to inform Council of the unsuccessful application for Country Local Government Funding for the 2011/12 year.

Background

At the April meeting, Council resolved:

Res 1156

That Council:

- 1. Endorse the Draft Regional Business Case for Country Local Government Funding;*
- 2. Authorise the PRC Chief Executive Officer to forward final Business Case for Country Local Government Funding to the CEO of the Pilbara Development Commission for his comment.*
- 3. Submit the Final Regional Business Case for Country Local Government Funding to the Department of Regional Development and Lands prior to the 31st May 2012 deadline.*

Comment

This submission for CLGF funding was originally based on an affordable housing project throughout the Pilbara. Based on this endorsement, a significant amount of effort was expended to develop the grant application, and this required detailed supporting information from each of the member Councils. Due to time pressures and a variety of other factors, sufficient detailed information could not be gathered from member councils in time. After consultation with the Department the PRC was advised that the application would not be likely to succeed.

Based on this advice, the CEO and the Chairperson determined that an alternative application should be made for CLGF funding, to attempt to salvage the funding application.

With only 48 hours to prepare an application, a decision was taken to replace the 'Affordable Housing' project with an extension of the 'Upgrade of Coastal Tourism Locations and Improvement of Selected Roadside Rest Stops' project; brining forward future works into a proposed FY13 program of work. This project was selected because these future works had already been identified and defined, and the project manager was able to commit resources towards the preparation of the CLGF application. This Coastal Roadside Rest Stops also received support from the Pilbara Development Commission.

Policy Implications

Nil.

Legislative Implications

Nil.

Financial Implications

The allocation for the Pilbara for the current grant allocation is \$3,714,103 these funds are at significant risk of not being allocated to the region.

Conclusion

An application for CLGF funding was lodged with the Department prior to the deadline, however this application was prepared hurriedly and may not be unsuccessful meaning \$3.7M may not be available for regional infrastructure projects in the coming year. The Pilbara Regional Council executive team will be working closely with RDL from 1 July 2012 to ensure that a robust and fully supported application is prepared for the next round of funding.

Officer Recommendation:

That Council endorse the CEO's actions of submitting the revised Regional Business Case for Country Local Government Funding for the Coastal Roadside Rest Stops Project.

ALTERNATE RECOMMENDATION:

COUNCIL RESOLUTION

RESOLUTION NUMBER: 1172
Moved: Cr White-Hartig
Seconded: Cr Thomas

That Council:

1. **Endorse the CEO's actions of submitting the revised Regional Business Case for Country Local Government Funding for the Coastal Roadside Rest Stops Project.**
2. **Request the CEO to seek formal feedback from the Pilbara Development Commission on the reasons why the Affordable Housing Business Case could not be submitted.**
3. **Request Chairperson and the CEO to seek to meet with the Minister for Regional Development; Lands to progress the Affordable Housing project as a CLGF Application.**

Carried 7-0

15.2 PROJECT GOVERNANCE

Attachments: 15.2 Project Governance Framework
Responsible Officer: Mr Tony Friday, Chief Executive Officer
Action Officer: Mr Tony Friday, Chief Executive Officer
Officer Disclosure of Interest: Nil

Report Purpose

To introduce a Project Governance Framework for the Pilbara Regional Council to ensure:

1. Compliance with the Local Government Act 1995 and the Local Government Acts (Functions and General) Regulations 1996.
2. Provide unambiguous and transparent direction for the management of PRC Projects and in doing so:
 - promote fair and effective competition to the greatest possible extent;
 - consider any potential benefit to the community; and
 - ensure best value for money is achieved.

Background

The CEO has identified a range of areas where project governance could be enhanced, particularly with respect to project documentation, accountability, and benefits realisation. This is in part due to the lack of a documented project governance framework within which the the PRC's portfolio of projects can be structured and delivered.

Comment

The PRC will be working between now and the next meeting to establish a standard of project governance that is commensurate with the PRC project governance framework and with stakeholder expectations. A draft PRC Project Governance Framework is included within this Agenda for the consideration of the Council. If endorsed, the CEO will progressively implement the framework across all existing and new projects, and draft supporting template as required.

Consistent with the PRC's regional capacity building mandate, member Councils may use this template within their own Councils if they see value in this, and the CEO would be pleased to speak to the framework and to offer training to individual Council project directors/managers if required.

Policy Implications

PRC policies will be updated to reflect the project governance framework and submitted to next ordinary Council meeting for endorsement.

Legislative Implications

Nil.

Financial Implications

Nil – Policies will be developed in-house.

Conclusion

The PRC is moving towards a more robust standard of project governance, and will make any template available for the use of member Councils.

COUNCIL RESOLUTION

RESOLUTION NUMBER: 1173
Moved: Cr White
Seconded: Cr Grace

That the Council endorse the PRC Project Governance Framework.

Carried 7-0

15.3 UPGRADE OF COASTAL TOURISM LOCATIONS AND IMPROVEMENT OF SELECTED ROADSIDE REST STOPS - PROPOSED REVISED PROJECT PRIORITIES

Attachments: Nil
Responsible Officer: Mr Tony Friday, Chief Executive Officer
Action Officer: Mr Tony Friday, Chief Executive Officer
Officer Disclosure of Interest: Nil

Unverified extract from most recent project manager status report

Revised staging schedule for stage one sites

The staging schedule is currently on time/budget:

March/April/May - supply design services such as surveys and landscape design and engineering,

April/May - documentation for tender to supply structures and materials

May/June tenders for earthworks and construction/installation

May- August - integrate marketing, interpretation and sign plans.

August – December installation contract supervision.

September – web site goes live.

February 2013 – official opening of a site.

Ongoing – subject to additional funding – planning for boat trailer park and walk trails.

Site visits and stakeholder consultation

The project managers recently travelled to the Pilbara and met personally with the steering group and representatives of most key stakeholders to present concept plans for sites at Cape Keraudren, Cleaverville, and three information bays, plus their design suite for shelter structures. They spoke or had email dialogue with the remainder. On the basis of those meetings the project progressed to implementation of supply and construction arrangements through WALGA.

The progress (or otherwise) on the projects:

Shire of Ashburton: Information bays at either end of Karijini Drive, and at Onslow turn-off at NW Coastal highway.

The project managers have presented shelter concepts to MRWA Pilbara and Gascoyne (Onslow turnoff is in MRWA Gascoyne Region) who have agreed in principle and outlined building approval process. The shelter design and site concepts have also been presented to Shire of Ashburton and received their endorsement.

Cr. Lorraine Thomas (SoA) has been in contact regarding participation of herself and Ann Eyre in drafting interpretive and tourist information. The project managers will liaise with Lorraine and Ann in late June or when the information and research component commences.

Shire of East Pilbara: Cape Keraudren Reserve.

This project is proceeding as planned. The project managers have now done three site visits, and presented Shire of East Pilbara with a site visit report and recommendations for action. The project managers have also presented draft concept plans for installation of toilets, shelters and signs and demarcation of camping areas. These have been approved in principle, and pathways for final Council approval have been agreed.

The project managers have also sought quotes for a tandem tipper trailer rubbish bin, to trial instead of several Sulo bins as proposed in the tender document.

Shire of Roebourne: Cleaverville Reserve.

Site visits and analysis of needs and issues were conducted in December, January and May, and a site visit report prepared and concepts submitted to SoR with recommendations for a day use area with toilet, shelter and basic car park to be constructed at the beach on the West End of Cleaverville Reserve. SoR have agreed in principle to the proposals, formal proposals to be submitted in early June.

Town of Port Hedland:

De Grey Station sites – Shellborough/Condon/Tichila. Since December, the project managers have met with representatives of Town of Port Hedland (ToPH) on six occasions, and De Grey station leaseholders three times, and including a recent helicopter survey of coastal environmental.

De Grey leaseholders are concerned that the access to the coast on the current track is causing considerable environmental damage and is not sustainable. They will not agree to infrastructure being placed on the coast unless there is some cooperation in realigning the access track to higher ground, and an asset maintenance and management agreement or memorandum of understanding between ToPH and the De Grey leaseholders.

There will also probably need to be an Indigenous Land Use Agreement with the Ngarla native title holders of the coastal Unallocated Crown Lands. An issue paper and meeting report was prepared and presented to ToPH in early May with suggested ways forward.

There seems little likelihood of any opportunity use the PRC funding to place infrastructure proposed in the tender for “Shellborough” on De Grey coast other than much needed directional and interpretive signs. The project managers have recommended to PRC that the funds be reallocated - \$100 000 allocated to signs on De Grey, the rest to other projects under way in other Shires.

2. Structure fabrication and installation

Shelter, toilet, information shelter structures have been approved by key stakeholders. Landmark Engineering and Design have been engaged under the WALGA preferred supplier arrangement to develop concepts for costing and engineering approval.

WALGA have been engaged to prepare and manage tenders for the construction of shelters, toilets and associated landscape works expected to go out in early June.

Thorough research and investigation of suitable remote area toilet systems was undertaken, including contributions from MRWA and DEC, and a report presented to SoEP and SoR. The supply of toilets can be managed by obtaining quotes.

3. Detailed site design, engineering, and Aboriginal liaison/ Native Title

As agreed at tender sign off, CWA as part of the project management service provide concept level planning. Further site design, engineering and Native Title liaison are to be costed to individual sites. Sub-contractors were approved by Shelley Pike, the then CEO of PRC.

Steve Vigilante (one of CWA “associates”) will do site design at an hourly rate plus disbursements. The project managers anticipate that site design will be in the order of \$5-8000 plus expenses for each site. Native title and Aboriginal liaison will be undertaken by Bill Carr at an hourly rate plus disbursements. Bill is semi retired, but the project managers state that he has worked with a range of agencies including the Environmental Protection Authority and Departments of Mines and Petroleum, State Development, and Environment and Conservation on native title negotiations, and was the Director of the Conservation Commission, from 2004 to 2006.

Bill will sub contract to CWA, and as mentioned previously, the project managers aim to avoid any costly surveys and approvals by early involvement of TOs to avoid sensitive areas. So, the project managers don’t anticipate the cost per site to be more than \$5000. Their liaison will include involving TOs in development of appropriate interpretive materials and welcome to country.

4. Website development and marketing components

The project managers and FORM have reached an agreement on the site build of the enhanced social media portal for the Pilbara Region. Sarah Tierney of FORM and Ian Charles of Charles Walsh Nature Tourism Services (an “associate” of CWA) will project manage the interactive development of the new social portal website which will be managed by FORM and exist as a discrete entity to the new Pilbara.com site being built.

The timeframe for the establishment of the social media and Pilbara.com websites have been revised from the initial project plan presented as part of the tender process based on discussions undertaken with FORM and other overall project developments.

Since the initial discussions took place in late December, FORM has been in negotiation with the Town of Port Hedland to provide visitor centre upgrade and service provisions. This has had major implications for FORM in terms of responding to how they can undertake the social media portal allied to the development for Pilbara Connections of the new Pilbara.com website.

The development process for the website can hence be revised to the following.

1. Develop branding and stylistic layout for the site home page and key content pages. This process is completed and has been strongly received and endorsed by steering group and other stakeholders.
2. Work in collaboration with FORM to develop the social media portal at the same time as populating the site with the necessary content and developing interactive pdf guides to be downloaded via the website. This work is underway.
3. Look to launch the new social media site in August as a primer for the launch of Pilbara Connections sites and the new Port Hedland visitor facilities in late 2012.

Marketing sub-component of CWA project management – possible visitor centre and/or airport investments

As part of the detailed development of the project, stakeholder feedback has highlighted the desirability of investing in visitor centre and perhaps airport facilities as an integral part of the overall project roll out. This is closely in keeping with the Pilbara Connections motif of ensuring an integrated link between the onsite experience and the urban town setting is closely established as outlined in our concept planning statement as endorsed by the PRC.

Importantly however, the desirability of making these investments has not impacted upon the core allocation of project funds to on ground facilities. Rather it ensures that a second tier of investment is available to the project to utilise such funds as must be held in contingency pending the final delivery of on ground product.

These contingency funds relate specifically to the fact that

- a) contingency funds were always essential irrespective of what contractual basis was applied to the construction phase and
- b) tender process being undertaken under the auspices of WALGA has identified a daily rate approach within the ambit of an overall installation estimate to be the appropriate means of covering the many variables affecting the installation process.

As a result of this process, investment in at least two urban visitor centre settings at Port Hedland and Onslow is seen as a priority for the project using contingency funding. This contingency funding may also cover equity issues arising from the current potential for funding to Port Hedland for the De Grey developments to be re-allocated to Cape Keraudren and Cleaverville in the event of works being unable to proceed there due to issues beyond the control of this project relating to agreements between the ToPH and the leaseholder.

Accordingly investment in these visitor centre facilities does not amount to a reallocation of funds away from the original purpose of the grant monies, but rather represents a strategic response to stakeholder issues that have arisen in the course of the core project implementation.

5. Funding sources investigation - progress report

Cliff Winfield and Claire Ditre of Pilbara Cities (the steering group rep) met to update Pilbara Connections works and plans. Claire explained the new priorities of Pilbara Cities probably precluded any focus on nature-based recreation in the short term

Applications for funding have been submitted under Recreation Boating Facilities Scheme (RBFS) for funds for planning a boat trailer park at the current boat launch at Cleaverville.

The project managers also applied for planning funds to develop interpretive trails at Cape Keraudren, Cleaverville and 40 Mile from the 2012 Lotterywest Trails Grants which are available for trail planning and development.

The project managers are investigating opportunities under the Coastwest grants scheme. Grants are provided to partnerships of community groups and coastal managers to undertake on-ground coastal and marine rehabilitation, restoration and preventative conservation projects. The grants also look to build the skills and capacity of Western Australian communities and to encourage and maintain their involvement in coastal management. Grant applications for 2012/13 are open until July 26.

Funding to SoR from Apache Energy as offset for the impact the Devil Creek Gas plant has on 40 Mile/Gnoorea Point was expended by SoR technical services and not available to the Pilbara Connections project.

The project managers have opened negotiation with resource companies:

API – Anketell Port PER recognises that its construction and operation will affect Cleaverville and states as a performance measure action:

Seek to capitalise on opportunities presented by the Proposal for the enhancement of recreational facilities, in consultation with governments and the community.

Piers Goodman, Environment and Community Manager was frank about API not having much funding at the moment but knows they have responsibility to contribute if/when the port project commences.

BHP Billiton Katrina De Courcy –Indigenous Culture Development Manager (since moved to Shell) – discussed indigenous participation of projects on De Grey. This is on hold pending ToPH response.

Preston Consulting - Phil Scott re Anketell Environmental Impact

Citic Pacific Mining Warren Langford re camp capacities, services, recreation - 40 Mile

FMG - Vicky James; Community Relations, re funding projects and internal process and relationship with Town of Port Hedland region.

Comment

The PRC has identified significant project governance deficiencies within this project and is working to address these as a matter of priority. Comprehensive project status report has been requested from the project manager on PRC template, and this will be reviewed in detail between current date and the next ordinary Council meeting. WALGA have provided counsel with regard to some elements of the governance of this project, including procurement governance.

Policy Implications

PRC policies will be updated to reflect the project governance framework and submitted to next ordinary Council meeting for endorsement.

Legislative Implications

Nil.

Financial Implications

Project will be subject to external audit before the next ordinary Council meeting. Audit report will be submitted to the next ordinary Council meeting.

Conclusion

The Coastal Roadside Rest Stops Project is currently under full internal and external review. The Chief Executive Officer will provide a comprehensive update to the next Ordinary Council meeting.

COUNCIL RESOLUTION

RESOLUTION NUMBER: 1174
Moved: Cr White-Hartig
Seconded: Cr Grace

That the Council endorse the CEO’s actions to conduct internal and external review of the Coastal Roadside Rest Stops Project, required as a condition of the funding agreement.

Carried 7-0

16. ITEMS FOR INFORMATION ONLY**16.1 PRC INSURANCE RENEWAL**

The PRC is in the process of renewing its Insurance with LGIS the Local Government Insurance Service. The CEO would like to take the opportunity to inform Councillors that the PRC has journey cover insurance, fidelity, professional liability that covers both staff and Councillors whilst on Council business. Further information or policy details are available to councillors upon request.

Allen Cooper returned to the meeting at 12.09pm

16.2 DEPARTMENT OF LOCAL GOVERNMENT – UPDATE

An update from the Department of Local Government was be tabled at the meeting for the following items:

- Standards Panel Review
- Metropolitan Local Government Review
- Reform Update
- Financial Management Amendment Regulations
- Levying Differential General Rates – Regulation 52A Update
- Update of the Dog Act Amendments
- July launch of Inherit.

Simon Kot left the meeting at 12.14pm

17. REGIONAL COLLABORATIVE GROUP

17.1 IMPLEMENTATION OF THE PRC REGIONAL BUSINESS PLAN

17.1.1 WORKFORCE ANALYSIS AND LOCATION STRATEGY

Attachments:	17.1.1 Workforce Analysis and Location Strategy
Responsible Officer:	Mr Tony Friday, Chief Executive Officer
Action Officer:	Mr Tony Friday, Chief Executive Officer
Officer Disclosure of Interest:	Nil

The Workforce Analysis and Location Strategy has now been completed by the Futures Group and a draft report has been received by the Chief Executive Officer.

The findings of the report endorse and extend the results of the KPMG report, which identified similar opportunities for coordinated or bureau service provision. This appears to be at odds with the appetite of the Executive within member Councils to actually engage in activities to seize these opportunities.

The report singles out member Council's capacity and capability to deliver Strategic Community Plans and Corporate Business Plans that are consistent with the standard expected under DLG Local Government reform initiatives as a particular concern.

The report also notes that "a workable platform already exists via the PRC, time and effort can ... be directed to genuine capacity building initiatives."

Specific recommendations include exploring a bureau service provision for payroll, HR and rates processing; whilst specifically not relinquishing the customer service function as this was seen to be integral to the public perception of local, responsive and accessible services.

Comment

The findings within this report mirror those of previous reports, and indeed go to the very heart of the PRC's existence. It is the intention of the CEO (with Council's endorsement) to turn a selected number of these findings into actions with specified and quantifiable outcomes. This intent has been captured in the draft operating plan, and will initially take the form of structured research and potentially a pilot to determine whether the benefits identified can be realised, over what time, and at what risk.

The CEO does have some background and experience in delivering outcomes similar to those expressed in the report, along with access to significant external expertise at little or no cost that will support detailed information being provided to Council in the coming months and informed decision making.

Policy Implications

Nil

Legislative Implications

Nil.

Financial Implications

CEO will conduct an initial cost/benefit analysis for matters raised in the Futures Group report. Initial analysis will be conducted in-house with little or no direct-cost financial implications.

Conclusion

The findings from the Workforce Analysis and Location Strategy may present some opportunities for member Councils to alleviate staffing issues and potentially reduce some cost, however these opportunities should be approached with some degree of caution.

COUNCIL RESOLUTION

RESOLUTION NUMBER: 1175
Moved: Cr White-Hartig
Seconded: Cr Grace

That Council endorse the Chief Executive Officer to further explore selected opportunities from the Futures Group report, specifically for bureau service provision of rates, HR and/or payroll functions. These activities to be conducted over the next four months with a report prepared for Council for the October ordinary Council meeting.

Carried 7-0

18. GENERAL BUSINESS

Cr Howlett

- Regional Cabinet will be held in the Port Hedland on Sunday 29th July 2012
- The opening event of the new Stadium in South Hedland will be held over the weekend of Friday 27, Saturday 28 and Sunday 29 July 2012.

19. CONFIDENTIAL ITEMS

Tim Fowler left the meeting at 12.20pm

Meeting is closed to members of the public from Items:

- 19.1 Affordable Housing
- 19.2 Section 5.75(1) Obligations

COUNCIL RESOLUTION

RESOLUTION NUMBER: 1176
Moved: Cr White
Seconded: Cr Grace

That in accordance with Section 5.23 (2) of the Local Government Act 1995 the meeting is closed to members of the public with the following aspect(s) of the Act being applicable to this matter:

- (b) the personal affairs of any person;
- (c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;

Carried 7-0

19.1 AFFORDABLE HOUSING

The Affordable Housing project has moved into detailed feasibility stage with the National Australia Bank conducting individual analysis activities within each of the member Councils. It is anticipated that this will take a couple of months to gather the requisite data and to build a 'bankable model' that can form the basis of their detailed memorandum to investors.

During this time, the PRC has engaged with McLeods to provide an opinion as to the procurement options available to the Council or member Councils should the feasibility prove viable.

The Chief Executive Officer provide a verbal update regarding this item at the meeting.

19.2 SECTION 5.75(1) OBLIGATIONS

The Chief Executive Officer provided a verbal update regarding this item at the meeting.

20. CLOSURE

Meeting declared closed at 12.40pm.