



PILBARA
REGIONAL
COUNCIL

Council Meeting Minutes

Notice is hereby given that an Ordinary Meeting of Council was held in the Council Chamber at the Town of Port Hedland at 9:00am on 2nd December 2013

A handwritten signature in blue ink that reads "Anthony Friday".

Tony Friday
Chief Executive Officer

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A handwritten signature in black ink that reads "Awhiti Kana".

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Councillors please note that underlined ToC items are automatically hyperlinked to relevant area of the Agenda.

Declaration(s) of Conflict of Interest

Declaration(s) of Conflict of Interest Forms

Nil recorded

1. Oath(s) Of Office

The following Councillors have undertaken an Oath of Office before the Chief Executive Officer, Mr Tony Friday prior to the commencement of the Council meeting:

- Cr Gerry Parsons, Shire of East Pilbara
- Cr Gloria Jacobs, Town of Port Hedland

2. Official Opening

The Ordinary Meeting of Council was declared open at 9:11am by the Acting Chairperson, Councillor Fiona White - Hartig.

3. Audit Committee, Deputy Chairperson and Chairperson Elections

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

Policy Implications

Nil

Legislative Implications

6.3 Election of chairman and deputy chairman

(1) The members of the PRC Council must elect a chairman and deputy chairman:

(a) At the first meeting of the PRC Council following the Operative Date;

(b) at the first meeting of the PRC Council following the day on which polls for ordinary elections are usually held, biennially, for all local governments under the Act.

(2) if the office of chairman or deputy becomes vacant then the members of the PRC must elect a new chairman or deputy chairman as the case requires.

(3) The election of the chairman and deputy chairman is to be conducted by the CEO in accordance with the procedure prescribed under the Act for the election of a president or deputy resident, respectively, by a council.

Section 30 (4) of the Local Government (Administration) Regulation 1996 requires that in the case of a Regional Local Government, the Chairman may earn a minimum fee of \$120 and a maximum fee of

\$280 for each Council Meeting. Section 30 (5) of the Local Government (Administration) Regulation 1996 requires in the case of a Regional Local Government, the Chairman's fee each year is not to exceed \$14,000 for attending meetings (whether of the council, of any committee or a meeting of a type referred to in subregulation).

Section 30 (4) & (5) of the Local Government (Administration) Regulation:

(4) For the purposes of section 5.98(1), subject to subregulation (5) —

(a) the minimum fee —

- (i) for the mayor or president; or*
 - (ii) in the case of a regional local government, for the chairman, attending a council meeting is \$120 for each meeting; and*
 - (b) the maximum fee —*
 - (i) for the mayor or president; or*
 - (ii) in the case of a regional local government, for the chairman, attending a council meeting is \$280 for each meeting.*
- (5) The total of fees paid —*
 - (a) to the mayor or president; or*
 - (b) in the case of a regional local government, to the chairman, for attending meetings (whether of the council, of any committee or a meeting of a type referred to in subregulation (3A)) in each year is not to exceed \$14 000.*

Financial Implications

Specific financial implications are as outlined in the above section of this report.

Voting Requirements

Simple Majority

Comment

Nil

Two positions available for the Audit Committee and no additional nominations received, Cr Craigie and Cr White-Hartig elected unopposed.

Council Resolution:

That the following Councillors be elected the Audit Committee for the Pilbara Regional Council:

1. Cr Craigie, Shire of East Pilbara
2. Cr White-Hartig, Shire of Roebourne

Result: 8/0 Carried

One position available for the Chair and no additional nominations received, Cr Craigie elected unopposed.

Council Resolution:

That Councillor Lynne Craigie be elected to the Chair for the Pilbara Regional Council.

Result: 8/0 Carried

One position available for the Deputy Chair and nominations received from:

1. Cr Howlett, Town of Port Hedland
2. Cr White-Hartig, Shire of Roebourne

A ballot was conducted to elect the Deputy Chair, votes recorded 6/2 in favour of Cr White-Hartig.

Council Resolution:

That Councillor White-Hartig be elected to the Deputy Chair for the Pilbara Regional Council.

Result: 6/2 Carried

4. Public Question Time

No questions were received from members of the public prior to the meeting:
Nil recorded

The Chairperson will called for questions from members of the public attending the meeting.

5. Attendance

Councillors	Cr Kerry White Cr Lorraine Thomas Cr Anita Grace Cr Peter Long Cr Fiona White-Hartig Cr George Daccache	Shire of Ashburton Shire of Ashburton Shire of East Pilbara Shire of Roebourne Shire of Roebourne Town of Port Hedland
Deputy Councillors	Cr Shane Carter Cr Gloria Jacobs	Shire of East Pilbara Town of Port Hedland
Staff	Mr Tony Friday Ms Melody Pia	Chief Executive Officer Administrator
Guests:	Mr Mark Batty Mr Chris Adams Mr Mal Osborne Dr Alexander Kabat Cr Geraldine 'Gerry' Parsons	WALGA Executive Manager Environment and Waste Shire of Roebourne Town of Port Hedland Pilbara Regional Council Shire of East Pilbara
Presenters:	Mr Glen Chidlow	CEO, Australia's North West Tourism
Apologies:	Cr Lynne Craigie Cr Kelly Howlett Mr Allen Cooper Mr Neil Hartley Cr Cecilia Fernandez Cr Peter Foster	Shire of East Pilbara Town of Port Hedland Shire of East Pilbara Shire of Ashburton Shire of Ashburton Shire of Ashburton

5.1 Applications for Leave of Absence:

No one applied for a Leave of Absence.

6. Petitions, Deputations and Presentations

Mr Glen Chidlow presented an update on recent tourism activities undertaken by Australia's North West Tourism.

7. Confirmation of Minutes and Business Arising from Minutes of Previous Meeting held on 14 October 2013

Responsible Officer: Mr Tony Friday, Chief Executive Officer
Action Officer: Mr Tony Friday, Chief Executive Officer
Disclosure of Interest: Nil
Attachments: 6.1 Minutes of the PRC Meeting

Voting Requirement: Simple Majority

Council Resolution:

That Pilbara Regional Council amend the 14 October 2013 Meeting Minutes' voting results with correct numbers (i.e. 8/8 should be 8/0).

Moved: Cr Lorraine Thomas

Seconded: Cr Kerry White

Result: 8/0 Carried

8. Chairperson Report

No report offered for this period.

Voting Requirement: Nil

9. Chief Executive Officer's Report

9.1 Projects update

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

Purpose:

The purpose of this report is to apprise Council of progress against various projects currently undertaken by the Pilbara Regional Council.

Comment

Project	\$	✘	Comment
FY13			
Roadside Rest Stops (FY13)	✓	✓	Project is nearly at practical completion, and extension funds will be acquitted to DRD over the next few weeks. Minor remediation works still occurring under bank guarantee. Project delivered ~\$300K under budget, and approval received from DRD to retrofit FY13 sites with WiFi hot spots where feasible. Signage is being replaced on all current sites advising availability of WiFi facilities where offered. Signage included as Agenda attachment.
Regional Migration Agreement	✓	✓	An RMA proposal has been drafted by KPMG and has been presented to DTWD as State lead agency. Draft RMA was presented to Pilbara Workforce Development Alliance on 26/09/2013, with further clarification sought by SBDC and DIA. Clarification has now been offered and the proposal received unanimous support. DIAC have been advised that the application is ready, and have advised that the assessment guidelines remain unpublished for this immigration instrument. The PRC has written directly to the DG and to the Minister seeking clarification of publication date.
Payroll Processing	✓	✘	SoA ,SoR and ToPH are ready for detailed implementation planning. ToPH have yet to comment on the service provider proposal, and progress is contingent on receiving this input.
FY14			
Business Continuity	✓	✘	RFT has been assessed, and a successful respondent awarded the contract. A project manager has been appointed to manage the program of work, and work is underway with those members that have already nominated participants in the project steering committee..
Pilbara Kimberley Forum	✓	✓	Detailed planning is underway, and a proposed event format was prepared for the consideration of Mayors and Presidents. The Pilbara zone has endorsed the proposed agenda, along with a proposal to move the date of the Forum from March to May. Endorsement from the Kimberley LGAs is expected before the end of November, with final confirmed numbers and attendees required towards March.
Coastal Access Management	✓	✓	This project is well underway and initial stakeholder consultations have been held with LGAs, DPAAW, Planning, TourismWA, Leave No Trace, and Chevron. The steering committee are currently in the process of refining scope. We are in process of engaging the Thalanyji corporation and Track Care. Initial planning of track adoption processes are being drafted using DPAAW's SOP as a template. We have identified four areas that we will initially engage with as a pilot program. Several possible future funding sources have also been identified and are being researched to determine feasibility.
GIS Data Procurement	✓	✓	Project steering committee has been convened, and PRC will provide initial findings in the next month. A list of data sources has been compiled and is being filtered. Vendors have been consulted including Landgate SLIP, WALIS, Aerometrex, Outline Imagery, AAM, Haefeli-Lysnar. We have also identified areas of capacity weakness including need for improved training and software upgrades.
Land Deconstraint	✓	✓	Contracting between PRC/SoR and PRC/NSP has been finalised, and work has commenced on the two SoR sites that are external to the CLGF component. CLGF works are still pending Cabinet approval of the project, currently expected Nov/Dec.
Roadside Rest Stops (FY14)	✓	✓	Project is well underway. NS Projects have been contracted to manage the project, and Brandino have been retained for project marketing. Site selections have been finalised. EOI was issued to market for engineering/manufacturing, and Urban Art Projects contracted to design, manufacture and install the structures. Images of the structures are included as an attachment to this Agenda.
Major Developments Policy	✓	✓	A successful respondent to the RFQ has been awarded the contract. A project manager has been appointed to manage the program of work, and work is underway with those members that have already nominated participants in the project steering committee.

Policy Implications

Nil

Legislative Implications

Nil

Financial Implications

No FY14 projects are currently over budget, nor are any FY14 projects anticipated to exceed budget.

Conclusion

Nil

Voting Requirement: Simple Majority

Council Resolution:

That the items presented for noting only.

Moved: Cr Lorraine Thomas

Seconded: Cr Gloria Jacob

Result: 8/0 Carried

9.2 State Council President's Report

Attachments: 8.1 State Council Presidents Report
Responsible Councillor: Cr Lynne Craigie – Councillor to State Council
Action Officer: Mr Tony Friday, Chief Executive Officer
Officer Disclosure of Interest: Nil

Presented for Councils information will be Mayor Mr Troy Pickard, President, WALGA State Council Report.

Policy Implications

Nil

Legislative Implications

Nil

Financial Implications

Nil

Voting Requirements

Simple Majority

Comment

Nil

Council Resolution:

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

Moved: Cr Gloria Jacob

Seconded: Cr Peter Long

Result: 8/0 Carried

9.3 WALGA State Council Agenda

Attachments: Nil
Responsible Councillor: Cr Lynne Craigie, Chairperson
Action Officer: Mr Tony Friday, Chief Executive Officer
Officer Disclosure of Interest: Nil

Purpose

The Pilbara Regional Council meeting also serves as the WALGA zone meeting for the Pilbara Regional Council. Councillors are invited to comment on, and endorse or otherwise, matter referred to the WALGA State Council for decision.

Background

Councillors are assumed to have read the WALGA State Council Agenda (December 2013) and understood the implications of all matters for decision (5.1 to 5.4).

Policy Implications

As detailed in WALGA State Council Agenda.

Legislative Implications

As detailed in WALGA State Council Agenda.

Financial Implications

As detailed in WALGA State Council Agenda.

Conclusion

Nil

Voting Requirement: Simple Majority

Council Resolution:

That Council supports the items presented in WALGA State Council (December 2013) Agenda.

Moved: Cr Gloria Jacob

Seconded: Cr Peter Long

Result: 8/0 Carried

9.4 Pilbara Marketing and Messaging

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

Purpose:

The purpose of this report is to inform Council regarding the activities of the PRC executive as participants in the Pilbara Marketing and Messaging Group.

Background:

The PRC has participated in the newly formed Pilbara Marketing and Messaging Group, with a multi-agency remit to ensure consistency and depth in messaging coming from the broader region. The Group has met twice, and included PDC, Planning, TourismWA, Regional Development, Landcorp, Trainign and Workforce Development, Education, Small Business, RDAP, Horozon, Water Corp, Roebourne, Port Hedland, and the PRC.

Comment

Outcomes from the first meeting of this group have included:

1. A refocus on the Pilbara Cities vision to focus on achievements and transformative change over the past four years and the resulting positive outcomes for emerging communities whilst maintaining key focus on the aspirational targets going forward.
2. Agreement to progress the concept of a Pilbara Ambassadors program:
3. Agreement to develop an advocacy position in relation to the Federal Government's developing Northern Australia policy/white paper – The Coalition's 2030 Vision for Developing Northern Australia noting that a Senate Committee chaired by Senator Entsch has been established. It was further agreed that a collaborative approach to addressing the new Federal Government's Northern Australia focus would be beneficial.

Opportunities include:

- ✓ Creation of a Northern Economic Zone
 - ✓ 2011 Federal Tax Summit outcomes for Northern Australia
 - ✓ Defence
 - ✓ Tax concessions and FBT impacts on FIFO
 - ✓ Federal advocates
 - ✓ Removal of constraints e.g. red and green tape
 - ✓ Investment attraction
 - ✓ Development of trade relationships
 - ✓ Education
 - ✓ Tourism
 - ✓ Agribusiness
 - ✓ Energy
 - ✓ Water
4. Agreement that the FIFO culture needs to be addressed, including:
 - ✓ Promoting the 'tipping point' to shift from FIFO to permanent residents
 - ✓ Encouraging existing FIFOs to live in the Pilbara
 - ✓ Recognising that coastal Pilbara cities can become hubs for regional FIFO

- ✓ Challenging economic structures and financial advantages that make it more attractive for industry to use FIFO workforce
 - ✓ Challenging industry culture about the use of FIFO for operational staff
 - ✓ Promoting the cost benefits to industry of retaining staff in the region
5. It was agreed that key metrics should be developed so progress/achievements can be demonstrated over the past four years and continue to be reported in the future.
6. It was agreed that a Working Groups should be established to develop a marketing strategy, including key messages. This could also consider undertaking market research on perceptions about the Pilbara in order to develop targeting strategies and messages. Another group should investigate issues relating to tax reform and the creation of a special economic zone.

Policy Implications

The success of the PRC in focusing items onto the national agenda was evident in the advocacy activities during the recent Federal election campaign. Using social media, press and direct contact; almost all of the predetermined advocacy positions were included in some form within major party election statements.

It is now considered key to maintain this momentum in partnership with others, and to utilise the Federal Government's developing Northern Australia policy/white paper as a catalyst for change.

Legislative Implications

To be determined.

Financial Implications

To be determined.

Conclusion

Nil

Voting Requirement: Simple Majority

Council Resolution:

That the items presented for noting only be received.

Moved: Cr Gloria Jacob

Seconded: Cr Peter Long

Result: 8/0 Carried

9.5 Pilbara Tourism Strategy

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

Purpose:

The purpose of this report is to inform Council regarding the activities of the PRC executive as participants in the Pilbara Tourism Strategy.

Background:

The PRC has participated in a Pilbara Tourism Group, with a multi-agency remit to refresh to tourism experience and build operator capacity across the region. The Group includes the PDC, PRC and Tourism WA.

Comment

The Pilbara needs to plan for incorporating tourism development into the planning of the Cities of the North as a means of creating employment options, improving local amenities, fostering community pride and educating visitors on the unique landscapes, cultural heritage of the region and the bountiful natural resources that is driving the economy of this region and this state.

The following six 'A' factors represent the essential requirements for successful tourism:

1. **Attractions** – walking trails, interpretive centres, galleries, cultural centres etc
2. **Access** – quality of the road networks, boat ramp facilities, aviation etc to access attractions and amenities. Connectivity and touring routes.
3. **Accommodation** – caravan parks, hotels, motels and eco lodges.
4. **Amenities** – visitor centres, shade and picnic areas, coastal rest stops, caravan dump facilities, toilets, informational signage etc.
5. **Activities** – walking tours, tag along tours, boating charters, Aboriginal tours etc
6. **Awareness** – marketing the destination and converting awareness into travel

Developing suitable inter-relationships between these elements is at the heart of tourism planning.

In 2012 a study was undertaken as a joint initiative between the Pilbara Development Commission and the Pilbara Regional Council to assess the demand/need for short stay accommodation in the Pilbara.

This study investigated one of the five A's 'Accommodation' through:

- Providing an analysis of the short stay accommodation requirements and the tourism development investment outlook for the Pilbara based on a low, medium and high growth scenario.
- Prioritising future short stay accommodation development requirements based on this analysis and identify suitable sites/ localities for tourism development land to be released.
- Identifying Government intervention required in order to deliver short stay accommodation development in the Pilbara region as identified in the study and recommended appropriate incentives/ interventions.

With this work complete and an investment attraction strategy underway, planning for a sustainable tourism industry in the Pilbara requires an analysis of the remaining five A's of Tourism . This study is therefore required to audit existing and potential attractions, access, amenities, activities and awareness within the context of existing and potential tourism markets that may be developed in the future.

The ultimate objective of this project is a comprehensive Pilbara Tourism Development Plan that will provide government, state and local, and tourism stakeholders with informed direction to foster the growth

of a sustainable and robust tourism industry. We require a long term vision to 2035 and an operational plan to work towards this vision over the next five years.

This study is an initiative of the Pilbara Development Commission, Pilbara Regional Council and Tourism Western Australia.

A market approach was undertaken to engage a consultant to undertake a thorough review and analysis to prepare a realistic Pilbara Tourism Development Plan (addressing the 6 A's of Tourism) to guide tourism in the Pilbara to 2018. The Tourism Plan will need to reflect and build upon the work undertaken for the Short Stay Accommodation Study (2012) with a thorough and in-depth analysis of existing, planned and future tourism attractions, activities, amenities, access and awareness.

The study will:

- Provide an in-depth analysis and profile of current and potential tourism market segments attracted to the potential key tourism attractions of the Pilbara ie nature based tourism, adventure tourism, Aboriginal tourism industrial tourism, cruise tourism and event tourism;
- Provide a high level strategic review of the Pilbara's current strength , weaknesses, opportunities and strength, taking into consideration but not limited to the six A's of tourism
- Provide an audit of existing and potential attractions and activities including but not limited to the national parks, Burrup Rock Art, Dawn of Life trail, Dampier Archipelago, art and cultural experiences, tours, events etc. Make recommendations on product development requirements to support tourism. Potential attraction must be audited from a land tenure perspective;
- Map and gap products and experiences accessing the recent Pilbara Short Stay Accommodation study in relation to accommodation requirements;
- Examine tourism infrastructure and access to facilitate extended stays. Recommend new and upgraded infrastructure and access required;
- Explore connectivity and touring corridors between key touring routes both within the Pilbara and into neighbouring regions;
- Develop a governance framework with identifies and describe the roles and responsibilities of key stakeholder organisations involved with tourism development, marketing, visitor servicing and tourism management in the Pilbara. Give consideration to their responsibilities for implementation, monitoring and evaluation of this Tourism Plan and associated operational and funding implications
- Develop an action plan to assist local, state and Commonwealth governments and the tourism industry in planning. Each of the six 'A's (Accommodation is addressed in the existing Short Stay Study) is to be addressed with clear strategies, timeframes, indicative budgets and possible income sources with agency/private industry responsibilities identified.

Policy Implications

To be determined.

Legislative Implications

To be determined.

Financial Implications

Within budget.

Conclusion

Nil

Voting Requirement: Simple Majority

Council Resolution:

That the items presented for noting only be received.

Moved: Cr Shane Carter
Seconded: Cr George Daccache
Result: 8/0 Carried

9.6 Significant Correspondence: Letter from the Department of Infrastructure and Regional Development

Responsible Officer: Mr Tony Friday, Chief Executive Officer
Author Name: Mr Tony Friday, Chief Executive Officer
Disclosure of Interest: Nil
Attachment: 8.6 Ltr from Infrastructure and Regional Development

Purpose:

The purpose of this item is to inform Council regarding a letter received from the Department of Infrastructure and Regional Development regarding the Pilbara Regional Council's support for a special economic zone in the Pilbara.

Action:

Nil

Financial Implication

Nil

Conclusion

Nil

Council Resolution:

That the items presented for noting only be received.

Voting Requirement

Null

10. Governance

10.1 Use of Common Seal

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

Purpose:

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

Background:

Section 2.5 of the Local Government Act 1995 states that a Local Government is a Body Corporate with perpetual succession and a common seal. A document is validly executed by a Body Corporate when the common seal of the Local Government is affixed to it by the Chief Executive Officer, and the President/Chairman and the Chief Executive Officer attest the affixing of the seal. Since the last meeting of Council the common seal has been applied to the document below:

- FY14 Roadside Rest Stops project – Design and Construct Contract (Incorporating Amendment No. 1) (Contract # 12-112 / Phase 1)

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 2.5(2) of the Local Government Act 1995.

The local government is a body corporate with perpetual succession and a common seal.

Section 9.49. A document, is, unless this Act requires otherwise, sufficiently authenticated by a local government without its common seal if signed by the CEO or an employee of the local government who purports to be authorised by the CEO to so sign.

Financial Implications:

Nil

Conclusion:

This is a standard report for information.

Voting Requirement: Simple Majority

Council Resolution:

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

Moved: Cr Gloria Jacob

Seconded: Cr Anita Grace

Result: 8/0 Carried

10.2 FY13 Annual Report

Responsible Officer: Mr Tony Friday, Chief Executive Officer
Action Officer: Mr Tony Friday, Chief Executive Officer
Disclosure of Interest: Nil
Attachments: 9.2.1 PRC FY13 Annual Report

Purpose:

This purpose of this item is for Council to consider the PRC FY13 Annual Report.

Background:

The Council has a statutory obligation to provide an Annual Report of its operations including the following:

- Report by the Chairperson of the Council
- Report by the CEO
- Detail of completion of statutory requirements
- The audit report and completed financial report of the Council for the year under review.

The annual financial report is to be made available for public inspection.

Comment:

The Draft Annual Report for the financial year ended 30 June 2013 is submitted to Council for adoption. The Annual Report will be distributed at the Council meeting.

The Annual Report is required to be adopted by Council by 31 December of each year and a copy of the adopted report must be submitted to the Department of Local Government.

The Annual Report contains the audit report and the annual financial report both of which have been completed.

Policy Implications

There are no relevant policy implications pertaining to this matter.

Legislative Implications:

Local Government Act/Regulation

- Local Government Act 1995: S5.3 Requires Local Government to prepare an annual report, with prescribed inclusions, for each financial year.
- Local Government Act 1995: S5.4 Requires Local Government to accept the Annual Report by 31 December.

Financial Implications:

Nil

Voting Requirement: Absolute Majority

Council Resolution:

That the Annual Report of the Pilbara Regional Council for the year ended 30 June 2013 be adopted.

Moved: Cr Shane Carter

Seconded: Cr Lorraine Thomas

Result: 8/0 Carried

10.3 Audited Financial Results

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

Purpose:

This purpose of this item is for Council to consider the PRC FY13 Audited Financial Results and Auditors Report.

Background:

The PRC is required to submit its accounts for independent audit each year, consisting of an interim audit to identify any governance or management deficiencies, and an end-year audit to examine the financial dealings of the PRC in detail. The results from this activity are received in the form of an Independent Audit Report, which is required to be offered to Council for endorsement, and then must then be submitted to the Department of Local Government.

Comment

Given a couple of staff movement within key roles at the PRC, this unqualified audit result is a pleasing endorsement of the system of controls and procedures that the PRC has in place. The noted items of non-compliance with regard to lodgement dates were identified in the PRC's interim audit results, and remedial actions were taken to identify and reflect these compliance requirements within the PRC's compliance calendar. This compliance calendar is checked monthly but the the PRC CEO and a staff member to ensure that all compliance requirements are met in a timely manner.

Policy Implications

Nil

Legislative Implications

Local Government Act 1995

Local Government (Financial Management) Regulations 1996 Sec 36

Financial Implications

Nil

Conclusion

Nil

Voting Requirement: Absolute Majority

Council Resolution:

That Council received and accept the PRC's FY13 audited financial results

That Council note and approve the CEO to lodge the PRC's FY13 audited financial results with the Department of Local Government

Moved: Cr Anita Grace

Seconded: Cr Peter Long

Result: 8/0 Carried

10.4 2014 PRC Council Meeting Dates

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

Purpose:

The purpose of this item is for Council to consider the date(s) and location(s) for next year's PRC Council meetings.

Background:

Each year, the PRC is required to hold no less than six Ordinary Meetings of the Pilbara Regional Council.

Comment:

Once determined and resolved, the PRC executive are required to advertise these meeting dates, times and locations in a publication with statewide distribution.

Policy Implications:

Per the Local Government Act and its supporting Regulations, and per the PRC Establishment Agreement.

Legislative Implications :

Per the Local Government Act and its supporting Regulations, and per the PRC Establishment Agreement.

Financial Implications:

Nil

Voting Requirement:

Absolute Majority

Council Resolution:

That the Council adopted the PRC Executive proposal to hold Ordinary Meetings of Council per the following table:

February	1pm	03/02/2014	Perth	To endorse compliance audit and mid-year budget review
April	1pm	07/04/2014	Perth	
June	1pm	09/06/2014	Karratha	
August	1pm	04/08/2014	Perth	To endorse budget
October	1pm	06/10/2014	Perth	
December	1pm	01/12/2014	Perth	To endorse annual report and audited financial results

Moved: Cr Shane Carter

Seconded: Cr Peter Long

Result: 8/0 Carried

11. Finance

11.1 Statements of Financial Activity

Responsible Officer: Mr Tony Friday, Chief Executive Officer
Author Name: Mr Tony Friday, Chief Executive Officer
Disclosure of Interest: Nil

The following financial statements for the periods ending 30 October is attached:

Attachments: 10.1.1 Monthly Financial Report for the period ended 30 October 2013 ;
10.1.1.1 Statement of Comprehensive Income by Program;
10.1.1.2 Statement of Comprehensive Income by Nature/Type;
10.1.1.3 Statement of Financial Position;
10.1.1.4 Statement of Changes in Equity;
10.1.1.5 Statement of Cash Flows;
10.1.1.6 Financial Activity Statement;
10.1.1.7 Summary of Current Assets and Liabilities;
10.1.1.8 Supporting Schedules detailing income and expenditure

11.2 Warrants of Payments

Responsible Officer: Mr Tony Friday, Chief Executive Officer
Action Officer: Mr Tony Friday, Chief Executive Officer
Disclosure of Interest: Nil
Attachments: 10.2.1 Warrants of Payments from 30 September to 11 November 2013

Purpose

The purpose of this report is to seek Council's consideration and adoption of the Statements of Financial Activity.

Background

The PRC is required to review and approve its expenditure and financial position on a regular basis. The PRC's financial system is Xero, 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 Xero 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 the 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.

Policy Implications

Nil

Legislative Implications

Local Government (Financial Management) Regulations 1996, reg. 13 & 34

Financial Implications

Nil

Conclusion

That Council receive the Monthly Financial Statements and List of Accounts for Financial Year to date, the Statement of Financial Activity and commentaries on variances to the adopted budget for the period ended 30 October 2013.

Voting Requirement: Simple Majority

Council Resolution:

That Council receive the Monthly Financial Statements, the Statements of Financial Activity and commentaries on variances to the adopted budget for the period ending 30 October 2013.

Moved: Cr Kerry White

Seconded: Cr Lorraine Thomas

Result: 8/0 Carried

11.3 Over-expenditure

Responsible Officer: Mr Tony Friday, Chief Executive Officer
Author Name: Mr Tony Friday, Chief Executive Officer
Attachments: Letter to Landmark regarding overpayment

Purpose:

For Council information only.

Background:

Landmark Engineering & Design ('Landmark') was appointed as a Contractor for the FY13 Roadside Rest Stops project by the PRC on 6th February 2013 with the contract sum being \$1,861,500 (incl. GST). This contract sum was agreed between the parties and had regard to a "discount" from the tendered price in order to negate the need to remove infrastructure from the scope of works to meet budget requirements.

During the contract, there were two variations agreed, the first variation (Variation 001) resulted in a reduction to the contract sum of \$42,147 (incl. GST) and the second (Variation 002) resulted in a reduction to the contract sum of \$100,760 (incl. GST).

As outlined in PRC's letter of 22 October 2013, as part of the annual audit process, it was revealed that there was a discrepancy between the amended contract value for the above project and what was paid to Landmark.

PRC has subsequently become aware that Landmark issued a Credit Note in the amount of \$3,399 (incl. GST) in relation to a claim from NS Projects for extra works outside the original scope (Landmark's Builder's Registration).

In its response to PRC, Landmark advised that its position is that there is no repayment required, on the basis that the original contract sum was adjusted in Variation 001 to effectively "add back" the over budget amount for the Town of Port Hedland the amount of which was released from payment in determining the original contract sum.

Comment

Nil

Policy Implications

Nil

Legislative Implications

Nil

Financial Implications

Landmark contract for FY13 Roadside Rest Stops project (Round 1) was overpaid.

Conclusion

It is the view of the PRC CEO that Landmark has over claimed for payment without due and proper regard to the contract. The PRC has requested that the amount incorrectly overpaid (\$31,387 incl. GST) be repaid within 14 days to resolve this matter.

In the event that the claimed funds are not remitted to the PRC within this time frame, the PRC has a number of options available:

- write off these monies
- claim these monies from Landmark in a civil action

- claim these monies from Landmark via a bank guarantee held by the PRC in favour of completion of works for this project

In the event that claimed funds are not remitted to the PRC, the CEO will seek counsel from the PRC's solicitors regarding the most appropriate action.

Council advised that since preparation of the Agenda, Landmark have returned the overpaid funds to the PRC. For the sake of good governance, approval is still sought for the overpayment in recognition that it did occur.

Voting Requirement: Absolute Majority

Council Resolution:

That Council approves the over-expenditure.

Moved: Cr Kerry White

Seconded: Cr Lorraine Thomas

Result: 8/0 Carried

12. Regional Collaborative Group

12.1 Implementation of the PRC Regional Business Plan

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

Purpose

The purpose of this report is to inform the Council of the activities undertaken to acquit DLG grant funding in support of the implementation of the Regional Business Plan.

Background

The Department of Local Government provides grant funding to support Regional Local Governments in adopting elements of the integrated strategic planning framework. In the past, these funds have been used to draft a Pilbara Regional Business Plan, and to conduct enterprise risk management and corporate governance reviews within each Local Government. In FY14, these funds have been allocated towards two strategic projects: Payroll Processing and Regional Migration Agreement.

PAYROLL PROCESSING:

SoA ,SoR and ToPH are ready for detailed implementation planning. ToPH have yet to comment on the service provider proposal, and progress is contingent on receiving this input.

REGIONAL MIGRATION AGREEMENT:

An RMA proposal has been drafted by KPMG and has been presented to DTWD as State lead agency. Draft RMA was presented to Pilbara Workforce Development Alliance on 26/09/2013, with further clarification sought by SBDC and DIA. Clarification has now been offered and the proposal received unanimous support. DIAC have been advised that the application is ready, and have advised that the assessment guidelines remain unpublished for this immigration instrument. The PRC has written directly to the DG and to the Minister seeking clarification of publication date.

Policy Implications

Nil.

Legislative Implications

Nil

Financial Implications

Nil

Conclusion

Nil

Officer Recommendation

That the items presented for noting only be received.

Voting Requirement

Nil

13. Next Meeting and Closure

The Acting Chairperson confirmed the date, time and location of the next ordinary meeting of the Pilbara Regional Council to be:

1pm, 3rd February 2014

1pm, 7th April 2014

1pm, 9th June 2014

1pm, 4th August 2014

1pm, 6th October 2014

1pm, 1st December 2014

The Acting Chairperson declared the meeting closed at 10:35am on 2nd December 2013.