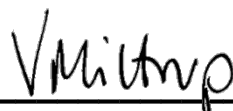




ORDINARY COUNCIL MEETING

AGENDA

**NOTICE IS HEREBY GIVEN that an
Ordinary Meeting of Council will be held
in the Council Chambers, Welcome Road, Karratha,
on Friday, 30 June 2023 at 6pm**



**VIRGINIA MILTRUP
CHIEF EXECUTIVE OFFICER**



No responsibility whatsoever is implied or accepted by the City of Karratha for any act, omission or statement or intimation occurring during Council or Committee Meetings. The City of Karratha disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council or Committee Meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council or Committee Meeting does so at that persons or legal entity's own risk.

In particular, and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a license, any statement or intimation of approval made by any member or Officer of the City of Karratha during the course of any meeting is not intended to be and is not taken as notice of approval from the City of Karratha.

The City of Karratha warns that anyone who has any application lodged with the City of Karratha must obtain and should only rely on

WRITTEN CONFIRMATION

of the outcome of the application, and any conditions attaching to the decision made by the City of Karratha in respect of the application.

Signed: Virginia Miltrup
Virginia Miltrup - Chief Executive Officer

DECLARATION OF INTERESTS (NOTES FOR YOUR GUIDANCE) (updated 13 March 2000)

A member who has a **Financial Interest** in any matter to be discussed at a Council or Committee Meeting, which will be attended by the member, must disclose the nature of the interest:

- (a) In a written notice given to the Chief Executive Officer before the Meeting or;
- (b) At the Meeting, immediately before the matter is discussed.

A member, who makes a disclosure in respect to an interest, must not:

- (c) Preside at the part of the Meeting, relating to the matter or;
- (d) Participate in, or be present during any discussion or decision-making procedure relative to the matter, unless to the extent that the disclosing member is allowed to do so under Section 5.68 or Section 5.69 of the *Local Government Act 1995*.

NOTES ON FINANCIAL INTEREST (FOR YOUR GUIDANCE)

The following notes are a basic guide for Councillors when they are considering whether they have a **Financial Interest** in a matter. I intend to include these notes in each agenda for the time being so that Councillors may refresh their memory.

1. A Financial Interest requiring disclosure occurs when a Council decision might advantageously or detrimentally affect the Councillor or a person closely associated with the Councillor and is capable of being measure in money terms. There are exceptions in the *Local Government Act 1995* but they should not be relied on without advice, unless the situation is very clear.
2. If a Councillor is a member of an Association (which is a Body Corporate) with not less than 10 members i.e. sporting, social, religious etc), and the Councillor is not a holder of office of profit or a guarantor, and has not leased land to or from the club, i.e., if the Councillor is an ordinary member of the Association, the Councillor has a common and not a financial interest in any matter to that Association.
3. If an interest is shared in common with a significant number of electors or ratepayers, then the obligation to disclose that interest does not arise. Each case needs to be considered.
4. If in doubt declare.
5. As stated in (b) above, if written notice disclosing the interest has not been given to the Chief Executive Officer before the meeting, then it **MUST** be given when the matter arises in the Agenda, and immediately before the matter is discussed.
6. Ordinarily the disclosing Councillor must leave the meeting room before discussion commences. The **only** exceptions are:
 - 6.1 Where the Councillor discloses the **extent** of the interest, and Council carries a motion under s.5.68(1)(b)(ii) or the *Local Government Act*; or
 - 6.2 Where the Minister allows the Councillor to participate under s5.69 (3) of the *Local Government Act*, with or without conditions.

INTERESTS AFFECTING IMPARTIALITY

DEFINITION: *An interest that would give rise to a reasonable belief that the impartiality of the person having the interest would be adversely affected, but does not include an interest as referred to in Section 5.60 of the 'Act'.*

A member who has an **Interest Affecting Impartiality** in any matter to be discussed at a Council or Committee Meeting, which will be attended by the member, must disclose the nature of the interest;

- (a) in a written notice given to the Chief Executive Officer before the Meeting; or
- (b) at the Meeting, immediately before the matter is discussed.

IMPACT OF AN IMPARTIALITY CLOSURE

There are very different outcomes resulting from disclosing an interest affecting impartiality compared to that of a financial interest. With the declaration of a financial interest, an elected member leaves the room and does not vote.

With the declaration of this new type of interest, the elected member stays in the room, participates in the debate and votes. In effect then, following disclosure of an interest affecting impartiality, the member's involvement in the Meeting continues as if no interest existed.

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AGENDA

1 OFFICIAL OPENING

Cr Long acknowledges the traditions of the Ngarluma people, on whose land we are gathered here today.

2 PUBLIC QUESTION TIME

3 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE PREVIOUSLY APPROVED

Councillors:

- Cr Peter Long [Mayor]
- Cr Kelly Nunn [Deputy Mayor]
- Cr Garry Bailey
- Cr Margaret Bertling
- Cr Gillian Furlong
- Cr Daiva Gillam
- Cr Geoff Harris
- Cr Pablo Miller
- Cr Travis McNaught
- Cr Daniel Scott
- Cr Joanne Waterstrom Muller

Staff:	Virginia Miltrup	Chief Executive Officer
	Angela McDonald	A/Director Corporate & Legal Services
	Anthony Wear	A/Director Community Services
	Lee Reddell	Director Development Services
	Simon Kot	Director Strategic Projects & Infrastructure
	Jodie Swaffer	Minute Secretary

Apologies:

Absent:

Leave of Absence:

Members of Public:

Members of Media:

4 REQUESTS FOR LEAVE OF ABSENCE

5 DECLARATIONS OF INTEREST

6 PETITIONS/DEPUTATIONS/PRESENTATIONS

**7 CONFIRMATION OF MINUTES AND BUSINESS
ARISING FROM MINUTES OF PREVIOUS MEETINGS**

OFFICER'S RECOMMENDATION

That the Minutes of the Ordinary Meeting of Council held on Monday, 29 May 2023, be confirmed as a true and correct record of proceedings, and

NOTE the Minutes of the April 2023 Ordinary Meeting of Council, published on 3 May 2023 included an administrative error that listed Cr Harris both For and Against the motion in 10.5 2023/24 Differential Rates. This error has been corrected.

8 ANNOUNCEMENTS BY PERSON PRESIDING WITHOUT DISCUSSION

Date	Meeting	Location
01/05/2023	2023/24 Budget Workshop	Karratha
05/05/2023	Meeting with Regional Development Australia Pilbara	Karratha
09/05/2023	Meeting with Pilbara Security Collective	Karratha
10/05/2023	Cooperative Research Centre for Developing Northern Australia (CRCNA) Board Meeting	Online
15/05/2023	Meeting with CEO Pilbara Universities Centre	Karratha
15/05/2023	Meeting with Hon. Melissa Price Member for Durack	Karratha
16/05/2023	Opening address Clontarf Employment Forum	Karratha
16/05/2023	Pilbara Universities Board Meeting	Karratha
18/05/2023	Towards Sustainable Mining - Community of Interest Stakeholder Advisory Panel	Karratha
18/05/2023	Arts Development & Events Advisory Group Meeting	Karratha
19/05/2023	Meeting with Hon. Neil Thomson MLC	Karratha
22/05/2023	Special Council Meeting	Karratha
22/05/2023	Council Briefing Session	Karratha
23/05/2023	Meeting with Fortescue Metals Group Limited	Karratha
23/05/2023	Meeting with Telstra CEO & Karratha Roundtable	Karratha
23/05/2023	Cooperative Research Centre for Developing Northern Australia (CRCNA) Board Meeting	Online
24/05/2023	KDCCI Business After Hours Hosted by Leichhardt	Karratha
25/05/2023	Murujuga Rock Art Stakeholder Reference Group - Annual Cultural Awareness Induction	Karratha
26/05/2023	Murujuga Rock Art Monitoring Program Stakeholder Workshop	Karratha
29/05/2023	Ordinary Council Meeting	Karratha
31/05/2023	City of Karratha Business Breakfast	Karratha
31/05/2023	Nexus Airlines' Karratha Launch	Karratha

9 EXECUTIVE SERVICES

9.1 ANNUAL REPORT 2021/22

File No:	FM.1
Responsible Executive Officer:	Chief Executive Officer
Reporting Author:	Manager Marketing & Communications
Date of Report:	8 March 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	Annual Report 2021/22 including the Annual Financial Report for the Year Ended 30 June 2022 (DRAFT)

PURPOSE

For Council to accept the Annual Report for the financial year ended 30 June 2022.

OFFICER'S RECOMMENDATION

That Council:

1. **ACCEPT the 2021/22 City of Karratha Annual Report; and**
2. **HOLD the Annual Electors' Meeting at 5.30pm on 31 July 2023 to discuss the content of the Annual Report.**

BACKGROUND

The Annual Report 2021/22 details the activities and performance of the organisation over the 2021/22 financial year supported by the Annual Financial Report and the Independent Auditor's Report. Reporting is provided against the City's Strategic Community Plan 2020-2030 and Corporate Business Plan 2020-2025.

Some highlights for 2021/22 period are outlined below:

Strategic theme	Key achievements
Our Community: Diverse and Balanced	• The City continued to implement its Safer Communities Program. As part of this initiative, the City supported 28 Meet the Street parties to the value of \$5,065 while 258 properties benefited from the Security Subsidy Scheme. • Efforts to engage with the local youth saw more than 140 attendees take part in seven events across youth week, while The Base and the Youth Shed recorded an attendance of 16,533 for the financial year. • The City continued to support the Arts with the 29th Cossack Art Awards, the Red Earth Arts Festival as well as Arts

Strategic theme	Key achievements
	Development partnerships with the WA Ballet, Black Swan Theatre Company, Perth Symphony Orchestra and Barking Gecko.
Our Economy: Well managed and Diverse	• As part of the City's efforts to support a diverse economy more than \$50,000 was allocated across 21 local businesses through the Take Your Business Online grant program and providing support to events and conferences such as the Pilbara Summit. • Continued to support local business prosperity by progressing the Small Business Friendly Approvals Project and with the Karratha Districts Chamber of Commerce and Industry supported the Quarterly Business Briefings. • Progressed a number of initiatives aimed at improving affordability and availability of housing in the district and approved a new stage of subdivisions in Madigan Estate, Karratha City and Hancock Way, Bulgarra. • Continued to plan for the long-term growth and development of the region while responding to the current needs of our community and local businesses.
Our Natural and Built Environment: Thriving and Sustainable	• As part of the City's response to ensure an attractive built environment, the City issued 178 notices to residents to maintain properties to an acceptable standard and collection of 194 abandoned vehicles. • The Environmental Sustainability Strategy was adopted by Council in July 2021. Since then, an Implementation Plan has been drafted and several projects are underway. • The City was again recognised as a Waterwise Council. The re-endorsement process involved the annual review of the City's Water Efficiency Action Plan. • Continued to focus on a sustainable use and management of resources with the Climate Clever program and the continuation of the Reticulation Replacement Program.
Our Leadership: Responsive and Accountable	• Continued the Karratha is Calling campaign as part of efforts to raise the profile of the City of Karratha. • 86.3% of the key performance measures were achieved or substantially achieved for the 21/22 year while 27 policies were reviewed. • The City continued in its efforts to foster strong Indigenous relations through a series of events and partnerships including NAIDOC Week program such as the NAIDOC Week Community Concert in Roebourne featuring Aboriginal performers Djuki Mala, Makers Market involving local Aboriginal Arts Centres and a sold out Djuki Mala concert at the Red Earth Arts Precinct. • The Annual Community Survey was conducted in February 2022, with the City receiving an overall score of 75, just one point below last year's decade high 76.

LEVEL OF SIGNIFICANCE

In accordance with Council policy CG-8 Significant Decision Making policy, this matter is considered to be of moderate significance in terms of Council's ability to perform its role.

STATUTORY IMPLICATIONS

The City is required to prepare an annual report for each financial year in accordance with Part 5 Division 5 of the *Local Government Act 1995* (the Act). The report is to be accepted no later than 31 December or two months following receipt of the final audit opinion by an absolute majority in accordance with section 5.54 of the Act. The audit opinion was received from the Auditor General on 23 May 2023.

COUNCILLOR/OFFICER CONSULTATION

Each directorate has had the opportunity to provide input into and review the Annual Report.

The Audit & Organisational Risk Committee was consulted about the Annual Financial Report and the Independent Auditor's Report.

COMMUNITY CONSULTATION

Section 5.27 of the *Local Government Act 1995* requires that a general electors' meeting be held within 56 days to discuss the contents of the City's Annual Report.

Community engagement activities in accordance with the iap² public participation spectrum process to inform are as follows:

Who	How	When	What	Outcome
Community	Advertise in the local newspaper and on the City's website and on noticeboards.	July 2023	Date, time, place and purpose of Electors' Meeting	Give local public notice of the 2021/22 Annual Report and Annual Electors' meeting

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

In summary, the Annual Financial Report indicated that the City had as at 30 June 2022:

	30 June 2022	30 June 2021	Inc /(Dec)
Net Result	\$14,363,886	\$16,944,523	-\$2,580,637
Net Assets	\$826,009,593	\$762,221,442	\$63,788,151
Total Assets	\$856,928,427	\$795,101,623	\$61,826,804
Total Liabilities	\$30,918,834	\$32,880,181	-\$1,961,347
Loan Liability	\$16,854	\$33,269	-\$16,415
Cash Reserves	\$78,025,524	\$73,555,557	\$4,469,967
Property, Plant & Equipment	\$300,523,647	\$250,787,540	\$49,736,107
Investment Property	\$35,125,608	\$31,300,000	\$3,825,608
Infrastructure Assets	\$419,108,677	\$422,015,502	-\$2,906,825
Final Surplus (Restricted)	\$124,258	\$248,516	-\$124,258
Final Surplus (Unrestricted)	\$4,745,519	\$452,221	\$4,293,298

STRATEGIC IMPLICATIONS

The Annual Report summarises achievements against the Council's approved Strategic Community Plan 2020-2030 and Corporate Business Plan 2020-2025.

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	N/A	Nil
Service Interruption	N/A	Nil
Environment	N/A	Nil
Reputation	N/A	Nil
Compliance	Moderate	Failure to receive the Annual Report within two months following receipt of the final audit opinion will breach statutory requirements.

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS

The Annual Report, Annual Financial Report and Auditor's Report is considered by Council each year. The 2020/21 Annual Report was considered by Council at the April 2022 Ordinary Council Meeting.

VOTING REQUIREMENTS

Absolute Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That Council ACCEPT the 2021/22 City of Karratha Annual Report with the following amendments:

1. _____
2. _____

CONCLUSION

The Annual Report provides an overview of the performance of the City in terms of statutory obligations, Strategic Community Plan outcomes and financial management for the 2021/22 financial year.

The Annual Financial Report has been prepared in accordance with the *Local Government Act 1995* and indicates the City's financial position as at 30 June 2022. The report will be presented to the community through the Annual Electors' Meeting.

10 CORPORATE SERVICES

10.1 FINANCIAL STATEMENTS FOR PERIOD ENDED 30 APRIL 2023

File No:	FM.19
Responsible Executive Officer:	Acting Director Corporate & Legal Services
Reporting Author:	Corporate Accountant
Date of Report:	31 May 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. Statement of Financial Activity 2. Variance Commentaries – Statement of Financial Activity by Nature and Type 3. Statement of Financial Position 4. Net Current Funding Position

PURPOSE

To provide a summary of Council's financial position for the period ending 30 April 2023.

OFFICER'S RECOMMENDATION

That Council by **RECEIVE** the Financial Statements for the financial period ending 30 April 2023 as shown in Attachments 1 to 4.

BACKGROUND

Regulation 34(1) of the *Local Government (Financial Management) Regulations 1996* requires the City to prepare a monthly statement of financial activity including the sources and applications of funds, as compared to the budget.

SUMMARY

The following table is a summary of the Financial Activity Statement by Nature and Type compared to the Budget as of 30 April 2023:

2022/23	Original Budget	Amended Budget	Year to Date Budget	Year To Date Actual	YTD Variance	Variance %	Impact on Surplus
Operating Revenue (incl. Rates)	118,747,403	121,490,729	108,425,237	107,307,442	(1,117,795)	-1.0%	↓
Operating Expense	(114,742,587)	(108,002,429)	(92,064,233)	(97,471,797)	(5,407,564)	5.9%	↓
Non Operating Revenue	68,558,105	23,870,257	13,883,434	15,120,605	1,237,171	8.9%	↑
Non Operating Expense	(94,772,771)	(63,734,347)	(32,662,381)	(26,218,625)	6,443,756	-19.7%	↑
Non Cash Items Included	20,789,922	29,729,963	24,749,905	24,579,496	(170,409)	-0.7%	↓
Restricted PUPP Surplus BFWD 1 July	124,258	124,258	124,258	124,258	0	0.00%	
Unrestricted Surplus BFWD 1 July	1,342,418	1,342,418	1,342,418	1,342,418	0	0.00%	
Surplus/(Deficit) 22/23	46,746	4,820,849	23,798,638	24,783,797	985,159		

This table shows a surplus position of \$24.8m, a positive variance of \$985k compared to the budgeted surplus position of \$23.8m, which reflects timing of transactions associated with projects and grant funding. The brought forward unrestricted surplus position of \$1.3m is a pre-audit position and remains subject to end of financial year accounting and audit adjustments.

The restricted balance referred to in the preceding table and throughout this report comprises Pilbara Underground Power (PUPP) Service Charges levied in 2014/15, which are subject to the 10-year instalment option offered by Council.

In accordance with the materiality threshold adopted by Council for the reporting of variances in Operating Revenue and Expenses, the following comments provide an explanation of material variances which contribute significantly to the total YTD budget variance shown in the above table. Further details are provided later in this report in the Variance Commentary - Statement of Financial Activity by Nature & Type.

Operating Revenue		
1,011,271	▲	Waste Management - Increase in waste revenue from Contaminated Waste
825,105	▲	Proceeds on sale of assets and realisation – Largely due to sale of Staff Housing on Walcott Way
215,851	▲	KLP Admissions - successfully launched a fully booked school holiday program bringing in approx. \$45k coupled with other larger bookings at the KLP for basketball (NBL booking), Clontarf and gymnastics events.
200,858	▲	Interest being reviewed with reserves.
184,571	▲	Investment Property The Quarter - Additional recovery of outgoings expense.
86,349	▲	Airport Passenger Service - Stronger passenger growth than forecasts.
84,127	▲	Airport Lease Outside Terminal - Execution of new agreements with tenants based on higher negotiated rates.
2,608,132	▲	Positive Variance
(1,000,000)	▼	Dampier Community Hub - RTIO funding yet to be received.
(500,000)	▼	Wickham Community Hub - RTIO funding yet to be received.
(360,000)	▼	Oval Hardcourts Grants - Education Department invoice to be raised approx. \$360k -expected May 2023.
(356,089)	▼	Proceeds on Sale of Assets and Realisation - Largely due to sale of Staff Housing in Walcott Way.
(275,000)	▼	Community Safety - Income not yet allocated from Rio (\$100k) and Woodside partnerships (\$175k).
(205,451)	▼	Aviation Revenue - Timing and use of smaller aircraft impacting estimated revenue.
(175,279)	▼	Rates - Interims for April less than anticipated.
(168,787)	▼	Ranger Services - Contribution to SAFE incorrectly assigned to this Revenue account. Rio Tinto contribution toward ranger services in the Eastern Corridor not yet transferred.
(165,270)	▼	Roebourne Aquatic Centre Grants - Ed Dept contribution to be invoiced.
(150,000)	▼	OECD Conference - \$196,000 of sponsorship secured. Processing payments is expected to occur in May and June.
(112,000)	▼	REAF - RTIO contribution to be received
(100,000)	▼	Cossack Art Awards - RTIO contribution to be received.
(75,000)	▼	Airport - Rio Tinto contribution to support development of East Coast Flights. Work in progress.
(56,674)	▼	Fines & Penalties - Variance is influenced by backlog of fines only recently referred to Fine Enforcement Recovery Service. Expecting variance to reduce as late payment of fines is received in batches from FERS.
(3,699,551)	▼	Negative Variance
(1,091,418)	▼	Net Negative Variance

Operating Expense		
674,078	▲	Fuel - \$187k stock issued in CiA \$532kSept-Apr to be stock issued in CiA \$77k per month forecast spend increased from \$55k.
376,177	▲	General Waste and Recycling Collection - Delay in Invoice processing per Vendor.
360,495	▲	Technical Services ABC - ABC's still to be allocated for Feb - April.
300,738	▲	Depreciation is less than expected due to asset revaluation and adjustment.
273,339	▲	Information Services IT - Delays to SharePoint and Vulnerability testing projects due to resourcing constraints. Possible CFW required.
266,992	▲	Fee Waiver - Timing issue for Roebourne project.
255,248	▲	Street Sweeping - Delay in Invoice processing per Vendor.
195,556	▲	Street Sweeping - Delay in Invoice processing per Vendor.
187,368	▲	Information Services IT - Delays to SharePoint and Vulnerability testing projects due to resourcing constraints. Possible CFW required.
161,362	▲	Economic Development Grants - Variance is because the grant payment to KDCCI for 2022/23 initiatives has not yet been made. 2021/22 acquittals are now complete and 2022/23 contracts executed so payment is imminent. In addition to this TYBO grant transactions are being journaled to the correct account and payment for a number of approved MESAP grants are yet to be finalised.
158,257	▲	Cell 0 Capping / Closure Works - CF to FY23/24 - Flare demob costs and monthly hire flare invoice.
146,857	▲	Leisureplex ABS - ABC's still to be allocated for Feb - April.
144,060	▲	Information Services IT - Delayed local contractor availability across planned infrastructure works.
141,049	▲	Information Services IT - ABC's still to be allocated for Feb - April.
132,774	▲	Financial Services - ABC's still to be allocated for Feb - April.
122,352	▲	Street Lights - Electricity - Timing issues. Electricity bills for March and April period are received in May.
118,785	▲	Staff Housing and Shakespeare Units Insurance Premium are less than expected.
115,423	▲	Building Services - ABC's still to be allocated for Feb - April.
114,319	▲	Airport - Repairs to water infrastructure budget, however expenses are now allocated to 6392 to more accurately track costs associated with water leaks.
102,852	▲	Ranger Services - ABC's still to be allocated for Feb - April.
100,046	▲	Human Resources - ABC's still to be allocated for Feb - April.
100,000	▲	City Housing - Wickham Development -Project delayed pending resolution of land tenure. Adjusted in the March 2023 Budget Review.
94,156	▲	Fleet & Plant - Administration - Journals in progress.
86,000	▲	Financial Services - timing issue relating to work undertaken by Brightly for the upload of revaluation data.
85,735	▲	Red Earth Arts Festival - Invoices received late. Costs will be paid in May/June.
84,463	▲	Governance - ABC's still to be allocated for Feb - April.
84,041	▲	REAP - ABC's still to be allocated for Feb - April
81,118	▲	Footpath & Kerb Maintenance - Works programmed May/June
80,989	▲	Liveability - WRP Feasibility study delayed.
78,832	▲	Karratha Open Spaces & Reserves - P&G - Spaying/Slashing invoices lower then expected due to weather slowing down progress.
77,896	▲	7 Mile Building - ABC's still to be allocated for Feb - April.
75,925	▲	Red Earth Arts Festival - Invoices received late. Costs will be paid in May/June.
67,766	▲	Health Services - ABC's still to be allocated for Feb - April.
57,205	▲	Wickham Recreation Facility - staff investigating why bills have not yet been received for payment. Rio was doing utility work which would change the city's tariff to a community rate.
5,502,249	▲	Positive Variance
(9,413,554)	▼	Corporate Services Admin - ABC's still to be allocated for Feb - April.
(1,431,444)	▼	Plant Op Costs and overheads still to be allocated for Feb - April. Various vacancy across the City.
(10,844,998)	▼	Negative Variance
(5,342,748)	▼	Net Negative Variance

Non Operating Revenue		
2,974,754	▲	Landfill capping Transfer pending receipt
2,750,000	▲	Reconciliation & Adjustment pending for Reserve transfers
241,672	▲	Grants KRMO - Department of Infrastructure, Transport, Regional Development & Communications Local Roads & Community Infrastructure Program Phase 3 Milestone Funding for KRMO Change & Club Room
5,966,426	▲	Positive Variance
(2,919,050)	▼	Proceeds from disposal of assets less than anticipated due to timing variance of processing asset disposal
(1,665,787)	▼	Road Maintenance Grants - Project funding delayed due to alternative delivery of construction.
(179,477)	▼	Profit/Loss on disposal of assets less than anticipated due to timing variance of processing asset disposal
(4,764,314)	▼	Negative Variance
1,202,112	▲	Net Positive Variance

Non Operating Expense		
810,584	▲	Adjustment identified, pending action.
500,000	▲	Final drawdown expected in June.
387,374	▲	TD interest earned, pending receipt.
380,000	▲	MOF Road Upgrade - Works commenced waiting for PC.
366,363	▲	Footpath - Dampier Road Stage 7 - Project delayed due to procurement and scope complexity.
246,716	▲	Information Technology Hardware Refresh - Delayed delivery - 230k awarded, equipment arriving during May/June, installation ETA July - Possible CFWD required.
245,862	▲	Leisureplex Solar Initiatives - Project delayed due to procurement of material and project finalisation.
230,717	▲	Kevin Richards Club Room - Project delayed due to Contractor delivery and defective work.
223,000	▲	Reseal - Cossack Road, Cossack Works commenced waiting for PC.
180,213	▲	Purchase Plant - Roads & Streets - New plant purchase currently on order delivery date is 12/06/23.
153,132	▲	Reconciliation & Adjustment pending for Partnership Reserve transfers.
146,822	▲	RTR - Bayview Road, Nickol Works completed - Invoice pending.
142,145	▲	Hampton Oval -Pos for works raised. Awaiting final invoices for works as project completed.
131,000	▲	Delayed procurement of planned CCTV equipment replacement - Possible CFWD required
128,657	▲	Duplicate line item; Amount included in depreciation.
121,149	▲	Cleaverville Road Gravel Resheeting - Plant ops costs for jobs to be applied.
120,206	▲	Baynton West Irrigation Tank Decommissioning - Last invoices received and project complete.
118,176	▲	TD interest earned, pending receipt
107,362	▲	Cleaverville Road Gravel Resheeting - overhead's still to be allocated for Feb - April
100,000	▲	Landscaping - Design of the Eastern link green corridor project delayed.
98,159	▲	Roebourne Wittenoom Rd-Gravel Resheeting - Overhead's still to be allocated for Feb - April.
98,159	▲	40 Mile Beach Access Rd-Gravel Resheeting - Overhead's still to be allocated for Feb - April.
96,919	▲	Roebourne Wittenoom Rd-Gravel Resheeting -Plant ops costs for jobs to be applied
96,919	▲	40 Mile Beach Access Rd-Gravel Resheeting - Plant ops costs for jobs to be applied.
90,000	▲	Kevin Richards Memorial Oval Redevelopment - Site Headworks costs isolated from construction Project expenditure.
82,048	▲	Hancock Way - Six Houses Construction - Design phase delayed due to Consultant delivery.
70,107	▲	TD interest earned, pending receipt
63,144	▲	7Mwf Plant Maintenance Shade Dome & Concrete Pad - Project delayed due to procurement and scope complexity.
54,912	▲	Cleaverville Road Gravel Resheeting - Works completed March- payroll to check.
52,768	▲	Hsvpp - Coolawanyah Road - ABC's still to be allocated for Feb - April.
53,811		Housing Construction - Jingarri Sites - ABC's still to be allocated for Feb - April.
50,205	▲	Roebourne Wittenoom Rd-Gravel Resheeting - Works completed Feb - Payroll to check.
50,205	▲	40 Mile Beach Access Rd-Gravel Resheeting - Works in progress, delay on program.
5,796,833	▲	Positive Variance
(70,302)	▼	Purchase Equipment Airport - Emergency purchase of generator for lighting systems and timing of the car park project early work costs.
(70,302)	▼	Negative Variance
5,726,531	▲	Net Positive Variance

FINANCIAL MANAGEMENT UPDATE

Local Government Financial Ratios

Period End 30 April 2023	Target Ratio	Original Annual Budget Ratio	YTD Actual Ratio
Current Ratio Current Assets less Restricted Assets ÷ Current Liabilities less liabilities associated with Restricted assets	1 or above	N/A	2.06
Asset Sustainability Ratio Capital Renewal and Replacement Expenditure ÷ Depreciation	≥ 0.90	0.77	0.33
Operating Surplus Ratio Operating Surplus (excl. capital grants & contributions) ÷ Own Source Revenue	0 – 15%	4.7%	10.5%
Own Source Revenue Ratio Own Source Operating Revenue ÷ Operating Expenses	0.40 or above	0.88	0.97
Debt Service Cover Ratio Operating surplus before interest expense and depreciation ÷ Principal and interest Expense	> 2	73.3	30.3

Statement of Financial Position

	2023 April	2023 March	% Change
Current			
Assets	96,162,401	101,675,282	-5.42%
Liabilities	14,601,506	17,776,812	-17.86%
Non Current			
Assets	763,786,752	789,250,920	-3.23%
Liabilities	4,227,457	4,238,362	-0.26%
Net Assets	841,120,190	868,911,028	

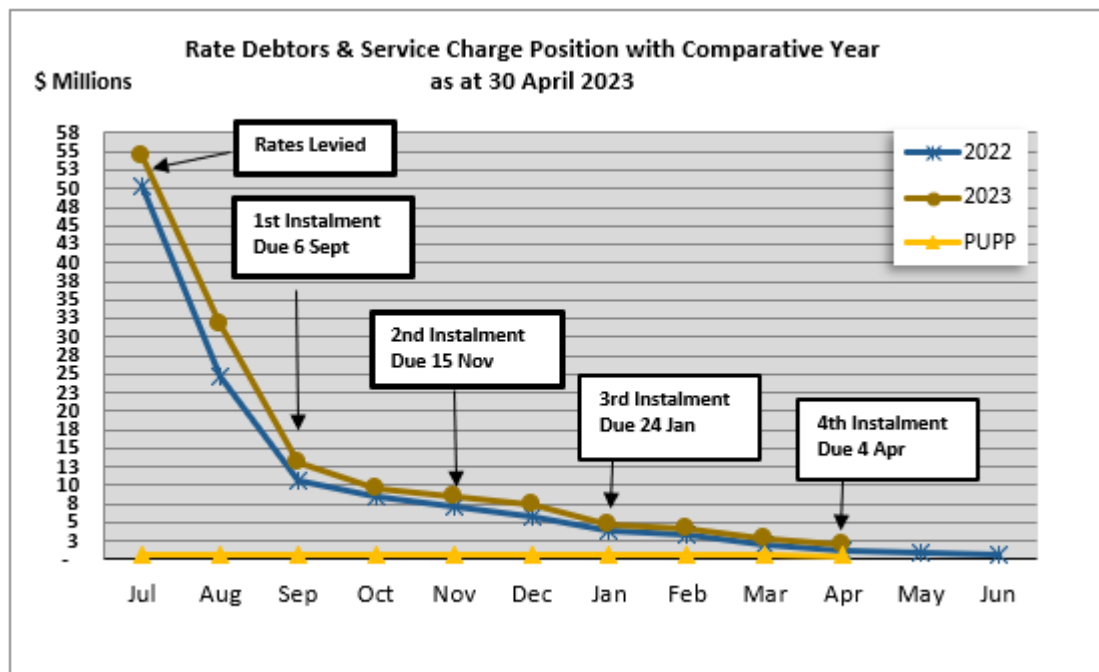
Current Assets decreased by 5.42% from March to April, which was attributable to the decrease in Unrestricted Cash and Cash Equivalents and Trade and Other Receivables. Current Liabilities decreased by 17.86% due to a decrease in Trade and Other Payables. Non-Current Assets decreased by 3.23% due to the decrease in Property Plant and Equipment, Infrastructure and Inventories. Non-Current Liabilities decreased by 0.26% due to a slight decrease in Long Term Borrowings.

Debtors Schedule

The following table shows Trade Debtors that have been outstanding over 40, 60 and 90 days as at the end April. The table also includes total Rates and PUPP Service Charges outstanding.

Debtors Schedule				
	2023 April	2023 March	Change %	% of Current Total
Sundry Debtors				
Current	4,213,981	4,111,411	2%	71.0%
> 40 Days	365,528	309,925	18%	6.2%
> 60 Days	485,698	12,904	3664%	8.2%
> 90 Days	870,509	873,579	0%	14.7%
Total	5,935,716	5,307,818	12%	100%
Rates Debtors				
Total	1,983,802	2,891,885	-31%	100%
PUPP Debtors				
Total	639,010	652,956	-2.1%	100%

A total of \$54.6m of Rates (including ESL and waste charges) have been paid to end of April, representing a collection rate of 96.5% to date.



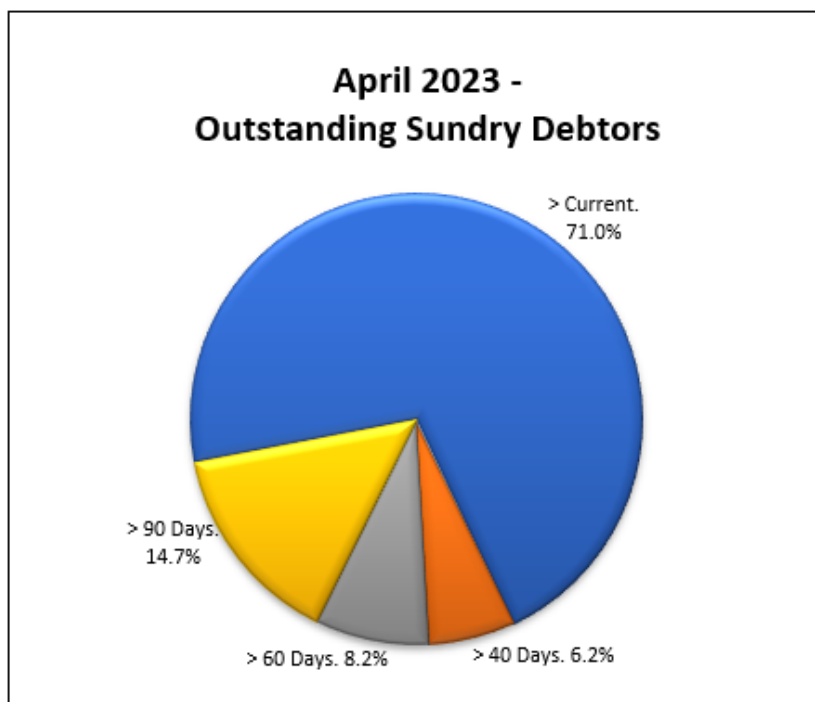
There was no material change from April in the PUPP Debtors balance. PUPP payments have now been received on 99.88% of properties and of those paid, 98.37% have paid in full with 1.51% paying by instalments.

Collection of outstanding debts greater than 40 days is continuing in line with Council policy. The following table highlights outstanding balances for each ageing period for Trade Debtor balances in excess of \$5,000.

Debtor Code	Name	40 Days	60 Days	Over 90 Days	Commentary
B424	Noel Bartholomew *	-	646.60	64,836.90	Relates to remedial works carried out at residential address and related admin fees. Referred to Debt Recovery Agent 30/11/22. City has received advice from debtor that there is no current capacity to enter arrangement to settle debt due to financial hardship and extraordinary personal circumstances. Debtor has advised they will be making application to Council to provide relief.
C529	Corps Earthmoving Pty Ltd	-	349,152.99	45.15	Relates to Waste Disposal during February 2023. Reminder email sent 01/05/23. Corps confirmed 31/05/23 they will be paying in 5 instalments.
E001	Department Of Education	11,549.25	-	-	Relates to Term 4 Court Hire Fees at Karratha Leisureplex. Reminder email sent 31/05/23.
F138	Frank Smith *	-	-	41,593.2	Demolition costs due to uninhabitable dwelling. At the Feb 2019 OCM Council resolved to take possession and sell the property. Defendant denied liability. Summary Judgement awarded 11/03/22. Next steps for recovery are currently being progressed.
F174	Flex Cafe	-	510.92	47,624.94	Relates to monthly rent at KLP Café from Sep 2021 - Nov 2022 and utility fees for Jul 2021 - Oct 2022, grease trap removals, annual food inspection fees and penalty interest. Termination notice issued 18/08/22. Flex vacated 01/10/22. Referred to Debt Recovery Agent 22/11/22. Letter of demand issued with no response. General Procedure Claim in progress via Debt Recovery Agent.
H005	PHI International Pty Ltd	3,741.92	17,105.86	2,954.13	Relates to March 23 Rent, Jan & Feb 23 Utilities and Jan 23 Aircraft landings. Reminder emails sent 10/03/23 & 30/05/23.
H026	Housing Authority	948.15	1,197.82	4,732.18	Relates to MGB replacements for Department of Housing. Invoices are dated from June 2022 to December 2022 and penalty interest. Reminder email sent 20/02/23 and 12/04/23.
J101	Karratha Skip Bin Hire Pty Ltd	-	67.02	7,014.81	Waste disposal fees for Oct - Dec 2020 plus interest charges. Account is currently cash only. Most recent payment received in Apr 2021. Referred to Debt Collection and Letter of Demand issued in May 2021. Communication with the debtor indicated balance to be paid by Dec 2021 over multiple instalments, however no payments received. Referred to Debt Recovery Agent 22/11/22. Letter of demand issued with no response. General Procedure Claim served in Jan 2023 and Judgement granted in Feb 2023. PSSO (Goods) issued in April 2023.

Debtor Code	Name	40 Days	60 Days	Over 90 Days	Commentary
M379	Move Your Body Studio	-	237.66	22,057.04	Relates to rent for lease at Pam Buchanan Family Centre for Dec 2021 - Aug 2022, utility charges Dec 2021 - Jun 2022. City has received advice from Move Your Body that they will be entering into voluntary administration. No further updates from Move Your Body and email have been disconnected. Referred to Debt Recovery Agent 22/11/22.
T264	Telstra Corporation Ltd	-	53.88	5,216.72	Relates to annual service charges for electricity connection at Karratha Airport for lease in Power Plant Room and Bayley Ave. Reminder email sent 20/02/23 & 14/03/23.
V026	Virgin Australia Airlines Pty Ltd *	-	-	525,321.38	Voluntary Administration as of 20/04/20. City Proof of Debt formally admitted in full 06/08/21. Dividend payment of \$29,511.49 received 15/09/22.

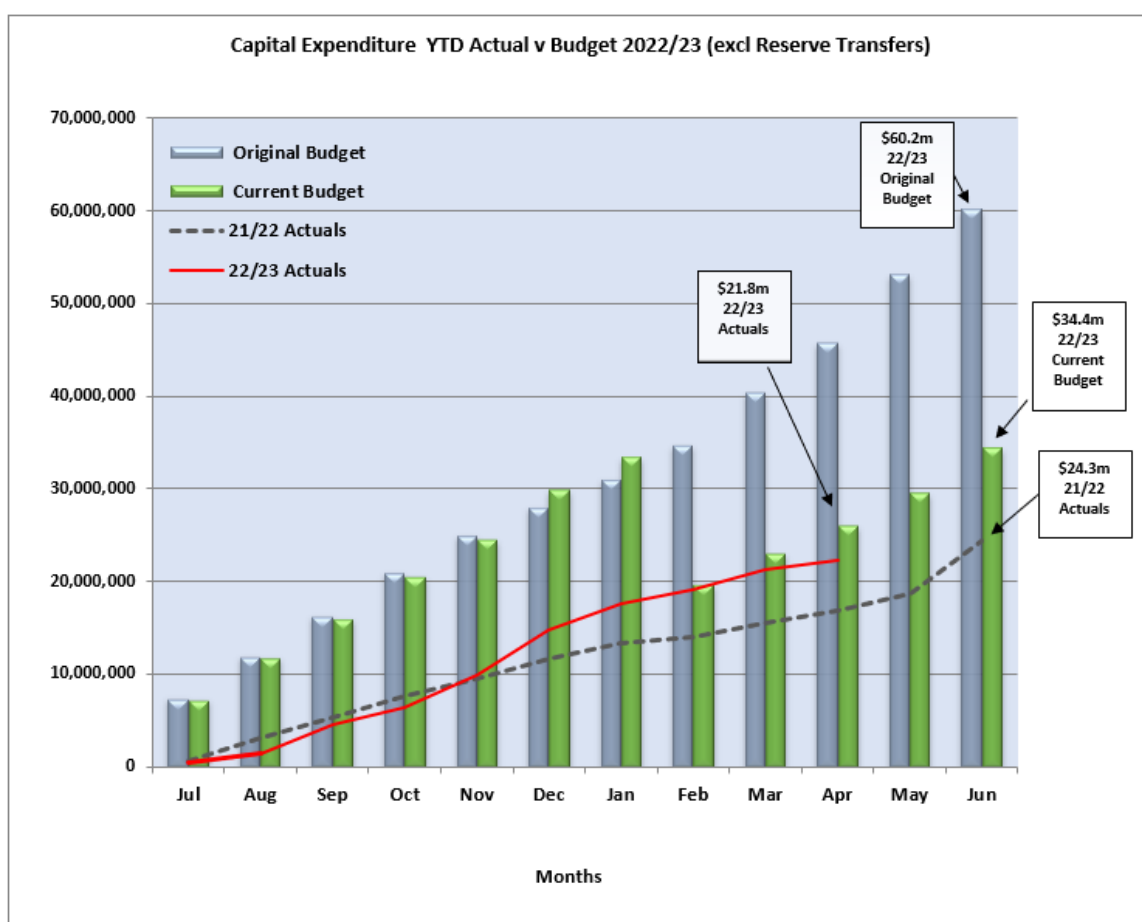
** In future monthly financial reports, information about long-term debts with extended collection periods will only be included when there is an update on the proceedings.*



Capital Expenditure

Council's current 2022/23 Capital Expenditure budget is \$34.4m which includes significant projects such as: the Kevin Richards Club Room, City Housing – Shakespeare, the HSVPP Coolawanyah Road reconstruction and Purchase Equipment - Airport. The following table shows capital expenditure is 16.2% below budget for the year to date.

CAPITAL EXPENDITURE						
	YTD			ANNUAL		
Asset Class	YTD Budget	YTD Actual	Variance %	Annual Original Budget	Annual Amend Budget	% of Annual Budget
	30-Apr-23			30-Jun-23		
Land	1,804,270	1,804,339	0.0%	500,000	1,804,270	0.0%
Artwork	20,801	179,129	761.2%	81,836	20,801	861.2%
Buildings	13,075,580	12,425,629	-5.0%	39,579,701	14,929,172	83.2%
Equipment	222,118	322,611	45.2%	713,404	1,331,769	24.2%
Furn & Equip	511,530	96,602	-100.0%	859,100	881,230	11.0%
Plant	967,856	787,643	-18.6%	2,332,000	2,225,856	35.4%
Infrastructure	9,421,415	6,191,232	-34.3%	16,100,287	13,164,757	47.0%
Totals	26,023,570	21,807,185	-16.2%	60,166,328	34,357,855	63.5%



Financial Statements

The financial statements for the reporting period are provided as an attachment in the form of:

- Statement of Financial Activity by Nature and Type.
- Variance Commentary - Statement of Financial Activity by Nature and Type.
- Net Current Funding Position.
- Statement of Financial Position.

LEVEL OF SIGNIFICANCE

Financial integrity is essential to the operational viability of the City but also as the custodian of community assets and service provision. An ability to monitor and report on financial operations, activities and capital projects is imperative to ensure that financial risk is managed at acceptable levels of comfort.

The ability for the City to remain financially sustainable is a significant strategy for a region that is continually under pressure from the resources industry, private enterprise and State Government obligations for the ongoing development of infrastructure and services.

STATUTORY IMPLICATIONS

In accordance with the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996*, a Statement of Financial Activity is required to be presented to Council as a minimum requirement.

Section 6.4 of the *Local Government Act 1995* provides for the preparation of financial reports.

In accordance with Regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, a report must be compiled on variances greater than the materiality threshold adopted by Council of \$50,000 or 10% whichever is the greater. As this report is composed at a nature and type level, variance commentary considers the most significant items that comprise the variance.

COUNCILLOR/OFFICER CONSULTATION

Executives and Management have been involved in monthly reviews of their operational and departmental budgets and notifying the Financial Services team of trends and variances arising from their operational areas.

COMMUNITY CONSULTATION

No community consultation is required.

POLICY IMPLICATIONS

The Council's financial reporting is prepared in accordance with Accounting Policy CF12. This is reviewed periodically to ensure compliance with legislative and statutory obligations.

FINANCIAL IMPLICATIONS

The report represents the financial position of the Council at the end of March 2023 with a year-to-date budget surplus position of \$23,798,638 (comprising \$23,674,380 unrestricted surplus and \$124,258 restricted surplus) and a current surplus position \$24,783,797 (comprising \$24,659,539 unrestricted surplus and \$124,258 restricted surplus). The restricted balance comprises PUPP service charges levied in 2014/15.

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2020-2030 and the Corporate Business Plan 2020-2025. In particular, the Operational Plan 2022-2023 provided for this activity:

Our Programs/Services:	4. c.1.1	Management Accounting Services
Our Projects/Actions:	4. c.1.1.19.1	Conduct monthly and annual financial reviews and reporting

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the city is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	Low	Completion of the Monthly Financial Activity Statement report is a control that monitors this risk. Strong internal controls, policies and monitoring ensure risks are assessed regularly and managed appropriately. Expenditure and revenue streams are monitored against approved budgets by management and the financial team with material variances being reported.
Service Interruption	N/A	Nil
Environment	N/A	Nil
Reputation	N/A	Nil
Compliance	Low	Financial reports are prepared in accordance with the Local Government Act, Regulations and Accounting Standards.

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS

This is a monthly process advising Council of the current financial position of the City.

VOTING REQUIREMENTS

Simple Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That Council:

1. RECEIVE the Financial Reports for the financial period ending 30 April 2023; and
2. APPROVE the following actions:
 - a) _____
 - b) _____

Option 3

That Council NOT RECEIVE the Financial Report for the financial period ending 30 April 2023.

CONCLUSION

Council is obliged to receive the monthly financial reports as per statutory requirements. Details in regard to the variances and the commentary provided are to be noted as part of the report.

10.2 LIST OF ACCOUNTS – 1 MAY 2023 TO 31 MAY 2023

File No:	FM.19
Responsible Executive Officer:	Acting Director Corporate & Legal Services
Reporting Author:	Senior Creditors Officer
Date of Report:	28 June 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. List of Payments May 2023 2. List of Credit Card Payments (April 2023)

PURPOSE

To advise Council of payments made for the period from 1 May 2023 to 31 May 2023.

OFFICER'S RECOMMENDATION

That Council **ACCEPT** payments totalling \$5,959,847.24 submitted and checked with vouchers, detailed in Attachments 1 and 2 being made up of:

1. Trust Vouchers: nil;
 2. EFT 227 to 253 and 4666 to 5107 (Inclusive): \$3,407,868.03;
 3. Cheque Voucher: 78734-78735: \$605.20;
 4. Cancelled Payments: nil;
 5. Direct Debits: nil;
 6. Credit Card Payments (April 2023): \$25,591.68;
 7. Payroll Cheques: \$2,525,782.33;
-

BACKGROUND

Council has delegated authority to the Chief Executive Officer (Delegation 1.6) the power to make payments from the City's Municipal and Trust funds.

In accordance with *Regulations 12 and 13 of the Local Government (Financial Management) Regulations 1996* a list of accounts paid by the Chief Executive Officer is to be provided to Council, where such delegation is made.

The list of accounts paid must be recorded in the minutes of the Council Meeting.

LEVEL OF SIGNIFICANCE

In accordance with Council Policy CG-8 Significant Decision-Making Policy, this matter is of high significance in terms of Council's ability to perform its role.

COUNCILLOR/OFFICER CONSULTATION

Officers have been involved in the approvals of any requisitions, purchase orders, invoicing and reconciliation matters.

COMMUNITY CONSULTATION

No community consultation is required.

STATUTORY IMPLICATIONS

Payments are to be made in accordance with Part 6, Division 4 of the *Local Government Act 1995* and as per the *Local Government (Financial Management) Regulations 1996*. Payments are to be made through the municipal fund, trust fund or reserve funds. Payments are to be in accordance with approved systems as authorised by the CEO.

POLICY IMPLICATIONS

Staff are required to ensure that they comply under Council Policy CG12 – Purchasing Policy and CG11 - Regional Price Preference Policy (where applicable) and that budget provision is available for any expenditure commitments.

FINANCIAL IMPLICATIONS

Payments are made under delegated authority and are within defined and approved budgets. Payment is made within agreed trade terms and in a timely manner.

Payments for the period 1 May 2023 to 31 May 2023 (including credit card transactions - April 2023) totalled \$5,959,84724, which included the following payments:

- MSS Security – Airport Security Services (Mar2023) - \$199,637
- Major Motors – Purchase new Isuzu Truck - \$206,367
- Yindjibarndi Aboriginal Corp – Waste Disposal Fee (Vic Hotel Site) - \$133,913

Consistent with CG-11 Regional Price Preference Policy, 53% of the value of external payments reported for the period were made locally.

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2020-2030 and the Corporate Business Plan 2020-2025. In particular, the Operational Plan 2022-2023 provided for this activity:

Our Program: 4.c.1.4 Accounts Receivable and Accounts Payable

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	Low	Failure to make payments within terms may render Council liable to interest and penalties
Service Interruption	Moderate	Failure to pay suppliers may lead to delays in the future provision of goods and services from those suppliers
Environment	N/A	Nil
Reputation	Moderate	Failure to pay for goods and services in a prompt and professional manner, in particular to local suppliers, may cause dissatisfaction amongst the community
Compliance	N/A	Nil

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS

There are no relevant precedents related to this matter.

VOTING REQUIREMENTS

Simple Majority

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That Council ACCEPT payments totalling \$5,959,847.24 submitted and checked with vouchers, being made up of:

1. Trust Vouchers: nil;
2. EFT 227 to 253 and 4666 to 5107 (Inclusive): \$3,407,868.03;
3. Cheque Voucher: 78734-78735: \$605.20;
4. Cancelled Payments: nil;
5. Direct Debits: nil;
6. Credit Card Payments (April 2023): \$25,591.68;
7. Payroll Cheques: \$2,525,782.33;

with the EXCEPTION OF (as listed).

CONCLUSION

Payments for the period 1 May 2023 to 31 May 2023 and credit card payments for the period 1 April 2023 to 30 April 2023 totalled \$5,959,847.24. Payments have been approved by authorised officers in accordance with agreed delegations, policies and budget.

10.3 INVESTMENTS FOR PERIOD ENDED 30 APRIL 2023

File No:	FM.19
Responsible Executive Officer:	Acting Director Corporate & Legal Services
Reporting Author:	Corporate Accountant
Date of Report:	1 June 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	Nil

PURPOSE

To provide a summary of Council's investment position for the period ending 30 April 2023.

OFFICER'S RECOMMENDATION

That Council RECEIVE the Investment Report for the financial period ending 30 April 2023.

BACKGROUND

In accordance with section 6.14 of the Local Government Act and Regulation 19C of the Financial Management Regulations, the City will invest excess funds not required for any specific purpose in authorised deposit taking institutions as defined in *the Banking Act 1959* (Cth) Section 5 and/or the Western Australian Treasury Corporation established by the *Western Australian Treasury Corporation Act 1986*, for a term not exceeding 3 years:

The City's surplus funds are invested in bank term deposits for various terms and Property related investments to facilitate maximum investment returns in accordance with the City's Investment Policy (CF03).

The City also seeks to support Council's strategic goals through investment in property in accordance with the City's Investment Policy – Property (CF04).

DETAILS

Details of the investments are included in the report

- Schedule of Cash and Financial Investments
- Allocation of Cash and Financial Investments
- Schedule of Maturity of Cash and Financial Investments
- Schedule of Liquidity
- Schedule of Other Investments
- Aging of Outstanding Lessees Balances
- Schedule of Loan Agreement

Schedule of Cash and Financial Investments

The following table indicates the financial institutions where the City has investments as of April 2023

Institution	Accounts	Principal Investment \$	Balance 30 April 2023 \$	Interest %	Investment Term	Maturity	Source
RESERVE FUNDS							
WBC	Business Premium Cash Reserve		21,006	2.15	At Call		Reserve at Call
CBA	Reserve Term Deposit	35,000,000	36,063,233	3.08	12 months	May-23	Reserve TD
WBC	Reserve Term Deposit	12,000,000	12,347,267	4.11	12 months	Aug-23	Reserve TD
WBC	Reserve Term Deposit	6,500,000	6,688,628	4.22	12 months	Aug-23	Reserve TD
WBC	Reserve Term Deposit	5,000,000	5,110,096	4.70	12 months	Nov-23	Reserve TD
BOQ	Reserve Term Deposit	4,000,000	4,068,329	4.30	12 months	Dec-23	Reserve TD
CBA	Reserve Term Deposit	6,000,000	6,072,419	4.95	12 months	Feb-24	Reserve TD
MUNICIPAL FUNDS							
WBC	Municipal Term Deposit	4,000,000	4,106,208	4.55	9 months	Jun-23	Muni TD
WBC	Municipal Term Deposit	7,000,000	7,183,655	4.11	10 months	Jul-23	Muni TD
CBA	Municipal Term Deposit	2,500,000	2,520,753	5.05	12months	Mar-24	Muni TD
WBC	Municipal (Transactional)		5,195,555	3.45	At Call		Muni at Call
N/A	Cash on Hand		-	0.00			Muni
TOTAL		82,000,000	89,377,150				
The balance of all Term Deposits includes interest accrued to 30April2023							

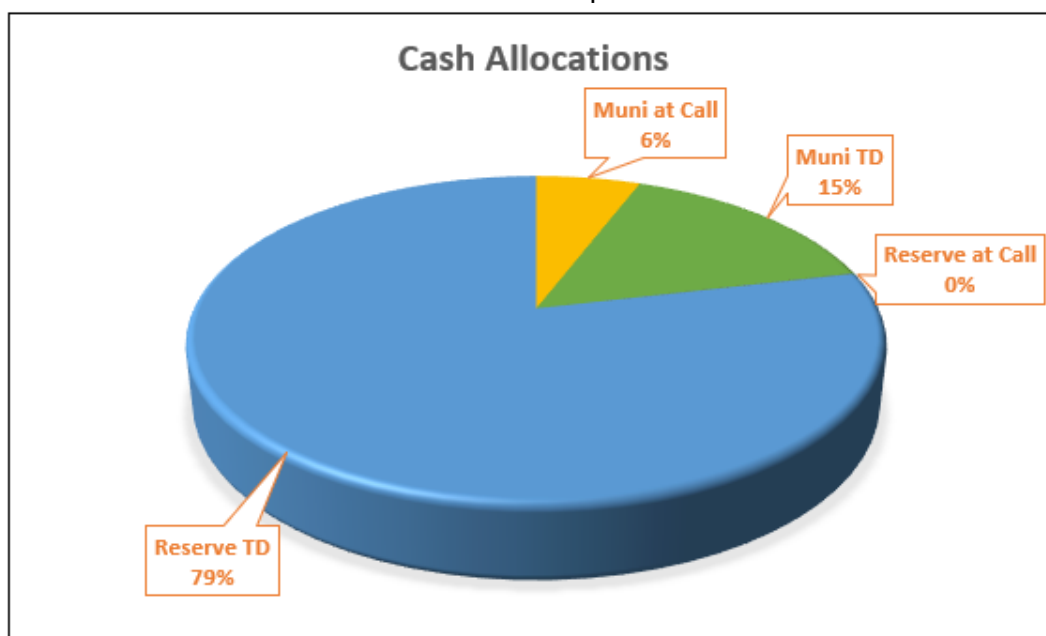
On average, the City is earning 4.57% across Municipal Term Deposits and 4.23% across Reserve Term Deposits.

The RBA official cash rate (overnight money market interest rate) remained unchanged at 360 basis points during the month of April. As a result, the Municipal Funds held in the Westpac transaction account are earning 3.45% interest. Reserve funds held in the Westpac Business Premium Cash Reserve account are earning 2.15% interest on balances of over \$1m

Cash Allocations and Financial Investments

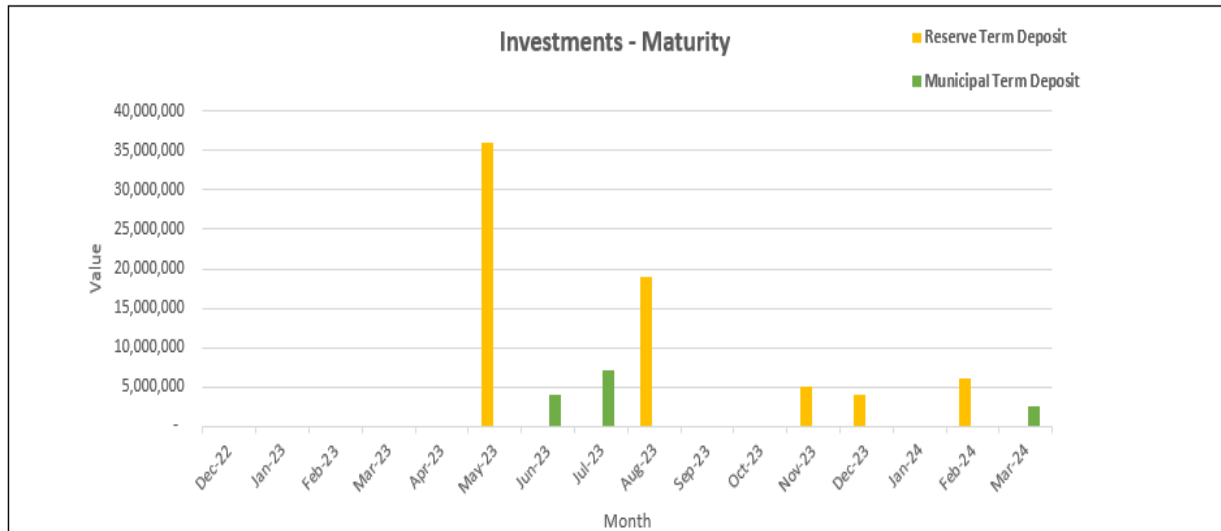
Council's Municipal and Reserve Bank Accounts are to be maintained so that a maximum return can be achieved from funds required in the short term.

The following graph depicts the allocation of our Cash and Financial Investments to maximise return on investment which shows that over 79% of our Cash and Financial Investments are invested in Reserve Term Deposits.



Schedule of Maturity of Cash and Financial Investments

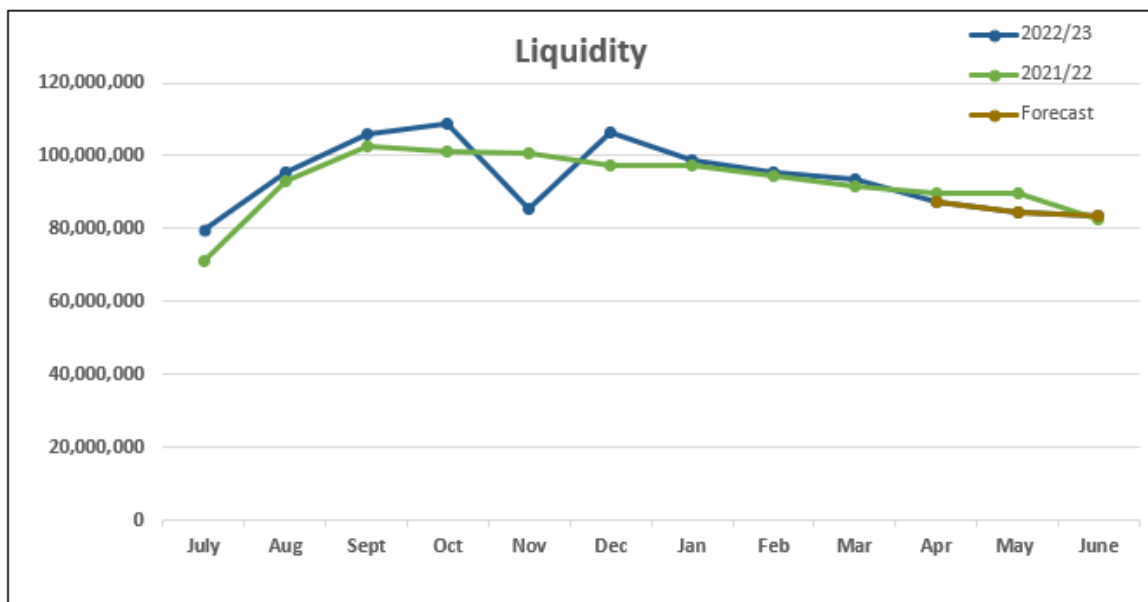
In accordance with the City's Investment Policy (CF3), in respect to liquidity of funds, the following schedule shows the maturity of our various investments. 48% of Cash and Financial Investments will mature in the next 3 months, 31% maturing in the next 4-6 months and 21% maturing in the next 7-12 months.



Schedule of Liquidity

Administration reviews funds to ensure there is sufficient liquidity to meet the operational cash flow requirement.

The liquidity graph for 2022/23 demonstrates a trend on par with April forecasts.



Schedule of Other Investments

As part of Council's investment strategy, reserve funds were used to purchase a commercial property 'The Quarter HQ' in June 2017. The following table provides a summary of all income and expenditure for The Quarter for the current financial year:

	Month 30 April 2023 \$	Year to Date 30 April 2023 \$	Life to Date 30 April 2023 \$
Total Income Received	485,723	3,662,553	18,732,204
Total Expenditure Paid	(333,735)	(1,496,041)	(9,345,430)
Net Income	151,988	2,166,512	9,386,774
Annualised ROI	9.1%	13.1%	8.0%

Aging of Outstanding Lessees Balances

The following table highlights The Quarter lessees with aged balances in excess of \$5,000 as of 30 April 2023 by month.

Suite ID	Lessee	Current	March 2023	February 2023	January 2023 and Prior	Total	Commentary
0001	Fiorita Pty Ltd Trading as Fiorita	17,968.26	21,755.02	15,024.38	-	54,747.66	\$6,000 payment per week. \$30,000 payment received in May.
0003	Weeding, Kate, Michelle Trading as Pilbara Weddings & Events	4,264.89	4,894.68	-	-	9,159.57	No payment received in May.
0005	Maria Cecelia Walker Trading as Cecil Filipino & Asian Food Pty Ltd	-	31,045.22	25,874.44	403,749.99	460,669.65	Recovery of debt under review.
0009	Onyx Group WA Pty Ltd Trading as Onyx Events / Archipelago Adventures	5,703.03	6,007.32	5,628.54	13,989.32	31,328.21	\$13.8K security deposit held; Nil payments received for 5 months.

Schedule of Loan Agreement

Also, as part of Council's investment strategy, Council resolved at its May 2020 meeting to execute a loan agreement with Scope Property Group Pty Ltd for the acquisition and redevelopment of the Dampier Shopping Centre. This loan is to be funded utilising Reserve funds and borrowings from WATC (if required) and is to be for a maximum initial term of ten years. To date, no borrowings from WATC have been required.

	Month 30 April 2023 \$	Year to Date 30 April 2023 \$	Life to Date 30 April 2023 \$
Funded Amount	-	900,000	3,800,000
Interest Charges	-	106,499	161,085
Remaining Loan Amount	(300,000)	(300,000)	(300,000)

LEVEL OF SIGNIFICANCE

Shrewd investment of the City's equity is essential to the operational viability of the City. An ability to monitor and report on the City's investments is imperative to ensure that financial risk is managed at acceptable levels of comfort.

The ability for the City to remain financially sustainable is a significant strategy for a region that is continually under pressure from the resources industry, private enterprise and State Government obligations for the ongoing development of infrastructure and services.

STATUTORY IMPLICATIONS

In accordance with section 6.14 of the Local Government Act and Regulation 19C of the Financial Management Regulations, the City will invest excess funds not required for any specific purpose in authorised deposit taking institutions as defined in the Banking Act 1959 (Cth) Section 5 and/or the Western Australian Treasury Corporation established by the Western Australian Treasury Corporation Act 1986, for a term not exceeding 3 years.

COUNCILLOR/OFFICER CONSULTATION

Executives and Management have been involved in monthly reviews of their operational and departmental budgets and notifying the Financial Services team of trends and variances arising from their operational areas.

COMMUNITY CONSULTATION

No community consultation is required.

POLICY IMPLICATIONS

The Council's financial reporting is prepared in accordance with Accounting Policy CF03, CF04, & CF12. This is reviewed periodically to ensure compliance with legislative and statutory obligations.

FINANCIAL IMPLICATIONS

The financial implications of this report are noted in the detail sections of the report. The Administration is satisfied that appropriate and responsible measures are in place to protect the City's financial assets.

STRATEGIC IMPLICATIONS

This item is relevant to Council's approved Strategic Community Plan 2020-2030 and the Corporate Business Plan 2020-2025. In particular, the Operational Plan 2022-2023 provided for this activity:

Our Programs/Services:	4. c.1.1	Management Accounting Services
Our Projects/Actions:	4. c.1.1.19.1	Conduct monthly and annual financial reviews and reporting

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	Low	Administration has developed effective controls to ensure funds are invested in accordance with City's Investment Policy. This report enhances transparency and accountability for the City's Investments.
Service Interruption	N/A	Nil
Environment	N/A	Nil
Reputation	N/A	Nil
Compliance	Low	Financial reports are prepared in accordance with the Local Government Act, Regulations and Accounting Standards.

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS

This is a monthly process advising Council of the current investment position of the City.

VOTING REQUIREMENTS

Simple Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That Council:

3. RECEIVE the Investment Report for the financial period ending 30 April 2023; and
4. APPROVE the following actions:
 - a) _____
 - b) _____

Option 3

That Council NOT RECEIVE the Investment Report for the financial period ending 30 April 2023.

CONCLUSION

Council is obliged to receive the monthly investment report (report previously formed part of the monthly financial reports) as per statutory requirements. Details in regard to the variances and the commentary provided are to be noted as part of the report.

10.4 REVIEW OF CORPORATE BUSINESS PLAN 2020-2025 AND DRAFT 2023-2024 OPERATIONAL PLAN

File No:	CM.89
Responsible Executive Officer:	Acting Director Corporate and Legal Services
Reporting Author:	Manager Governance and Organisational Strategy
Date of Report:	31 May 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	2023-24 ISP Worksheet

PURPOSE

For Council to consider the review and proposed amendments to the Corporate Business Plan 2020-2025 and the 2023-2024 Operational Plan.

OFFICER'S RECOMMENDATION

That Council ADOPT the amended Corporate Business Plan 2020-2025 and 2023-2024 Operational Plan as attached to this report.

BACKGROUND

The City of Karratha adopted its first ever suite of Integrated Strategic and Planning documents on 17 December 2012. Overarching this suite of interrelated plans is the Strategic Community Plan 2020-2030, which identifies the aspirations of the community to meet our vision to be *Australia's most liveable regional city*. The Corporate Business Plan 2020-2025 provides specific detail of Council's commitment to the community by prioritising the programs and services Council will provide over this five-year period. The draft 2023-2024 Operational Plan (an annual slice of the Corporate Business Plan 2020-2025) further builds on the foundation already provided through previous Operational Plans that continue with the implementation of projects and actions identified to deliver the Corporate Business Plan.

In accordance with section 5.56 of the *Local Government Act 1995* and Regulation 19DA of the *Local Government (Administration) Regulations 1996*, the City is required to undertake a review of its Corporate Business Plan every year to ensure it is consistent with the organisation's goals and objectives as determined by the Strategic Community Plan. Some minor modifications are proposed to the Corporate Business Plan to ensure the ongoing relevance of new programs and services.

DISCUSSION

This review is a minor review of the Corporate Business Plan and Operational Plans and incorporates new initiatives and regular budget programming for operational areas. A major review of the Strategic Community Plan, Corporate Business Plan and Operational Plans are scheduled following the election of Council Members in October 2023.

Corporate Business Plan 2020-2025

This review concluded with (9) nine proposed amendments as outlined below:

Programs/Services	Comments
Amended 1.a.2.8 Strategic Planning	Retitled program from Town Planning Services to better reflect associated projects and actions for 2023/24 period.
Removed 1.b.1.1 Liveability	Program removed and one project embedded in 1.a.1.10 Waste and Sanitation program as it relates to maintaining and managing existing facilities and infrastructure to optimal standards, and the other project relates to 1.b.3 Developing safer community programs and partnerships.
Removed 1.b.1.2 Infrastructure Services	No projects or actions anticipated for 2023/24 period as it pertains to improved community safety.
Amended 1.b.3.2 Community Partnerships	Retitled program from Ranger Services to better reflect associated projects and actions for 2023/24 period.
Amended 1.b.4.1 Community Patrols and Policing	Retitled program from Ranger Services to better reflect associated projects and actions for 2023/24 period.
Removed 1.c.2.3 Liveability	No projects or actions anticipated for 2023/24 period as it pertains to improved community safety.
Removed 1.d.1.2 Planning Services	No projects or actions anticipated for 2023/24 period as it pertains to improved community safety.
Amended 4.b.2.2 Enterprise Hardware Management	Retitled program from Enterprise Systems and Architecture Hardware to better reflect associated projects and actions for 2023/24 period.
Amended 4.b.2.3 Enterprise Software Management	Retitled program from Software Management to better reflect associated projects and actions for 2023/24 period.

Draft 2023/24 Operational Plan

The Operational Plan aligns with the programming set by the Corporate Business Plan and is updated each year with proposed projects and actions for the coming financial year. Major projects identified within the Annual Budget are captured in the Operational Plan amongst other longer-term strategies referenced through informing documents such as the Strategic Asset Management Plan, Economic Development Strategy, Indigenous Engagement Strategy, Long Term Financial Plan, Workforce Plan, Sustainability Strategy, etc.

The draft Operational Plan comprises 239 projects/actions continuing from the 2022/23 Operational Plan plus 46 new project/actions. In summary, the review proposes the following changes in the number of programs/services, projects/actions and KPIs:

Strategic Community Plan 2020-2030	Corporate Business Plan 2020-2025		Operational Plan		Linked to Corporate Business Plan	
STRATEGIC THEMES	OUR PROGRAMS / SERVICES		OUR PROJECTS / ACTIONS		PERFORMANCE MEASURES (KPIs)	
	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24
<i>Our Community – Inclusive and Engaged</i>	53	49	122	113	37	37
<i>Our Economy – Well Managed and Diversified</i>	20	20	57	58	16	18
<i>Our Environment – Thriving and Sustainable</i>	38	38	49	44	14	13
<i>Our Leadership – Proactive and Accountable</i>	40	40	65	70	34	34
Total	151	147	304	285	101	102

Key Performance Measures

A review has been undertaken of the key performance indicators for the forthcoming financial year that measure the effectiveness of programs and services delivered by each service unit. A number of these measures have been recorded for a series of years providing valuable data on the City's ongoing performance.

Proposed amendments to measures are listed in the below table under the applicable strategic theme.

Strategic Themes

- Our Community – Inclusive and Engaged
- Our Economy – Well Managed and Diversified
- Our Environment – Thriving and Sustainable
- Our Leadership – Proactive and Accountable

Performance Measure	Responsibility	Target	Reporting	Comments
Amended 1.a.1.1.a Minimise the gap between performance and importance in Annual Community Survey for Footpaths and Cycleways	Asset Management	0	Q4	Lower tolerance amended from -2 to -1. LY= 2.4
Amended 1.a.1.1.b Minimise the gap between performance and importance in Annual Community Survey for Local Roads	Asset Management	0	Q4	Upper tolerance amended from -5 to -3. LY = -4.0
Amended 1.a.1.7.a Maintain total attendance at Karratha Leisureplex, Wickham Recreation Precinct and Aquatic Centre and Roebourne Aquatic Centre	Community Facilities	578,167	Quarterly	Target amended from 606,764 patrons, upper tolerance amended from 665,981 patrons to 635,984 and lower tolerance amended from 547,548 patrons to 520,350. LY= 573,458 patrons
Amended 1.a.1.7.g Maintain or improve attendances at the Karratha Indoor Play Centre	Community Facilities	23,000 Q1 7,400 Q2 7,700 Q3 2,200 Q4 5,700	Quarterly	Target amended from 24,666 patrons, upper tolerance amended from 27,150 patrons to 25,300 and lower tolerance amended from 22,200 patrons to 20,700. TY (9mo) = 19,341 patrons
Amended 1.c.1.3.d Number of visits recorded at City libraries	Community Programs	110,000 Q1 27,500 Q2 27,500 Q3 27,500 Q4 27,500	Quarterly	Target amended from 130,000 to reflect a reduction in service hours at Roebourne and a general minor decline in attendances at other sites. Upper tolerance amended from 142,000 patrons to 121,000 and lower tolerance amended from 188,000 patrons to 99,000. LY = 127,234 and TY (9mo) = 72,851 patrons for year

Amended 1.c.1.3.f Maintain or improve the number of attendances at Children's programs and events at the City's libraries	Community Programs	12,000 <i>Q1 3,000 Q2 3,500 Q3 2,500 Q4 3,000</i>	Quarterly	Target amended from 10,000 patrons to recognise increases in attendances for children's activities. 2022/23 was the first year the measure was introduced. Upper tolerance increased from 10,800 patrons to 13,200 and the lower tolerance has increased from 9,200 patrons to 10,800. TY (9mo) = 9,319 patrons
Amended 1.c.1.3.g Maintain or improve the number of attendances to Adult's programs and events at the City's libraries	Community Programs	500 <i>Q1 125 Q2 150 Q3 100 Q4 125</i>	Quarterly	Target amended from 525 patrons to recognise a reduction in attendances for adult activities. 2022/23 was the first year the measure was introduced. Upper tolerance reduced from 650 patrons to 550 and the lower tolerance has increased from 400 patrons to 450. TY (9mo) = 376 patrons
Amended 1.c.2.2.a Number of RPT passengers using Karratha Airport Terminal (includes domestic and international travel)	Airport Services	579,000	Q4	Target amended from 525,000 pax to reflect projected increase in passenger travel. Upper tolerance amended from 590,000 pax to 600,000 and lower tolerance amended from 490,000 pax to 540,000. LY = 460,606
Amended 1.d.1.1.b Number of attendances at paid events in REAP	Community Programs	25,000	Q4	Target amended from 20,000 patrons to reflect increased attendances to REAP events. Upper tolerance amended from 26,500 patrons to 27,500 and lower tolerance amended from 16,000 patrons to 22,500. LY = 12,268 patrons
Amended 1.d.1.1.c Number of paid events in REAP	Community Programs	230	Q4	Target amended from 220 to reflect increased attraction of events to REAP. Upper tolerance amended from 280 patrons to 253 and lower tolerance increased from 190 patrons to 207. LY = 190
Amended 1.d.1.1.d Number of REAP visitations	Community Programs	58,000 <i>Q1 14,500 Q2 14,500 Q3 14,500 Q4 14,500</i>	Quarterly	Target amended from 50,900 patrons to reflect increased visitations to REAP. Upper tolerance increased from 55,990 patrons to 63,800 and lower tolerance increased 45,810 patrons to 52,200. TY (3Qtrs) = 38,800 due to cancelled conferences with pending cyclones. LY = 62,844 patrons

Amended 1.f.1.2.a Number of Facebook engagements (likes, comments or shares) per quarter	Marketing and Communications	50,000	Quarterly	Lower tolerance amended from 30,000 to 40,000. LY average = 56,098 TY average = 44,968
New 2.c.1.1.d Number of participants in business climate survey	City Growth	120	Q4	New KPI to measure engagement in the business climate survey. Upper tolerance 200 participants and lower tolerance 100 participants.
New 2.d.2.1.b Number of positions applied for under the Pilbara DAMA.	City Growth	80 annual Q1 20 Q2 20 Q3 20 Q4 20	Quarterly	New KPI to measure success of the Pilbara DAMA to employ a skilled workforce where certain skillsets have been difficult to source. Upper tolerance is 200 per annum and a lower tolerance is 50 per annum.
Removed 3.a.2.4.a Maintain or improve the number of eco-tourism providers	City Growth			KPI being removed as the eco-tourism products and partnerships are being established.
Amended 3.c.1.1.c Divert household hazardous waste (HHW) from landfill via HHW program	City Services	5,000kgs/qtr	Quarterly	Target amended from 7,000kgs /qtr to reflect more accurately current wastage patterns. Upper tolerance has reduced from 9,000kgs/qtr to 5,750kgs/qtr and the lower tolerance has been reduced from 4,500kgs/qtr to 4,250kgs/qtr. TY average is 3,358kgs/qtr.
Amended 4.c.1.1.b Minimise the gap between performance and importance in Annual Community Survey for Financial Management	Financial Services	0	Q4	Lower tolerance amended from -7 to -6. TY = -5.3 LY = -5.4
Amended 4.c.1.4.b Ensure supplier invoices are paid within terms of trade	Financial Services	90%	Quarterly	Amended KPI measure to be within terms of trade as opposed to within 30 days of receiving invoice.
Amended Measure the percentage of compliant responses to the annual Compliance Audit Return	Governance and Organisational Strategy	100%	Q3	Amended time of reporting of KPI from Q4 to Q3 as data will be available as at 31 March of each reporting year.

LEVEL OF SIGNIFICANCE

In accordance with Council Policy *CG-8 Significant Decision Making Policy*, this matter is considered to be of high strategic significance in terms of social, economic, environmental, cultural & wellbeing issues and Council's ability to perform its role.

STATUTORY IMPLICATIONS

Section 5.56(1) of the *Local Government Act 1995* requires local government authorities in Western Australia to plan for the future for their district.

Regulation 19DA of the *Local Government (Administration) Regulations 1996* establishes requirements for Corporate Business Plans, including adoption of the Plans on the basis of Absolute Majority.

COUNCILLOR/OFFICER CONSULTATION

Review and development of the Corporate Business Plan and the draft 2023/24 Operational Plan included consideration of Councillor feedback from strategic planning and budget workshops as well as broad input from the Executive Management Group.

COMMUNITY CONSULTATION

Community engagement activities in accordance with the iap² public participation spectrum process to inform, consult, involve, collaborate and empower:

Who	How	When	What	Outcome
Community	Facebook advertising	Annually	Annual Community Survey	Community Survey results considered as part of the review and development of the Corporate Business Plan and Operational Plan.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

The projects and services in the draft 2023-2024 Operational Plan are reflected in the draft 2023-2024 Budget.

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2020-2030 and the Corporate Business Plan 2020-2025. The Operational Plan 2023-2024 aims to deliver on the strategic direction through projects and services that the Council will be delivering in the financial year 2023-24.

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	Moderate	Financial risks are addressed through an annual review of budgetary expenditure associated with the programs/services detailed within the Corporate Business Plan and the projects/actions detailed in the Operational Plan.
Service Interruption	N/A	Nil
Environment	N/A	Nil
Reputation	Low	The results of the Annual Community Survey are reflected in the Operational Plan in order to meet community expectations.
Compliance	Low	There is a statutory requirement to review the ISP documents to ensure that they are a living document.

IMPACT ON CAPACITY

Consideration has been given to resourcing to deliver the projects and services outlined in the Corporate Business Plan and the Operational Plan.

RELEVANT PRECEDENTS

The Operational Plan is reviewed and adopted by Council annually.

VOTING REQUIREMENTS

Absolute Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That Council:

1. ADOPT the Corporate Business Plan 2020-2025 as attached with the following amendments:
 - a) _____
 - b) _____, and
2. ADOPT the 2023-2024 Operational Plan as attached with the following amendments:
 - a) _____
 - b) _____.

Option 3

That Council DEFER consideration of the Corporate Business Plan 2020-2025 and 2023-2024 Operational Plan as amended pending further review.

CONCLUSION

The 2023-2024 Operational Plan continues to activate the Corporate Business Plan 2020-2025 by detailing the projects/actions and related resources by which community aspirations defined within the Strategic Community Plan will be achieved.

Community feedback, Councillor requests, new initiatives and consultation with all service areas has informed the draft 2023-2024 Operational Plan including ongoing analysis of the KPIs used to measure the City's performance.

10.5 DELEGATIONS REGISTER ANNUAL REVIEW

File No:	GV.10
Responsible Executive Officer:	Acting Director Corporate & Legal Services
Reporting Author:	Manager Governance and Organisational Strategy
Date of Report:	31 May 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	Delegations Register

PURPOSE

For Council to consider the annual review of the Delegations Register.

OFFICER'S RECOMMENDATION

That Council NOTE the proposed Delegations Register as attached to this report.

BACKGROUND

Delegations and authorisations are contained within Council's Delegations Register, providing an all-encompassing record and organisational reference of a position, person or body appointed to exercise a power, discharge a duty or make a decision on behalf of Council.

Delegations by Council and/or the CEO are an effective way to reduce red tape and improve customer satisfaction through prompt decision-making processes within the constraints allowed by relevant legislation. Using the power of delegation assists local governments to efficiently deal with a wide range of operational matters that are minor, administrative in nature and potentially time consuming.

The *Local Government Act 1995* requires local government to keep a register of delegations and review the register once every financial year.

DISCUSSION

Council can delegate functions under legislation other than the *Local Government Act 1995* provided that there is a power of delegation within the relevant legislation. Most legislation also provides for the CEO to sub-delegate, or delegate directly, operational discretionary powers or functions in order for officers to carry out the functions of their role. In some circumstances, sub-delegation by the CEO may not be permitted therefore the delegation will need to be made to employees directly by Council.

Minor adjustments have been made to the Delegations Register where administrative errors have been noted and an update has been made globally to the title of Director Community Experience.

Delegations from the Council to the CEO: Nil

Delegations from Council to Employees: Nil

Delegations or sub delegations from the CEO to Employees as reflected via tracked changes in the attached **Delegations Register**.

Delegation Register Appendix C – Delegations / Authorisations by Role has correspondingly been updated to reflect the above amendments.

LEVEL OF SIGNIFICANCE

In accordance with Council policy CG-8 Significant Decision Making policy, this matter is considered to be of high significance in terms of Council's ability to perform its role.

STATUTORY IMPLICATIONS

Section 5.46(2) of the *Local Government Act 1995* (the Act) requires Council to review the delegations made under Division 5 at least once every financial year.

Under the *Local Government Act 1995*, a local government may delegate to the CEO any of its powers or the discharge of any of its duties other than those prescribed under section 5.43.

All delegations made by Council must be by an absolute majority as prescribed by sections 5.42 and 5.44 of the *Local Government Act 1995*. The Act allows the CEO to delegate to any employee the exercise of any of the CEO's powers or discharge of duties, in accordance with section 5.44 of the Act.

COUNCILLOR/OFFICER CONSULTATION

Officers have been consulted as to changes to the Delegations Register. Following adoption by Council of the Delegation Register review, affected employees will be informed of any delegation changes.

COMMUNITY CONSULTATION

No community consultation is required.

POLICY IMPLICATIONS

There are no policy implications at this time.

FINANCIAL IMPLICATIONS

There are no financial implications.

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2020-2030 and the Corporate Business Plan 2020-2025. In particular, the Operational Plan 2022-2023 provided for this activity:

Programs/Services:	4.a.2.2	Council Support
Projects/Actions:	4.a.2.2.20.1	Undertake annual review of Delegated Authority Register to ensure appropriate, inclusive and efficient decision making

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	N/A	Nil
Service Interruption	Moderate	Delegations are required for the day-to-day operations of the City to ensure efficient decision making processes that affect the community and other stakeholders.
Environment	N/A	Nil
Reputation	Moderate	Delays otherwise experienced by community members and other stakeholders, which may affect Council's reputation.
Compliance	Moderate	The Delegations Register provides a detailed record of the roles where delegations exist under the <i>Local Government Act 1995</i> and other legislation for which local governments are authorised. One-on-one delegation inductions, compliance training and the issuing of ID Cards for authorised officers form part of the process of ensuring delegated officers have the relevant skills, experience and qualifications.

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS

The Delegations Register is reviewed annually by Council. The Delegations Register was last reviewed and adopted by Council on 30 June 2022.

VOTING REQUIREMENTS

Absolute Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That Council ENDORSE the proposed Delegations Register as attached to this report with the following variations and/or new delegations/authorisations _____.

CONCLUSION

The Delegations Register is regularly updated throughout the year where delegation exists with the CEO and along with any proposed changes is presented to Council as part of the annual review process. This is to ensure streamlined decision-making outcomes in the discharge of Council functions. A small number of minor amendments are proposed as a result of consultation with City Officers to reflect potential improvement opportunities within work processes and legislative changes.

10.6 2023/24 BUDGET

File No: FM.1

Responsible Executive Officer: Acting Director Corporate & Legal Services

Reporting Author: Management Accountant

Date of Report: 30 June 2023

Applicant/Proponent: Nil

Disclosure of Interest: Nil

Attachment(s):

1. Draft 2023/24 Budget
2. Draft 2023/24 Fees & Charges
3. Determination of Salaries and Allowances Tribunal, dated 7 April 2023

PURPOSE

For Council to consider the adoption of the Municipal Fund Budget for the 2023/24 financial year together with supporting schedules, including striking of the municipal fund rates and other consequential matters arising from the budget papers.

OFFICER'S RECOMMENDATION 1

That Council:

1. **IMPOSE** the following differential general and minimum rates on Gross Rental and Unimproved Values;

GRV/ UV	Differential Rates Categories 2023/24	2022/23 Rate in \$	Proposed 2023/24 Rate in \$	Minimum Rate
GRV	Residential	0.071058	0.074611	\$1,691
GRV	Commercial / Industrial	0.097252	0.102115	\$1,691
GRV	Airport / Strategic Industry	0.142115	0.149221	\$1,691
GRV	Transient Workforce Accommodation/ Workforce Accommodation	0.281389	0.295458	\$1,691
UV	Pastoral	0.107708	0.113093	\$355
UV	Mining/Other	0.138119	0.145025	\$355
UV	Strategic Industry	0.192140	0.201747	\$355

2. **NOMINATE** the following due dates for rate payment in full or by instalments:

- Full payment and 1st instalment due date 18 September 2023
- 2nd instalment due date 4 December 2023
- 3rd instalment due date 12 February 2024
- 4th and final instalment due date 22 April 2024

3. GRANT a concession of \$1,641, as detailed in the table below, in respect of the rates on each property in the Cossack town site, in recognition of the fact that the properties are not serviced and they are part of the heritage precinct:

Assess No.	Property Owner	Property Address	GRV	Calculated Rates	Concession	Rates Receivable
A107	B & J Quealy	101 Perseverance Street, Cossack	\$20	\$1,691	\$1,641	\$50
A115	H Wilson (Estate Of)	112 Perseverance Street, Cossack	\$20	\$1,691	\$1,641	\$50
A123	H Wilson (Estate Of)	116 Cossack Road, Cossack	\$20	\$1,691	\$1,641	\$50
A131	H Wilson (Estate Of)	117 Cossack Road, Cossack	\$20	\$1,691	\$1,641	\$50
A149	T Patterson	121 Cossack Road, Cossack	\$20	\$1,691	\$1,641	\$50
A157	J Davies & J Branch	141 Perseverance Street, Cossack	\$20	\$1,691	\$1,641	\$50
A165	J & S Montesana	142 Cossack Road, Cossack	\$20	\$1,691	\$1,641	\$50
A173	L Gibellini & S Ferrier	143 Cossack Road, Cossack	\$20	\$1,691	\$1,641	\$50
A181	T Patterson	144 Cossack Road, Cossack	\$20	\$1,691	\$1,641	\$50
A199	T Patterson	145 Cossack Road, Cossack	\$20	\$1,691	\$1,641	\$50
A204	M Otto	149 Cossack Road, Cossack	\$20	\$1,691	\$1,641	\$50
A212	G Van Waardenberg	150 Cossack Road, Cossack	\$20	\$1,691	\$1,641	\$50
A220	T Patterson	151 Cossack Road, Cossack	\$20	\$1,691	\$1,641	\$50
A238	T Patterson	152 Cossack Road, Cossack	\$20	\$1,691	\$1,641	\$50
A246	T Patterson	153 Cossack Road, Cossack	\$20	\$1,691	\$1,641	\$50
A254	H Wilson (Estate Of)	165 Cossack Road, Cossack	\$20	\$1,691	\$1,641	\$50
A262	T Patterson	167 Perseverance Street, Cossack	\$20	\$1,691	\$1,641	\$50
A270	R Zappacosta	20 Perseverance Street, Cossack	\$20	\$1,691	\$1,641	\$50
A288	V Bull & S Donovan	176 Perseverance Street, Cossack	\$20	\$1,691	\$1,641	\$50
A91332	W Moore (Estate Of)	21 Perseverance Street, Cossack	\$20	\$1,691	\$1,641	\$50
Total				\$33,820	\$32,820	\$1,000

4. WAIVE rates for the following properties owned or occupied by community/sporting associations:

Prior Year Applicants									
Assess No.	Property Owner/ Lessee	Property Address	Use	GRV	UV	Rate in \$	Rates	Waiver %	Waiver
A1006	Yinjaa Barni Art Aboriginal Corporation	48 Roe Street, Roebourne	Community Services	\$14,700	\$0	0.102115	\$1,691	100%	\$1,691
A23931	Karratha Scout Group	70 Nairn Street, Bulgarra	Community Club	\$0	\$0	0.102115	\$1,691	100%	\$1,691
A34396	Karratha Recreation Club Inc	Lot 3000 Bayview Road, Bulgarra	Commercial /Tourism	\$49,700	\$0	0.102115	\$5,075	100%	\$5,075
A46391	Karratha Arts & Learning Centre	23 Richardson Way, Bulgarra	Community Services	\$21,200	\$0	0.102115	\$2,165	100%	\$2,165
A46554	Karratha BMX Club Inc	84 Rosemary Road, Baynton	Community Club	\$12,400	\$0	0.102115	\$1,691	100%	\$1,691
A54554	The Grand Lodge of WA Freemasons Homes for The Aged Inc	5 Dwyer Place, Millars Well	Freemason s Activities	\$46,700	\$0	0.102115	\$4,769	100%	\$4,769

A55681	Karratha Community Garden Inc	L52/11 Teesdale Place, Millars Well	Community Services	\$1,000	\$0	0.102115	\$1,691	100%	\$1,691
A65587	Karratha Equestrian Centre	50 Robins Road, Mulataga	Community Club	\$22,000	\$0	0.102115	\$2,247	100%	\$2,247
A69808	Nor-West Game Fishing Club Inc	Lot 22 Rosemary Island, Dampier	Community Club	\$0	\$0	0.102115	\$1,691	100%	\$1,691
A70661	Point Samson Community Association Inc	Lot 278, Pt Samson-Roebourne Road, Point Samson	Community Services	\$9,500	\$0	0.102115	\$1,691	100%	\$1,691
A73245	Nickol Bay Speedway Club Inc	Lot 115 Cinders Road, Karratha Industrial Estate	Community Club	\$14,400	\$288,000	0.145025	\$41,767	100%	\$41,767
A91549	Reach Us Pilbara	Unit 2 3 High Street, Dampier	Community Services	\$0	\$0	0.102115	\$1,691	100%	\$1,691
A91554	Karratha Enduro & Motocross Club Inc	L4903 Anderson Road, Karratha Industrial Estate	Community Club	\$0	\$128,000	0.145025	\$18,563	100%	\$18,563
A91555	Karratha Bikers Association	L4903 Anderson Road, Karratha Industrial Estate	Community Club	\$0	\$0	0.102115	\$1,691	100%	\$1,691
A91842	Nickol Bay Sporting Shooters Association	Lot 298 Cinders Road, Burrup	Community Club	\$35,000	\$439,000	0.145025	\$63,666	100%	\$63,666
A91931	Karratha Women's Place Inc	Unit LS1 11 Teesdale Place, Millars Well	Community Services	\$9,400	\$0	0.102115	\$1,691	100%	\$1,691
A92062	West Pilbara Softball Organisation Inc	L3001 Bayview Road, Bulgarra	Community Club	\$0	\$0	0.102115	\$1,691	100%	\$1,691
New Applicants									
Assess No.	Property Owner/ Lessee	Property Address	Use	GRV	UV	Rate in \$	Rates	Waiver %	Waiver
A62872	Karratha Kats Sporting & Rec Club Inc	LOT 502 Tillbrook Close, Millars Well	Community Club	\$17,800	\$0	0.102115	\$1,818	100%	\$1,818
TBC	Dampier Community Association	3 High Street, Dampier	Community Club	\$0	\$0	0.000000	\$1,691	100%	\$1,691
TBC	Dampier Community Association (Hub/Community Garden)	3 High Street, Dampier	Community Club	\$0	\$0	0.000000	\$1,691	100%	\$1,691
TBC	Karratha Remote Control Car Club Inc.	Lot 4903 Anderson Road, Karratha Industrial Estate	Community Club	\$0	\$0	0.000000	\$1,691	100%	\$1,691
A91608	WA PCYC	2-6 Sholl Street, Roebourne	Community Club	\$0	\$0	0.000000	\$1,691	100%	\$1,691
TBC	Karratha Tennis Club	Lot 489 Sea Ripple Road, Bulgarra (Hunt Way)	Community Club	\$0	\$0	0.000000	\$1,691	100%	\$1,691
Total Waivers									\$165,435

5. NOTE rates exemptions applicable to the following properties;**Not Rateable in Accordance with Section 6.26(2)(a)(i) of the Local Govt Act - Crown Land Used for Public Purpose**

Assess No.	Property Owner/ Lessee	Property Address	Use	GRV	UV
A77359	Department for Child Protection	Address Withheld	Community Services	\$0	\$0

Not Rateable in Accordance with Section 6.26(2)(d) of the Local Govt Act - Religious Properties

Assess No.	Property Owner/ Lessee	Property Address	Use	GRV	UV
A1569	Apostolic Church Australia Limited	10 Roe Street, Roebourne	Clergy Premises	\$19,554	\$0
A4478	Apostolic Church Trust	12 Roe Street, Roebourne	Place of Worship	\$22,500	\$0
A35821	Australasian Conference Association Ltd	12 Mirfin Way, Pegs Creek	Clergy Premises	\$29,120	\$0
A35075	Baptist Union of Western Australia Inc	5 Finnerty Street, Bulgarra	Clergy Premises	\$27,040	\$0
A62864	Baptist Union of Western Australia Inc	77 Gawthorne Drive, Millars Well	Place of Worship	\$79,600	\$0
A55102	Church of Jesus Christ of Latter-Day Saints	17 Galbraith Road, Pegs Creek	Place of Worship	\$47,400	\$0
A54677	Jehovah's Witnesses Congregations	4 Gray Court, Millars Well	Place of Worship	\$28,400	\$0
A12209	The Roman Catholic Bishop of Geraldton	L138 Kurrajong Street, Wickham	Place of Worship	\$25,100	\$0
A54725	The Roman Catholic Bishop of Geraldton	19 Welcome Road, Karratha	Place of Worship	\$95,020	\$0
A69035	The Roman Catholic Bishop of Geraldton	371 High Street, Dampier	Place of Worship	\$18,500	\$0
A34184	Salvation Army (WA) Property Trust	1 Nelson Corut, Pegs Creek	Clergy Premises	\$41,600	\$0
A36843	Salvation Army (WA) Property Trust	6 Bond Place, Pegs Creek	Clergy Premises	\$30,680	\$0
A68420	Salvation Army (WA) Property Trust	2 Bond Place, Pegs Creek	Place of Worship	\$55,200	\$0
A35813	Seventh Day Adventist Church	15 Galbraith Road, Pegs Creek	Place of Worship	\$24,000	\$0
A12314	Trustees of the Diocese of North-West Australia	33 Herbert Way, Wickham	Clergy Premises	\$22,620	\$0
A34590	Trustees of the Diocese of North-West Australia	1/2 Samson Way, Bulgarra	Place of Worship	\$29,640	\$0
A34591	Trustees of the Diocese of North-West Australia	2/2 Samson Way, Bulgarra	Clergy Premises	\$24,600	\$0
A4509	Trustees of the Diocese of North-West Australia	41 - 49 Hampton Street, Roebourne	Place of Worship	\$8,800	\$0
A88991	Trustees of the Northern Diocese	160 Warton Street, Cossack	Vacant Land	\$0	\$0
A88992	Trustees of the Northern Diocese	94 Dampier Street, Cossack	Vacant Land	\$0	\$0

Not Rateable in Accordance with Section 6.26(2)(e) of the Local Govt Act - Religious Schools

Assess No.	Property Owner/ Lessee	Property Address	Use	GRV	UV
A65511	Roman Catholic Bishop of Geraldton	33 Rosemary Road, Stove Hill	Education	\$657,125	\$0
A88120	Roman Catholic Bishop of Geraldton	37 Wellard Way, Bulgarra	Education	\$206,700	\$0

Not Rateable in Accordance with Section 6.26(2)(g) of the Local Govt Act - Charitable Purposes (Health, Education & Community Service)

Assess No.	Property Owner/ Lessee	Property Address	Use	GRV	UV
A65228	Aboriginal Lands Trust	L390 North West Coastal Highway, Roebourne	Vacant Land	\$0	\$0
A89223	Aboriginal Lands Trust	L44 Cape Lambert Road, Point Samson	Cultural site	\$0	\$0
A77929	Aboriginal Lands Trust	54 Hampton Street, Roebourne	Community Services	\$0	\$0
A5117	Cheeditha Group Aboriginal Corporation	L48 North West Coastal Highway, Roebourne	Community Services	\$0	\$154,000
A69052	Department of Fire & Emergency Service	11 High Street, Dampier	Emergency Services	\$0	\$0
A55545	Empowering People In Communities (EPIC) Inc	6-10 Morse Court, Karratha	Community Services	\$38,500	\$0
A91497	Empowering People In Communities (EPIC) Inc	22 Balmoral Road, Karratha	Community Services	\$177,320	\$0
A88227	Foundation Housing Ltd	17B Crawford Way, Roebourne	Community Services	\$15,600	\$0
A31479	Gumala Aboriginal Corporation	10 Hedland Place, Karratha	Community Services	\$23,540	\$0
A91557	Karratha Community House	51 Gardugarli Drive, Baynton	Community Services	\$24,000	\$0
A1462	Mawarnkarra Health Service Aboriginal Corporation	38 Sholl Street, Roebourne	Community Services	\$17,680	\$0
A4622	Mawarnkarra Health Service Aboriginal Corporation	20 Sholl Street, Roebourne	Community Services	\$220,000	\$0
A69874	Mingullatharndo Association Ltd	Lot 555 North West Coastal Highway, Roebourne	Community Services	\$0	\$10,000
A3943	Ngarluma Aboriginal Corporation	43 Lockyer Way, Roebourne	Aged Care	\$30,160	\$0
A89260	Ngarluma Aboriginal Corporation	2 Todd Street, Roebourne	Aged Care	\$180,960	\$0
A34299	Nickol Bay Bush Fire Brigade	39 Hillview Road, Karratha	Emergency Services	\$0	\$0
A89344	One Tree Community Services Inc.	Lot 3002 Bayview Road, Bulgarra	Community Services	\$31,390	\$0
A55649	One Tree Community Services Inc.	Lot 3002 Teesdale Place, Millars Well	Community Services	\$99,750	\$0
A89917	One Tree Community Services Inc.	47 Lockyer Way, Roebourne	Community Services	\$0	\$0
A92072	One Tree Community Services Inc.	Lot 780 Carse Street, Wickham	Community Services	\$48,300	\$0

A54546	Returned Services League of Australia Karratha & Districts	7 Dwyer Place, Millars Well	Community Services	\$38,000	\$0
A90625	Roebourne District SES	Lot 501 Wickham Drive, Wickham	Emergency Services	\$0	\$0
A43521	Salvation Army Housing (WA)	7 Goodwyn Close, Millars Well	Community Services	\$62,400	\$0
A36851	Salvation Army (WA) Property Trust	4 Bond Place, Pegs Creek	Community Services	\$31,200	\$0
A68420	Salvation Army (WA) Property Trust	2 Bond Place, Pegs Creek	Community Services	\$55,200	\$0
A91323	St John Ambulance - Karratha	L42 Norman Road, Gap Ridge	Emergency Services	\$0	\$0
A4884	St John Ambulance - Roebourne	1-7 Sholl Street, Roebourne	Emergency Services	\$29,152	\$0
A11740	St John Ambulance - Wickham	Lot 110 Mulga Way, Wickham	Emergency Services	\$28,860	\$0
A90624	St John Ambulance - Wickham	Lot 500 Wickham Drive, Wickham	Emergency Services	\$15,469	\$0
A31152	State Emergency Service - Karratha	14 Balmoral Road, Karratha	Emergency Services	\$0	\$0
A65456	Welcome Lotteries House Inc.	7 Morse Court, Karratha	Community Services	\$138,600	\$0
A1357	Yaandina Community Services Ltd	58 Hampton Street, Roebourne	Aged Care	\$0	\$0
A4973	Yaandina Community Services Ltd	2-6 Sholl Street, Roebourne	Community Services	\$91,600	\$0
A78636	Yaandina Community Services Ltd	60 Hampton Street, Roebourne	Community Services	\$990	\$0
A65341	Yaandina Family Centre Inc	56 Hampton Street, Roebourne	Aged Care	\$0	\$0

Not Rateable in Accordance with Section 6.26(2)(j) of the Local Govt Act - Exemptions Under Any Other Written Law

Assess No.	Property Owner/ Lessee	Property Address	Legislation	GRV	UV
A90381	Australian Broadcasting Corp.	183/26 Sharpe Ave, Pegs Creek	<i>Australian Broadcasting Corporation Act 1983</i> Section 71	\$46,330	\$0
A90382	Australian Broadcasting Corp.	184/26 Sharpe Ave, Pegs Creek	<i>Australian Broadcasting Corporation Act 1983</i> Section 71	\$55,770	\$0
A76336	Australian Maritime Safety Authority	L37 Bayly Avenue, Gap Ridge	<i>Australian Maritime Safety Authority Act 1990</i> Section 37	\$0	\$0
A39388	Public Transport Authority of Western Australia	L1957 Pyramid Road, Karratha Industrial Estate	<i>Public Transport Authority Act 2003</i> Section 50	\$0	\$0
A34516	The University of Western Australia	4 Wilson Court, Pegs Creek	<i>University of WA Act 1911</i> Section 36	\$0	\$0
A88426	The University of Western Australia	15 Mujira Ramble, Baynton	<i>University of WA Act 1911</i> Section 36	\$48,880	\$0
A88008	The University of Western Australia	34 Winyama Road, Baynton	<i>University of WA Act 1911</i> Section 36	\$0	\$0
A89587	The University of Western Australia	U76, 23 Sharpe Avenue, Pegs Creek	<i>University of WA Act 1911</i> Section 36	\$0	\$0
A89625	The University of Western Australia	U114, 23 Sharpe Avenue, Pegs Creek	<i>University of WA Act 1911</i> Section 36	\$0	\$0

6. **ADOPT** an instalment administration charge where the owner has elected to pay rates (and service charges) through an instalment option of \$10 for each instalment after the initial instalment is paid;
7. **ADOPT** an interest rate of 4.5% where the owner has elected to pay rates and service charges through an instalment option;
8. **ADOPT** an interest rate of 7% for rates (and service charges) and costs of proceedings to recover such charges that remains unpaid after becoming due and payable;
9. **ADOPT** an interest rate of 7% for fees and charges and costs of proceedings to recover such fees and charges that remains unpaid after becoming due and payable;
10. **ADOPT** the following rates incentives including a contribution of \$1,500 from municipal funds towards this scheme.

1st Prize:	\$2,000	sponsored by Westpac
2nd Prize:	\$1,000	sponsored by the City of Karratha
3rd Prize:	\$500	sponsored by the City of Karratha

OFFICER'S RECOMMENDATION 2

GENERAL FEES AND CHARGES FOR 2023/24

That Council **ADOPT** the Fees and Charges detailed in Attachment 2.

OFFICER'S RECOMMENDATION 3

OTHER STATUTORY FEES FOR 2023/24

That Council **ADOPT**:

- a) the Fees and Charges for the City's cemeteries included as Attachment 2;
- b) a swimming pool inspection fee of \$28; and
- c) the following charges for the removal and deposit of domestic and commercial waste:

Description	Amount	GST	Total
Residential MGB - 1 General Waste service per week and 1 Recycling service per fortnight, per year	\$341.75	Nil	\$341.75
Additional Residential MGB - 1 service per week, per year	\$170.90	Nil	\$170.90
Additional Residential Recycling MGB - 1 recycling service per fortnight, per year	\$170.90	Nil	\$170.90
Commercial/Industrial MGB - 1 service per week per year	\$341.77	\$34.18	\$375.95
Additional Commercial/Industrial MGB - 1 service per week, per year	\$341.77	\$34.18	\$375.95
Commercial/Industrial Recycling MGB - 1 recycling service per fortnight, per year	\$170.86	\$17.09	\$187.95

OFFICER'S RECOMMENDATION 4**ELECTED MEMBERS' FEES AND ALLOWANCES FOR 2023/24**

That Council ADOPT the following annual fees and allowances for payment of elected members:

Statutory Fees and Allowances

Sitting Fees - Mayor	\$48,229*
Sitting Fees - Deputy Mayor and Councillors	\$32,153*
Mayor Local Government Allowance.....	\$91,099*
Deputy Mayor Local Government Allowance (25% of Mayor Allowance)	\$22,774*
ICT Allowance per Councillor (up to a maximum of \$3,500)	\$3,500
Travelling Expenses (actual costs or as per Local Govt Admin Reg 34AD).....	\$30,000

*The 2023/24 budgeted Councillor allowances are to be updated based on a 1.5% increase as per the Salaries and Allowances Tribunal determination of 6 April 2023.

Other Expenses

Training Expenses per Councillor	\$5,000
Mayor's discretionary fund – Council related expenses	\$2,000

OFFICER'S RECOMMENDATION 5**MATERIAL VARIANCE REPORTING FOR 2023/24**

That Council ADOPT the level to be used in statements of financial activity in 2023/24 for reporting material variances being 10% or \$50,000, whichever is the greater amount.

OFFICER'S RECOMMENDATION 6**PENALTY INTEREST RATE FOR 2023/24**

That Council ADOPT the penalty interest rate for overdue rates at 7%.

OFFICER'S RECOMMENDATION 7**MUNICIPAL FUND BUDGET FOR 2023/24**

That Council ADOPT the Municipal Fund Budget as contained in Attachment 1 for the 2023/24 financial year which includes the following:

1. Statement of Comprehensive Income by Nature and Type on page 2 showing a net result for that year of \$24,588,310;
2. Statement of Cash Flows on page 3;
3. Rate Setting Statement on page 4 showing an amount required to be raised from rates of \$53,367,805;
4. Notes to and forming part of the Budget on pages 5 onwards; and
5. Supplementary Information – Fees and Charges.

COUNCIL ADOPT BY EN BLOC RESOLUTION
OFFICER'S RECOMMENDATION 2**OFFICER'S RECOMMENDATION 3****OFFICER'S RECOMMENDATION 4****OFFICER'S RECOMMENDATION 5****OFFICER'S RECOMMENDATION 6**

BACKGROUND

The 2023/24 Municipal Budget and related documentation is the culmination of some four months' work by officers with input from all departments across the organisation and review by Councillors through a series of budget workshops and Councillor briefing sessions.

As part of the budget deliberations the following efficiency measures and service improvements have been considered:

Efficiency Measures:

- continued review of the need for and remuneration of each vacant position;
- disposal of under-utilised light fleet and plant;
- continued use of local suppliers whenever possible and appropriate;
- implementing energy and water efficiency strategies and actions with further evaluation of installing solar at existing facilities;
- review of GRV rating for capital improvements under the State's Rating Policy – Valuation of Land – Mining;
- one full budget reviews conducted each financial year;
- ongoing implementation of Enterprise Resource Planning system; and
- ongoing investment in property to generate alternative revenue streams and reduce reliance on rates.

Service Improvements:

- reconstruction of Coolawanyah Road Stage 3 and Hillview/Balmoral Rd;
- expansion of local road and footpath network and associated infrastructure;
- housing and land initiatives including provision of Service Worker accommodation;
- Dampier land transfers from Rio Tinto;
- Kevin Richards Memorial Oval and Bulgarra Oval upgrades;
- Walgu mixed-use development in the CBD;
- Karratha Leisureplex Outdoor Court Shading upgrades;
- Runway rejuvenation at Karratha Airport;
- playground upgrades in Nickol;
- continued support for local businesses through economic development grants; and
- annual community survey to inform services and priorities.

Overview

In broad terms the 2023/24 Budget consists of the following:

- | | |
|------------|---|
| • \$114.8m | Operating Expenditure |
| • \$41.3m | Capital Expenditure (excluding transfer to Reserve) |
| • \$19.2m | Net transfer to Reserves |

Rating

In 2023/24 the City will require \$53.3m from general rate revenue and 59% of operating revenue will come from other sources, including grants, fees and charges.

At its Ordinary Council Meeting on 26 April 2023 Council considered a differential rates model for 2023/24 and resolved to advertise the rates for public consultation (Resolution

no. 155169). The advertised model incorporated a 5% increase to rates in the dollar across all differential rating categories.

Following consideration of public submissions at its Ordinary Council Meeting on 29 May 2023 and the revaluation information received from Landgate for UV Strategic and Mining categories, Council resolved to 'SEEK Ministerial approval for the differential rating category being greater than two times the lowest rate in the dollar (noting that the application is similar to those approved every year since at least 2013)'.

The impact on the advertised differential rates and final differential rates proposed, inclusive of the Transient Workforce Accommodation/Workforce Accommodation rate in the dollar, pending approval from the Minister, is detailed below:

GRV/ UV	Differential Rates Categories 2023/24	2022/23 Rate in \$	2023/24 Advertised Rate in \$	2023/24 Proposed Rate in \$
GRV	Residential	0.071058	0.074611	\$1,691
GRV	Commercial / Industrial	0.097252	0.102115	\$1,691
GRV	Airport / Strategic Industry	0.142115	0.149221	\$1,691
GRV	Transient Workforce Accommodation / Workforce Accommodation	0.281389	0.295458	\$1,691
UV	Pastoral	0.107708	0.113093	\$355
UV	Mining / Other	0.138119	0.145025	\$355
UV	Strategic Industry	0.192140	0.201747	\$355

Applications for rates waivers from not-for-profit community groups have been assessed in accordance with CF-11 Rating Exemption Policy and pursuant to section 6.47 of the *Local Government Act*. For 2023/24, two applications for rates waivers are not supported by City Officers as the land use does not exclusively meet charitable purpose as commercial activities are routinely conducted on the premises.

Payment Options

The same payment options as offered in prior years are proposed, including payment in full, payment by two instalments and payment by four instalments. These involve an instalment administration charge of \$10 per instalment after the first instalment, and instalment interest of 4.5% per annum. Direct debit payment options are also available which involves an administration charge of \$25 establishment fee and can be called at any time. This ameliorates the financial impact on ratepayers without sufficient cash flow to pay their rates in full, while still encouraging payment in full from those with the capacity to do so.

The *Local Government (COVID-19 Response) Order 2022* has ended and the penalty interest can be increased to 11% as per *Local Government Financial Management Regulations*. Due to cost of living pressures already experienced within the community the penalty interest for overdue rates levied will remain at 7% per annum. This compensates Council for the opportunity cost of the uncollected revenue while also strongly discouraging delinquency in payment of rates.

Capital Works

The Capital Works Program of \$41.2 million (excluding repayment of Borrowings and Reserve Transfers) includes the following major projects:

Project	\$
Walgu Development - design	\$960k
Hillview/Balmoral Road upgrade	\$5.7m
Kevin Richards Memorial Oval Redevelopment (including multi use hard courts and lighting)	\$4.3m
Hancock Way – construction of 6 Houses	\$3.9m
Roebourne Streetscape Master Plan Construction	\$3.3m
Coolawanyah Road reconstruction	\$1.2m
Karratha Airport Runway rejuvenation	\$1.0m
Jingarri Housing Construction	\$1.1m

Councillor Allowances

The most recent determination of the Salaries and Allowances Tribunal, dated 7 April 2023, is attached for reference and provides for an increases to Mayoral/Deputy Mayor and Councillor maximum annual allowances of 1.5%. The attached draft budget will be updated to reflect the 1.5% increase.

Fees & Charges

The main features of the draft budget include:

1. Penalty interest on rates remain at 7%.
2. There are 935 fees and charges of which 294 remain unchanged.
3. 193 fees and charges have increased by 4.3% or less (CPI as per Long Term Financial Plan)
4. 138 fees and charges have increased by greater than 5%
5. 8 fees and charges have decreased.
6. 28 fees and charges are new (including 10 new fees and charges for Community facility and equipment hire).

Reserve Funds

Following is a summary of budgeted reserve movements for 2023/24:

Opening Balance 2023/24	Transfers to Reserve	Transfers from Reserve	Closing Balance 2023/24
\$87,789,163	\$26,254,084	(\$7,100,817)	\$106,942,430

Variance Reporting

Each year Council is required to adopt a percentage or value to be used in statements of financial activity for reporting material variances, as required by clause 34(5) of the Local Government (Financial Management) Regulations 1996.

The custom and practice has been for Council to adopt its material variances thresholds at the time of adopting its next financial year Budget. For the 2022/23 financial year Council adopted a threshold of '10% or \$50,000 whichever is the greater'.

In recommending the continuation of the 2022/23 material variance threshold of '10% or \$50,000 whichever is the greater' for 2023/24, a review of other similar local governments' material variance thresholds for 2022/23 was undertaken and is shown in the table below:

Council	2022/23 Material Variance Threshold
City of Kalgoorlie Boulder	10% and \$50,000
Shire of Ashburton	Greater of 10% or \$40,000
Town of Port Hedland	Greater of 10% or \$50,000

LEVEL OF SIGNIFICANCE

In accordance with Council policy CG-8 Significant Decision Making policy, this matter is considered to be of high significance in terms of Council's ability to perform its role.

STATUTORY IMPLICATIONS

Section 6.2 of the *Local Government Act 1995* requires that not later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt (by Absolute Majority), in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.

Divisions 5 and 6 of Part 6 of the *Local Government Act 1995* refer to the setting of budgets and raising of rates and charges. The *Local Government (Financial Management) Regulations 1996* details the form and content of the budget. The draft budget has been prepared to include information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards.

Section 6.12 of the *Local Government Act 1995* refers to the power to defer, grant discounts, waive or write off debts.

COUNCILLOR/OFFICER CONSULTATION

Extensive consultation has occurred with all departments and through briefings and workshops with elected members on a regular basis since March 2023.

COMMUNITY CONSULTATION

The proposed differential rates model was advertised and submissions were invited from ratepayers. Fourteen submissions were received by the close of submissions and these were considered by Council at its May 2023 Ordinary Council Meeting. There were no submissions received from the Transient Workforce Accommodation/ Workforce Accommodation category.

POLICY IMPLICATIONS

CF-10 Rating Equity Policy

CF-11 Rating Exemption Policy

CG-06 Councillor Fees, Allowances & Reimbursements

CF-05 Financial Hardship (Rate Relief) Policy

The Draft Budget 2023/24 applies the principles of rating equity in the setting of Council's differential rates and the provision of rating exemptions.

FINANCIAL IMPLICATIONS

The Draft 2023/24 Budget provides for the following income and expenditure:

Operating Revenue	\$139.4m
Operating Expenditure	(\$114.8m)
Capital Revenue	\$7.0m
Capital Expenditure	(\$67.5m)
Surplus	\$312k

STRATEGIC IMPLICATIONS

Council's current Long Term Financial Plan (LTFP) includes a 4.3% rate increase in 2023/24 to reflect anticipated cost increases (based on estimated CPI). However, despite recent annual CPI increases (Perth all groups) of 5.8% (March 2023) and the WA Local Government Cost Index being expected to show cost increases of 4.5% in the 12 months to 30 June 2023 (6.4% to 30 June 2022), sound financial management means that it is possible to adopt a balanced budget with a predominant 5% increase in the rate yield across all categories.

The budget will provide the necessary resources to implement the 2023/24 Operational Plan which operationalises the Strategic Community Plan 2020-2030 and Corporate Business Plan 2020-2025.

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	Moderate	Delays in the adoption of the Budget will impact on the timing of cashflows from rates and other funding sources.
Service Interruption	Low	Delays in the adoption of the Budget will impact on the commencement of new projects and services.
Environment	N/A	Nil
Reputation	Low	The draft budget is expected to maintain the City's strong reputation for sound financial management.
Compliance	Moderate	The Budget has been developed in accordance state government legislation and associated regulations.

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS

The 2022/23 Budget was adopted by Council on 30 June 2022.

VOTING REQUIREMENTS

Absolute Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That Council ADOPT the proposed 2023/24 Budget with the following amendments:

1. _____
2. _____

CONCLUSION

The 2023/24 Budget continues the balanced approach to meeting community expectations, including a predominant rate increase of 5%. With the benefit of 59% of operating income coming from sources other than rates, the 2023/24 Budget will ensure both the immediate term needs of current residents are met while at the same time providing enhanced services and infrastructure developments to meet future requirements.

10.7 AMENDMENTS TO COUNCIL MEETING DATES

File No:	CM.191
Responsible Executive Officer:	Acting Director Corporate & Legal Services
Reporting Author:	Manager Governance and Organisational Strategy
Date of Report:	8 June 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	Nil

PURPOSE

For Council to consider amending Ordinary Council Meeting dates for the months of July and October 2023.

OFFICER'S RECOMMENDATION

That Council **APPROVE** the change in dates for the Ordinary Council Meeting for:

1. **Monday 24 July 2023 be replaced with Monday 31 July 2023;**
 2. **Monday 23 October 2023 be tentatively scheduled for a Special Council Meeting to swear in the new Council; and**
 3. **Monday 23 October 2023 be replaced with Monday 30 October 2023.**
-

BACKGROUND

The Council previously approved meeting the 2023 dates for Council on 21 November 2022. Due to the lack of availability of Council Members attending the Developing Northern Australia Conference in Darwin, it is proposed an alternative date be considered for July.

The October Council meeting of 23 October 2023 is the Monday immediately following the local government elections and the time available will not allow new council representatives sufficient time to be across all council matters for deliberation. New reform measures also are likely to delay declarations by the WAEC of newly elected members.

DISCUSSION

The ordinary Council Meeting of 24 July 2023 coincides with the DNA Conference in Darwin. The meeting can be shifted to either Monday 17 July 2023 or 31 July 2023. The earlier date is only 3 weeks after the June Council meeting and then 6 weeks until the August Council meeting date. Preference would be to go for the latter date.

The October Council meeting of 23 October 2023 is hampered by the local government elections. The release of reform measures to the *Local Government Act 1995* as it relates to the local government elections and the subsequent timing of announcements of winning candidates at the October 2023 elections, it is understood that official declarations are likely to be called by the WAEC Returning Officer on the Monday 23 October 2023. This is a departure to past practices where declarations were made following the Count on the

Election night and then the Monday was set aside for swearing in of Council Members. Options to either bring the council meeting date forward to 16 October (with a four week gap since the September Council meeting and a five week gap to the November Council meeting) or push back to 30 October (with a six and three week gap respectively).

It is further anticipated that there will be a special council meeting following the election to swear in the new Council and Mayor.

LEVEL OF SIGNIFICANCE

In accordance with Council policy CG-8 Significant Decision Making policy, this matter is considered to be of moderate significance in terms of Council's ability to perform its role.

STATUTORY IMPLICATIONS

Section 5.25(1)(g) of the *Local Government Act 1995* and Regulation 12 of the *Local Government (Administration) Regulations 1996* require disclosure of ordinary council meeting dates and any subsequent changes to those dates on the City's website.

COUNCILLOR/OFFICER CONSULTATION

Discussion has been held between the Chief Executive Officer and the Mayor.

COMMUNITY CONSULTATION

No community consultation is required.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

There are no financial implications.

STRATEGIC IMPLICATIONS

There are no strategic implications.

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Not applicable
Financial	N/A	Not applicable
Service Interruption	Moderate	A regularity of monthly Council meetings enables the efficient processing of decisions in a timely manner.
Environment	N/A	Not applicable
Reputation	Moderate	A regularity of monthly Council meetings enables the efficient processing of decisions in a timely manner.
Compliance	Low	Any changes to the ordinary council meeting dates previously published would need to be republished in accordance with the <i>Local Government Act 1995</i> .

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS

The last set of Council meeting dates was approved by Council on 21 November 2022 for the 2023 year.

VOTING REQUIREMENTS

Simple Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That Council APPROVE the change in dates for the Ordinary Council Meeting for:

1. Monday 24 July 2023 be replaced with _____ ; and
2. Monday 23 October 2023 be replaced with _____.

Option 3

That Council make no changes to the published dates for the 2023 Ordinary Council Meetings.

CONCLUSION

A change in Council meeting dates to ensure decisions required to be made by Council are not unduly delayed or affected by a lack of quorum of available Council Members.

10.8 AUDIT AND ORGANISATIONAL RISK COMMITTEE – JUNE 2023

File No:	FM.1
Responsible Executive Officer:	Acting Director Corporate and Legal Services
Reporting Author:	Manager Governance & Organisational Strategy
Date of Report:	19 June 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. Partially Confidential - Audit and Organisational Risk Committee Meeting Minutes – 19 June 2023 2. Annual Financial Report for the Year Ended 30 June 2022 3. Auditor's Independent Report 2022 4. Confidential - Management Letter - Financial Audit 5. Confidential – Risk Register

PURPOSE

To receive the minutes of the Audit and Organisational Risk Committee (AORC) meeting held on 19 June 2023 including the Auditor's Independent Report for 2022, Annual Financial Report 2022 and note the Management Report for the Financial Audit.

OFFICER'S RECOMMENDATION

That Council:

1. **RECEIVE** the Minutes of the Audit and Organisational Risk Committee meeting held on 19 June 2023;
2. **ACCEPT** the Annual Financial Report for the Year ended 30 June 2022;
3. **ACCEPT** the Independent Auditor's Report from the Office of the Auditor General for 2021/22; and
4. **NOTE** the Management Report for the Financial Audit provided by the Office of the Auditor General for the year ended 30 June 2022.

BACKGROUND

The following matters were discussed at the meeting:

- a) Committee Meeting Dates for 2023
Meetings have been scheduled for Monday 11 September 2023 and Tuesday 14 November 2023.
- b) Internal Audit Program
Endorsing a three year internal audit program inclusive of major and minor audits, annual cyclical audits and spot audits to test and ensure internal controls are operational and effective and complying with City policies and protocols.

c) 2021/22 Annual Financial Report and Audit Opinion 2022

- An unqualified independent audit report was received indicating that the City's financial report is based on proper accounts and fairly represents, in all material respects, the City's financial performance for 2021/22.
- The OAG's Financial Audit Emphasised one matter related to the restatement of comparative figures within Note 32 as it related to the 30 June 2021 financial period that were restated and disclosed as comparatives in this 30 June 2022 financial report.
- The OAG's Management Report identified two (2) significant matters (both resolved), two (2) moderate risks and three (5) minor risks.

d) Risk Register Update

194 risks have been identified across the organisation. Of 40 inherent risks classified as high or extreme, there are no residual risks rated extreme and only six rated as high. These risks are considered acceptable with regular monitoring to ensure effective control measures.

e) Regulation 17 Reviews

Information item on the ongoing activity to review systems and procedures in relation to risk management, internal controls and legislative compliance.

LEVEL OF SIGNIFICANCE

In accordance with Council policy CG-8 Significant Decision Making policy, this matter is considered to be of moderate significance in terms of Council's ability to perform its role.

STATUTORY IMPLICATIONS

Part 7 of the *Local Government Act 1995* makes provision for the Audit Committee and the conduct of audits.

Regulations 10, 14, 16 and 17 of the *Local Government (Audit) Regulations 1996* refers to the reporting by auditors, compliance audits, function of the audit committee and internal audits on risk management, internal controls and legislative compliance.

COUNCILLOR/OFFICER CONSULTATION

The Audit and Organisational Risk Committee, Chief Executive Officer, Director Corporate and Legal Services, Finance staff and Governance staff have been consulted.

COMMUNITY CONSULTATION

An Annual Electors' Meeting will be held to discuss the contents of the City's Annual Report which will include the audit opinion and annual financial report for year ended 30 June 2022.

POLICY IMPLICATIONS

The Annual Financial Report was prepared in accordance with the Australian and International Accounting Standards.

FINANCIAL IMPLICATIONS

There are no financial implications.

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2020-2030 and the Corporate Business Plan 2020-2025. In particular, the Operational Plan 2022-2023 provided for this activity:

Programs/Services:	4.c.1.1	Management Accounting Services
Projects/Actions:	4.c.1.1.19.1	Conduct monthly and annual financial reviews and reporting
Programs/Services:	4.e.1.2	Organisational Risk Management
Projects/Actions:	4.e.1.2.21.1	Assist the Office of Auditor General with financial and performance audits

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	Nil	Nil
Financial	Moderate	The annual financial audit ensures that the presentation of financial reports are a true and fair representation of the financial affairs of the City. Significant controls and oversight are in place throughout the year to monitor financial performance. Audits assist in minimising risks.
Service Interruption	Nil	Nil
Environment	Nil	Nil
Reputation	Nil	Nil
Compliance	Nil	Nil

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS

The external audit is completed annually and reported to the Audit and Organisational Risk Committee and Council prior to the Annual Electors' Meeting. Council considers the Independent Audit Report and Management Reports on an annual basis.

VOTING REQUIREMENTS

Simple Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That Council DEFER consideration of this matter pending further information.

CONCLUSION

The primary focus of the 19 June 2023 AORC meeting was to receive the Auditor's Independent Report for 2022 and the Annual Financial Report for the Year Ended 30 June 2022. Discussion also took place regarding the future committee meeting dates, internal audit program and risk management.

The OAG has provided an unqualified audit report. The Management Report highlighted two significant, two moderate and five minor risks.

11 COMMUNITY SERVICES

No reports

12 DEVELOPMENT SERVICES

12.1 WEDGETAIL AEROSPACE PTY LTD – ECONOMIC DEVELOPMENT GRANT FUNDING PROPOSAL

File No:	GS.75
Responsible Executive Officer:	Director Development Services
Reporting Author:	Economic Development Project Officer
Date of Report:	3 May 2023
Applicant/Proponent:	Wedgetail Aerospace Pty Ltd
Disclosure of Interest:	Nil
Attachments:	1. Wedgetail Aerospace Economic Development Grant Proposal 2. CONFIDENTIAL – Wedgetail Aerospace Project Plan & Budget 3. Evaluation – Wedgetail Aerospace Proposal

PURPOSE

For Council to consider a request from Wedgetail Aerospace Pty Ltd (Wedgetail) for funding to deliver a Pilbara Drone Operational Hub Proof of Concept (PoC) under Policy DE04: Economic Development Grant (EDG Policy).

OFFICER'S RECOMMENDATION

That Council **APPROVE** funding to Wedgetail Aerospace Pty Ltd as follows:

Organisation Name	Project Name	Grant Amount
Wedgetail Aerospace Pty Ltd	Pilbara Drone Hub Proof of Concept	\$60,000 (excl. GST)
TOTAL		\$60,000 (excl. GST)

BACKGROUND

The City's EDG Policy was adopted in July 2020 to:

- Provide a competitive, open and fair process for organisations to apply for funding to develop their innovative business ideas; and
- Attract diverse and sustainable business and employment opportunities to the City of Karratha.

Wedgetail submitted a funding proposal to the City under the EDG Policy on 18 April 2023. Wedgetail is a private company established in 2021 that has identified the potential to better connect regional communities and provide efficiencies for industry and businesses in regional areas through the use of large scale 'heavy' drones. This includes using heavy drones for:

- Long range delivery of time sensitive cargo (for example delivery of pharmaceuticals and pathology for urgent medical cases and/or remote patients);

- Gathering intelligence;
- Surveillance (for example mine site surveillance and security); and
- Reconnaissance of critical infrastructure.

In 2022 Wedgetail were awarded funding from the Federal Government through the Emerging Aviation Technology Partnerships (EATP) Program to develop a large drone operations hub in regional Western Australia. The EATP project is intended to:

- Identify the regulatory requirements for establishing a large drone operations hub in regional WA; and
- Fund pilot and maintenance staff training and qualifications.

This work is currently underway and will support the successful delivery of the proposed PoC.

Through this work, Wedgetail have identified that the Pilbara provides an ideal location for the PoC and potential operational hub due to access to established industry and Government departments with significant infrastructure assets requiring inspection and maintenance, whilst tracts of sparsely populated land facilitate mission planning and regulatory approval.

Wedgetail are now seeking funding from the City to complete a PoC that will demonstrate the feasibility of the technology to potential clients and stakeholders and progress them towards their goal of establishing a Pilbara Drone Operational Hub in the City of Karratha. The PoC includes:

1. Identification and securing of a suitable drone operation hub and land areas to enable the safe launch, recovery, command, control, communications and maintenance and sustainment of drone operations;
2. Identification of drone mission profiles and movement corridors which meet regulatory and commercial profiles;
3. Stakeholder engagement to enable support and acceptance of drone operations within the Pilbara environment;
4. Mission planning and approval applications submission to the regulatory bodies, including the Civil Aviation Safety Authority (CASA), Air Services Australia, the Australian Communications and Media Authority (ACMA), and others as required;
5. Training and preparation of pilots and support staff to safely and effectively conduct the PoC;
6. Logistics to enable the transport to and from Karratha and the sustainment, command, control, communications and administration of pilots, support staff, drones, equipment, goods, materials and consumables;
7. Identification of, and communications with stakeholders and customers to invite their attendance at an event which demonstrates Wedgetail's transformational capability;
8. Organisation of and conduct of the capability demonstration event; and
9. Post activity learnings and round out.

The PoC flight and capability demonstrations are scheduled to occur in October 2023. It is intended the flight will occur before the Pilbara Summit due to be held on 10-11 October 2023, and the capability demonstration will be held after the Summit. This will assist in showcasing the PoC to key stakeholders who will be in attendance at the Pilbara Summit and has the potential to increase the local economic benefit of the project through extended overnight stays.

If the PoC is successful, it could enable Wedgetail to progress towards their goal of establishing a Pilbara Drone Operational Hub in the City of Karratha.

DISCUSSION

Proposal

The City has been invited to provide financial assistance of \$121,292 (excl. GST), being half of the project cost to support the completion of the PoC.

The following benefits would apply to the City should funding be supported:

- Acknowledgment of funding support through branding and media with strong benefits of identifying the City as a progressive and innovative local government that supports local businesses and start ups;
- Potential economic benefit for Karratha should Wedgetail be successful in establishing a Pilbara Drone Operational Hub including:
 - New value chains;
 - Local employment opportunities;
 - Reduction in the cost of doing business;
 - Improved efficiency for industry, government and businesses in the region.
- The City will gain rights to the Instruments of Approval from CASA that are obtained through the PoC. This would enable the City to promote the Drone Hub opportunity to alternate proponents should Wedgetail not proceed to commercialise operations in Karratha within two years from the PoC event. The Instruments of Approval may best be described as the authority from CASA which confirms and details how a flight may occur – this is based on submission of information such as proposed platforms, altitude ceilings, flight corridors, and safety plans.

A full copy of the EDG Proposal is included as **Attachment 1** and a copy of the proposed project plan and budget is included as **Attachment 2**.

Assessment

The request has been evaluated against the assessment criteria in the EDG Policy and a copy of this assessment is included as **Attachment 3**. In brief, the evaluation determined that the proposal:

1. Aligns with the City's strategies and Operational Plan. Specifically, the proposal will assist the City to deliver against Strategy 2.d.2 in the City's Strategic Community Plan to promote the region as a business destination. It will also support various strategies in the City's Economic Development Strategy to attract and support the establishment of new businesses.
2. The initial PoC is expected to provide some economic benefit to the City through local spend on the delivery of the project. This is likely to include spend with accommodation and hospitality providers for those directly involved with the project (pilots, maintenance staff) and industry representatives who are expected to attend the capability demonstration. The establishment of the drone hub (if successful) has significant potential for local economic benefit through development of an emerging industry, creation of local jobs, and reduction of operational costs for existing local industry.
3. The proposal has a clearly identified need, however as it is an emerging industry the actual demand for this technology is untested at this stage. The costs involved in working towards regulatory approvals, including leasing and insurance for the platforms (i.e. drones), is significant. Whilst the request to the City exceeds previous funding approvals for similar projects, the funding is being leveraged through Wedgetail's own capital and EATP funding.
4. The proposal includes extensive research on the potential for the heavy drone industry and it is considered that some form of drone service has a likelihood of commercialisation in the Pilbara in the future.
5. The proposal includes a clearly defined project plan and budget.

The EDG Policy provides no methodology to determine an appropriate amount of funding to be provided to applicants and provides no maximum limits for funding. In determining a

suitable amount of funding to be provided, Administration has considered the following matters:

- The amount of funding requested represents half of the total PoC cost;
- Support of the project will assist to brand the City as an innovative local government that is supportive of new businesses, noting the PoC does not represent the actual establishment of a new industry;
- Should the PoC lead to establishment of a drone hub in Karratha, economic benefits will be realised through creation of employment opportunities, and a reduction in the cost of doing business for existing local industry;
- Planning by Wedgetail Aerospace for a drone hub in Karratha is well advanced and is considered likely to go ahead should the PoC be successful; and
- The City will be entitled to the relevant Intellectual Property rights following a two year period.

While the project is considered to generally satisfy the relevant criteria of the EDG Policy, given the substantial contribution requested and the precedent set by previous applications supported under this scheme, it is recommended that a contribution of only \$60,000 be supported by Council. This equates to approximately 25% of the PoC project cost and while less than requested, represents a genuine desire by the City to support the further advancement and use of drone technology in and around Karratha to both diversify the economy and support existing industry in the region.

Wedgetail have been made aware that the amount of funding requested is higher than the contributions the City has previously made to other similar projects and that funding provided may be lower than the amount requested. They have not indicated if a reduction in funding would impact project delivery.

Funding Request

Organisation Name	Project Name	Project	Project Total	Requested Amount	Recommended Amount
Wedgetail Aerospace Pty Ltd	Pilbara Drone Hub Proof of Concept	Identify suitable drone mission profiles inclusive of movement corridors and mission planning to enable regulatory approval, proof of concept, and capability demonstration for operation of 'Heavy' drones.	\$242,585 (excl. GST)	\$121,292 (excl. GST)	\$60,000 (excl. GST)

LEVEL OF SIGNIFICANCE

In accordance with Council Policy CG-08 Significant Decision-Making policy, this matter is considered to be of low significance in terms of social issues and economic issues as the EDG Policy provides for funding assistance to attract investment and diversify the local economy through development of new industries.

STATUTORY IMPLICATIONS

There are no statutory implications.

COUNCILLOR/OFFICER CONSULTATION

Consultation has taken place with relevant internal departments.

COMMUNITY CONSULTATION

No community consultation is required.

POLICY IMPLICATIONS

The City's EDG Policy applies.

FINANCIAL IMPLICATIONS

Funding for this proposal has been included in the draft 2023/24 Budget. If Council approve funding other than the Officer's recommendation an adjustment to the budget will be required.

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2020-2030 and the Corporate Business Plan 2020-2025. In particular, the Operational Plan 2022-2023 provided for this activity:

Programs/Services:	2.a.1.1	Small and Medium Enterprise Support
Projects/Actions:	2.a.1.1.19.1	Implement Business Support Grants

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil.
Financial	Low	Low financial risk of the City providing funding to projects that are not able to be delivered or are delivered to an inadequate standard. Risk will be managed through funding agreement.
Service Interruption	N/A	Nil.
Environment	Low	Low environmental risk as the take-off/landing areas have been identified as being developed and/or cleared sites which are appropriately zoned to allow an aerodrome to be an acceptable land use. Proposed flight corridors will maintain separation from residential dwellings and adhere to all relevant aviation requirements.
Reputation	Low	Low reputation risk of the City providing funding to projects that are not able to be delivered or are delivered to an inadequate standard. Risk will be managed through funding agreement.
Compliance	Low	Low compliance risk of project not being delivered to the agreed standard. Risk will be managed through funding agreement. The City will work with Wedgetail to ensure the project is acquitted to a satisfactory standard and agreed IP is available for City use.

IMPACT ON CAPACITY

The capacity to deliver the recommendation will be met through the City's existing operational resources.

RELEVANT PRECEDENTS

Prior to endorsement of the EDG Policy, Council considered ad-hoc requests for funding and entered into funding agreements with proponents where the project delivered benefits to the local economy. Examples of projects funded prior to formalisation of the EDG Policy include:

Project Title	Partner	Objective	City Funding (excl. GST)
Sahara Forest Project	DPIRD, the Sahara Forest Project and Yara Pilbara	Determine whether intensive agriculture is a viable and sustainable industry to diversify the local economy and provide a detailed report on findings.	\$50,000
Pilbara Rock Oyster Research and Development	DPIRD, PDC, Fisheries Research & Development Corporation, Maxima Pearling Company and Murujuga Aboriginal Corporation	Develop and implement all necessary infrastructure, policy and procedures to operate a pilot oyster trial in the Pilbara.	\$50,000
Pilbara University Centre Feasibility Study	KDCCI, Central Queensland University	Complete a feasibility and produce a business case and accompanying grant application to support establishment of a Pilbara University Centre located in Karratha.	\$27,000
Karratha Galvanising Plant Feasibility Study	Marnda Advanced Coatings	Investigate the feasibility of establishing a commercial galvanising plant in Karratha and provide a detailed report on findings.	\$40,000
Wanggalili Project	Juluwarlu Group Aboriginal Corporation, Yurra Pty Ltd, Woollahra Group Pty Ltd, BBI Group Pty Ltd, PDC, Sahara Forest Project and Abundance Produce Australia	Creation of a commercially viable and sustainable agriculture and manufacturing business utilising locally grown and harvested plants.	\$80,000

VOTING REQUIREMENTS

Simple Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That Council by APPROVE funding to Wedgetail Aerospace Pty Ltd in accordance with the below:

Organisation Name	Project Name	Grant Amount
Wedgetail Aerospace Pty Ltd	Pilbara Drone Hub Proof of Concept	
TOTAL (excl GST)		

Option 3

That Council DECLINE sponsorship funding to Wedgetail Aerospace Pty Ltd.

CONCLUSION

Wedgetail Aerospace Pty Ltd has requested funding of \$121,292 (excl. GST) to support the delivery of a PoC for a Pilbara Drone Hub. The request has been evaluated against the City's EDG Policy and is considered to meet the requirements of this Policy. It is recommended the proposal be supported for \$60,000 (excl. GST) representing approximately 25% of the PoC project value.

12.2 2024 DEVELOPING NORTHERN AUSTRALIA – PROPOSED SPONSORSHIP THROUGH MAJOR EVENTS SPONSORSHIP AND ATTRACTION PROGRAM

File No:	RC.119
Responsible Executive Officer:	Director Development Services
Reporting Author:	Economic Development Project Officer
Date of Report:	26 May 2023
Applicant/Proponent:	AST Management Pty Ltd
Disclosure of Interest:	Nil
Attachment(s):	1. 2024 DNA Request for bid proposal 2. Evaluation - 2024 DNA Conference

PURPOSE

For Council to consider a request from AST Management Pty Ltd (AST) to sponsor the 2024 Developing Northern Australia (DNA) Conference under Policy DE03: Major Event Sponsorship and Attraction Program Policy (MESAP Policy).

OFFICER'S RECOMMENDATION

That Council **APPROVE** sponsorship funding to AST Management Pty Ltd as follows:

Organisation Name	Project Name	Grant Amount
AST Management Pty Ltd	2024 Developing Northern Australia Conference	\$142,000 (excl. GST)
TOTAL		\$142,000 (excl. GST)

BACKGROUND

The City's MESAP Policy was adopted in 2017 to provide a competitive, open and fair process for organisations to apply for sponsorship to deliver major events that result in economic and social benefits in the City of Karratha. It was also designed to ensure Council's

investment in sponsorship provides best value for money for the attraction and support of major events.

AST submitted a proposal to the City under the MESAP Policy on 4 May 2023. AST are a for-profit corporate event management company.

DNA is an annual event which aims to bring together key decision makers from all levels of government, industry, business and trade who have influence over Northern Australia. The 2024 DNA Conference is proposed to be held at the Red Earth Arts Precinct on 12-14 August 2024. It is expected that the 2024 event will attract in excess of 300 delegates.

DNA is the only conference to focus on core issues, policies, solutions and outcomes relating solely to Northern Australia. DNA delegates generally consist of policy makers,

decision makers, officials and leaders who work together for a stronger, healthier, more cohesive Northern Australia.

The following topics, which are pertinent to the development of Northern Australia, are generally a focus of the conference, and have alignment with the City's vision and strategic themes:

- Tourism and Hospitality (Rethinking place-based approaches to destination development, support for small business in the tourism sector, new tourism sector development);
- Infrastructure (strategic transport and logistics, beef roads – cattle supply chain, towards a Northern Infrastructure Plan, integrating rail, air services and ports, Indigenous procurement);
- Resources and Energy (energy futures for northern Australia, securing new investment in energy, energy research and development, Governance and policy for the energy sector);
- International Education (Outlook and northern investment opportunities, Innovation in the education sector);
- Healthcare, Medical Research and Aged Care (research, development and innovation, outlook and northern investment opportunities, innovation);
- Business Opportunities (Indigenous engagement, digital and remote technologies, young entrepreneurs, reducing red tape, supporting SMEs);
- Workforce (backpackers, seasonal and local workforce development options, industry workforce needs, development of structured migration plans, securing indigenous employment opportunities);
- Food and Agribusiness (New models for food and agribusiness development, securing investment in food and agribusiness, innovation and leadership in agri-food production, developing trade and strategic links); and
- Land and Water (regional approaches to development planning, navigating flexible land tenure options, sustainable options for developing water harvest and supply, integrated land, water and infrastructure development, issues surrounding forestry).

DISCUSSION

Proposal

AST Management Pty Ltd have invited the City to purchase a Host City Partner sponsorship for the 2024 Developing Northern Australia Conference.

The Host City Partner sponsorship involves a commitment of \$142,000 (excl. GST).

The proposed sponsorship includes the following benefits:

- Special announcement of the conference location and relationship with the City, at the close of the 2023 conference in Darwin, in the presence of the plenary delegation, government representatives and media delegates including promotional video of the conference destination (supplied by the City);
- Dedicated email notification launching DNA 2024 Conference and Host City;
- Primary exposure of host partner on event collateral and publications as host partner including conference handbook and website of the 2024 conference;
- Acknowledgement at the opening and closing ceremonies at DNA 2024;
- City logo to appear on the conference title slides;
- Opportunity to provide a complimentary arrival gift or brochure (City to supply);
- Recognition as Host Partner with a description and logo in the Initiative App, handbook and website;
- Logo and links to the City's website included in all HTML email marketing campaigns;
- Full page advertisement in Initiative Handbook;
- Initiative App advertisement (banner on bottom of main screen) - 640 x 90 pixels;

- One digital banner on northaust.org.au;
- Three social campaigns (blog post, LinkedIn, Twitter and Facebook) to be used at the City's discretion;
- Prominent display of one banner on the plenary stage;
- One question inclusion in conference post event survey;
- City logo included on door and venue signs;
- Double (6m by 2m) booth in a prime location within exhibition area;
- Six full registrations to the conference and networking function;
- Option to chair a concurrent session;
- Two representatives on the Program Advisory Committee; and
- Mayor invited to open the conference and address the Welcome Reception.

Assessment

The request has been evaluated against the assessment criteria in the MESAP Policy which can be found at **Attachment 2**.

In brief, the evaluation determined that the proposal:

1. Aligns with the City's strategies and plans and aligns with the MESAP Policy to attract conferences to the region, support local business and support the development of new industries by allowing thought leaders to gather and share information;
2. Would provide good economic benefit with most of the event budget spend being with local businesses, with an estimated delegate spend of \$497,000 and direct local conference expenditure of \$305,000;
3. Would directly support activation of the City Centre;
4. Will not have an adverse environmental impact;
5. Will provide good branding and marketing benefits to the City and promotion of the region to a broad audience of participants; and
6. Is unlikely to experience any issues with delivery.

The organisation and delivery of the conference is proposed to be managed by AST Management Pty Ltd with minimal resourcing input required by the City. The City is currently working on delivery of both the 2023 Organisation for Economic Co-operation and Development (OECD) Meeting of Mining Regions and Cities, and 2023 National Economic Development Conference (NEDC). The sponsorship cost for DNA is similar to the net cost to the City organising and hosting each of these conferences, with the benefit that DNA will not require significant City resources for organisation and delivery of the event.

Administration has considered the sponsorship and is of the view that the branding, promotion, and networking benefits provided through the Host City Partner sponsorship for the 2024 Developing Northern Australia Conference provides good value for money. The sponsorship will deliver economic benefit for local business, will result in minimal impact to City resources for delivery, and with the sponsorship expense being broadly aligned to delivery costs of both NEDC and OECD conferences. It is therefore recommended that the City accept the invitation for the Host City Partner sponsorship package.

Sponsorship Request

Organisation Name	Project Name	Project	Project Total	Requested Amount	Recommended Amount
AST Management Pty Ltd	2024 Developing Northern Australia Conference	Conference to discuss economic growth, investment, development and sustainability for Northern Australia.	\$305,275	\$142,000 (excl. GST)	\$142,000 (excl. GST)

LEVEL OF SIGNIFICANCE

In accordance with Council policy CG-8 Significant Decision Making policy, this matter is considered to be of low significance in terms of social issues and economic issues as the MESAP Policy anticipates funding assistance for major events.

STATUTORY IMPLICATIONS

There are no statutory implications.

COUNCILLOR/OFFICER CONSULTATION

Consultation has taken place with relevant internal departments.

COMMUNITY CONSULTATION

No community consultation is required.

POLICY IMPLICATIONS

The City's MESAP Policy applies.

FINANCIAL IMPLICATIONS

Funding for DNA Conference has been included in the draft 2023/24 Budget. If Council approve funding other than the Officer's recommendation an adjustment to the budget will be required.

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2020-2030 and the Corporate Business Plan 2020-2025. In particular, the Operational Plan 2022-2023 provided for this activity:

Programs/Services:	2.a.2.1	Investment Attraction and Diversification
Projects/Actions:	2.a.2.1.21.4	Deliver Major Events Sponsorship and Attraction Program (MESAP)

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	Low	Nil.
Financial	Low	Low financial risk of the City providing funding to events that are not able to be delivered or are delivered to an inadequate standard. Risk will be managed through funding agreement.
Service Interruption	N/A	Nil.
Environment	Low	Low environmental risk as the event will be held at the Red Earth Arts Precinct, with no foreseeable impact on natural environment and no residential noise impact.
Reputation	Low	Low reputation risk of the City providing funding to events that are not able to be delivered or are delivered to an inadequate standard. Risk will be managed through funding agreement.
Compliance	Low	Low compliance risk of sponsorship not being provided to the agreed standard. Risk will be managed through funding agreement. The City will work with AST to ensure the sponsorship is acquitted to a satisfactory standard.

IMPACT ON CAPACITY

The capacity to deliver the recommendation will be met through the City's existing operational resources.

RELEVANT PRECEDENTS

Council has endorsed proposals under the MESAP Policy since 2017 as follows:

Year	Name	Total Funding Awarded (excl. GST)
2017/2018	Brew & the Moo	\$100,000
2018/2019	Australian Performing Arts Conference	\$100,000
	Southern Deserts Conference	\$14,138
	Developing Northern Australia Conference	\$100,000
	WA Regional Tourism Conference	\$125,000
2019/2020	Burrup Classic Open Water Swim	\$60,000
	Chevron City to Surf for Activ	\$25,000
	OECD Conference	\$74,000
	NEDC 22	\$81,620
2021/2022	Town Team Movement Conference 2022	\$10,000
	Pilbara Summit 2022	\$20,000
2022/2023	Warlu Way Tourism Conference	\$20,000
	Chevron City to Surf for Activ	\$40,000
	Pilbara Summit 2023	\$20,000
	The Karijini Experience	\$10,000

The City's sponsorship of the 2019 DNA Conference through MESAP resulted in:

- 361 Delegates attending with 44% travelling from interstate;
- 75% of all suppliers engaged for event delivery were local Karratha businesses who shared in \$204,162 of local spend;
- Over 740 nights of accommodation were booked with local business with a total estimated spend of \$203,158; and
- An estimated \$139,506 of visitor spend in the local economy.

VOTING REQUIREMENTS

Simple Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That Council APPROVE sponsorship funding to AST Management Pty Ltd for the 2024 Developing Northern Australia Conference in accordance with the below:

Organisation Name	Project Name	Grant Amount
AST Management Pty Ltd	2024 Developing Northern Australia Conference	
TOTAL (excl GST)		

Option 3

That Council by REFUSE sponsorship funding to AST Management Pty Ltd.

CONCLUSION

AST Management Pty Ltd has requested Sponsorship of \$142,000 for the delivery of the 2024 Developing Northern Australia Conference through the City's MESAP Program. The request has been evaluated against the City's MESAP Policy and is considered to meet the requirements of this Policy. It is recommended that the application be supported for the full amount of funding.

13 STRATEGIC PROJECTS & INFRASTRUCTURE

13.1 DISPOSAL OF SCRAP METAL AND LEAD ACID BATTERIES

File No:	CM.481
Responsible Executive Officer:	Director Strategic Projects & Infrastructure
Reporting Author:	Manager Waste, Fleet and Depot
Date of Report:	31 May 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	Nil

PURPOSE

For Council to consider calling tenders for the disposal of scrap metal and lead acid batteries from the 7 Mile Waste Facility.

OFFICER'S RECOMMENDATION

That Council APPROVE the calling of tenders for disposal of scrap metal and lead acid batteries.

BACKGROUND

Resource recovery and minimising waste to landfill is a key strategy in operating the City's 7 Mile Waste Facility. For a period now, the City's Waste Operations have separated the scrap metal on site for resource recovery purposes.

Waste, once accepted by the City, is considered property for the purposes of the *Local Government Act 1995* (the Act). The Chief Executive Officer (CEO) has delegation to dispose of property other than an interest in land and where the property is not on the City's asset register up to the value of \$500,000 excluding GST. Waste including scrap metal and lead acid batteries received at the 7 Mile Waste Facility is considered property not on the City's Asset register. In accordance with Act and associated regulations, Council may only dispose of property by public auction, calling tenders or through private treaty. The City has held a contract with Sims Group Australia Holdings Pty Ltd (Sims) for the disposal of scrap metal and lead acid batteries since February 2021 with the final one-year extension option expiring in January 2023.

DISCUSSION

Scrap metal prices are subject to market fluctuation and to maximise potential revenues the previous contract included formulas for the calculation of tonnage prices based on a fixed percentage of the quarterly spot metal prices published in the TEX Report and London Metals Exchange (LME). During the previous contract term these values increased significantly from \$113 to \$169 per tonne for scrap metal and \$306 to \$398 per tonne for lead acid batteries.

The City collects approximately 584.35 tonnes of scrap steel per annum. Together with the scrap steel and batteries, these products have a residual value and recycling potential of \$185,000 per annum.

In order to collect scrap metal a contractor is required to:

- Provide personal, machinery and transport to sort heavy and light gauge steel, and car bodies;
- Process light gauge and scrap cars into bales; and
- Load and remove bales, heavy gauge, and heavy oversize from site, via 7 Mile weigh bridge.

On completion of this process, the metal storage area is to be cleaned via machine and magnet to elevate any damage to vehicles and machinery. The contractor must also have the relevant Western Australian licenced and registered vehicle for the transport of Lead Acid Batteries, Batteries are Class 9, Miscellaneous Dangerous Goods. This process typically occurs on a six-monthly basis when sufficient volume has been collected to warrant removal from 7 Mile Waste facility.

Based on the investment required by any contractor, Officers recommend calling tenders as the most appropriate way of disposing of property and further propose a three-year term contract with two (2) one-year extensions to provide the City with a longer-term contractual arrangement.

LEVEL OF SIGNIFICANCE

In accordance with Council Policy CG-8 Significant Decision-Making Policy, this matter is considered to be of low significance in terms of environmental and economic issues.

STATUTORY IMPLICATIONS

Tenders would be advertised in accordance with the requirements of Disposal of Property under *Section 3.58 of the Local Government Act 1995*.

Further, *Section 55 of the Waste Avoidance and Resource Recovery Act 2007* states that all waste received by a local government;

- a) becomes the property of the local government; and
- b) may be destroyed, sold or otherwise disposed of by the local government.

COUNCILLOR/OFFICER CONSULTATION

No Councillor or Officer consultation is required.

COMMUNITY CONSULTATION

No community consultation is required.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

The City has received income of approximately \$350,000 for the disposal of scrap metal and lead acid batteries during the previous two financial years. Subject to commodity prices and volumes collected, the City may realise income of up to \$700,000 over a five-year term.

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2020-2030 and the Corporate Business Plan 2020-2025. In particular, the Operational Plan 2022-2023 provided for this activity:

Programs/Services: 3.c.2.3 Resource Recovery
 Projects/Actions: 3.c.2.3.19.3 Support Implementation of the State Waste Strategy 2030

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	Low	Possible increased income with trend in commodity price.
Service Interruption	N/A	Nil
Environment	Low	Gases are removed from refrigeration units including air conditioners before being removed from site. All scrap metal and lead acid batteries are subsequently processed and recycled.
Reputation	Low	Promotes reputation as a sustainable Council.
Compliance	Low	Calling tenders complies with the legislative requirements to dispose of property

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS

Previous tender DOP01-20/21 Disposal of Scrap Metal and Lead Acid Batteries expired January 2023.

VOTING REQUIREMENTS

Simple Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That Council NOT to call tenders for the disposal of scrap metal and lead acid batteries at this time.

Option 3

That Council RESOLVES to call tenders for the disposal of scrap metal and lead acid batteries, through public auction.

CONCLUSION

The City receives significant volumes of scrap metal and lead acid batteries at 7 Mile Waste Facility. These products are considered property of the local government and have a residual value.

In order to dispose of these waste streams officers, propose, Option 1 to call for tenders for the Disposal of Scrap Metal and Lead Acid Batteries for a three-year term contract with two (2) one-year extensions.

13.2 RFT 09-22/23 HILLVIEW AND BALMORAL ROADS RECONSTRUCTION

File No:	RD.185; CM.571
Responsible Executive Officer:	Director Strategic Projects and Infrastructure
Reporting Author:	Manager Infrastructure Projects
Date of Report:	21 June 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	Confidential - Tender Evaluation Report

PURPOSE

For Council to consider the tender for the Hillview and Balmoral Roads Reconstruction Tender, Number RFT 09-22/23.

OFFICER'S RECOMMENDATION

That Council:

1. **ACCEPT** the tender submitted by BCP Contractors Pty Ltd, ABN 24 602 859 405 as the most advantageous tender to form a contract, based on the assessment of the compliance criteria, qualitative criteria and pricing structures offered under RFT 09-22/23 Hillview and Balmoral Roads Reconstruction; and
 2. **EXECUTE** a contract with BCP Contractors Pty Ltd for the delivery of the Separable Portions One, Two, Three and Four and all associated works as contained in this report, **SUBJECT** to any variations of a minor nature.
-

BACKGROUND

Hillview and Balmoral Roads are both Local Distributor roads connecting businesses, community, and emergency services within the City of Karratha to the key Regional Distributor, Dampier Road, and the District Distributor, Bayview Road. The two roadways have high daily volumes of traffic, however, together with the intersection roundabout they critically need to comply with current road standards for accommodating larger articulated haulage vehicles.

The proposed Hillview and Balmoral Roads reconstruction project will deliver widening and pavement reconstruction of Hillview and Balmoral Roads, including the intersection roundabout, street lighting, and culvert and drainage upgrades to meet the safety requirements of Austroads and Main Roads WA standards. These upgrades will also increase the productivity and safety of heavy vehicle operations. The completed works will ensure better functionality and longevity for local businesses and road users in line with the revitalisation of the City Centre and represents the final remaining works associated with the Karratha City Centre Infrastructure Works progressively delivered over the past decade. The work also includes soft and hard landscaping improvements to align with its status and location within the City Centre.

At its meeting of 12 December 2022, Council resolved to call tenders for Hillview and Balmoral Roads Reconstruction with four (4) separable portions included, to enable potential value management.

The works includes, but are not limited to:

- a) Road widening and resurfacing, including drainage upgrades to meet safety requirements and standards under Austroads and Main Roads WA standards for RAV 2A roads;
- b) Realise a minimum design life of 25 years for the infrastructure, given it is a crucial City asset;
- c) Relocation of some thirteen light poles to improved street lighting following the Horizon Power standards;
- d) Existing water main redirection and upgrade following the Water Corporation standards;
- e) Existing culvert and drainage upgrade;
- f) Removal of the existing traffic management devices and an upgrade of all line marking and associated wayfinding and signage; and
- g) Verge landscaping improvements in line with its status and location within the City Centre.

The project was tendered with separable portions to provide value management options and ensure the City could stage the overall works depending on the tender outcome.

The four (4) Separable Portions are as described below:

a) Separable Portion One (Balmoral Road and Intersection Roundabout)

Consists of the civil earthworks, vehicle cross over and culverts, road base, asphaltting, kerbing, concrete shared path and pram ramps, and associated traffic management, wayfinding and line marking, and utility upgrades to relocate street lighting by Horizon power and the redirecting of the existing Water Corporation assets for the construction of the primary Distributor Road together with the local road connections and the roundabout intersection at Hillview Road.

The City's Public Art on the island of the Hillview and Balmoral Roads intersection roundabout will be decommissioned to accommodate the work. The Public Artwork is not listed on the City's Asset Register.

b) Separable Portion Two (Hillview Road East)

Consists of the civil earthworks, vehicle cross over and culverts, road base, asphaltting, kerbing, concrete shared path and pram ramps, and associated traffic management, wayfinding and line marking, and utility upgrades to relocate and improve Horizon Power street lighting and the redirecting of the existing Water Corporation assets for the construction of the secondary road together with the local road connections and to the east of the roundabout intersection at Balmoral Road.

c) Separable Portion Three (Hillview Road West)

Consists of the civil earthworks, vehicle cross over and culverts, road base, asphaltting, kerbing, concrete shared path and pram ramps, and associated traffic management, wayfinding and line marking, and utility upgrades to relocate and improve Horizon Power street lighting and the redirecting of the existing Water Corporation assets for the construction of the secondary road together with the local road connections and to the west of the roundabout intersection at Balmoral Road.

d) Separable Portion Four (Landscape)

Verge landscaping improvements in line with its status and location extending along the eastern and western sides of Balmoral Road, the northern and southern side of the secondary Hillview Road, including feature landscaping to the new intersection roundabout at Balmoral Road and provide irrigation and reticulation network and to align with the technical design documents.

Tenders were advertised on 26 April 2023 and closed 7 June 2023.

Three (3) tenders were received by the closing date from:

- BCP Contractors Pty Ltd
- CORPS Earthmoving Pty Ltd
- Norwest Sand & Gravel Pty Ltd

The tenders were evaluated by a three (3) person panel comprising of:

- Manager Infrastructure Projects
- Project Manager
- Technical Services Coordinator

The tenders were first assessed for compliance with the tender documents. The tenders were then assessed against the qualitative criteria that were weighted.

The criteria and associated weightings were:

Criteria	Weighting
Price	50%
Methodology	20%
Capability to Deliver	15%
Relevant Experience	10%
Sustainability	5%

The Regional Price Preference Policy was applied to two (2) local tenderers.

A copy of the Evaluation Report is contained within the confidential section of the agenda.

The Director Strategic Projects and Infrastructure and the Chief Executive Officer have endorsed the recommendation.

LEVEL OF SIGNIFICANCE

In accordance with Council policy CG-8 Significant Decision Making policy, this matter is considered to be of moderate significance in terms of social issues and economic issues.

STATUTORY IMPLICATIONS

Section 3.57 of the *Local Government Act 1995* and associated regulations are applicable.

COUNCILLOR/OFFICER CONSULTATION

Council was consulted in December 2022 to invite tenders for the Hillview and Balmoral Roads Reconstruction.

Officers have undertaken consultation across all Departments, to draft the tender documents and update the accumulated project knowledge.

COMMUNITY CONSULTATION

During the design phase, Officers and the Consultants had limited consultation with key stakeholders; however, they included the Karratha International Hotel and the Karratha Youth Hub due to specific impacts associated with the proposed work.

A detailed project communication plan will be prepared to identify all key stakeholders and implement strategies to inform each stakeholder of the works and any impacts on traffic movement. Further community and stakeholder consultation will occur following Council's determination and prior to the Contractor's mobilisation to ensure that the businesses, emergency services and all neighbouring properties are consulted around the traffic management strategy for the project.

Current consultation with the Ngarluma Aboriginal Corporation (NAC) is also ongoing to review any potential heritage impacts and monitor the changes in legislation.

The Contractor will also be responsible for establishing a detailed communication plan to provide regular updates to stakeholders, including businesses and emergency services.

POLICY IMPLICATIONS

Council Policies CG12 - Purchasing, CG11 - Regional Price Preference and CG12 - Public Art Policy is applicable to this matter.

FINANCIAL IMPLICATIONS

Council had allocated \$3,127,147 (excluding GST) in its Long-Term Financial Plan and in its original 22/23 Budget to this project. The historical figures used for the estimates were based on rates from projects prior to the 22/ 23 Budget.

In March 2023, following an earlier tendering of the Coolawanyah Road Stage Three works, a revised estimate of \$5,225,000 (excluding GST) was prepared the civil and infrastructure works only, excluding the landscaping from the scope of work. On this basis, \$5,225,000 (excluding GST), is included in the draft 23/24 Budget. Noting the increased estimates may not include all elements such as landscaping, Officers then structured the tender to include Separable Portions to enable value management if required.

The preferred tender's submission is within the proposed budget allocation to deliver all works associated including Separable Portions One to Four. Noting the condition of the current road, this being the final major civil works associated with the Karratha City Centre infrastructure Works and the tendered outcome, Officers recommend all Separable portions of the works be progressed.

The City has secured grant funding of \$2,084,000 (excluding GST) through the Main Roads Western Australia Regional Road Group Funding to deliver this project.

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2020-2030 and the Corporate Business Plan 2020-2025.

In particular, the Operational Plan 2022-2023 provided for this activity:

Programs/Services:	1.a.1.1	Civil Infrastructure Works Construction and Maintenance.
Projects/Actions:	1.a.1.1.22.1	Construction of Hillview Road and Balmoral Road Intersection in Karratha CBD (RRG Funding).

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	Moderate	If reconstruction works do not proceed, maintenance costs are guaranteed to increase due to failing sealed road surfaces and poor road geometry. The project has significant external funding that is at risk should the work not proceed.
Service Interruption	Low	Should works proceed there will be an impact on road access and power provision for a period during the works. The Contractor is responsible for Management Plans development and implementation, including the Communication and Traffic Management Plan.
Environment	Low	Construction will be in accordance with all statutory and relevant standards. Noise output and dust pollution throughout construction, will be managed by the contractor. Tenders included a Sustainability criterion in the evaluation for which Tenderer are to outline initiatives their organisation uses to reduce the environmental impacts of their organisation and how those translate into day-to-day operations.
Reputation	Moderate	The safety, functionality, and condition of roads is a responsibility of Council. Council could improve the heavy vehicle experience through the enhancement of Hillview and Balmoral Roads upgrade works. Improvement in the inner-city road network is likely to deliver positive reputational impact for Council.
Compliance	Low	Detailed design documentation has been undertaken by qualified design consultants and civil engineers to ensure compliance with current and relevant standards. Tenders were called and administered in accordance with the <i>Local Government Act 1995</i> and associated regulations. Any works are expected to comply with relevant standards.

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation. Management of the potential successful tenderer and future maintenance programs are afforded within existing resources.

RELEVANT PRECEDENTS

The City has previously undertaken infrastructure works including major road construction to enhance aesthetics and improve infrastructure and safety for road users, light industry and as a gateway to the City Centre, Emergency Services and the Karratha Health Campus.

The most recent major road reconstruction undertaken by the City included the Reconstruction of Coolawanyah Road Stage Three under RFT 24-21/22 awarded to Northwest Sand & Gravel Pty Ltd which commenced in May 2022 and was completed in December 2022.

VOTING REQUIREMENTS

Simple Majority.

OPTIONSOption 1

As per Officer's recommendation.

Option 2

That Council:

1. ACCEPT the tender submitted by BCP Contractors Pty Ltd, ABN 24 602 859 405 as the most advantageous tender to form a contract, based on the assessment of the compliance criteria, qualitative criteria and pricing structures offered under RFT 09-22/23 Hillview and Balmoral Roads Reconstruction; and
2. EXECUTE a contract with BCP Contractors Pty Ltd for the delivery of the Separable Portions _____ as contained in this report, SUBJECT to any variations of a minor nature.

Option 3

That Council:

1. REJECT all tenders under RFT 09-22/23 Hillview and Balmoral Roads Reconstruction as no tenderer offered an advantageous outcome to the City; and
2. READVERTISE the tender.

CONCLUSION

The Evaluation Panel believes that the recommended tenderer has the capacity to deliver the works to the standard expected by the City and has provided the most advantageous outcome for the project.

Should Council support the Officer's recommendation the Contract period would commence on 7 July 2023, subject to contract negotiations. The combined Separable Portions, and all associated work under the Contract is anticipated to be delivered within eight (8) months inclusive of approvals and management plans from the date of Award.

14 ITEMS FOR INFORMATION ONLY

Responsible Officer: Chief Executive Officer

Reporting Author: Minute Secretary

Disclosure of Interest: Nil

PURPOSE

To advise Council of the information items for June 2023.

VOTING REQUIREMENTS

Simple Majority.

OFFICER'S RECOMMENDATION

That Council note the following information items:

14.1 Concession on Fees and Charges

14.2 Community Services update

14.3 Write Off of Interest on Outstanding Rates Debtors

14.1 CONCESSION ON FEES FOR COUNCIL FACILITIES

File No: CR.38

Responsible Executive Officer: A/Director Community Services

Reporting Author: A/Director Community Services

Date of Report: 15 May 2023

Disclosure of Interest: Nil

PURPOSE

To provide Council with a summary of all concessions on fees for Council facilities and services under Section 1.10 of the Delegations Register since the last Ordinary Council Meeting.

Name	Reason	Amount (ex GST)
Parliamentary Commissioner (Ombudsman Western Australia)	Good Decision Making and Complaint Handling Seminar. Fee waive Studio room hire 15 May 2023 9am-3pm	\$1,043.64
Reach Us Pilbara	Annual Quiz Night Fundraiser 27 May 2023. Proceeds for ancillary support services for cancer patients living in the Pilbara.	\$445.45
Community Facilities	KLP Mother's Day promotion –Fitness Classes \$22/ 5 patrons Body Pump x2 Patrons Body Balance x3 Patrons	\$100.00
Kimberley Experiences Group	Nexus Airline Promotion Event - Venue Hire REAP 31 May 2023, 3 hours @ \$135/hr.	\$368.18

14.2 COMMUNITY SERVICES UPDATE

File No: CS.23

Responsible Executive Officer: A/Director Community Services

Reporting Author: EA to the Director Community Services

Date of Report: 30 May 2023

Applicant/Proponent: Nil

Disclosure of Interest: Nil

Attachment(s) Nil

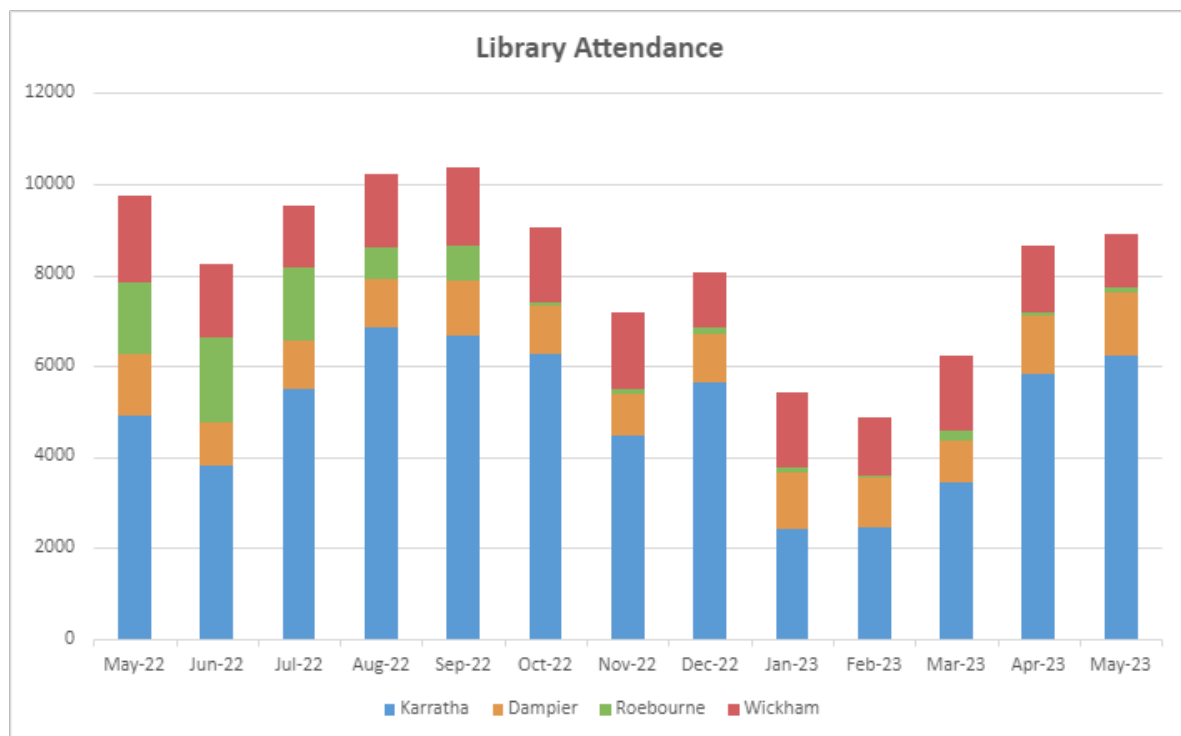
PURPOSE

To provide Council with a Community Services update for May 2023.

Community Facility Attendance Summary

Facility Attendance	May 2022	May 2023	%
The Youth Shed	845	673	↓20%
The Base	812	1138	↑40%
Total Library	10053	8780	↓13%
Karratha Leisureplex	40196	48465	↑21%
Wickham Recreation Precinct	3111	2791	↓10%
Roebourne Aquatic Centre			
REAP	5127	8761	↑71%
Indoor Play Centre	2116	1960	↓7%
Community Liveability Programs	May 2022	May 2023	%
Security Subsidy Scheme properties	17	16	↓6%
Meet the Street parties	1	2	↑100%

Library Services



Total Library:

10274 Total memberships (**90** new members signed up in May)

3184 Physical items borrowed **752** eResources borrowed

918 Individual computer log ins by Members and Guests (excludes Wi-Fi)

926 Program participants at **71** Programs (including Rhyme Time, Story Time, Monday Funday and Memory Preservation Station Information Sessions)

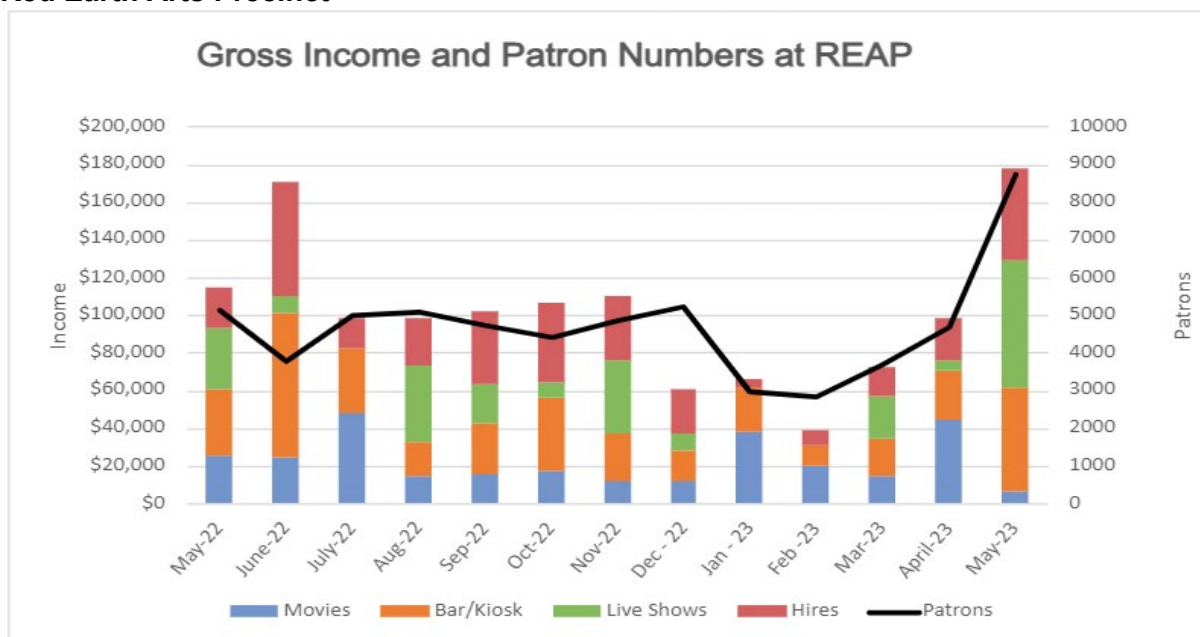
11 Better Beginnings Packs were Distributed to Pop Health, Kindy Classes and Library Patrons

720 Technical enquiries (including assistance with Computers, Wi-Fi___33, Printing and Scanning)

8 External requests for Local History information

*Karratha Library door counter was not functioning 1-17 May. Based on average door count per day, the door count is up compared to May 2022.

*REAP 5th Birthday - **160** Participants at Special Story Time and **65** Visitors to the Mini Museum

Red Earth Arts Precinct**Red Earth Arts Precinct:**

With a total of **\$177,514** in income, May was our biggest month in the past year! High ticket sales for REAF theatre shows led to a **49%** increase in live show income.

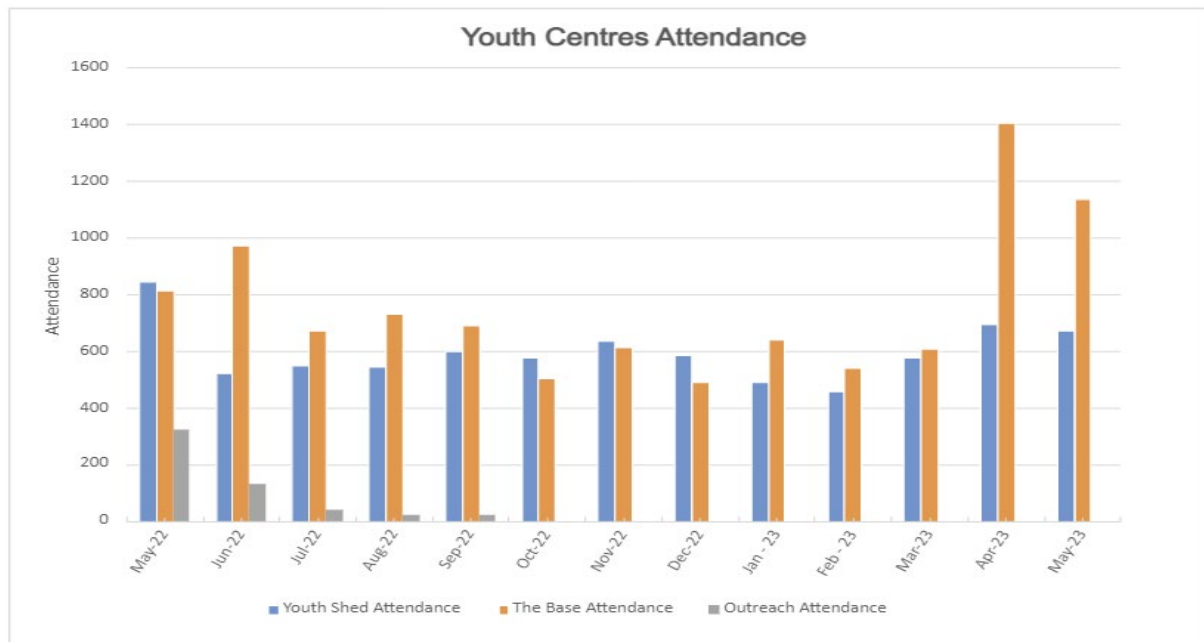
Melbourne International Comedy Festival (MICF) proved a hit again with **\$36k** in ticket sales and **\$17K** in bar and kiosk sales. The show generated **\$18k** after royalties and show fees.

Bar sales increased by **37%** thanks to the live shows.

Movie sales were down from the previous year by **75%** but this was to be expected as May 2022 saw the release of Top Gun and we finished May with 3 sell out sessions. There were no blockbusters in May 2023, so it was mostly reruns from April.

A total of **675** patrons watched **21** movies with an average of 33 patrons per session with an income of \$6720. **25** venue hires with a few large events VRA (Volunteer recognition awards), Rio Tinto service dinner, KDCCI and Aviair Mutual Trust AGM. Some events were postponed last May due to Covid rules within some organisations.

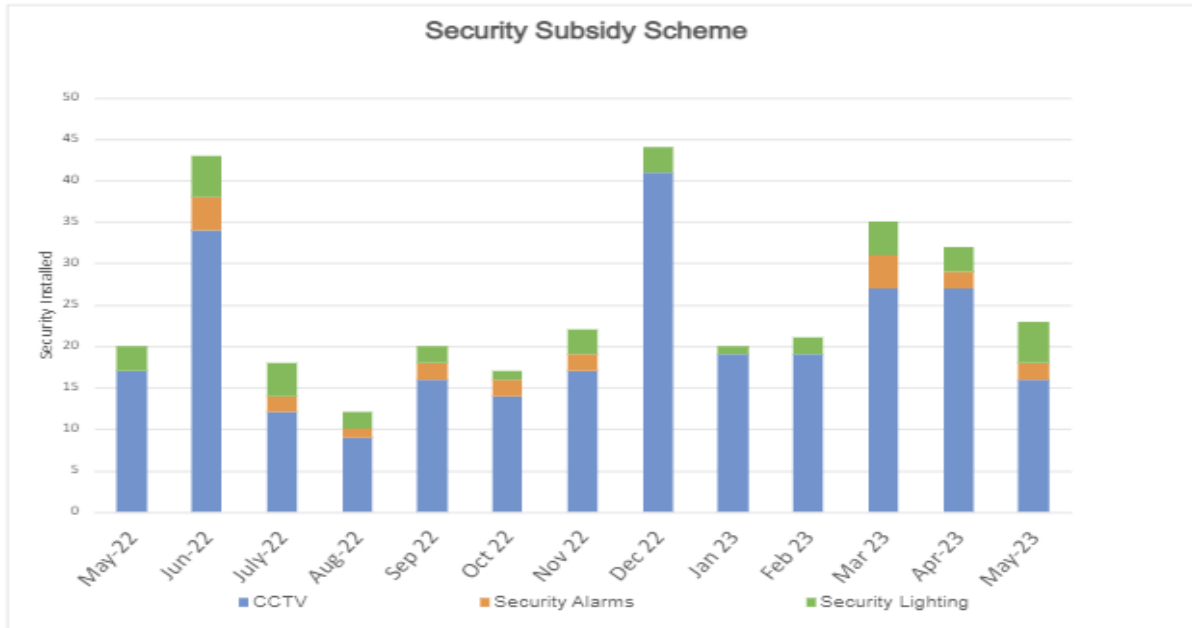
Youth Services



The Base and Youth Shed:

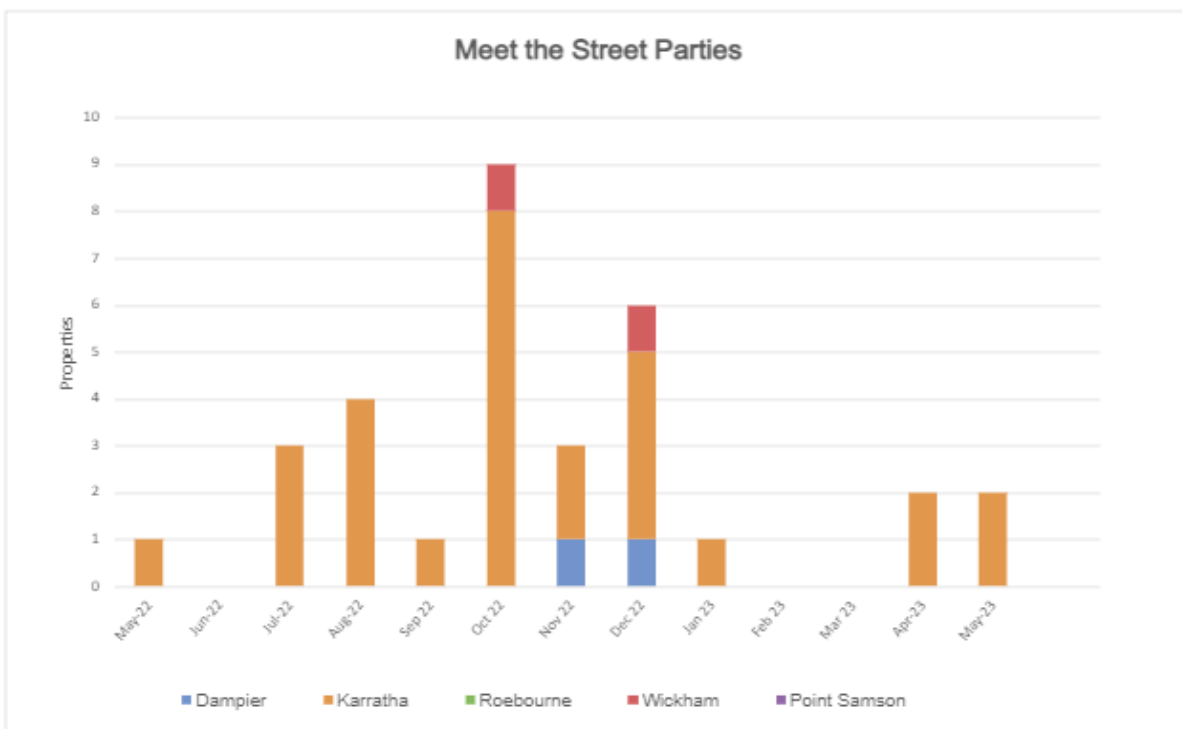
The Youth Shed has seen a consistent number of youths attend the service. Due to staff shortage, we had to close 3 days of the month. With programming back up and running we are seeing much more engagement, a decrease in negative behaviours and a lot of new faces attend the service.

Liveability



Security Subsidy:

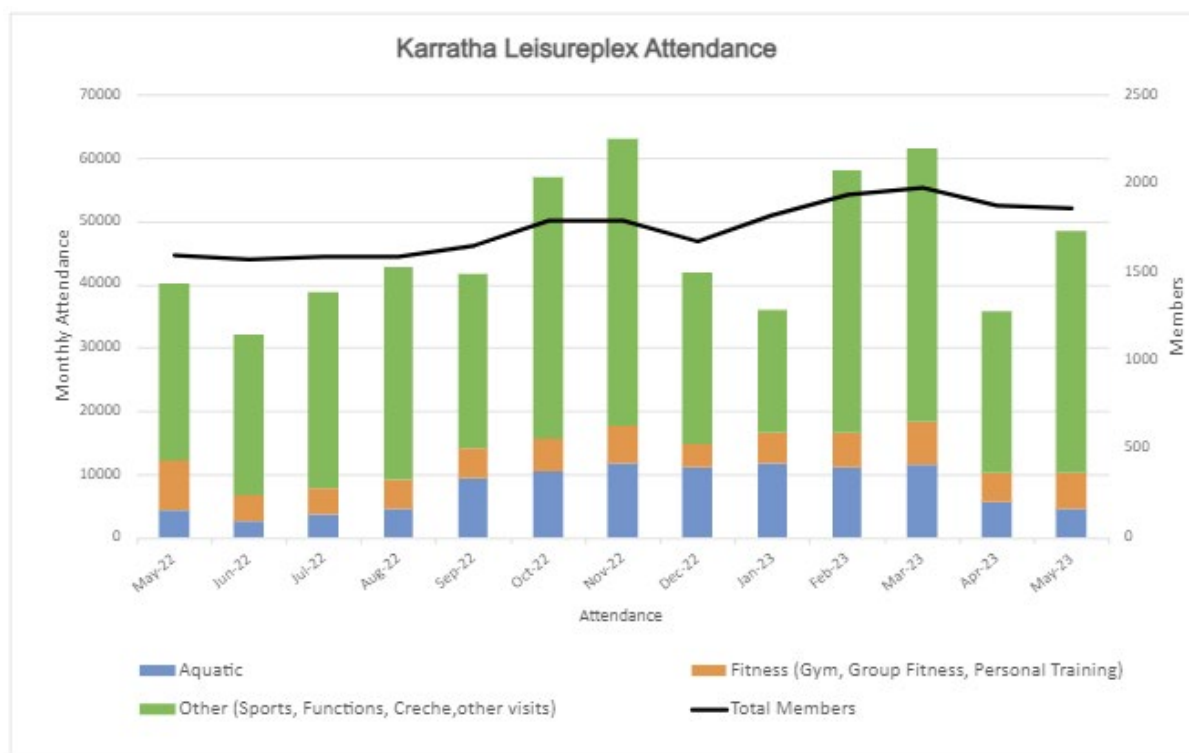
16 applications this month which is similar statistics to May 2022, however, we have noted a slight increase on security equipment expenditure in comparison.



Meet the Street:

2 Meet the Street parties this month, which is **1** more than this time last year. Anticipating an increase for the next coming winter months. Noticing people are not using the full \$200 when hosting.

Recreation Facilities



KLP

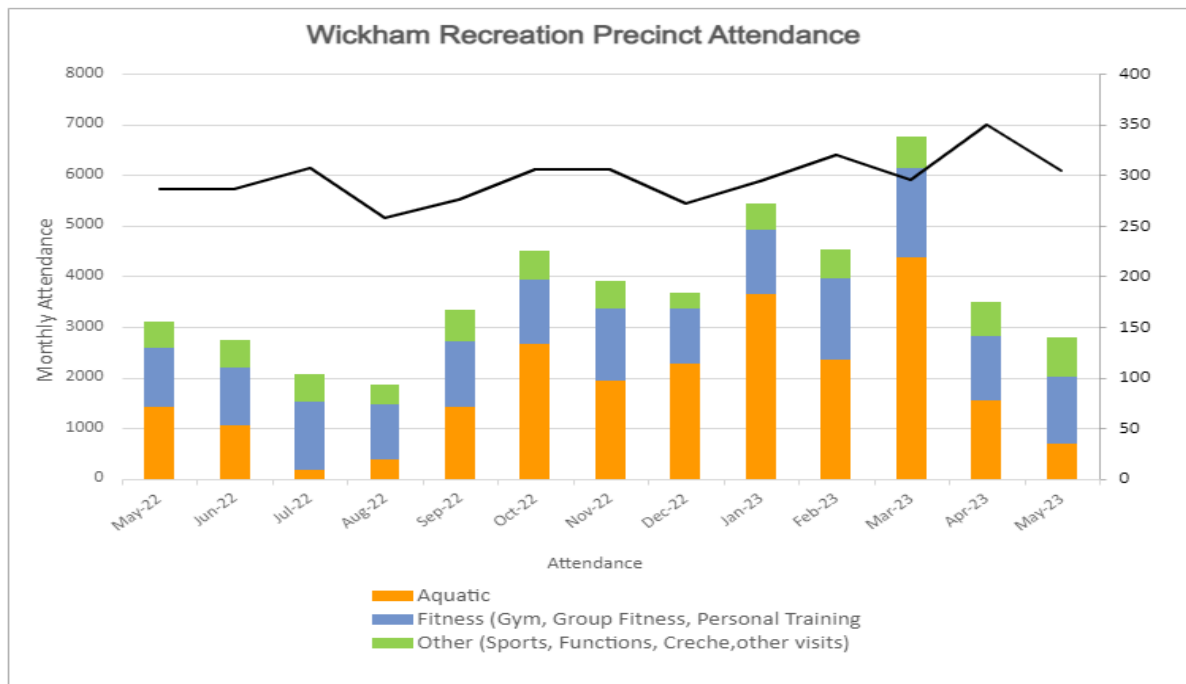
Aquatic **3%** increase – there have been a few aqua run bookings. Staff have been vigilant in re-educating patrons to scan at every entry.

Fitness **25%** decrease – seasonal change influences numbers – its cooler and people are enjoying the outdoors. Staffing challenges during this month with staff being away unwell.

Other functions **36%** increase – large scale events booked this month included Reach Us Quiz Night, Epic Career Expo, Gymnastics mock comp days and Dampier Basketball commencing this month.

Total Visits **20%** increase as per above

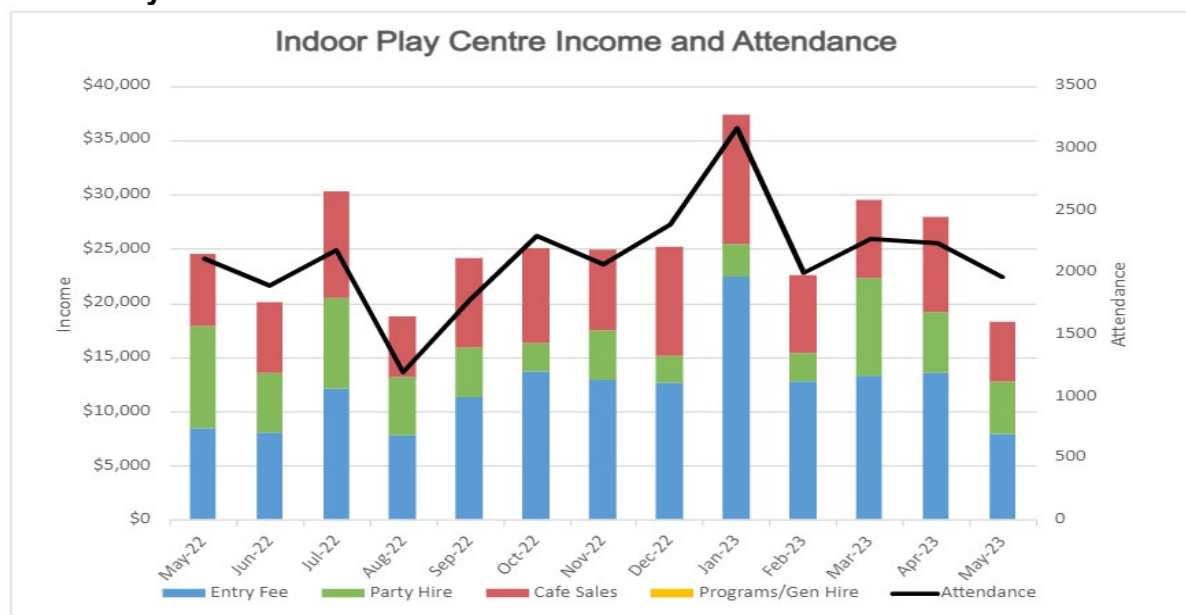
Memberships **16%** increase – increase in number of corporate membership sign-ups



WRP

Aquatic **50%** decrease – pool was closed for approximately 1 week for pool rectification works. Seasonal change and cooler pool temperatures impacts on pool usage
 Reintroduced a mums and bubs class which runs at the same time as our other classes so these mums can bring their babies to class with them which will hopefully continue to build memberships.

Indoor Play Centre



Indoor Play Centre:

Attendance has dropped from previous May 2022 period, due to fewer party hires and cooler weather with parents choosing outdoor playgrounds.

ADVISORY GROUP MEETINGS

Arts Development and Events Advisory meeting was held 18 May. Items discussed were as follows:

- REAF 2023 Wrap up & 2024 Look Forward
- Cossack Art Awards Update
- Reconciliation Week 2023

The next Arts Development Events Advisory group meeting is scheduled for August 2023.

- The Youth Advisory Group was held 24 May 2023. Items discussed were as follows:
 - Library Facilities – Youth space, books, and Resources
 - Youth Facilities – Perception, programs, activities
 - OECD meeting of Mining Regions and Cities
 - Youth Week Feedback
 - Red Earth Arts Festival Feedback

The next Youth Advisory Group meeting date to be confirmed.

14.3 WRITE OFF OF INTEREST ON OUTSTANDING RATES DEBTORS**File No:** RV.11**Responsible Executive Officer:** Director Corporate and Legal Services**Reporting Author:** Manager Financial Services/CFO**Date of Report:** 9 May 2023**Disclosure of Interest:** Nil**PURPOSE**

To provide Council with a summary of all interest write offs for the City's outstanding debtors under Delegation 1.8 of the Delegations Register since the last Ordinary Council Meeting.

Interest charges totalling \$33.39 outstanding for payment on Rates debtors at property settlement have been written off as they are uneconomical to recover following property transfer.

Assess No	Property Address	Transfer Date	Rates Balance
A1268	29 Sholl Street Roebourne WA 6718	28/04/2023	\$ 5.09
A28753	5 Clarkson Way Bulgarra WA 6714	5/04/2023	\$ 0.36
A36330	24 Peirl Way Pegs Creek WA 6714	4/05/2023	\$ 0.63
A68747	Unit 6 28 Strickland Drive Millars Well WA 6714	22/03/2023	\$ 2.51
A70425	2 Vitenbergs Drive Point Samson WA 6720	31/01/2023	\$ 5.02
A77858	5E Kallama Parade Millars Well WA 6714	8/03/2023	\$ 0.45
A78128	6B Kallama Parade Millars Well WA 6714	21/02/2023	\$ 6.10
A78193	30 Walkington Circle Millars Well WA 6714	30/03/2023	\$ 9.14
A88730	25 Tharnda Road Baynton WA 6714	14/04/2023	\$ 2.55
A89158	Lot 42 Iron Way Gap Ridge WA 6714	2/02/2023	\$ 0.32
A91411	Unit 69 166 De Witt Road Stove Hill WA 6714	14/04/2023	\$ 1.22
Total Interest Charges Written Off			\$ 33.39

15 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

16 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

17 URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION

18 MATTERS BEHIND CLOSED DOORS

OFFICER'S RECOMMENDATION

In accordance with Section 5.23 (2) (e) (iii) of the *Local Government Act 1995*, that Council move in camera to discuss item:

ATTACHMENT 1 TO ITEM 10.8 AUDIT AND ORGANISATIONAL RISK COMMITTEE – JUNE 2023 - PARTIALLY CONFIDENTIAL - AUDIT AND ORGANISATIONAL RISK COMMITTEE MEETING MINUTES – 19 JUNE 2023

ATTACHMENT 2 TO ITEM 10.8 AUDIT AND ORGANISATIONAL RISK COMMITTEE – JUNE 2023 - MANAGEMENT LETTER

ATTACHMENT 5 TO ITEM 10.8 AUDIT AND ORGANISATIONAL RISK COMMITTEE – JUNE 2023 - RISK REGISTERS

ATTACHMENT 2 TO ITEM 12.1 - WEDGETAIL AEROSPACE PTY LTD – ECONOMIC DEVELOPMENT GRANT FUNDING PROPOSAL - WEDGETAIL AEROSPACE PROJECT PLAN & BUDGET

ATTACHMENT 1 - 13.2 RFT 09-22/23 HILLVIEW AND BALMORAL ROADS RECONSTRUCTION – TENDER EVALUATION REPORT

19 CLOSURE & DATE OF NEXT MEETING

The meeting closed at _____.

The next meeting is to be held on Monday, 31 July 2023 at 6pm at Council Chambers - Welcome Road, Karratha.