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 Monday, 28 August 2023 at 6pm**

**VIRGINIA MILTRUP
CHIEF EXECUTIVE OFFICER**

City of Karratha

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: VMiltrup

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
	Emma Landers	Director Community Experience
	Lee Reddell	Director Development Services
	Simon Kot	Director Strategic Projects & Infrastructure
	Jodie Swaffer	Minute Secretary
Apologies:	Angela McDonald	A/Director Corporate & Commercial

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, 31 July 2023 and Minutes of the Special Meeting of Council held in the Council Chambers, Welcome Road, Karratha on Monday, 22 May 2023, be confirmed as a true and correct record of proceedings.

8 ANNOUNCEMENTS BY PERSON PRESIDING WITHOUT DISCUSSION

Date	Mayor Meetings	Location
03/07/2023	NAIDOC Flag Raising Event	Karratha
05/07/2023	WALGA State Council Meeting	Perth
09/07/2023	Meeting with Regional Development Australia Pilbara	Karratha
10/07/2023	Nexus Airlines Maiden Flight Event	Karratha/Broome
13/07/2023	Yule River Decision Makers Day - Annual On-Country Bush Meeting	Yule River
17/07/2023	Meeting with Spacecubed	Karratha
17/07/2023	Council Briefing Session	Karratha
19/07/2023	KDCCI Business After Hours hosted by NYFL Tutt Bryant	Karratha
20/07/2023	Cooperative Research Centre for Developing Northern Australia (CRCNA) Meeting	Online
20/07/2023	Proof of Concept Launch - The Challenge	Karratha
22/07/2023	Cossack Art Awards Gala Event	Karratha
24/07/2023	Rangelands Audit and Risk Committee Meeting	Online
24/07/2023	Welcome Reception 2023 Developing Northern Australia Conference	Darwin
25/0/2023	CRCNA Board meeting	Darwin
25/07/2023	2023 Developing Northern Australia Conference	Darwin
25/07/2023	Gala Event - 2023 Developing Northern Australia Conference	Darwin
26/07/2023	2023 Developing Northern Australia Conference	Darwin

9 CHIEF EXECUTIVE OFFICER

Nil

10 CORPORATE & COMMERCIAL

10.1 FINANCIAL STATEMENTS FOR PERIOD ENDED 30 JUNE 2023

File No: FM.19

Responsible Executive Officer: Acting Director Corporate & Legal Services

Reporting Author: Corporate Accountant

Date of Report: 4 August 2023

Applicant/Proponent: Nil

Disclosure of Interest: Nil

Attachment(s):

1. Statement of Financial Activity
2. Variance Commentary – 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 June 2023.

OFFICER'S RECOMMENDATION

That Council RECEIVE the Financial Statements for the financial period ending 30 June 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.

DISCUSSION

The following table is a summary of the Financial Activity Statement by Nature and Type compared to the Budget as of 30 June 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	121,490,729	121,685,803	195,074	0.2%	↑
Operating Expense	(114,742,587)	(108,002,429)	(108,002,429)	(118,470,955)	(10,468,526)	9.7%	↓
Non Operating Revenue	68,558,105	20,931,875	20,931,875	16,068,072	(4,863,803)	-23.2%	↓
Non Operating Expense	(94,772,772)	(63,782,113)	(63,782,113)	(33,372,844)	30,409,269	-47.7%	↑
Non Cash Items Included	20,789,922	31,993,670	31,993,670	28,593,875	(3,399,795)	-10.6%	↓
Restricted PUPP Surplus BFWD 1 July	124,258	124,258	124,258	124,258	0	0.0%	
Unrestricted Surplus BFWD 1 July	1,342,418	4,745,519	4,745,519	4,745,519	0	0.0%	
Surplus/(Deficit) 22/23	**46,746**	**7,501,509**	**7,501,509**	**19,373,728**	**11,872,219**		

This table shows a surplus position of $19.4m, a positive variance of $11.9m compared to the budgeted surplus position of $7.5m, which is subject to consideration of asset valuations, reserve transfers, year-end accounting accruals and consideration of fair value adjustments, and the annual financial audit.

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. The brought forward unrestricted surplus position after audit adjustments is $4.7m.

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		
2,929,741	▲	Financial Assistance Grants received prior to EOFY
1,087,198	▲	Waste Management - Increase in income from contaminated waste
825,105	▲	Proceeds on sale of assets and realisation – Sale of Staff Housing on Walcott Way
485,912	▲	Karratha Airport - Execution of new agreements with tenants based on higher negotiated rates and higher than anticipated CPI rate increases; Lease income will be subject to end of year adjustments
424,544	▲	Karratha Leisureplex - Improved performance
280,519	▲	Penalty interest on Rates arrears exceeded forecast.
143,229	▲	Reserves - Interest rates higher than anticipated
6,176,247	▲	**Positive Variances**
(1,379,500)	▼	Communities & Partnerships - Rio Tinto funds received, awaiting EOFY finalisation & processing
(1,162,118)	▼	Karratha Airport - Timing - Rental revenue for May/June yet to be processed
(740,809)	▼	Karratha Airport - due to timing, Aircraft landings for May/June 2023 are awaiting processing. Lighter aircraft were also being used which impacted estimated revenue
(400,000)	▼	Town Planning - Budget was set based on the March estimate of funding to be received from DPLH for financial assistance preparing the BHL Assessment and CHRMAP. DPLH funding was received prior to EOFY, although the amount was only $280,000
(393,397)	▼	Karratha Airport - Timing - Passenger data for June 2023 yet to be processed
(358,955)	▼	General Revenue - GST Balance from 26/04/2023 BAS
(335,270)	▼	Roebourne Aquatic Centre - 21/22 Ed Dept invoicing delayed and accrual journals for EOFY are yet to occur
(310,993)	▼	Communities: Ovals & Hardcourts - Ed Dept contribution received. Account will be subject to end of year adjustments
(225,000)	▼	Road Maintenance - estimated design phase income for 22/23 not received
(171,127)	▼	Rates - Interims for the year were less than anticipated in the budget
(168,787)	▼	Contribution to Ranger Services in the Eastern Corridor from Rio Tinto CISP Partnership funding received, awaiting EOFY finalisation and processing. YTD Actual contribution is a payment to SAFE under the Animal Rehoming contract and awaiting transfer to the relevant account
(100,000)	▼	Shakespeare Units SWA - Timing adjusted, additional $100k had been allocated in March Budget review, not yet received
(87,000)	▼	City Growth - Awaiting Income for outstanding OECD Sponsorship (expected July)
(5,832,956)	▼	**Negative Variances**
343,291	▲	**Net Positive Variance**

Operating Expenses		
1,114,124	▲	Communities & Liveability - ABC's yet to be completed for EOFY
964,376	▲	Operations, Fleet & Waste Services - ABC's and Overheads are yet to be completed for EOFY
526,387	▲	Development Services - ABC's yet to be completed for EOFY
406,841	▲	Depreciation pending EOFY finalisation
370,674	▲	Governance, HR & Marketing - ABC's yet to be completed for EOFY
360,302	▲	Waste Services, Street Sweeping - $118k in delayed Invoicing from Vendor; Reduced Services completed by Contractor has led to underspend
235,389	▲	Economic Development Grants - Pending KDCCI 22/23 grant payment and EOFY adjustments.
219,472	▲	Information Services IT - ABC's yet to be completed for EOFY
193,050	▲	Parks & Gardens - Works not started due to delays in design and procurement. Budget deferred to 23/24
191,452	▲	Fleet & Plant - Awaiting finalisation of EOFY Stocktake to issue stock for June $158k
189,665	▲	Waste Services - Carry forward balance to 23/24 budget. Flare demobilisation costs and Monthly rental timing issue
185,410	▲	Karratha Airport & City Services - ABC's yet to be completed for EOFY
153,544	▲	Staff Housing and Shakespeare Units Insurance Premiums are less than expected.
144,277	▲	Waste Services - Fee Waiver. Timing issue for Roebourne project. CFwd to 23/24
131,801	▲	Information Services IT - Delays to SharePoint and Vulnerability testing projects due to resourcing constraints; Pending EOFY adjustments
130,458	▲	Karratha Airport - Car park signage, bollards and screening panel to be expended in July 2023
129,851	▲	Waste Services, General Waste & Recycling - Delayed Invoicing from Contractor
124,011	▲	Parks & Gardens - Reduction in works for minor works, fertilizing and repairs
108,586	▲	Cell 0 Capping & Closure Works - EOFY reconciliations & adjustments yet to occur
108,500	▲	City Growth & Exec Services - ABC's yet to be completed for EOFY
100,997	▲	Parks & Gardens - Works not started due to delays in design and procurement. Budget deferred to 23/24
98,983	▲	Operations, Dampier Drainage Scheme - Unable to secure contractor for works
94,763	▲	Parks & Gardens - Works not started due to delays in Tree stock arriving from Darwin. Budget deferred to 23/24
79,348	▲	Operations - Works completed at Walcott Way, awaiting for invoice to process
71,424	▲	Parks & Gardens - Delays to final invoices for spraying and slashing. Weather also impacted on schedule negatively
70,000	▲	Approvals & Compliance - Budget was intended to progress preparation of new Scheme. However, technical studies (BHL Assessment & CHRMAP) need to be undertaken first and now DPLH has allocated funding to assist in undertaking those technical studies. These technical studies will be either completed (in the case of the BHL Assessment) or substantially progressed (in the case of the CHRMAP) in 2023/24. Budget deferred to 23/24
66,867	▲	Wickham Recreation Facility - Tarif changed to community rate throughout year
61,997	▲	Operations - KTA Back beach Sand dredging works completed under budget
58,464	▲	Approvals & Compliance - Delays to engineering design work for pound upgrades budgeted as part of the March Budget Review
57,646	▲	Parks & Gardens - Works and budget deferred to 23/24 due to issues with procurement
51,367	▲	Red Earth Arts Festival - $46k paid in 21/22 not brought into 22/23FY
50,000	▲	Strategic Projects - Budget deferred to 23/24 for the REAP amphitheatre design
6,850,027	▲	**Positive Variances**

(9,691,932)	▼	Cell 0 Capping & Closure Works - EOFY reconciliations & adjustments yet to occur
(3,452,707)	▼	Financial & Corporate Services - ABC's yet to be completed for EOFY
(3,181,002)	▼	Various vacancy across the City. Pending EOFY plant and overhead allocations
(196,689)	▼	Parks & Gardens, Street tree maintenance - Works to complete remedial tree pruning works for safety issues/complaints
(166,941)	▼	Karratha Leisureplex - Increased facility costs in line with usage
(120,456)	▼	Airport - Increased water usage due to leaks
(110,933)	▼	Karratha Airport - Emergency works including: Airport lighting due to lightning strike and water leak repairs; and additional costs on airside concrete works
(99,752)	▼	Ranger Services - Engagement of Contract Rangers to offset lower staffing levels in Ranger Services. Over-expenditure largely covered by savings in Salaries & Wages
(95,324)	▼	Parks & Gardens, Wickham Recreation Facility - Additional works required to remove pooling of oval including turf replacement, under bore, subsoil drainage and turf rectification works
(93,826)	▼	Communities - Reactive sports lights maintenance, dugout maintenance/painting project and storage unit maintenance
(90,487)	▼	Karratha Airport - Unplanned maintenance due to equipment failure
(78,365)	▼	Wickham Recreation Facility - Scoreboard and expansion joint works on basketball courts costed here due to immediate remediation works taking place
(77,944)	▼	Parks & Gardens, Roebourne School Oval - Temporary tank installation/decommission due to tank leak. Tank repairs to existing tank and associated electrical/plumbing works required
(76,317)	▼	Parks & Gardens, Pumps and tanks - Demolition of Baynton West tank
(70,193)	▼	Nickol West Park - Potable water usage instead of ERS (Effluent Reuse System) and water meter failure causing reading issues
(65,051)	▼	Red Earth Arts Precinct - Due to the increase in live shows, conferences, venue hire & movies expenditure has increased.
(17,667,918)	▼	**Negative Variances**
(10,817,891)	▼	**Net Negative Variance**

Non Operating Revenue		
2,974,754	▲	Landfill capping Transfer pending receipt
758,852	▲	Reconciliation & Adjustment pending for Reserve transfers
3,733,606	▲	**Positive Variances**
(3,305,253)	▼	Reconciliation & Adjustment pending for Reserve transfers
(2,082,744)	▼	Road Maintenance Grants - Project funding delayed due to alternative delivery of construction
(1,946,879)	▼	Reconciliation & Adjustment pending for Reserve transfers
(1,080,926)	▼	Claim partially complete. Balance of claim in progress
(70,000)	▼	Profit/Loss on disposal of assets less than anticipated due to timing variance of processing asset disposal
(53,421)	▼	Reconciliation & Adjustment pending for Reserve transfers
(8,539,223)	▼	**Negative Variances**
(4,805,617)	▲	**Net Positive Variance**

Non Operating Expenses		
15,505,967	▲	Reconciliation & Adjustment pending for Reserve transfers
3,998,915	▲	Reconciliation & Adjustment pending for Reserve transfers
1,946,879	▲	Reconciliation & Adjustment pending for Reserve transfers
802,188	▲	Footpath Dampier Rd - Project delayed due to procurement and scope complexity
800,000	▲	Loan, Dampier Shopping Centre - Drawdown did not occur during the financial year
701,320	▲	Karratha Airport - Carried forward to 23/24. FIDS $160K, Lighting $50k, BHS $125, Designa Car Park system $350K

Non Operating Expenses		
700,000	▲	Waste Services - Water Cart & Loader pushed to July & November 2023. Captured in 2023/24 budget
482,846	▲	KLP Oval Lighting - Project deferred
467,540	▲	KRMO Clubroom - ABC's yet to be completed for EOFY
441,138	▲	Karratha Airport Water Mains Piper Replacement - Work not complete. Carry forward to 23/24
429,475	▲	Reconciliation & Adjustment pending for Reserve transfers
350,124	▲	Information Technology Hardware Refresh - Delayed delivery - 230k awarded, equipment arriving during May/June, installation ETA July - Possible CFWD required
347,345	▲	MOF Road Upgrade - Works Completed waiting for invoice to be Processed
231,362	▲	Leisureplex Solar Initiatives - Project delayed due to procurement of material and project finalisation
228,511	▲	Cleaverville Road - Overheads & Plant Recoveries to be applied by EOFY
223,000	▲	Reseal Cossack Road - Works completed, pending invoicing
195,078	▲	Roebourne-Wittenoom Rd - Overheads & Plant Recoveries to be applied by EOFY
195,078	▲	40 Mile Beach Access - Overheads & Plant Recoveries to be applied by EOFY
190,541	▲	Major Footpath Works Nairn St Bulgarra over run in duration, to be completed July
187,782	▲	7 Mile Waste - Project delayed due to procurement and scope complexity
179,129	▲	Artworks in review as part of EOFY processes
166,184	▲	Including allowance for Shakespeare units block 6 refurbishments
148,353	▲	Playground Replacement - Works not started on Playgrounds. Budget deferred to 23/24
140,000	▲	Irrigation Tank Remediation - Invoices received late for works. Not all works completed
134,414	▲	Delayed procurement of planned CCTV equipment replacement - Possible CFWD required
133,798	▲	Hancock Way - Six Houses Construction - Design phase delayed due to consultant delivery
117,250	▲	Reticulation Upgrades - Works not completed due to contractor not having availability due to other work commitments
114,000	▲	Kerb Renewals - Works completed Meares Dve Pt Sampson, waiting for invoice to process
100,000	▲	Bus Shelters - Further procurement efforts, pending scope of works confirmation and revised budget expectations
90,000	▲	KRMO - Headworks costs isolated from construction Project expenditure
89,246	▲	Truck for works department, delivery pushed back to July 2023 and included in 23/24 budget
79,459	▲	Housing Construction - Jingarri Sites - ABC's yet to be completed for EOFY
70,139	▲	Shakespeare Units - ABC's yet to be completed for EOFY
54,912	▲	Cleaverville Road Resheeting - Works completed Mar utilising limited staff numbers
52,768	▲	Coolawanyah Rd - ABC's yet to be completed for EOFY
50,205	▲	40 Mile Beach Access Road - Works completed April utilising limited staff numbers
50,205	▲	Roebourne-Wittenoom Road - Works completed Feb utilising limited staff numbers
30,195,149	▲	**Positive Variances**
(101,473)	▼	Hampton Oval - No budget allowed for Materials
(79,279)	▼	Reconciliation & Adjustment pending for Reserve transfers
(75,772)	▼	Kevin Richards Club Room - Project delayed due to Contractor delivery and defective work
(256,524)	▼	**Negative Variances**
29,938,625	▲	**Net Positive Variance**

FINANCIAL MANAGEMENT UPDATE

Local Government Financial Ratios

Period End 30 June 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	1.30
Asset Sustainability Ratio Capital Renewal and Replacement Expenditure ÷ Depreciation	≥ 0.90	0.77	0.40
Operating Surplus Ratio Operating Surplus (excl. capital grants & contributions) ÷ Own Source Revenue	0 – 15%	4.7%	3.1%
Own Source Revenue Ratio Own Source Operating Revenue ÷ Operating Expenses	0.40 or above	0.88	0.87
Debt Service Cover Ratio Operating surplus before interest expense and depreciation ÷ Principal and interest Expense	> 2	73.3	29.8

Statement of Financial Position

	Jun-23	May-23	% Change
	Current		
Assets	101,463,183	95,196,815	6.58%
Liabilities	24,251,990	16,445,507	47.47%
	Non Current		
Assets	759,066,240	763,065,070	-0.52%
Liabilities	4,216,484	4,227,457	-0.26%
Net Assets	832,060,949	837,588,921	

Current Assets increased by 6.58% from May to June, which was attributable to an increase in Restricted Cash and Cash Equivalents, partially offset by a decrease in Unrestricted Cash and Cash Equivalents. Current Liabilities increased by 47.47% due to an increase in Trade and Other Payables reflective end of financial year trends. Non-Current Assets decreased by 0.52% due to a depreciation of Property Plant and Equipment and Investment Property. Non-current liabilities decreased 0.26% due to movement in Long Term Borrowings.

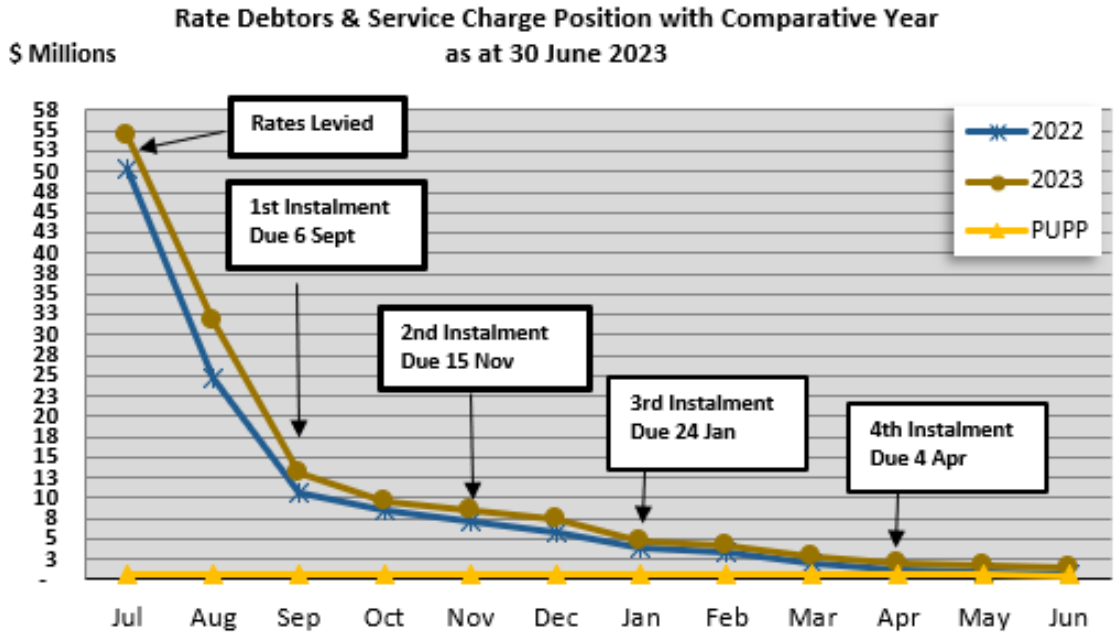
Debtors Schedule

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

Debtors Schedule

	June	May	Change %	% of Current Total
		Sundry Debtors		
Current	6,435,102	6,070,806	6%	100.1%
> 40 Days	114,056	403,604	-72%	1.8%
> 60 Days	- 268,494	34,917	-869%	-4.2%
> 90 Days	149,876	1,266,676	-88%	2.3%
Total	**6,430,540**	**7,776,003**	-17%	**100%**
		Rates Debtors		
Total	**1,505,492**	**1,683,670**	-11%	100%
		PUPP Debtors		
Total	**629,754**	**631,857**	-0.3%	100%

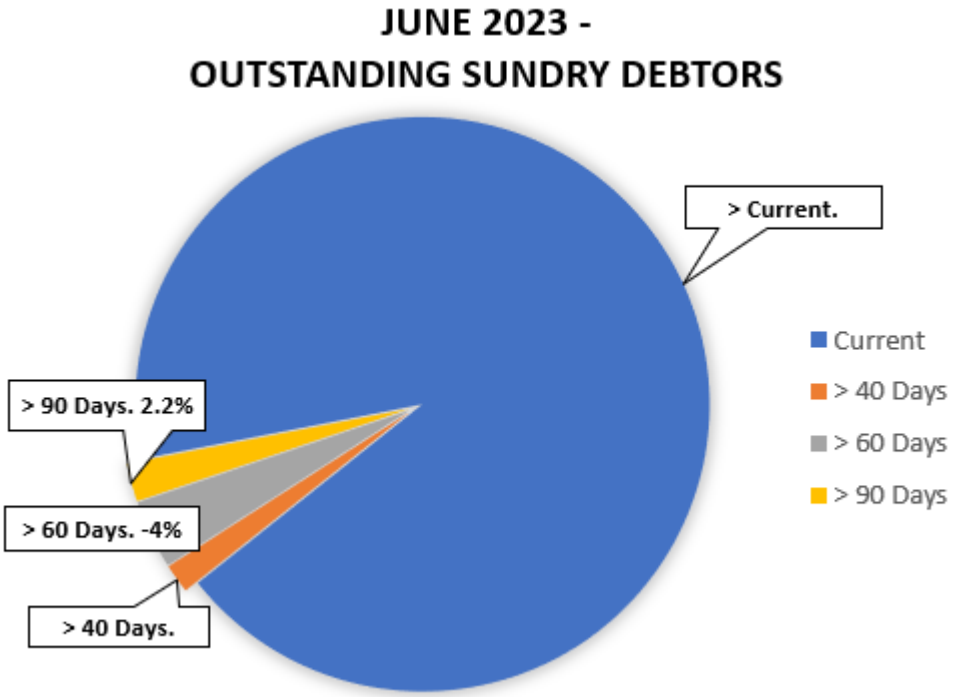
A total of $55.2m of Rates (including ESL and waste charges) have been paid to end of June, representing a collection rate of 97.3% to date.



There was no material change from June in the PUPP Debtors balance. PUPP payments have now been received on 99.87% of properties and of those paid, 98.45% have paid in full, with 1.42% 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.

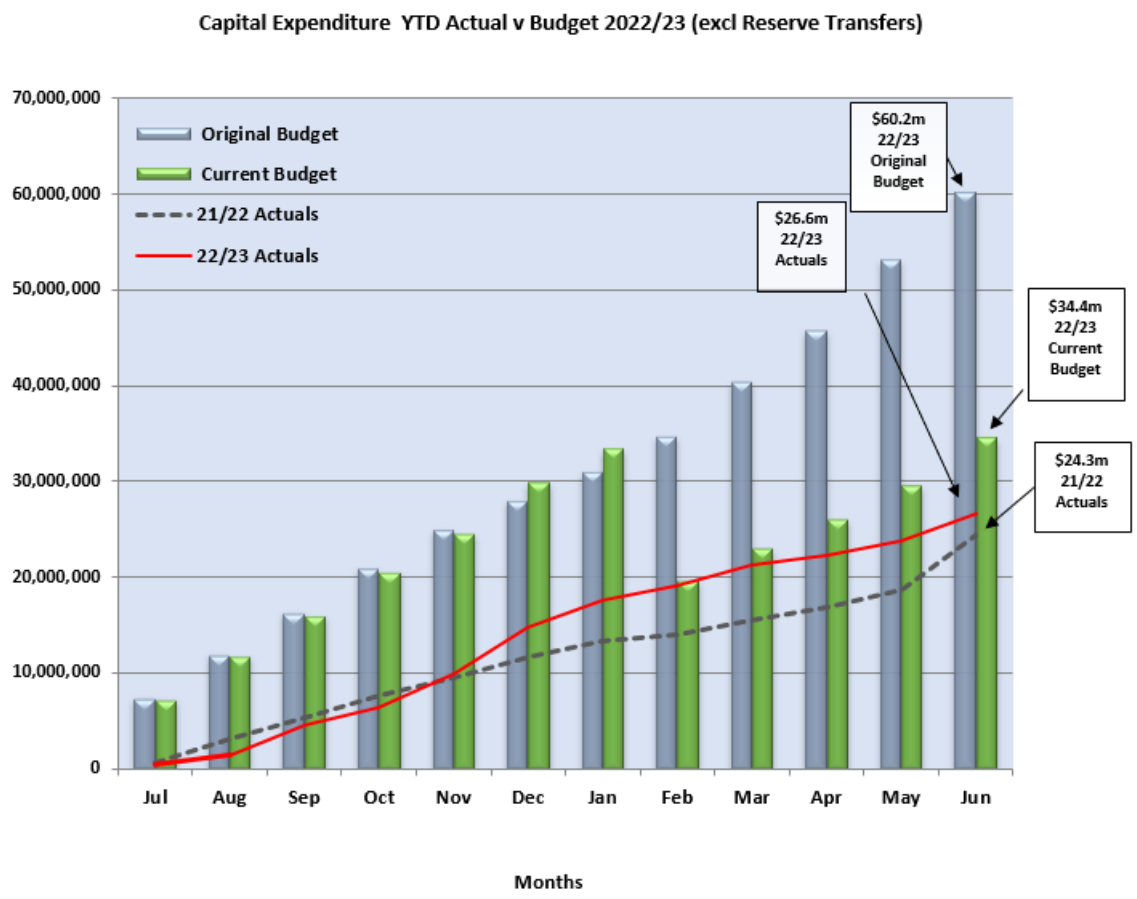
Debt or Code	Name	40 Days	60 Days	Over 90 Days	Commentary
F174	Flex Cafe	-	259.72	48,404.32	Relates to monthly rent at KLP Café from Sep 2021 - Nov 2022 and utility fees for Jul 2021 - Oct 2022, grease trap removals, annual food inspection fees and penalty interest. Termination notice issued 18/08/22. 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.
H026	Housing Authority	-	1,405.30	6,908.02	Relates to MGB replacements for Department of Housing. Invoices are dated from June 2022 to April 2023 and penalty interest. Reminder email sent 20/02/23, 12/04/23 & 13/06/23. Final notice issued before being referred to debt collection.
J101	Karratha Skip Bin Hire Pty Ltd	-	34.09	7,117.05	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.
M379	Move Your Body Studio	-	120.88	22,419.54	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 MYB 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	-	27.40	5,298.91	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. Final notice issued 20/06/23 before being referred to debt collection



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 Capital Land – Strategic Land Acquisition. The following table shows capital expenditure is 22.8% 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-Jun-23			30-Jun-23		
Land	1,804,270	1,804,339	0.0%	500,000	1,804,270	0.0%
Artwork	20,801	16,500	-20.7%	81,836	20,801	79.3%
Buildings	14,929,172	13,664,685	-8.5%	39,579,701	14,929,172	91.5%
Equipment	1,416,593	732,695	-48.3%	713,404	1,416,593	51.7%
Furn & Equip	881,230	375,132	-100.0%	859,100	881,230	42.6%
Plant	2,225,856	1,283,084	-42.4%	2,332,000	2,225,856	57.6%
Infrastructure	13,164,757	8,705,062	-33.9%	16,100,287	13,164,757	66.1%
Totals	**34,442,679**	**26,581,497**	**-22.8%**	**60,166,328**	**34,442,679**	**77.2%**



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

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

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 June 2023 with a year-to-date budget surplus position of $7,501,509 (comprising $7,377,251 of unrestricted surplus and $124,258 restricted surplus) and a current surplus position $19,373,728 (comprising $19,249,470 unrestricted surplus and $124,258 restricted surplus) subject to consideration of asset valuations, year end adjustments, and the annual financial audit. 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 to:

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

Option 3
That Council NOT RECEIVE the Financial Report for the financial period ending 30 June 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 – 29 JUNE 2023 TO 31 JULY 2023

File No:	FM.19
Responsible Executive Officer:	Acting Director Corporate & Legal Services
Reporting Author:	Senior Creditors Officer
Date of Report:	25 August 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. List of Payments July 2023 2. List of Credit Card Payments (June 2023)

PURPOSE
To advise Council of payments made for the period from 29 June 2023 to 31 July 2023.

OFFICER'S RECOMMENDATION

That Council ACCEPT payments totalling $13,209,890.34 submitted and checked with vouchers, detailed in Attachments 1 and 2 being made up of:

1. **Trust Vouchers: nil;**
2. **EFT 278 to 309 and 5681 to 6384 (Inclusive): $10,660,307.56;**
3. **Cheque Voucher: nil;**
4. **Cancelled Payments: nil;**
5. **Direct Debits: nil;**
6. **Credit Card Payments (June 2023): $39,341.22;**
7. **Payroll Cheques: $2,510,241.56;**

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 29 June 2023 to 31 July 2023 (including credit card transactions - June 2023) totalled $13,209,890.34, which included the following payments:

- MSS Security – Airport Security Services (June 2023) - $205,831
- LGIS (WALGA) – Insurance Premiums 23/24 - $2,009,494
- Thomas Building – KRMO Progress Claims - $328,096
- Corps Pavement – Cossack Road Reseal - $425,960
- Data#3 Limited - Data Centre Infrastructure - $244,851
- Dampier Plumbing – Airport Rd Water Main Replace - $321,757

Consistent with CG-11 Regional Price Preference Policy, 49% 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 2023-2024 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 $13,209,890.34 submitted and checked with vouchers, being made up of:

1. Trust Vouchers: nil;
2. EFT 278 to 309 and 5681 to 6384 (Inclusive): $10,660,307.56;
3. Cheque Voucher: nil;
4. Cancelled Payments: nil;
5. Direct Debits: nil;
6. Credit Card Payments (June 2023): $39,341.22;
7. Payroll Cheques: $2,510,241.56;

with the EXCEPTION OF (as listed).

CONCLUSION
Payments for the period 29 June 2023 to 31 July 2023 and credit card payments for the period 1 June 2023 to 30 Jun 2023 totalled $13,209,890.34. Payments have been approved by authorised officers in accordance with agreed delegations, policies and budget.

10.3 INVESTMENTS FOR PERIOD ENDED 30 JUNE 2023

File No:	FM.19
Responsible Executive Officer:	Director Corporate Services
Reporting Author:	Corporate Accountant
Date of Report:	19 July 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 June 2023.

OFFICER'S RECOMMENDATION

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

BACKGROUND
In accordance with section 6.14 of the *Local Government Act 1995* and Regulation 19C of the *Local Government (Financial Management) Regulations 1996*, 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 June 2023

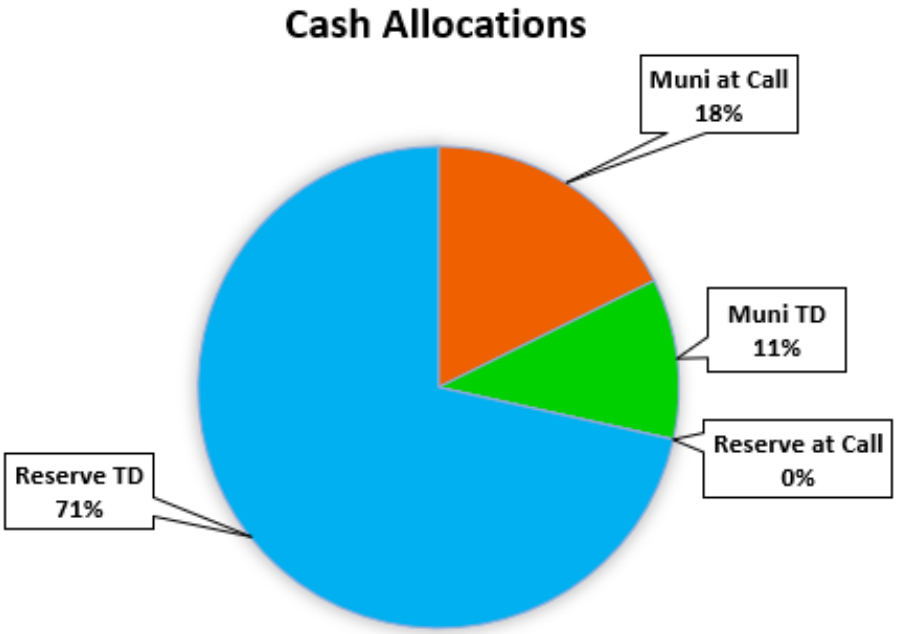
Institution	Accounts	Principal Investment $	Balance 30 June 2023 $	Interest %	Investment Term	Maturity	Source
RESERVE FUNDS							
WBC	Business Premium Cash Reserve		21,006	2.35	At Call		Reserve at Call
WBC	Reserve Term Deposit	12,000,000	12,429,692.07	4.11	12 months	Aug-23	Reserve TD
WBC	Reserve Term Deposit	6,500,000	6,734,470.14	4.22	12 months	Aug-23	Reserve TD
WBC	Reserve Term Deposit	5,000,000	5,149,369.85	4.70	12 months	Nov-23	Reserve TD
BOQ	Reserve Term Deposit	4,000,000	4,097,073.98	4.30	12 months	Dec-23	Reserve TD
CBA	Reserve Term Deposit	6,000,000	6,122,054.80	4.95	12 months	Feb-24	Reserve TD
CBA	Reserve Term Deposit	20,000,000	20,111,336.99	5.21	12 months	May-24	Reserve TD
BOQ	Reserve Term Deposit	10,000,000	10,033,863.01	5.15	12 months	Jun-24	Reserve TD
MUNICIPAL FUNDS							
WBC	Municipal Term Deposit	7,000,000	7,204,936.99	4.11	10 months	Jul-23	Muni TD
WBC	Municipal Term Deposit	2,500,000	2,531,476.03	5.05	12months	Mar-24	Muni TD
CBA	Municipal (Transactional)		15,999,994.37	3.95	At Call		Muni at Call
	TOTAL	**73,000,000**	**90,435,274**				
The balance of all Term Deposits includes interest accrued to 30 June 2023							

On average, the City is earning 4.37% across Municipal Term Deposits and 4.66% across Reserve Term Deposits.

The RBA official cash rate (overnight money market interest rate) has increased by 25 basis points to 410 basis points during the month of June. As a result, the Municipal Funds held in the Westpac transaction account are now earning 3.95% interest. Reserve funds held in the Westpac Business Premium Cash Reserve account are earning 2.35% in interest over balances of $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.

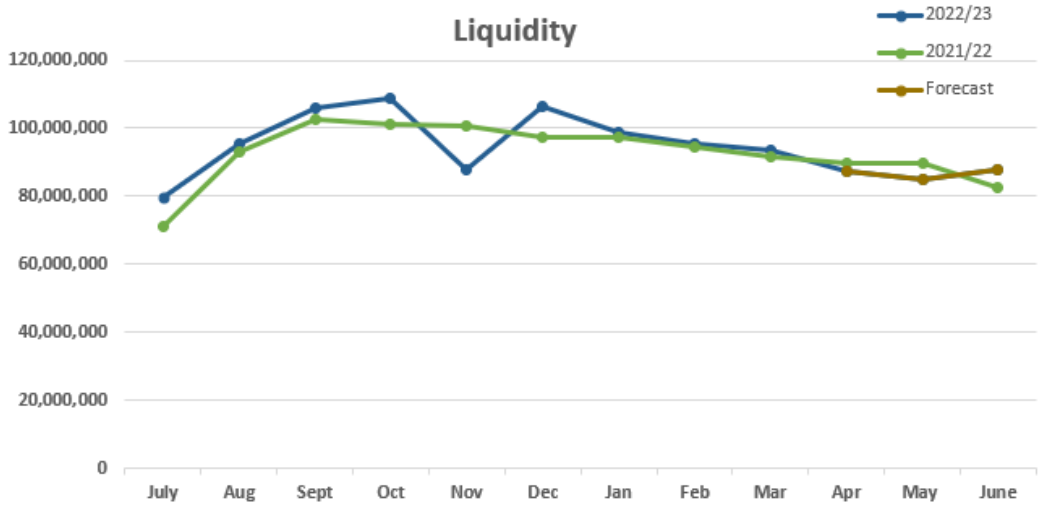
The following graph depicts the allocation of our Cash and Financial Investments to maximise return on investment which shows that over 71% of our Cash and Financial Investments are invested in Reserve Term Deposits.



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. 35% of Cash and Financial Investments will mature in the next 3 months, 12% maturing in the next 4-6 months and 52% 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 June 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 June 2023 $	Year to Date 30 June 2023 $	Life to Date 30 June 2023 $
Total Income Received	535,831	4,555,909	19,625,561
Total Expenditure Paid	(53,867)	(1,645,966)	(9,495,355)
Net Income	**481,964**	**2,909,943**	**10,130,205**
Annualised ROI	**28.9%**	**14.5%**	**8.4%**

Aging of Outstanding Lessees Balances
The following table highlights The Quarter lessees with aged balances in excess of $5,000 as of 30 June 2023 by month.

Suite ID	Lessee	Current	May 2023	April 2023	March 2023 and Prior	Total	Commentary
0001	Fiorita Pty Ltd Trading as Fiorita	14,863.42	11,346.39	747.66	-	26,957.47	Payment plan of $6,000pw is active and being adhered to resulting in a monthly reduction of overall debt
0003	Weeding, Kate, Michelle Trading as Pilbara Weddings & Events	4,181.48	3,845.18	4,894.68	4,264.89	17,186.23	Arrears paid in full as of August.
0005	Maria Cecelia Walker Trading as Cecil Filipino & Asian Food Pty Ltd	79.06	-	31,045.22	429,624.43	460,748.71	Recovery of debt under review.
0006	Cheeditha Energy Pty Ltd	1,791.65	3,453.46	-	-	5,245.11	Default Notice issued August 2023
0009	Onyx Group WA Pty Ltd Trading as Onyx Events / Archipelago Adventures	4,899.43	5,243.99	5,703.03	25,625.18	41,471.63	Arrears paid in full as of August.
L0301	Maali Group Pty Ltd Trading as Maali Group	10,139.15	9,916.26	10,450.80	-	30,506.21	Arrears paid in full.

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 June 2023 $	Year to Date 30 June 2023 $	Life to Date 30 June 2023 $
Funded Amount	-	900,000	3,800,000
Interest Charges	25,333	144,499	199,085
Remaining Loan Amount	**(300,000)**	**(300,000)**	**(300,000)**

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
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 2023-2024 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 June 2023; and

4. APPROVE the following actions:
   a) _____
   b) _____

Option 3
That Council NOT RECEIVE the Investment Report for the financial period ending 30 June 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 GOVERNANCE POLICY REVIEW

File No:	CM.102
Responsible Executive Officer:	Director Corporate and Commercial Services
Reporting Author:	Manager Governance and Organisational Strategy
Date of Report:	7 July 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. Draft Policy CG-04 Legal Representation and Costs Indemnification 2. Draft Policy CG-05 Retiring Councillors – Presentation 3. Draft Policy CG-08 Significant Decision Making 4. Draft Policy CG-09 Public Interest Disclosure 5. Draft Policy CG-13 Confidential Information Policy 6. Draft Policy CG-14 Caretaker Period Policy

PURPOSE
For Council to consider reviews of its Governance and Organisational Strategy policies.

OFFICER'S RECOMMENDATION

That Council ADOPT amendments to the following Council Policies as attached:
- **CG-04 Legal Representation and Costs Indemnification,**
- **CG-05 Retiring Councillors – Presentation,**
- **CG-08 Significant Decision Making,**
- **CG-09 Public Interest Disclosure,**
- **CG-13 Confidential Information Policy, and**
- **CG-14 Caretaker Period Policy.**

BACKGROUND
A number of council policies are up for review as part of a predetermined cycle of reviews.

No material changes are proposed for:
- CG-04 Legal Representation and Costs Indemnification
- CG-05 Retiring Councillors – Presentation, and
- CG-08 Significant Decision Making.

Amendments are proposed for:
- CG-09 Public Interest Disclosure
- CG-13 Confidential Information Policy, and
- CG-14 Election Caretaker Period Policy.

<u>CG-09 Public Interest Disclosure</u>
This policy has had a minor amendment by including within the References a direct link to the *Public Interest Disclosure Act 2003*.

CG-13 Confidential Information Policy
This policy was established in 2015 to reinforce to the community that information obtained by the City has the appropriate internal controls associated with approved access, use, handling, storage and disposal of confidential information. This is in addition to the codes of conduct that apply to both Council Members, Committee Members and Candidates and also for Employees and Contractors.

CG-14 Election Caretaker Period Policy
This policy was established in 2017 to manage expectations from public, Councillors and staff as to the type of decisions that could be made by Council prior to a change in Council membership caused by the commencement of an ordinary local government election period.

On 30 June 2023 the second phase of reforms were made to the *Local Government Act 1995* that impacts the local government elections and its timetabling. The Council policy refers to the Caretaker Period commencing from the close of nominations and refers to 37 days prior to the election day. Reforms to the legislation have pushed the close of nominations out to 44 days prior to election day so an additional week is provided for postal voting packs to be issued and returned before the election date.

Other reforms impacting this policy have yet to be revealed by the Department of Local Government and regulations are not expected until later in 2023 or early 2024 in regard to mandating the need for a Caretaker Policy to be adopted by all local governments in Western Australia. These 'yet to be revealed' reforms will take effect for the 2025 local government elections. Hence the review of this policy which is ordinarily every four (4) years will be amended to two (2) years to cater for these forthcoming reforms.

A summary of this policy's amendments are disclosed in the following Table:

Policy Reference	Proposed Amendment	Rationale
2.1.2 Definitions 'Caretaker Period'	Capitalising specific event "Close of Nominations"; and deleting "37" and replacing with "44" days prior to the Election Day.	This amendment aligns with amendments made to the *Local Government Act 1995* and the *Local Government (Elections) Regulations 1997.*
2.4.6 City of Karratha Website	Expanded to include "and any relevant information" as permitted by legislation.	Provisions are being drafted by the Department of Local Government to enable not just the candidate's profile to be on the City's website but other relevant information regarding the candidate (potentially an expansion of their profile) as approved by the returning officer.
Review Period	Amend next review to be in two years, ie July 2025.	This will enable any updates to the Act or regulations that affect this policy to be appropriately considered prior to the 2025 election cycle.

LEVEL OF SIGNIFICANCE
In accordance with Council policy CG-8 Significant Decision Making policy, the reviews are generally minor in nature and in keeping with reforms to legislation and Council's ongoing ability to perform its role.

STATUTORY IMPLICATIONS
Section 2.7(2)(b) of the *Local Government Act 1995* provides that the role of Council includes determining the local government's policies.

Section 1.4A of the *Local Government Act 1995* – Caretaker period
Section 4.49 of the *Local Government Act 1995* – How to make an effective nominations
Section 4.52 of the *Local Government Act 1995* – Information about candidates
Regulation 29A of the *Local Government (Elections) regulations 1997* – Publication of information about candidates

COUNCILLOR/OFFICER CONSULTATION
No Councillor or Officer consultation is required.

COMMUNITY CONSULTATION
No community consultation is required.

POLICY IMPLICATIONS
This policy has no direct impact on other policies of Council. Amendments will align with statutory time periods.

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 2023-2024 provided for this activity:

Programs/Services:	4.e.1.2	Corporate Governance Support
Projects/Actions:	4.e.1.2.2	Review and maintain a contemporary set of Council Policies

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	Low	Council policies must be current, relevant to legislation and in line with community expectations.
Compliance	Low	Council should ensure policies are sound in order for them to be able to govern its affairs.

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

RELEVANT PRECEDENTS
The Governance and Organisational Strategy policies were adopted by Council in June 2019.

VOTING REQUIREMENTS
Simple Majority.

OPTIONS:

Option 1
As per Officer's recommendation.

Option 2
That Council DEFERS any amendments to:

- CG-04 Legal Representation and Costs Indemnification,
- CG-05 Retiring Councillors – Presentation,
- CG-08 Significant Decision Making,
- CG-09 Public Interest Disclosure,
- CG-13 Confidential Information Policy, and
- CG-14 Caretaker Period Policy,

pending further review by management and upcoming legislative amendments.

Option 3
That Council ENDORSE the amendments to

- CG-04 Legal Representation and Costs Indemnification,
- CG-05 Retiring Councillors – Presentation,
- CG-08 Significant Decision Making,
- CG-09 Public Interest Disclosure,
- CG-13 Confidential Information Policy, and
- CG-14 Caretaker Period Policy,

subject to the following changes:

_____

_____

CONCLUSION
All Governance and Organisational Strategy policies have been reviewed and amendments proposed to ensure they are contemporary, current and relevant to legislation.

11 COMMUNITY EXPERIENCE

Nil

12 DEVELOPMENT SERVICES

12.1 TAKE YOUR BUSINESS ONLINE POLICY REVIEW

File No: GS.64

Responsible Executive Officer: Director Development Services

Reporting Author: Business Engagement Officer

Date of Report: 1 August 2023

Applicant/Proponent: Nil

Disclosure of Interest: Nil

Attachment(s):
1. Revised Policy DE01: Take Your Business Online Grant Policy (TYBO Policy) with tracked changes.

PURPOSE
For Council to consider changes to the policy DE01: Take Your Business Online Grant Policy (TYBO Policy).

OFFICER'S RECOMMENDATION

That Council ADOPT the revised DE-01 Take Your Business Online Grant Policy attached to this report.

BACKGROUND
The City's TYBO Policy was initially developed in 2016. The objective of the policy is to assist local businesses to compete and grow through development of an online presence such as a business website, social media, and 'e-cart' capabilities. The Policy directly enables the implementation of the City's Economic Development Strategy.

The policy offers local small businesses (with under 20 employees) financial assistance of up to $5,000, matched on a dollar-for-dollar basis, to improve their digital capabilities.

The TYBO Policy was adopted by Council in March 2016 to support tourism businesses. A review in March 2017 expanded the grant scheme to other businesses as a result of low uptake, and as a recommendation from a Map and Gap report completed in 2017. A policy review was also carried out in April 2020 where the provision for one round of funding per annum was varied to allow applications to be accepted year round, along with a rationalisation of eligibility criteria and removal of redundant clauses.

Since 2016, 103 applications from local businesses have been approved under the TYBO Policy to a value of $310,000.

DISCUSSION
The TYBO Grant scheme provides simple and accessible funding to support local small business. Officers have audited the applications which are currently in progress and noted 33 applications with outstanding actions including:

- Four approved applicants have not returned signed agreements to enable payment of their grant;

- 14 applications have projects which are incomplete with over six months elapsed since funding approval;
- Nine applications received an upfront payment but have not progressed their project.

Delays in project completion by some applicants impacts the City's ability to accurately budget for the TYBO scheme.

TYBO funding is currently administered with applicants able to access 50% of their approved grant funding up front, upon receipt of a signed grant agreement and evidence of commencement of the project (invoice and receipt). The balance (50%) of funding is payable upon completion of the project and satisfactory acquittal.

The TYBO policy requires applicants to confirm their ability to complete their project independent of City funding. This provision seeks to ensure applicants are able to meet their commitments in the event that any up-front grant payment needs to be returned to the City if an acceptable acquittal cannot be provided.

The current two stage payment process results in:

- additional administration for applicants and officers; and
- unnecessary financial risk to the City given difficulties in recovering funds if an upfront payment is made and the project is not then completed, and/or applicants are unresponsive.

Officers have considered the current policy, consulted with RSM Business Local and KDCCI (who are key source of referrals for the scheme) and propose two changes to improve administration of the TYBO grant scheme. The proposed changes are summarised in the table below:

Proposed Change	Officer Comments
100% of approved funding paid to applicant as a reimbursement upon successful completion and acquittal of project.	Current policy allows for 50% of the allocated funds upon receipt of approval/acceptance letter and the final 50% of allocated funds upon successful acquittal. This change will reduce administration time for officers and applicants. It will also ensure payments are only remitted for completed projects and will remove any need for attempted recovery of funds for incomplete projects.
New clause included to allow grant offers to be withdrawn if a signed grant agreement is not received within 90 days of approval or if a project is not completed within six months of approval.	There is currently no provision to allow officers to close out an application if: • applicants do not return a signed agreement; • applicants cannot be contacted; or • the project is not completed in a reasonable period (six months). The proposed change will allow officers to manage the grant pipeline more efficiently, ensure projects remain relevant and the budget can be appropriately managed. It will also provide clarity for applicants with respect to expected project timeframes. Flexibility can be applied for project timeframes greater than six months, where the City is notified in writing by the applicant.

The proposed revisions to the Policy are shown as 'tracked changes' contained in **Attachment 1** to this report.

It is noted that officers will be preparing full policy reviews of City Growth grants including the TYBO, BDSG, EDG and MESAP Policies within the next 12 months for Council consideration.

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 economic issues.

STATUTORY IMPLICATIONS
Section 2.7 (2) (b) of the *Local Government Act 1995* is applicable in respect to Council determining Local Government Policies.

COUNCILLOR/OFFICER CONSULTATION
Consultation has taken place with the City's Engagement team to discuss alignment and gaps between TYBO policy, current Community Grants, and the planned review of Community Grants.

COMMUNITY CONSULTATION
Community engagement was undertaken as follows:

Who	How	When	What	Outcome
RSM Business Local	Telephone	June 2023	Verbal feedback on the application, execution, and evaluation process of the grant.	Supportive of suggested changes to policy. Will assist in communicating changes to prospective applicants
KDCCI	In Person	July 2023	Verbal feedback on the application, execution, and evaluation process of the grant.	KDCCI were supportive of proposed changes.

POLICY IMPLICATIONS
Policy DE-01 Take Your Business Online Grant Scheme will be impacted if the recommended changes are endorsed.

FINANCIAL IMPLICATIONS
The 2023/24 budget has allocated $60,000 (excl GST) to fund TYBO applications. Endorsing the proposed changes to the TYBO Policy will have no direct financial impact.

STRATEGIC IMPLICATIONS
This item is relevant to the Council's approved Strategic Community Plan 2020-2030 and Corporate Business Plan 2020-2025. In particular, the Operational Plan 2023-2024 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	The Grant process is managed in accordance with the City's policy and annual Budget Process to minimise financial risk
Service Interruption	N/A	Nil
Environment	N/A	Nil
Reputation	Low	Supported applications will be aligned to Council's strategies and plans and assessed against criteria outlined in the Policies
Compliance	Low	The Grant process is managed in accordance with the City's Policies to ensure compliance.

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

RELEVANT PRECEDENTS
Council has previously undertaken a review of Policy DE-01 in April 2020.

VOTING REQUIREMENTS
Simple Majority.

OPTIONS:

Option 1
As per Officer's recommendation.

Option 2
That Council DECLINE the adoption of the revised DE01: Take Your Business Online Grant Policy.

CONCLUSION
The TYBO Policy has delivered on its objectives by supporting local businesses to grow and improve their digital capacity and online presence in order to increase competitiveness, innovation and efficiency of operations, and sales of products and services.

Officers have identified improvements to the administration of the Take Your Business Online Grant Scheme and recommend endorsing the changes to the policy to improve clarity and efficiency in administration of the grant scheme.

12.2 BUSINESS DEVELOPMENT SUPPORT GRANT SCHEME POLICY REVIEW

File No:	GS.65
Responsible Executive Officer:	Director Development Services
Reporting Author:	Business Engagement Officer
Date of Report:	1 August 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. Revised Policy DE-02 Business Development Support Grant Scheme with tracked changes.

PURPOSE

For Council to consider changes to the Policy DE02 Business Development Support Grant Scheme (BDSG Policy).

OFFICER'S RECOMMENDATION

That Council ADOPT the revised DE-02 Business Development Support Grant Scheme Policy attached to this report.

BACKGROUND

The City's BDSG Policy was developed in 2016 to provide a competitive, open, and fair process for local collaborators and organisations to apply for grant funding to develop and deliver innovative projects that result in economic benefits in the City of Karratha. The policy intends to ensure that Council's investment in business support services provides efficient and best value for money for the improvement of local business conditions.

The BDSG Policy aims to support organisations, such as the local chamber of commerce, to deliver relevant programs, services, and initiatives which enable local business by creating the right conditions for businesses to prosper, address challenges and attract investment. Generally these services are provided by not for profit organisations.

The City recognises the important role that local businesses play in the community through providing employment, goods and services as well as contributing significantly to the liveability of the City. Council has historically supported initiatives that have the potential to strengthen, diversify and enhance the local economy.

The BDSG Policy is not intended to directly support start-up business or expansion of existing businesses, however the Economic Development Grant (EDG) Policy may be applicable for this purpose.

The BDSG Policy was adopted by Council in June 2016 and has been reviewed in March 2018 and May 2021. The 2018 review introduced evaluation criteria to demonstrate the need, alignment to strategy, economic impact, and value for money for each application. The 2021 review adopted minor revisions including improved clarity on the purpose and objectives of the policy and the ability for applications to be accepted year-round.

DISCUSSION
Since 2016 funding under the BDSG policy has been awarded to five organisations as per the table below:

Year	Applicant	No. of Projects Funded	Total Funding Awarded	Actual Expenditure (Total)
2016/2017	• Business Centre Pilbara • KDCCI	2 7	$22,000 $78,000	$100,000
2017/2018	• Business Centre Pilbara • KDCCI	4 6	$63,000 $60,000	$97,776
2018/2019	• KDCCI • The Inspired Mark • Pilbara Aboriginal Corporations and Enterprises Inc (PACE)	8 1 1	$112,000 $12,500 $30,000	$92,500
2019/2020	• Pilbara Tourism Association • KDCCI	1 5	$20,000 $61,500	$52,500
2020/2021	• Pilbara Tourism Association • KDCCI • KDCCI – FBT Reform	1 6 1	$15,000 $112,500 $30,000	$154,227
2021/2022	• KDCCI • Business Centre Pilbara	6 1	$113,000 $10,000	$119,377
2022/2023	• Pilbara Tourism Association • KDCCI	1 7	$9,000 $102,000	TBC
Total		**58**	**$850,500**	**$616,380**

Examples of business events and initiatives that Council has approved since 2016 include:

- Business Bootcamp and Lead & Adapt Workshops;
- Pilbara Women in Business;
- Pilbara Indigenous Business Network;
- Grow Local Program;
- Warlu Way Tourism Event;
- Business Excellence Awards;
- Careers Central Expo;
- Tendering and Procurement workshops;
- Tourism Marketing masterclass;
- KDCCI Diamond Sponsorship;
- Business Breakfast Briefings; and
- Fringe Benefits Tax White Paper

The current BDSG Policy allows eligible organisations to apply for funding year-round. Funding limits are placed on each initiative based on the category of support, and an application must be provided for each initiative. The KDCCI, in particular, may lodge up to eight applications for consideration at a time and in many cases the initiatives put forward for funding are recurring.

Officers have identified that the administration of the grants may be significantly reduced for both the applicants, and for the City by:

- Allowing multiple initiatives by an organisation to be funded through one application;
- Combining categories of support; and
- Allowing funding to be approved on a multi-year basis.

Officers have also noted that organisation sponsorship packages have increased in line with the increased costs of doing business. The current BDSG Policy limit of $10,000 (excl GST) for sponsorship is insufficient to continue support of organisations such as the KDCCI and KBEC through the same level (category) of sponsorship as has been purchased by the City in the past.

Officers have considered and reviewed the current policy in the context of streamlining the application process for applicants, in consultation with KDCCI and KBEC/Business Centre Pilbara (who are regular recipients for the scheme). A small number of proposed changes are summarised in the table below:

Proposed Change	Officer Comments
Change the categories of support to Business Events/Initiatives and Sponsorship	This change will provide improved clarity on the nature of events and initiatives which may be considered for support through the BDSG Policy.
Increase maximum amount for sponsorship to $20,000 (excl GST)	This will allow the City to continue to support organisations through sponsorship packages. Sponsorship requests through the BDSG Policy will continue to be evaluated to ensure benefits to the City represent good value for money. Sponsorship acquittal will continue to require evidence of benefits received by the City.
Clause added to allow for multiyear funding agreements to be offered to well established applicants.	Applications for some initiatives may be recurring. The ability to allow applications to be considered for multi-year agreements (to a maximum of three years) will reduce the administration time for applicants and City officers whilst providing financial certainty for the applicant. Risk will be managed through funding agreements with annual reporting/acquittal required prior to remittance of funding for the next year's initiatives.
Clause added to allow retrospective funding to be considered where applied for in the same financial year.	The ability to consider/allow funding requests to be applied retrospectively for Business events and initiatives will provide applicants with more flexibility for funding applications that cannot be processed by the City prior to their implementation. Applications will be assessed on a case-by-case basis and it is intended that any such flexibility will only be applied to well established organisations with whom the City has sound working relationships.

The proposed revisions to the Policy are shown as 'tracked changes' contained in **ATTACHMENT 1** to this report.

It is noted that officers will be preparing full policy reviews of City Growth grants including the TYBO, BDSG, EDG and MESAP Policies within the next 12 months for Council consideration.

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 economic issues.

STATUTORY IMPLICATIONS
Section 2.7 (2) (b) of the *Local Government Act 1995* is applicable in respect to Council determining Local Government Policies.

COUNCILLOR/OFFICER CONSULTATION
Consultation has taken place with the City's Community Engagement team to discuss alignment and gaps between BDSG policy and current Community Grants. It was identified the planned review of Community Grants may further inform improvements to the BDSG Policy once complete. A copy of the current Community Grant policies and processes were reviewed, with no immediate policies transferable to the BDSG policy review.

COMMUNITY CONSULTATION
Community engagement was undertaken as follows:

Who	How	When	What	Outcome
KBEC	In Person	July 2023	Verbal feedback on the application, execution, and evaluation process of the grant.	KBEC were supportive of proposed increases to funding categories, option for multi-year funding, and a consolidated application approach. Accordingly, KBEC has submitted a funding application that incorporates these proposed changes.
KDCCI	In Person	July 2023	Verbal feedback on the application, execution, and evaluation process of the grant.	KDCCI were supportive of proposed increases to funding categories, option for multi-year funding, and a consolidated application approach. KDCCI have also submitted a funding application based on acceptance of the proposed changes.

POLICY IMPLICATIONS
Policy DE-02 Business Development Support Grant Scheme will be impacted if the recommended changes are endorsed.

FINANCIAL IMPLICATIONS
The 2023/24 budget has allocated $120,000 (excl GST) towards BDSG applications.

STRATEGIC IMPLICATIONS
This item is relevant to the Council's approved Strategic Community Plan 2020-2030 and Corporate Business Plan 2020-2025. In particular, the Operational Plan 2023-2024 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	The Grant process is managed in accordance with the City's policy and annual Budget Process to minimise financial risk.
Service Interruption	N/A	Nil
Environment	N/A	Nil
Reputation	Low	Supported Initiatives will be aligned to Council's strategies and plans and assessed against criteria outlined in the Policies.
Compliance	Low	The Grant process is managed in accordance with the City's Policy's to ensure compliance.

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

RELEVANT PRECEDENTS
Council has previously undertaken a review of Policy DE-02 in May 2021.

VOTING REQUIREMENTS
Simple Majority.

OPTIONS:

Option 1
As per Officer's recommendation.

Option 2
That Council DECLINE the adoption of the revised DE-02 Business Development Support Grant Scheme policy.

CONCLUSION
The BDSG Policy assists business support organisations to deliver initiatives that strengthen, diversify, and enhance the local business economy. The grant scheme directly contributes to achieving Council's strategic intent of a well-managed and diversified economy. Support of local businesses is recommended to continue through an ongoing grant process with revised changes to Council Policy DE-02. Officers have identified improvements to the Business Development Support Grant policy which will significantly reduce administration and provide greater financial certainty to grant beneficiaries through multi-year agreements.

12.3 BUSINESS DEVELOPMENT SUPPORT GRANT SCHEME APPLICATION – KARRATHA BUSINESS ENTERPRISE CENTRE INC

File No: GS.65

Responsible Executive Officer: Director Development Services

Reporting Author: Business Engagement Officer

Date of Report: 24 July 2023

Applicant/Proponent: Karratha Business Enterprise Centre Inc.

Disclosure of Interest: Nil

Attachment(s):
1. Grant Application - KBEC
2. Assessment - KBEC

PURPOSE

For Council to consider an application from the Karratha Business Enterprise Centre Inc for grant funding under policy DE02: Business Development Support Grant Scheme (BDSG Policy).

OFFICER'S RECOMMENDATION

That Council APPROVE the application included as Attachment 1 under the Business Development Support Grant Scheme in accordance with the below and subject to Policy DE02 being adopted:

Organisation Name	Project Name	Recommended Amount (excl GST)
Karratha Business Enterprise Centre Inc.	**Sponsorship**	**$20,000**
	TOTAL	**$20,000**

BACKGROUND

The City's BDSG Policy was developed in 2016 to provide a competitive, open, and fair process for local collaborators and organisations to apply for grant funding to develop and deliver innovative projects that result in economic benefits in the City of Karratha. It was also designed to ensure Council's investment in business support services provides efficient and best value for money for the improvement of local business conditions.

The Karratha Business Enterprise Centre Inc (KBEC) applied for sponsorship under the BDSG Policy on 26 June 2023 for an amount of $20,000 (excl GST). The Karratha Business Enterprise Centre Inc operates through two trading entities - Enterprise Hub Karratha and The Business Centre Pilbara.

The KBEC is a not-for-profit organisation providing support for local small business. The KBEC owns and operates its premises at 18 Hedland Place Karratha, with income primarily derived from commercial tenancies from the ground floor space. They currently have two part time staff members onsite to coordinate the running of the centre and to deliver business support services.

The KBEC provide a co-working space which includes six office spaces (currently all leased) along with 17 co-working desks which are available to rent. The desks are currently utilised by 14 regular users and 12 casual users. The KBEC also provide a conference boardroom which is available to rent by business and community groups.

DISCUSSION

Proposal

The KBEC funding application (**Attachment 1**) requests sponsorship from the City of Karratha.

KBEC are planning to expand their services in 2023/24 to include business workshops. Based on feedback from their users, the KBEC is also looking to complete upgrades to their boardroom facilities with up-to-date technology, improved privacy measures, and new furniture. Sponsorship will assist in freeing up capital to proceed with these improvements.

The City's sponsorship will also assist the KBEC to deliver these services without significant increase to the fees and charges payable to business to access these facilities, maintaining local businesses' accessibility to the facilities and services.

The City provided sponsorship for the Karratha Business Enterprise Centre Inc in 2021/2022 for $10,000 (excl GST) under the BDSG Scheme. This funding has been fully acquitted.

No sponsorship application was received for 2022/23.

Assessment

The KBEC funding application has been assessed in accordance with the BDSG guidelines using the criteria below:

1. *Strategic Alignment* - Contribution to Council's Vision and Strategic Themes with particular focus on Council's Economic Development Strategy.

2. *Demand / Need* - Demonstrated demand and need for the project.

3. *Economic Development Impact* - Significance of the potential direct economic impact and return benefit of the project in the City of Karratha and how these results will be measured. Extent to which the application leverages the strategic advantages and existing assets. Potential benefits for local suppliers, businesses and/or engagement with local stakeholders.

4. *Value for Money* - Identify all funding sources, both confirmed and sought, and contributors and/or partners to the project, and the extent that the funding is leveraged. Likelihood of the project being utilised by other organisations to create further economic development activities in the City of Karratha.

The application has been evaluated against the Assessment Criteria in the BDSG Policy. A summary of the evaluation against the Assessment Criteria and Administration's recommendation is provided below. A full break down of the evaluation is included as **Attachment 2.**

The KBEC intends to recognise City of Karratha sponsorship through placement of the City's corporate logo on their website, social media platforms and print media. In addition, signage and advertising will acknowledge the City of Karratha's contribution through sponsorship. The City will be entitled to display a banner at any function, workshop or event delivered by the KBEC.

The KBEC provides a business support service that is strategically aligned to Council's goal to attract diverse and sustainable business and employment opportunities. The evaluation indicates the sponsorship is determined to be value for money for the City based on the association with continuation of a demonstrated business support activity.

Based on the evaluation of the funding application against the criteria, it is recommended that the application is supported. If approved by Council, the City will enter into a Funding Agreement with the KBEC in line with the Policy.

Funding Request

Organisation Name	Funding Year	Funding Amount
Karratha Business Enterprise Centre Inc (KBEC)	2023/24	$20,000 (excl GST)
	TOTAL	**$20,000 (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, economic issues and wellbeing issues as the BDSG Policy provides funding assistance in order to benefit the local economy.

STATUTORY IMPLICATIONS
There are no statutory implications.

COUNCILLOR/OFFICER CONSULTATION
Consultation has taken place between relevant internal departments.

COMMUNITY CONSULTATION
No community consultation was undertaken.

POLICY IMPLICATIONS
The City's BDSG Policy applies if Council item 12.2 is endorsed.

FINANCIAL IMPLICATIONS
The 2023/24 budget has allocated $120,000 (excl GST) towards BDSG applications. If Council adopts the Officers recommendations, it will be committing $20,000 (excl GST) against the allocated budget.

Council has endorsed applications for funding under the BDSG Policy since 2016 as follows:

Year	Applicant	No. of Projects Funded	Total Funding Awarded	Actual Expenditure (Total)
2016/2017	• Business Centre Pilbara • KDCCI	2 7	$22,000 $78,000	$100,000
2017/2018	• Business Centre Pilbara • KDCCI	4 6	$63,000 $60,000	$97,776
2018/2019	• KDCCI • The Inspired Mark • Pilbara Aboriginal Corporations and Enterprises Inc (PACE)	8 1 1	$112,000 $12,500 $30,000	$92,500

Year	Applicant	No. of Projects Funded	Total Funding Awarded	Actual Expenditure (Total)
2019/2020	• Pilbara Tourism Association • KDCCI	1 5	$20,000 $61,500	$52,500
2020/2021	• Pilbara Tourism Association • KDCCI • KDCCI – FBT Reform	1 6 1	$15,000 $112,500 $30,000	$154,227
2021/2022	• KDCCI • Business Centre Pilbara	6 1	$113,000 $10,000	$119,377
2022/2023	• Pilbara Tourism Association • KDCCI	1 7	$9,000 $102,000	TBC
Total		**58**	**$850,500**	**$616,380**

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 2023-2024 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. Risk will be managed through funding agreement.
Service Interruption	N/A	Nil
Environment	N/A	Nil
Reputation	Low	Low Reputational risk of Council providing funding to projects that cannot be delivered or are delivered to an inadequate standard. Risk will be managed through funding agreement.
Compliance	Low	Low compliance risk if projects are not acquitted. Risk will be managed through funding agreements and the City will work with the KBEC to ensure funding is acquitted to a satisfactory standard.

IMPACT ON CAPACITY
The capacity to deliver the recommendations will be met through the City's existing operational resources.

VOTING REQUIREMENTS
Simple Majority.

OPTIONS:

Option 1
As per Officer's recommendation.

Option 2
That Council APPROVE the application included as Attached 1 under the Business Development Support Grant Scheme in accordance with the below, subject to Policy DE02 being adopted.

Organisation Name	Project Name	Grant Amount
Karratha Business Enterprise Centre Inc.	**Sponsorship**	
	TOTAL	

Option 3
That Council DECLINE grant funding to the Karratha Business Enterprise Centre Inc.

CONCLUSION
The KBEC has applied for sponsorship through the City's BDSG Policy for an amount of $20,000 (excl. GST). The proposal has been assessed against the City's BDSG 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.

12.4 BUSINESS DEVELOPMENT SUPPORT GRANT SCHEME APPLICATIONS 2023/24

File No: GS.65

Responsible Executive Officer: Director Development Services

Reporting Author: Business Engagement Officer

Date of Report: 4 August 2023

Applicant/Proponent: Karratha and Districts Chamber of Commerce and Industry

Disclosure of Interest: The reporting officer was previously employed by the KDCCI from March 2014 to September 2018 and from October 2019 to November 2020

Attachment(s):
1. Grant Application – KDCCI
2. Assessment – KDCCI

PURPOSE

For Council to consider an application from the Karratha and Districts Chamber of Commerce and Industry (KDCCI) for grant funding under Policy DE-02: Business Development Support Grant Scheme (BDSG Policy).

OFFICER'S RECOMMENDATION

That Council APPROVE funding to the KDCCI as follows, subject to Policy DE-02 being adopted:

Organisation Name	Funding Year	Funding Amount
KDCCI	2023/24	$130,000 (excl GST)
KDCCI	2024/25	$134,875 (excl GST)
KDCCI	2025/26	$140,000 (excl GST)
	TOTAL	**$404,875 (excl GST)**

BACKGROUND

The City's BDSG Policy was developed in 2016 to provide a competitive, open, and fair process for local collaborators and organisations to apply for grant funding to develop and deliver innovative projects that result in economic benefits in the City of Karratha. It was also designed to ensure Council's investment in business support services provides efficient and best value for money for the improvement of local business conditions.

The KDCCI is a not for profit, member based organisation committed to fostering a thriving business environment by connecting businesses, promoting their interests, advocating for their needs, and providing comprehensive business support. The KDCCI submitted an application for funding through the BDSG Policy on 1 August 2023, a copy of the application is included as **Attachment 1**. The application requests funding to provide for sponsorship and to deliver business support initiatives for the next three years (2023/24 - 2025/26).

The City has provided funding to the KDCCI through the BDSG Policy since 2016.

DISCUSSION

Proposal

The KDCCI funding application has outlined their plan to continue to deliver their well-established events and initiatives including:

- Pilbara Indigenous Business Networking Group
  - Supporting Pilbara indigenous businesses through networking, training, mentoring, and assists in creating connections for Indigenous Businesses with industry including Rio Tinto, Woodside, City of Karratha, and Chevron. The program plans to deliver five tailored workshops and three networking and business profiling events including two tradeshows for 2023/24.
- Grow Local Program
  - Supports business through free training and delivery of workshops covering topics such as procurement and workplace health and safety, as well as providing one-on-one business support. This program is run in partnership with the Regional Chambers of Commerce and Industry WA (RCCIWA) and has a dedicated program manager.
- Pilbara Women in Business
  - Focused on supporting local women in business with events including panel discussions, business workshops, and financial literacy workshops. The program plans to deliver six events for 2023/24 including quarterly workshops and two market style events for local homebased businesses.
- Business Breakfast Briefing
  - A quarterly event delivered in partnership with the City of Karratha. The breakfasts provide businesses with updates on upcoming projects, procurement opportunities, and provides for networking opportunities.
- Business Bootcamp
  - A one-day event with a diverse line up of speakers including national, state, and local presenters which aims to address businesses' challenges and enhance their day-to-day operations.
- Careers Expo
  - A one-day event that provides attendees with information regarding post-secondary education, training, and employment opportunities across the City of Karratha.
- Business Excellence Awards
  - An Annual Awards night held at the Red Earth Arts Precinct providing an opportunity for the local business community to celebrate their achievements. Attendees include a diverse range of business and industry representatives. Award nominations are open to all businesses irrespective of whether they are KDCCI members.
- KDCCI Diamond Sponsorship
  - Premium membership of the KDCCI providing recognition through branding and marketing to KDCCI members, along with complimentary event registrations, such as the quarterly ‘round table’.

Council’s support of these events assists the business community to increase their capability through training, promote local procurement, and network. The events delivered have a wide reach and provide benefits to the local economy through the upskilling and training of the business community, encouraging businesses to adopt best practice, and promoting a ‘support local’ philosophy. The KDCCI delivered events are generally well attended by business community and local stakeholders.

The KDCCI recently conducted a full review of their governance, strategies, and policies including strategic planning with KDCCI staff and board members which identified gaps in

their budget. Their funding application reflects the updated costs for sustainable delivery of events and initiatives.

Previous funding approved under the BDSG Policy has required multiple applications for each event and initiative. As a result, the KDCCI and the City have faced a substantial amount of administrative work to apply, evaluate, and administer multiple initiatives. The initiatives supported are generally proven events or programs which require continuation of funding year on year. The City of Karratha has a strong relationship with the KDCCI and recognises the importance of the services offered by the KDCCI to the local business community.

Over the past six months, KDCCI and City officers have collaborated on identifying ways to streamline the funding partnership. It has been identified that providing a multiyear funding agreement would provide greater certainty for the KDCCI and flexibility in the programs offered.

Additional sponsorship and funding for the KDCCI is provided by industry. Funders include corporate partners Rio Tinto, Chevron, Woodside, Europcar, and 400 members made up of local and state-wide business.

Assessment

The KDCCI funding application has been assessed in accordance with the BDSG guidelines using the criteria below:

5. *Strategic Alignment* - Contribution to Council's Vision and Strategic Themes with particular focus on Council's Economic Development Strategy.

6. *Demand / Need* - Demonstrated demand and need for the project.

7. *Economic Development Impact* - Significance of the potential direct economic impact and return benefit of the project in the City of Karratha and how these results will be measured. Extent to which the application leverages the strategic advantages and existing assets. Potential benefits for local suppliers, businesses and/or engagement with local stakeholders.

8. *Value for Money* - Identify all funding sources, both confirmed and sought, and contributors and/or partners to the project, and the extent that the funding is leveraged. Likelihood of the project being utilised by other organisations to create further economic development activities in the City of Karratha.

The proposed funding agreement includes the following benefits to the City:

1. Acknowledgement of the City's at all events.
2. Display of City's logo on banners, website, social media, E-newsletter, and email signatures.
3. Allocation of complimentary tickets to KDCCI exclusive events including Business After Hours, Business Excellence Awards, Pilbara Women in Business, Pilbara Indigenous Business Networking Group, Careers Expo, and Business Breakfast Briefings.
4. Exclusive Invitation to events for the City to engage with other premium partners including a KDCCI sponsor recognition dinner; and
5. Advertising in the KDCCI Newsletter.

A full breakdown of the evaluation is included as **Attachment 2.**

Based on the evaluation of the application against the criteria, it is recommended that the application is supported for funding. If approved by Council, the City will enter into a Funding Agreement with the KDCCI in line with the Policy.

Funding Request

Organisation Name	Funding Year	Funding Amount
KDCCI	2023/24	$130,000 (excl GST)
KDCCI	2024/25	$134,875 (excl GST)
KDCCI	2025/26	$140,000 (excl GST)
	TOTAL	**$404,875 (excl GST)**

The KDCCI had requested a modest increase in year on year funding to provide for inflation and subsequent increase in cost of delivery across all events and programs.

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 economic issues with the BDSG Policy providing funding assistance in order to benefit the local economy.

STATUTORY IMPLICATIONS
There are no statutory implications.

COUNCILLOR/OFFICER CONSULTATION
Consultation has taken place with relevant internal departments.

COMMUNITY CONSULTATION
Community engagement was undertaken as follows:

Who	How	When	What	Outcome
Business Support Agencies (Pilbara Tourism Association, Business Centre Pilbara)	Email / In Person	Ongoing	Advise of BDSG Policy and calling for applications for Business Support Grants.	Awareness of Grant Scheme Policy and applications received.
KDCCI	In Person	Ongoing	Discussions of partnership (multi year) funding arrangement.	The KDCCI is supportive of moving to multi year funding arrangements to reduce administrative burden and provide financial certainty for provision of their services.

POLICY IMPLICATIONS
The City's BDSG Policy applies if Council item 12.2 is endorsed.

FINANCIAL IMPLICATIONS
The 2023/24 Business allocated $120,000 (excl GST) towards BDSG applications. If Council adopts the Officers recommendations it will be committing to $150,000 (excl. GST) in total against allocated budget including $20,000 to KBEC in item 12.3. If Council approves funding as per the recommendation, an adjustment to the budget will be required.

Council has endorsed applications for funding to the KDCCI under the Business Development Support Grants since 2016 as follows:

Year	Organisation	No. of Projects Funded	Total Funding Awarded
2016/17	KDCCI	7	$78,000
2017/18	KDCCI	6	$60,000
2018/19	KDCCI	8	$112,000
2019/20	KDCCI	5	$61,500
2020/21	KDCCI	7	$142,500
2021/22	KDCCI	6	$113,000
2022/23	KDCCI	7	$102,000
Total		**46**	**$669,000**

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 2023-2024 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	Requested funding will exceed the 2023/24 budget should Council resolve to support the full recommended level of funding.
Service Interruption	N/A	Nil
Environment	N/A	Nil
Reputation	Low	Low reputational risk of Council providing funding to projects that cannot be delivered or are delivered to an inadequate standard.
Compliance	Low	Low compliance risk if projects are not acquitted. Risk will be managed through funding agreements and the City will work with organisations to ensure each project 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.

VOTING REQUIREMENTS
Simple Majority.

OPTIONS:

Option 1
As per Officer's recommendation.

Option 2
That Council APPROVE funding to the KDCCI in accordance with the below, subject to Policy DE-02 being adopted:

Organisation Name	Funding Year	Funding Amount
KDCCI	2023/24	
KDCCI	2024/25	
KDCCI	2025/26	

Option 3
That Council DECLINE funding to the KDCCI.

CONCLUSION
The KDCCI has requested funding under the BDSG Policy for a 3-year period.

The request has been evaluated against the City's BDSG 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.

12.5 WOODBINES ENTERPRISES PTY LTD – ECONOMIC DEVELOPMENT GRANT FUNDING PROPOSAL

File No: GS.75

Responsible Executive Officer: Director Development Services

Reporting Author: Manager City Growth

Date of Report: 8 August 2023

Applicant/Proponent: Woodbines Enterprises Pty Ltd

Disclosure of Interest: Nil

Attachment(s):
1. Grant Application - SEED / Space2Grow
2. EDG Policy Assessment – SEED / Space2Grow

PURPOSE
For Council to consider an application from Woodbines Enterprises Pty Ltd for funding to deliver SEED, powered by Space2Grow, an innovation focused coworking space through Policy DE04: Economic Development Grant (EDG Policy).

OFFICER'S RECOMMENDATION

That Council APPROVE funding to Woodbines Enterprises Pty Ltd as follows:

Organisation Name	Project Name	Grant Amount
Woodbines Enterprises Pty Ltd T/A Tender Relief	**SEED, powered by Space2Grow**	**$32,750 (excl GST)**
	TOTAL	**$32,750 (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.

Woodbines Enterprises Pty Ltd ('Woodbines) submitted a funding proposal to the City under the EDG Policy on 5 June 2023 to deliver SEED, by Space2Grow, an innovation and technical based co-working space. For the purpose of this report the project will be referred to as Space2Grow.

It is intended that should Space2Grow be proven as feasible, two new entities will be created (Seed Hub Pty Ltd – a 'for profit' entity through which the coworking hub will operate, and Seed Foundation Pty Ltd which will be a not for profit administering funding and delivery of programs and initiatives). For this proposal and in the absence of the finalisation of the new corporate structure, Woodbines Enterprises Pty Ltd is the applicant for EDG funding.

DISCUSSION
Proposal

The City has been requested to provide financial assistance of $32,750 (excl GST) being half of the proposed budget $65,500 (excl GST) to prepare a Proof of Concept (PoC) to commence Space2Grow. The primary objective of Space2Grow is to provide suitably equipped office space for founders, inventors, and entrepreneurs to explore and develop their business ideas in an "Innovation Hub". Space2Grow will provide office space and coworking facilities and an opportunity for collaboration with other users.

Phase 1 of the project will deliver the PoC, including:

- development of a business model;
- building fit out design; and
- feasibility analysis.

The PoC will require community consultation, government stakeholder engagement, industry stakeholder engagement, and larger scale capital raising to enable the delivery of Space2Grow.

Spacecubed will be engaged to assist in delivery of the PoC. Spacecubed is a co-working space operator in Perth experienced in delivery of a wide range of educational and career development programs for business, entrepreneurship, and technology start-ups and has been in operation since 2012.

There are currently a number of co-working spaces available to business within the City. Officers have identified the following facilities are currently accessible to small business within the City of Karratha:

Organisation	Facilities
Karratha Business Enterprise Centre (KBEC)	The KBEC is a not-for-profit organisation providing a co-working space which includes six office spaces (currently all leased) along with 17 co-working desks which are available to rent. The desks are currently utilised by 14 regular users and 12 casual users. The KBEC also offer a conference boardroom which is available to rent by business and community groups.
Welcome Lotteries House	Welcome Lotteries house is a not for profit providing business spaces for non-profit and community organisations. Lotteries House has five offices available and is currently fully leased. A conference room accommodating up to 75 people and a meeting room for up to nine people is available for hire.
KDCCI	The KDCCI is not for profit member-based organisation with a large boardroom available for hire for up to 30 people.
Pilbara Universities Centre (PUC)	The PUC is a regional study hub with facilities in Karratha and Port Hedland. The PUC provides support for higher education students in the Pilbara. Facilities available in Karratha for public hire include a large boardroom and two small meeting rooms.

The creation of additional co-working facilities is intended to provide an 'ecosystem' for thought leaders and innovators and is expected to complement and expand existing services already established within the City of Karratha.

Space2Grow intends to partner with existing well-established organisations including JTSI, Meshpoints, South-West Innovation Centre and MIT's REAP Program to link into existing frameworks, strategies, and networks to provide further assistance and deliver programs aimed at start-up businesses. It is anticipated that Space2Grow will also provide a suitable venue to attract current state-wide innovation focused events to Karratha, such as the West Tech Fest which is an annual Tech and Innovation Festival as well as accelerator programs, such as Plus Eight Accelerator and First Nations X.

As part of the delivery of the project, Space2Grow also intends to engage with the Regional Hubs Network. The Regional Hubs Network is a network of regional innovation and start-up hubs that cooperate to share and attract opportunities across the state. This network is funded by the State Government New Industries Fund. There are currently ten hubs across seven regions including the Port Hedland WEB Hub and Newman CORE Innovation Hub. Karratha is not currently represented within this network. The establishment of Space2Grow in Karratha would likely meet the requirement to join this network allowing collaboration across the Pilbara and providing further benefit to local businesses.

City officers have consulted with the Karratha and Districts Chamber of Commerce and Industry (KDCCI) and the Karratha Business Enterprise Centre (KBEC) to discuss the impact this proposal would have on current services and facilities. KBEC identified that whilst the coworking spaces may compete with their offering, there was identified demand for small office spaces as evidenced by current waitlists. Officers believe that the introduction of additional coworking space and innovation focused business programs are unlikely to significantly impact existing providers within the City.

During preliminary investigations, the applicant has identified preferred sites for Space2Grow, two of which are within The Quarter building. It is noted however that the design and feasibility for the PoC is site specific and should tenure not be negotiated on the preferred site, the design work will be wasted. Equally the design and associated cost of delivery will inform the feasibility, and as such it would not be reasonable for Woodbines to commit to a long term lease without positive outcomes from the PoC. Should Council support the funding application, in order to mitigate the risk of the project outputs holding limited value, officers would seek to impose a condition in the funding agreement which requires Woodbines to demonstrate a working period has been negotiated on the preferred site (or similar) providing assurance that tenure is likely to be secured once viability of the project is established. Woodbines will work with the owners of these spaces should the PoC prove successful to secure tenure.

Once the PoC is validated, the project will proceed to include client program development, fit out project management and stakeholder business development to create the co-working space, enabling Woodbines to progress towards their goal of delivering Space2Grow.

Phase 2 comprises practical completion of fit-out and pre-launch, including:

- Physical space fit out;
- Client program development;
- Recruitment;
- Advertising;
- Stakeholder Business development;
- Member onboarding.

A portion of the proposed work to be delivered by Woodbines and the consultant (Spacecubed), being the project management of the fit out, associated travel, development of brand collateral, and websites, will occur during Phase 2 and will be contingent upon a positive outcome to the feasibility completed during Phase 1. Completion of Phase 1 will

essentially result in a 'stop-go' decision for the proposal. Should the funding proposal be supported, the City will manage funding attributed to Phase 2 through the funding agreement to ensure funding is released only against components of the project which are known to be proceeding.

To ensure a timely delivery of Space2Grow, planning has commenced in parallel with the delivery of the PoC to identify additional funding sources. Additional funding for the delivery of Space2Grow has been requested from Woodside, JTSI and Lotteries West however the outcome of these funding requests is currently unknown.

Policy Assessment

The request has been evaluated against the assessment criteria in the EDG Policy and a copy of this assessment is included as Attachment 2. In brief, the evaluation determined that the proposal aligns with the City's Strategic Community Plan 2020-2030.

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

- Acknowledgment of funding support through branding and media with benefits of identifying the City as a progressive and innovative local government that supports local businesses and start-ups.

A communications and marketing plan is also being developed as part of the PoC which will be made available to the City and other contributors prior to implementation.

Funding Request

Organisation Name	Project Name	Project Total	Requested Amount	Recommended Amount
Woodbines Enterprises Pty Ltd T/A Tender Relief	SEED, powered by Space2Grow	$65,500 (excl GST)	$32,750 (excl GST)	$32,750 (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 the Acting Director Corporate and Legal Services to identify available City owned office space that may be a suitable for the applicant's proposal.

COMMUNITY CONSULTATION

Who	How	When	What	Outcome
Karratha Business Enterprise Centre	In Person	11 July 2023	Verbal feedback on impact additional co-working space and programs would have on current services	Additional small office space would be of benefit to the Karratha Business Community with a strong current demand for this type of space.
KDCCI	In Person	13 July 2023	Verbal feedback on impact additional co-working space and programs would have on current services	Additional Office space and programs would supplement existing services.

POLICY IMPLICATIONS
The City's EDG Policy applies.

FINANCIAL IMPLICATIONS
Funding for this proposal has not been included in the 2023/24 budget. If Council approve funding 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 2023-2024 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 a funding agreement.
Service Interruption	N/A	Nil
Environment	N/A	Nil
Reputation	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 a funding agreement.
Compliance	Low	Low compliance risk of the project not being delivered to the agreed standard. Risk is managed through funding agreement. The City will work with Woodbines Enterprises to ensure project 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
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 the formalisation of the EDG Policy are:

Project Title	Applicant	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

One project has been funded (see table below) since the EDG Policy was adopted in July 2020:

Project Title	Applicant	Objective	City Funding (Excl. GST)
Pilbara Drone Operational Hub	Wedgetail Aerospace Pty Ltd	Complete a Proof of concept for the use of large scale 'heavy' drones for industry and business in regional areas.	$60,000

VOTING REQUIREMENTS
Simple Majority.

OPTIONS:

Option 1
As per Officer's recommendation.

Option 2
That Council APPROVE funding to Woodbine Enterprises Pty Ltd in accordance with the below:

Applicant	Project	Funding Amount
Woodbines Enterprises Pty Ltd	Feasibility and Strategic planning for Innovation Hub	
	TOTAL (excl GST)	

Option 3
That Council DECLINE funding proposal to Woodbines Enterprises Pty Ltd.

CONCLUSION
Woodbines Enterprises Pty Ltd has requested funding of $32,750 (excl. GST) to support the delivery of a PoC for delivery of Space2Grow to support development of an Innovation 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 $32,750 (excl. GST) representing approximately 50% of the PoC project value.

13 STRATEGIC PROJECTS & INFRASTRUCTURE

Nil

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 August 2023.

VOTING REQUIREMENTS
Simple Majority.

OFFICER'S RECOMMENDATION

That Council note the following information items:
14.1 Community Experience update
14.2 Concession on Fees and Charges
14.3 Record of Tender Outcome under Delegation
14.4 Development Services update
14.5 Waste Services Data
14.6 Airport Services Data

14.1 COMMUNITY EXPERIENCE UPDATE

File No: CS.23

Responsible Executive Officer: Director Community Experience

Reporting Author: EA to the Director Community Experience

Date of Report: 27 July 2023

Applicant/Proponent: Nil

Disclosure of Interest: Nil

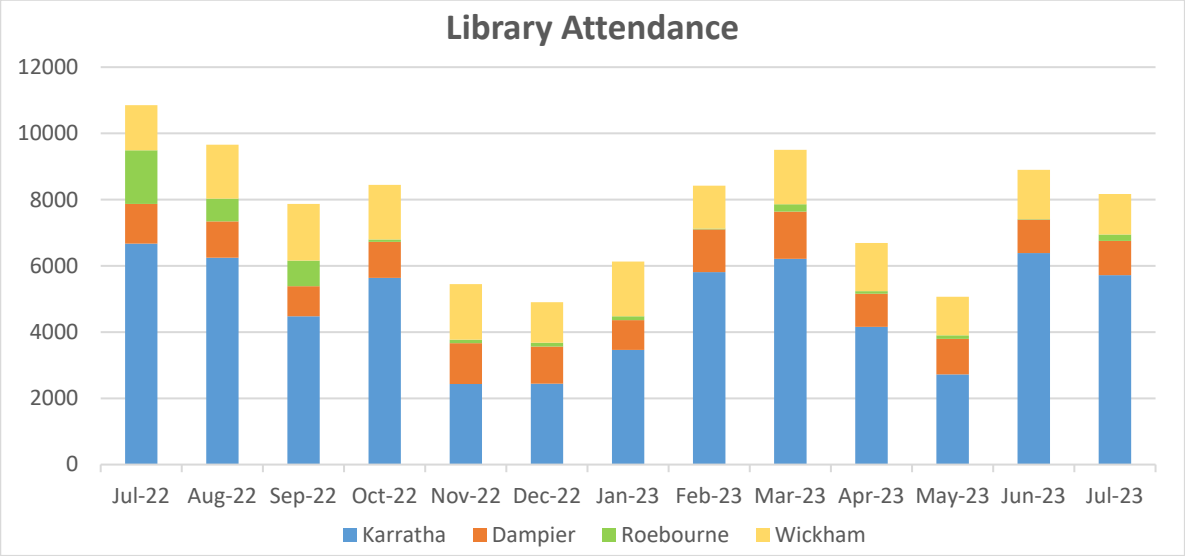
Attachment(s): Nil

PURPOSE
To provide Council with a Community Services update for July 2023.

Community Facility Attendance Summary

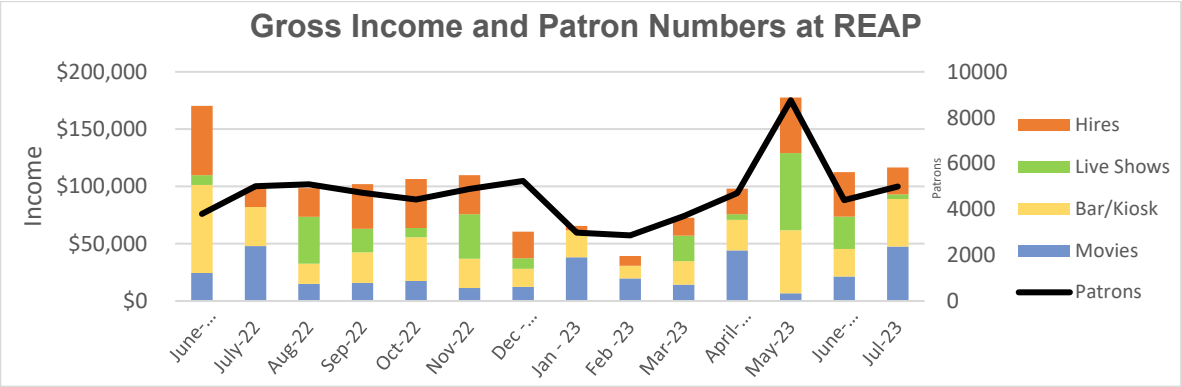
Facility Attendance	July 2022	July 2023	%
The Youth Shed	552	1249	↑126%
The Base	675	988	↑46%
Total Library	10854	8171	↓24%
Karratha Leisureplex	38856	33686	↓13%
Wickham Recreation Precinct	2058	2283	↑11%
Roebourne Aquatic Centre	Closed		
Red Earth Arts Precinct	5008	4995	↓0.3%
Indoor Play Centre	2184	3150	↑44%
Community Liveability Programs	**July 2022**	**July 2023**	**%**
Security Subsidy Scheme properties	13	7	↓46%
Meet the Street parties	3	1	↓66%

Library Services



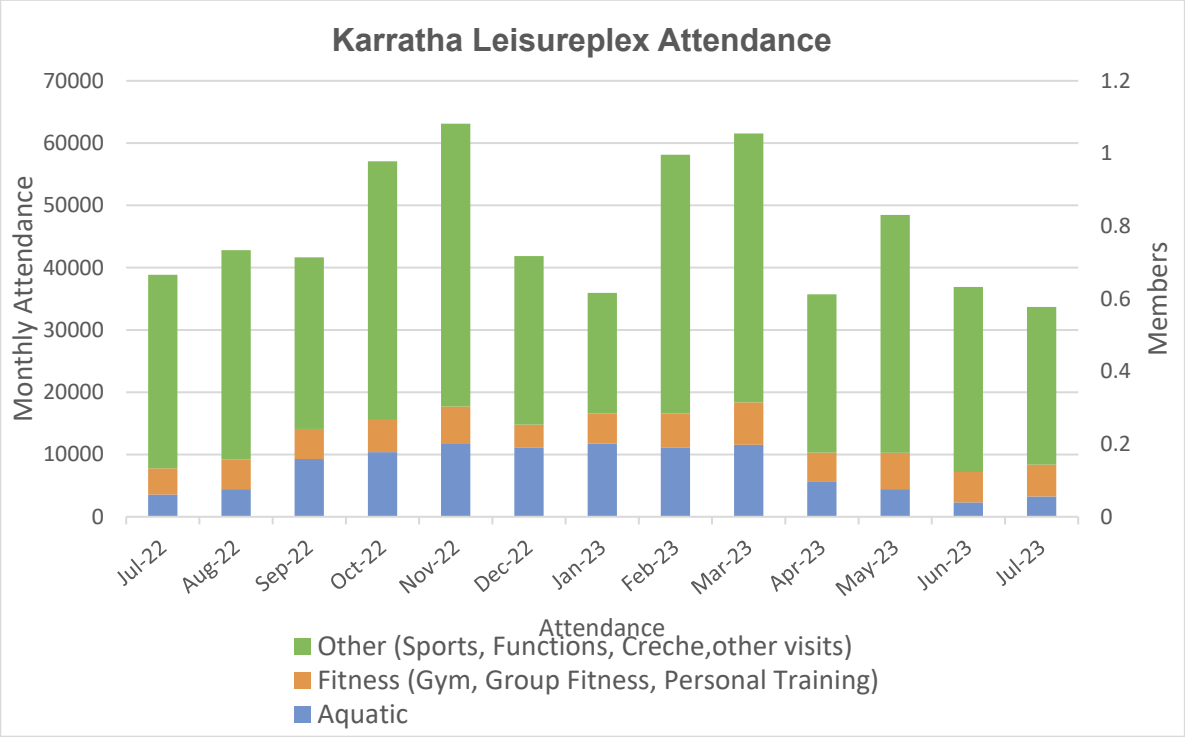
10483 Total **memberships** (107 new members signed up in July)	**3469** Physical items **borrowed**
544 Program **participants** at **27 Programs** (including Rhyme Time, Story Time, Family Funday and School Holiday Programs)	**1280 eResources** borrowed eResource Loans had a 57% increase from June
124 Better **Beginnings Packs** were Distributed to Pop Health, Kindy Classes and Library Patrons	**868** Individual **computer log ins** by Members and Guests (excludes WiFi)
588 Technical **enquiries** (including assistance with Computers, WiFi, Printing and Scanning)	**8** External **requests** for **Local History** information
*Roebourne Library has reopened within limited operating hours (six hours per week compared with 50 hours per week under the former caretaking agreement)	

Red Earth Arts Precinct



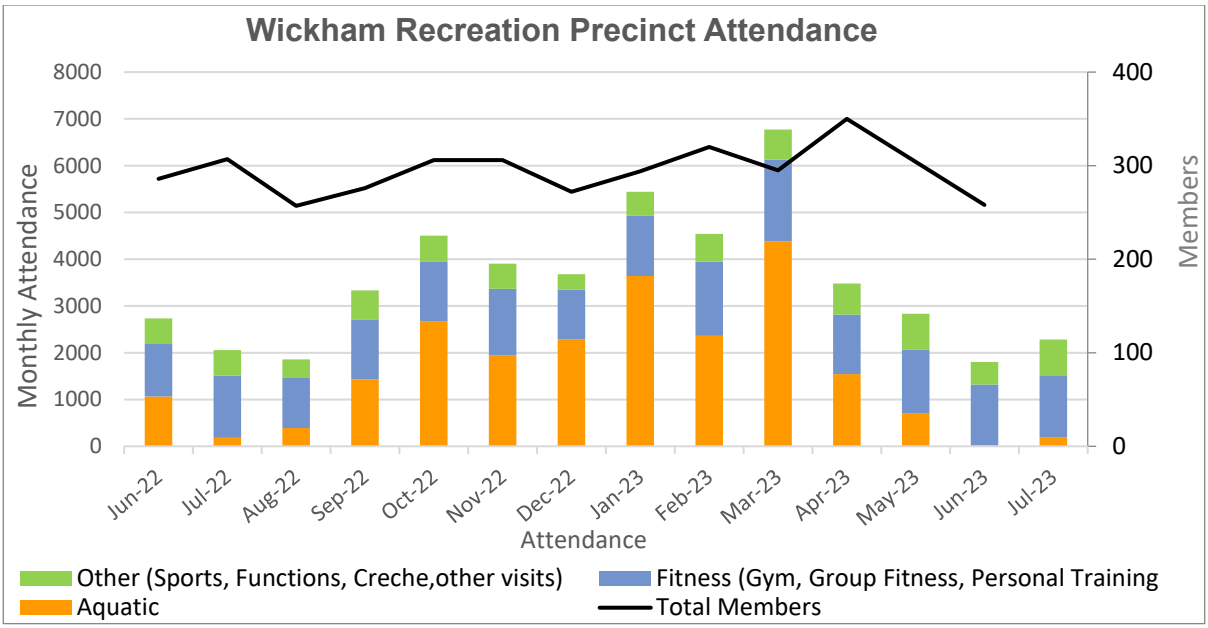
Movies remained relatively stable, with a **decrease of 0.84%** compared to July 2022. This indicates a consistent audience interest in our movie screenings. Elemental, Spiderman and Indiana Jones were our top sellers.
Bar/Kiosk demonstrated an **increase** of **21.79%** in sales. Large scale venue hires and movies such as Karratha Fire & Rescue, Perdaman & Elemental were noted this month.
Live Shows contributed **$4,118** to our **revenue**, marking a significant difference from July 2022, where there were no Live Show events scheduled.
Hire revenue increase of **44.24%** in July 2023 increased by Perdaman, Karratha Fire and Rescue along with our regular monthly venue hires such as Dance KIX and the Stars Foundation.

Karratha Leisureplex



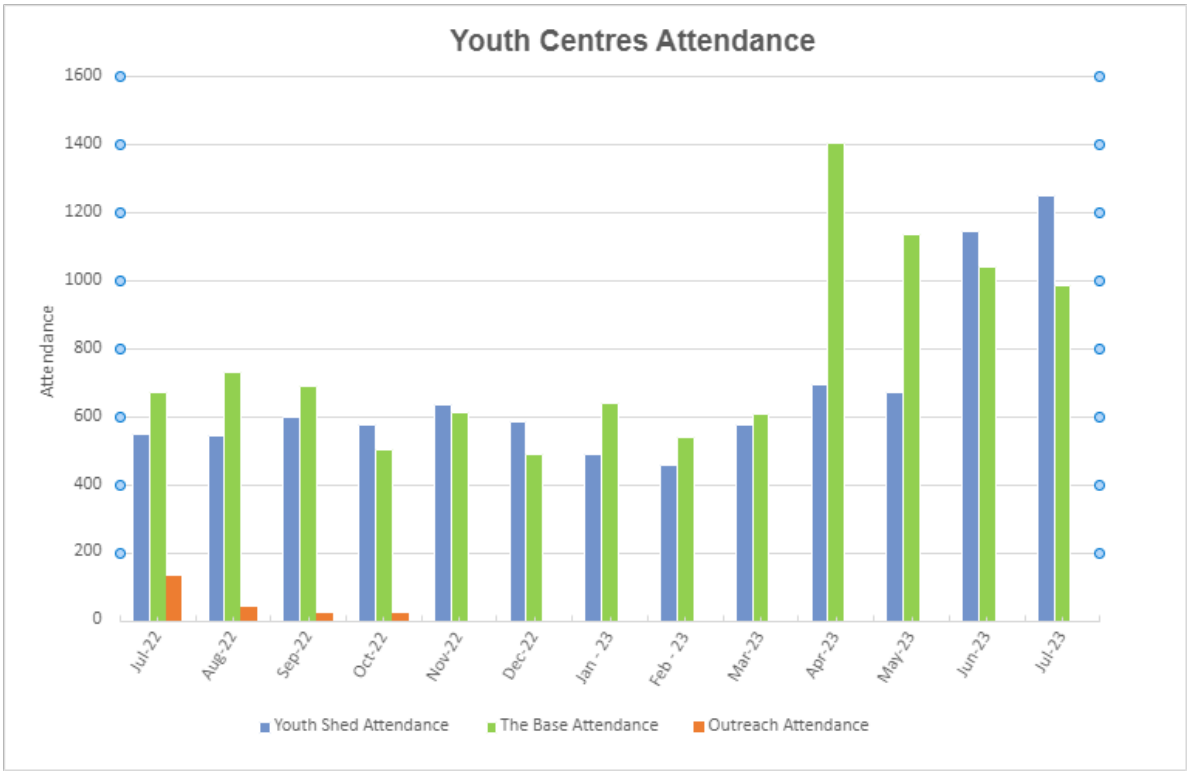
An overall **13% decrease in attendance** is attributed to a decrease in other sports, functions figures. Larger functions were hosted in July 2023.
Attendance in **aquatics decreased by 8%** due to the Splash Pad undergoing maintenance during the July school holidays.
A **16% increase** is noted in **memberships**.

Wickham Recreation Precinct



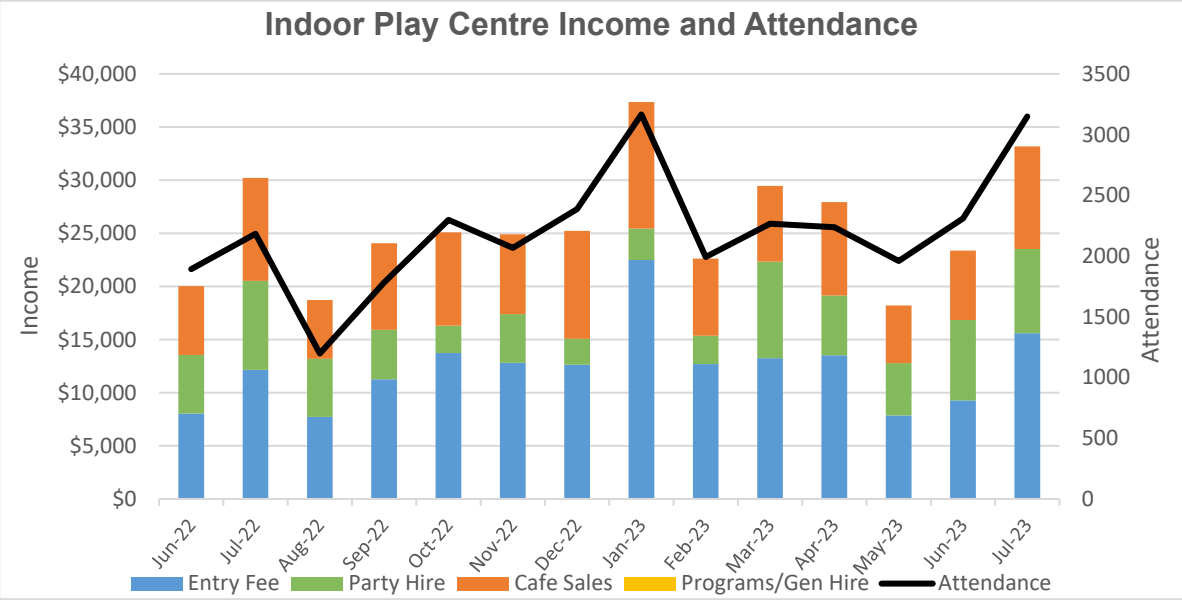
There was a decrease in aquatic activity at both facilities due to the cooler weather. A **43%** increase was seen in sports functions, creche and other visits. This is due to the successful school holiday programs.

Youth Services - The Base and Youth Shed



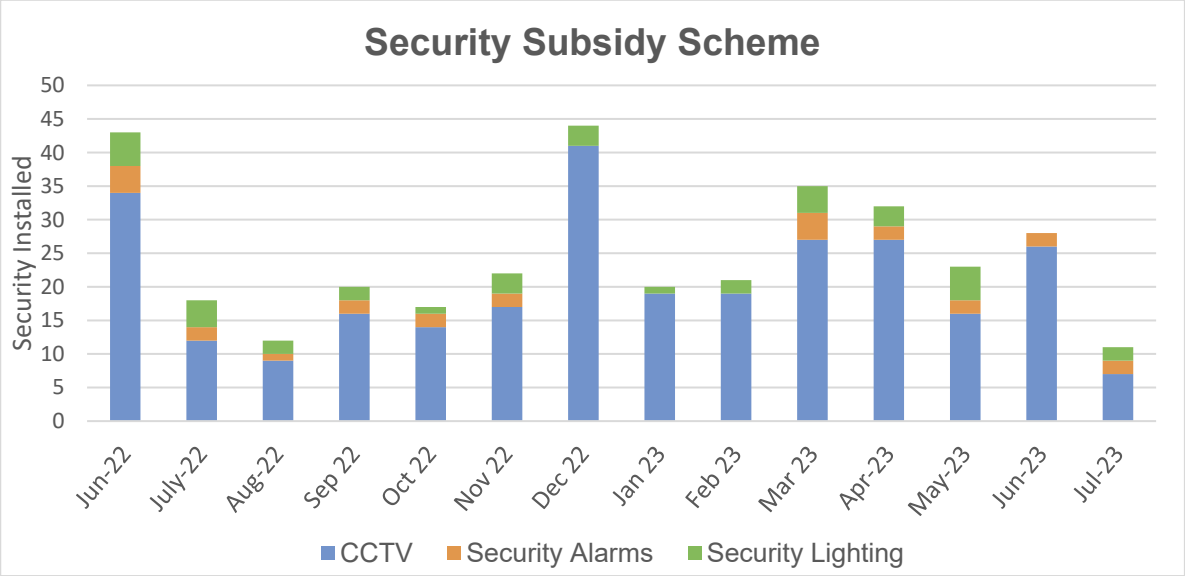
There has been a **significant increase** in attendance at the Youth Shed by **126%** from this time last year. It should be noted that in July 2022 both centres had a decrease in visits due to the COVID in the local community. **The Base** has seen an **increase** by **46%** with a continued effort to engage youth through all programs. Many parents and grandparents took part in the staff / parents' vs Youth indoor dodgeball event at the tennis court.

Indoor Play Centre



44% increase in attendance from the previous July 2022 period. Statistics showed in July 2022 an increase in COVID cases in the Pilbara negatively impacting on visits to the centre. The centre was well attended during the July school holidays.

Liveability – Security Subsidy Scheme



CCTV still popular along with security alarms with a total of **12** properties this year taking advantage of the subsidy.

Liveability – Meet the Street

1 Meet the Street party held this month, which is 2 less then this time last year.

14.2 CONCESSION ON FEES FOR CITY FACILITIES

File No: CR.38

Responsible Executive Officer: Director Community Experience

Reporting Author: Director Community Experience

Date of Report: 3 August 2023

Disclosure of Interest: Nil

PURPOSE

To provide Council with a summary of all concessions on fees for the City's Community Services facilities under Delegation 1.0 of the Delegations Register since the last Ordinary Council Meeting.

Name	Reason	Amount (excl. GST)
ABC Radio & Triple M Radio	ABC Radio and Triple M Radio requesting promotional tickets for show "Euphoria" 8 x Adult Tickets - $15 ea	$109.09
Pilbara Regiment	2023 FeNaCING festival Fee waiver display stall	$1,227.27

14.3 RECORD OF TENDER OUTCOME UNDER DELEGATION

File No: CM.112; CM.580

Responsible Executive Officer: Director Strategic Projects and Infrastructure

Reporting Author: Project Administration Supervisor

Date of Report: 8 August 2023

Disclosure of Interest: Nil

Attachment(s) Nil

PURPOSE
To inform Council of the outcome of tenders that have been determined under delegation since the last Ordinary Council Meeting.

BACKGROUND
Under Delegation 1.1 'Tenders & Expressions of Interest', the Chief Executive Officer (CEO) is able to award a tender where the consideration does not exceed $500,000 and Directors $250,000 (excluding GST) on the provision there is an approved budget.

Alternatively, under section 5.42 of the *Local Government Act 1995*, Council may specifically delegate to the CEO the authority to award a particular tender up to a specific value limit.

Policy CG-12 'Purchasing Policy' requires that on each occasion a tender is determined under delegated authority a report is to be provided to Council at its next ordinary meeting that provides the information as detailed below:

Tender No:	RFT10-22/23	**Project Budget:**	$300,000 excluding GST
Tender Title:	Seven Mile Facility and Transfer Station Container Mounted Shade Structure		
State-wide Advertising Commenced:	8/03/2023	**Tender Closing Date/ Time:**	22/03/2023
Scope of Works:	Design, fabrication and installation of a container mounted shade structure and concrete pad at the Seven Mile Waste Facility and Transfer Station located on Exploration Drive in the Gap Ridge Industrial Estate, Karratha.		
Selection Criteria:	Price		60%
	Relevant Experience		15%
	Capacity to Deliver		15%
	Methodology		10%
Submissions Received:	Karratha Building Co. KW Civil & Construction PKKP Construction		
Tender Awarded:	☐ Yes ☒ No	**Date of Decision:**	20/07/2023
Reason:	The CEO rejected all tenders. The preferred tenderer, post tender clarification was deemed not advantageous to the City, noting a new Request to be issued direct to contractors in accordance with the City's Purchasing Guidelines.		

Tender No:	RFT14-22/23	**Project Budget:**	$1,477,300 excluding GST
Tender Title:	Madigan Road Intersection Modification (Construction)		
State-wide Advertising Commenced:	7/06/2023	**Tender Closing Date/ Time:**	5/07/2023
Scope of Works:	Construct the new Madigan Road turning lane intersection upgrades and reconstruction modifying the existing Main Road Western Australia infrastructure. This project aims to facilitate and activate the further development of the future Gap Ridge Homemaker Centre, located on the commercial Lot 8, 9, and 10 Corringer Avenue, Gap Ridge, Karratha being led by Development WA.		
Selection Criteria:	Price		50%
	Relevant Experience		10%
	Capacity to Deliver		15%
	Methodology		20%
	Sustainability		5%
Submissions Received:	BCP Contractors Pty Ltd Corps Earthmoving Pty Ltd Egan Civil Pty Ltd trading as Castle Civil Pty Ltd Norwest Sand & Gravel Pty Ltd Raubex Construction Pty Ltd		
Tender Awarded:	☐ Yes ☒ No	**Date of Decision:**	8/08/2023
Reason:	The CEO rejected all tenders. All submissions under this tender exceeded the budget allocation.		

14.4 DEVELOPMENT SERVICES UPDATE

File No:	DB.32
Responsible Executive Officer:	Director Development Services
Reporting Author:	Statutory Planning Coordinator
Date of Report:	1 August 2023
Disclosure of Interest:	Nil
Attachment(s)	1. List of current decisions subject of State Administrative Tribunal Review and List of current Joint Development Assessment Panel applications

PURPOSE

To provide information relating to current State Administrative Tribunal (SAT) Reviews and development applications to be determined by the Joint Development Assessment Panel (JDAP).

This information is provided to keep Council informed of major development applications within the City of Karratha that will be determined by the JDAP rather than the City, and decisions made under planning legislation within the City that are being challenged in SAT.

These matters may also be of interest to members of the local community. The attached summaries also make information publicly available on major development applications and decisions that are being challenged.

As of 1 August 2023

APPLICATION (Name, No., City File Reference &/or JDAP File Reference)	PROPERTY	DATE FOR SAT REVIEW / APPLICATION LODGED	STATUS	RESPONSIBLE OFFICER	DATE CLOSED / COMPLETED
SAT					
Nil					
JDAP					
DA23-003 DAP/23/02422 Construction of Solar PV Farm (Renewable Energy Facility) and Ancillary Infrastructure	Lot 1502 North West Coastal Highway, MAITLAND WA 6714	25/01/2023	• Responsible Authority Report (RAR) was due to the JDAP by 31st July 2023. • Extension of Time Request (EOTR) approved by JDAP for the RAR to be provided to the JDAP by 30 November 2023. • EOTR sought and granted as the proposal is still being determined by the EPA under Section 38G(1)(b) of the *Environmental Protection Act 1986.* The assessment under this act prevents the development application being determined by the JDAP until a statement is published under the Act by the relevant minister.	Statutory Planning Coordinator	N/A

14.5 WASTE SERVICES DATA

File No: WM.2

Responsible Executive Officer: Director Strategic Projects & Infrastructure

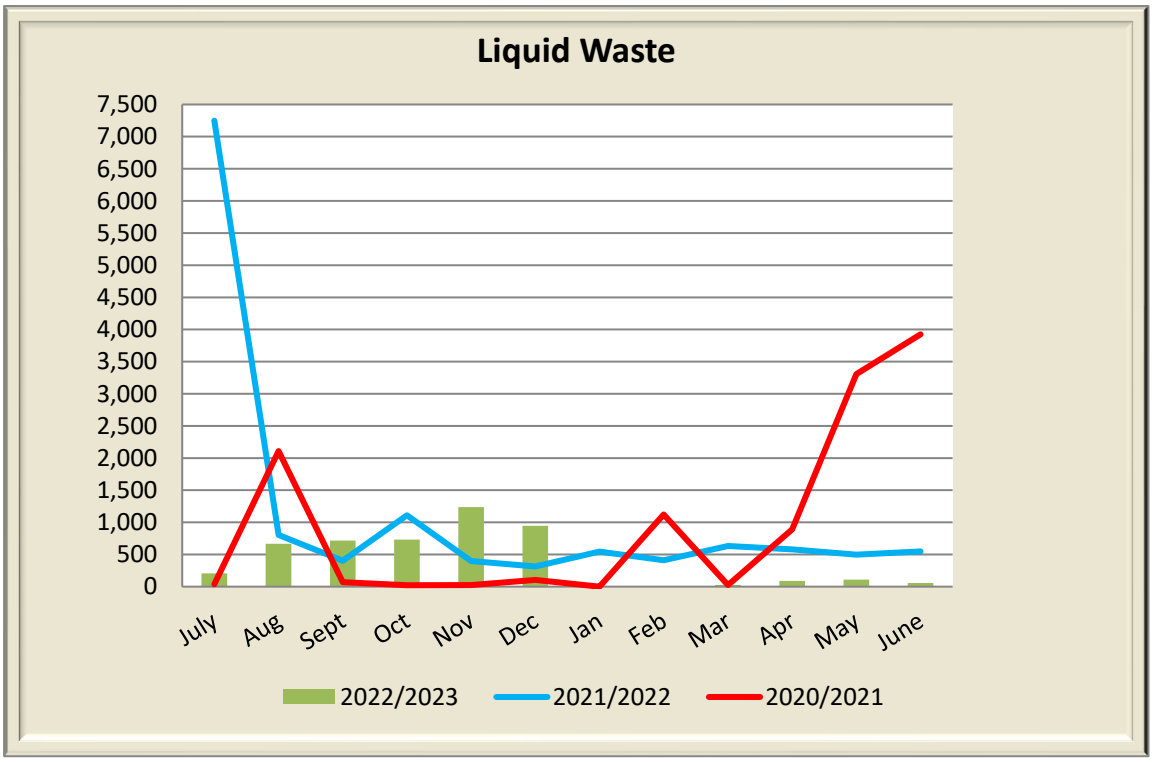
Reporting Author: Waste Services Administration Officer

Date of Report: 3 August 2023

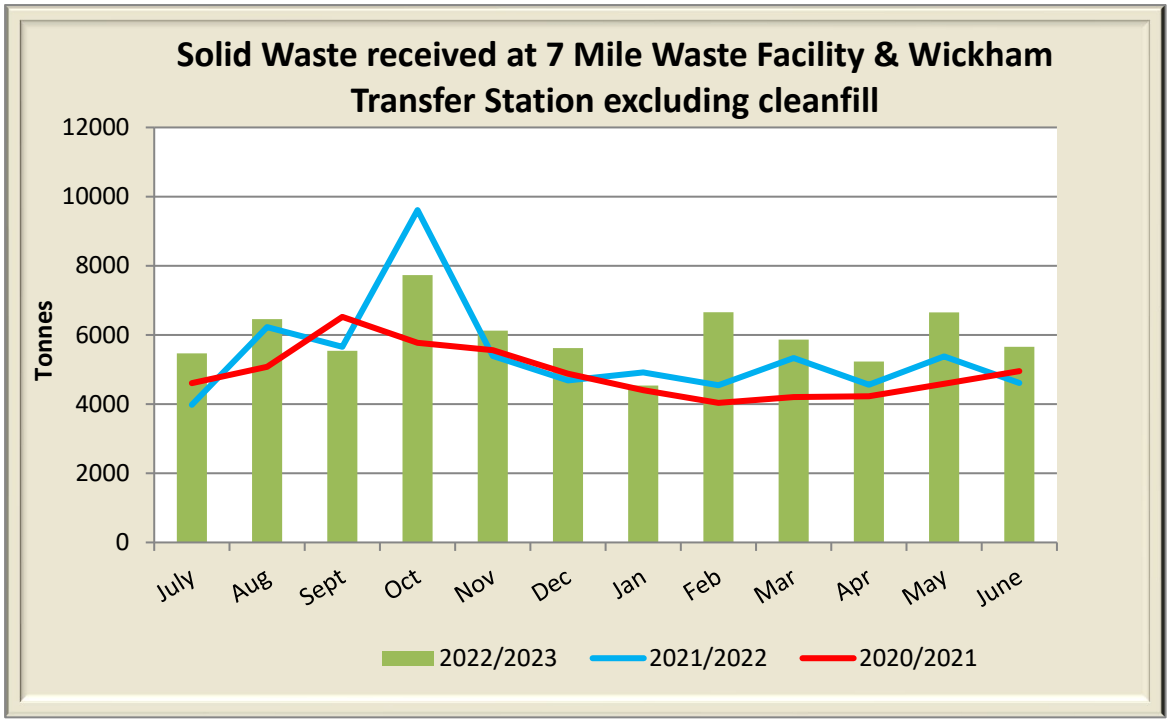
Disclosure of Interest: Nil

Attachment(s): Nil

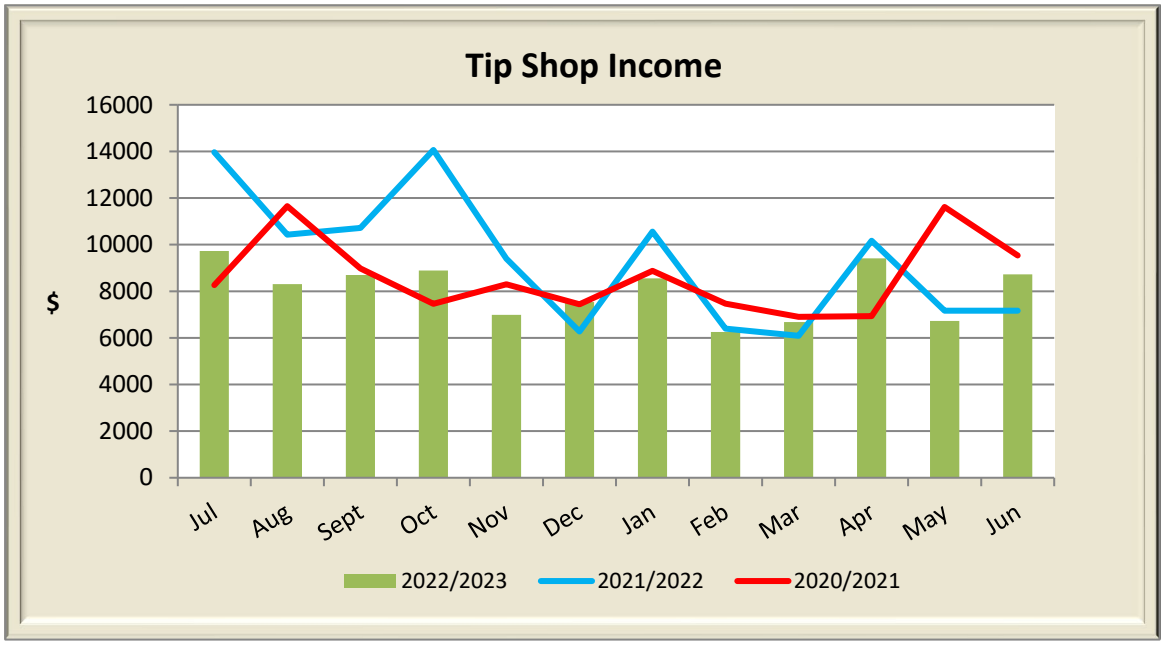
PURPOSE
To provide a quarterly update (Q4) and illustration of Waste Services data for the 2022/2023 year and compare to historical trends.



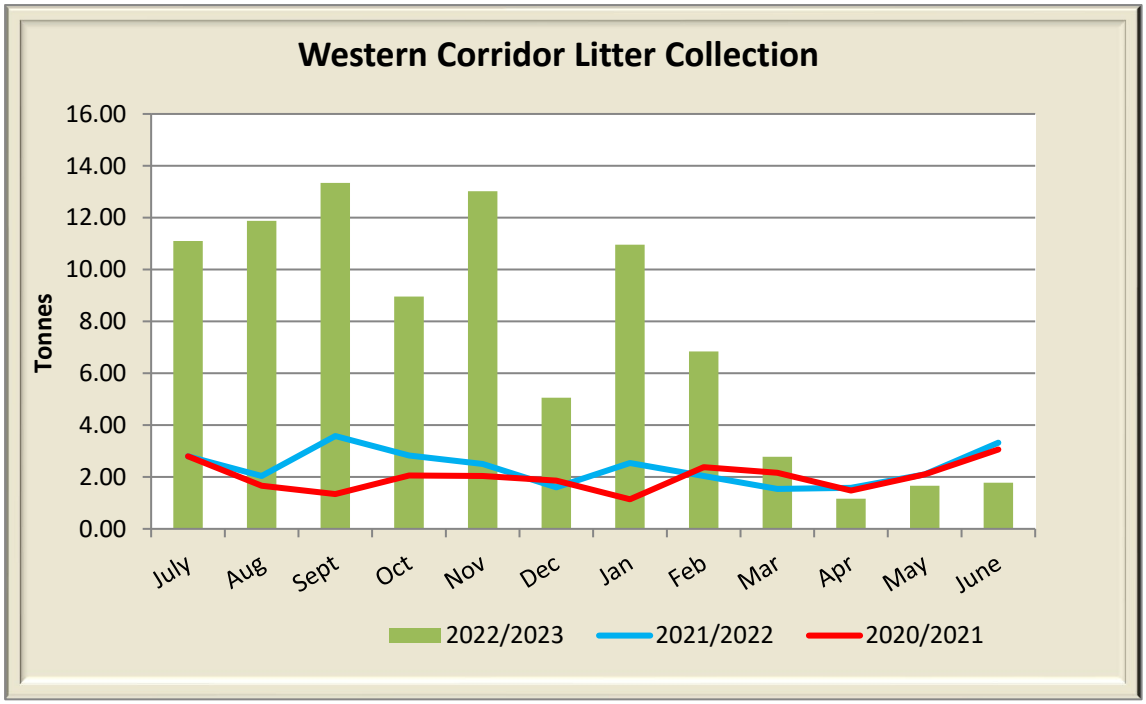
Liquid Waste delivered to the 7 Mile Waste Facility.
Decrease due to rejecting Industrial Wash Waters while receiving the odour reports. This has since been reinstated.



Total waste, excluding liquid and clean fill delivered to the 7 Mile Waste Facility. Solid waste deliveries have remained consistent this quarter.

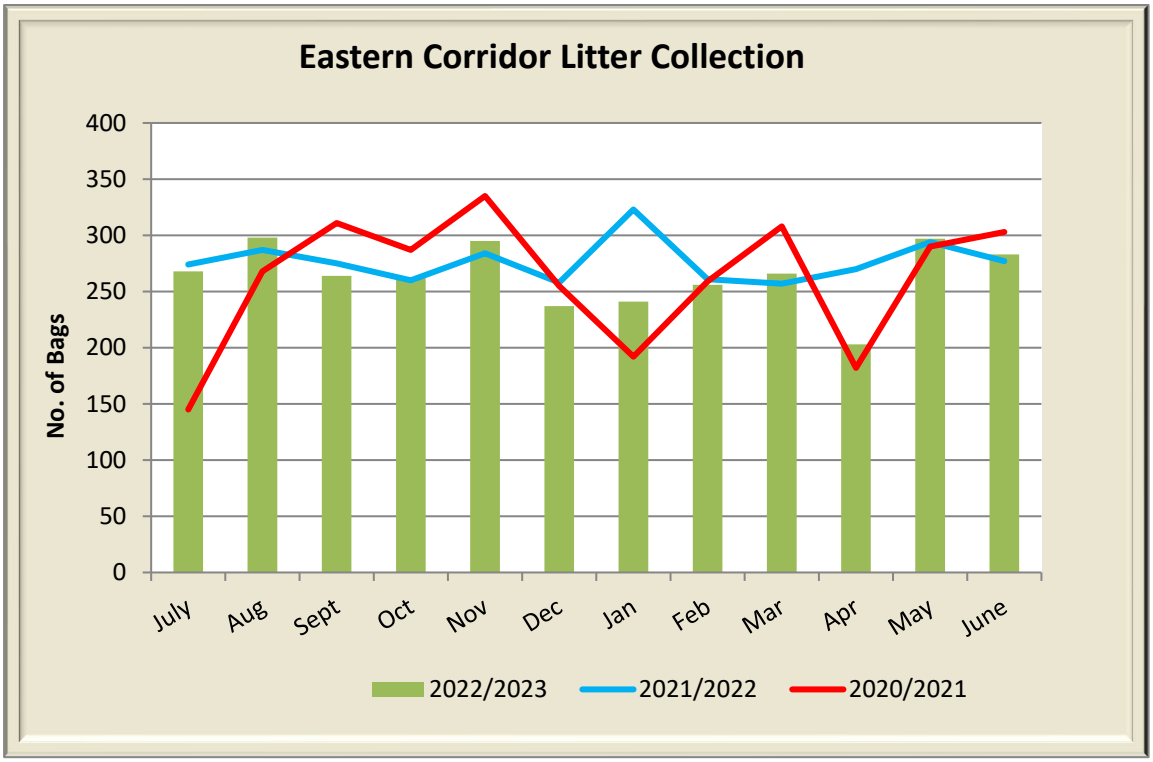


Income received for re-usable items recovered for sale at the Tip Shop.

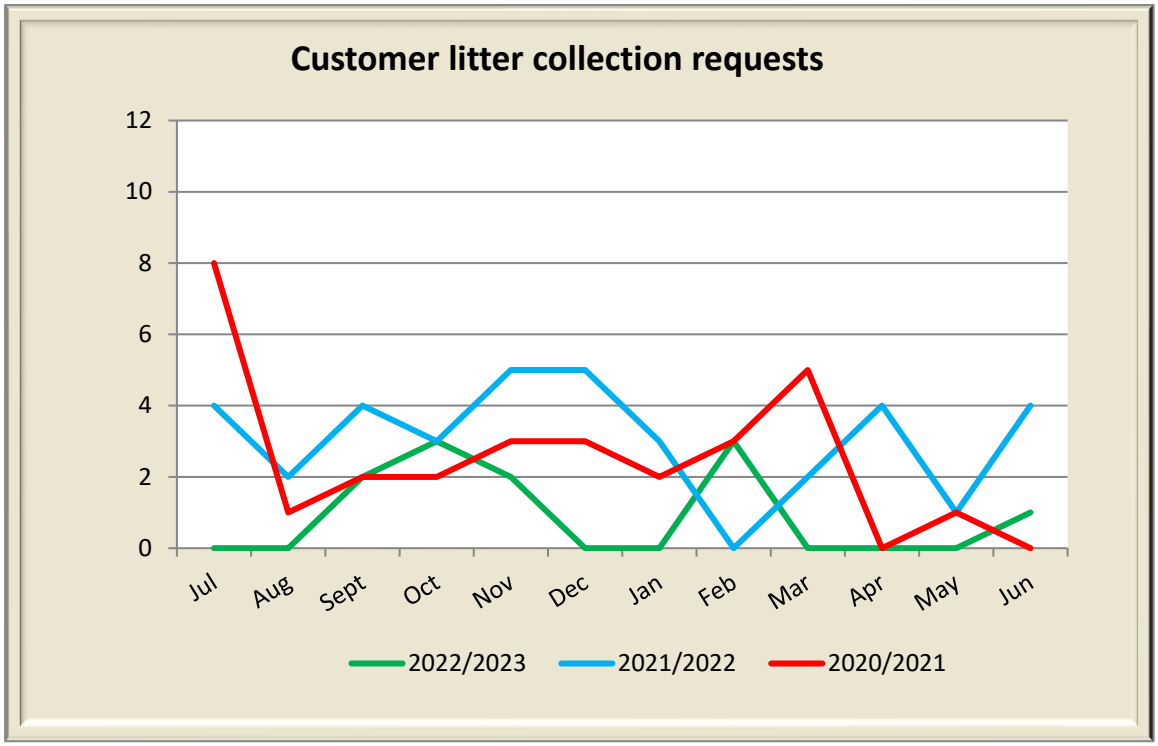


Street litter collected in Karratha and Dampier and delivered to the 7 Mile Waste Facility under contract with Damel.

A review will be conducted into the decline in litter collection



Number of litter bags collected in Roebourne, Point Samson and Wickham delivered to the Wickham Transfer Station under contract with Brida.



Number of requests received from customers relating to street and footpath litter for Karratha, Dampier, Roebourne, Wickham, and Point Samson.

14.6 AIRPORT SERVICES DATA

Responsible Executive Officer: Director Strategic Projects & Infrastructure

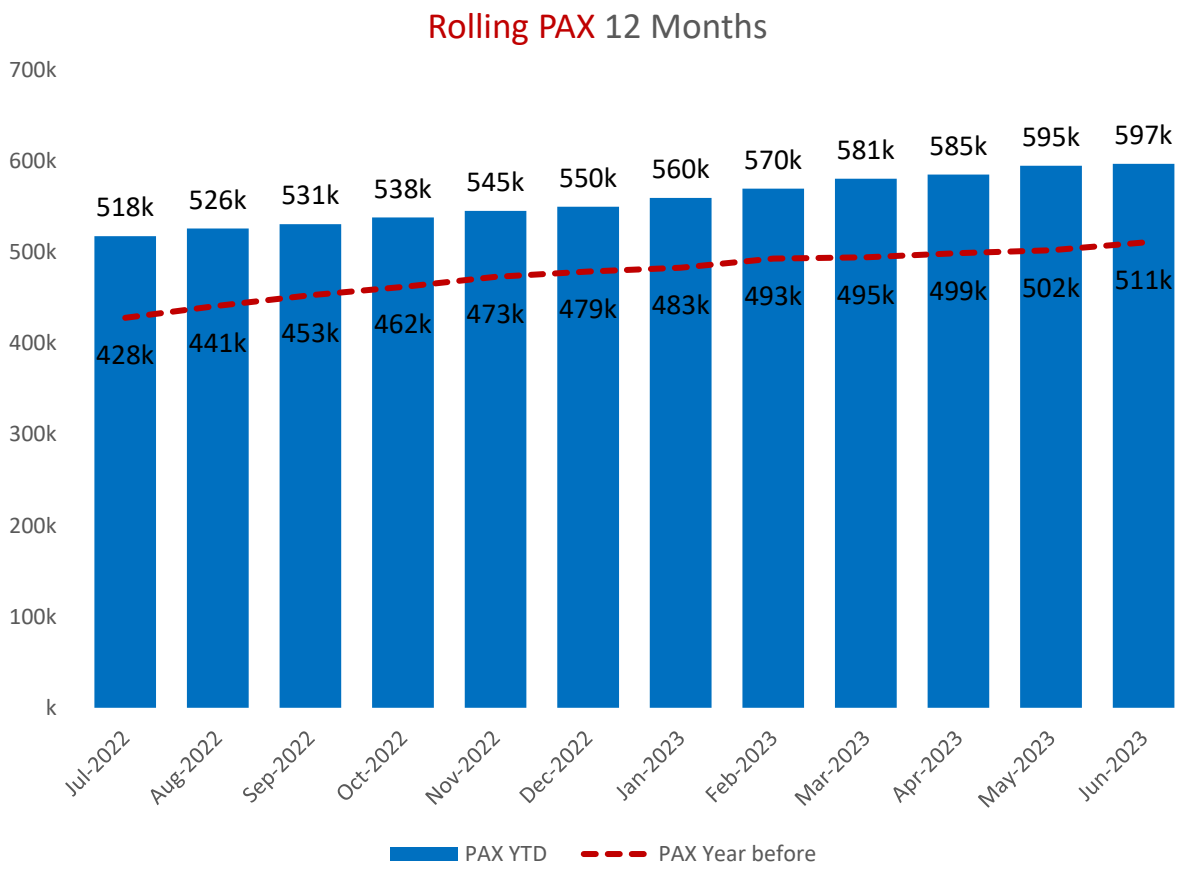
Reporting Author: Manager Airport Services

Date of Report: 1 August 2023

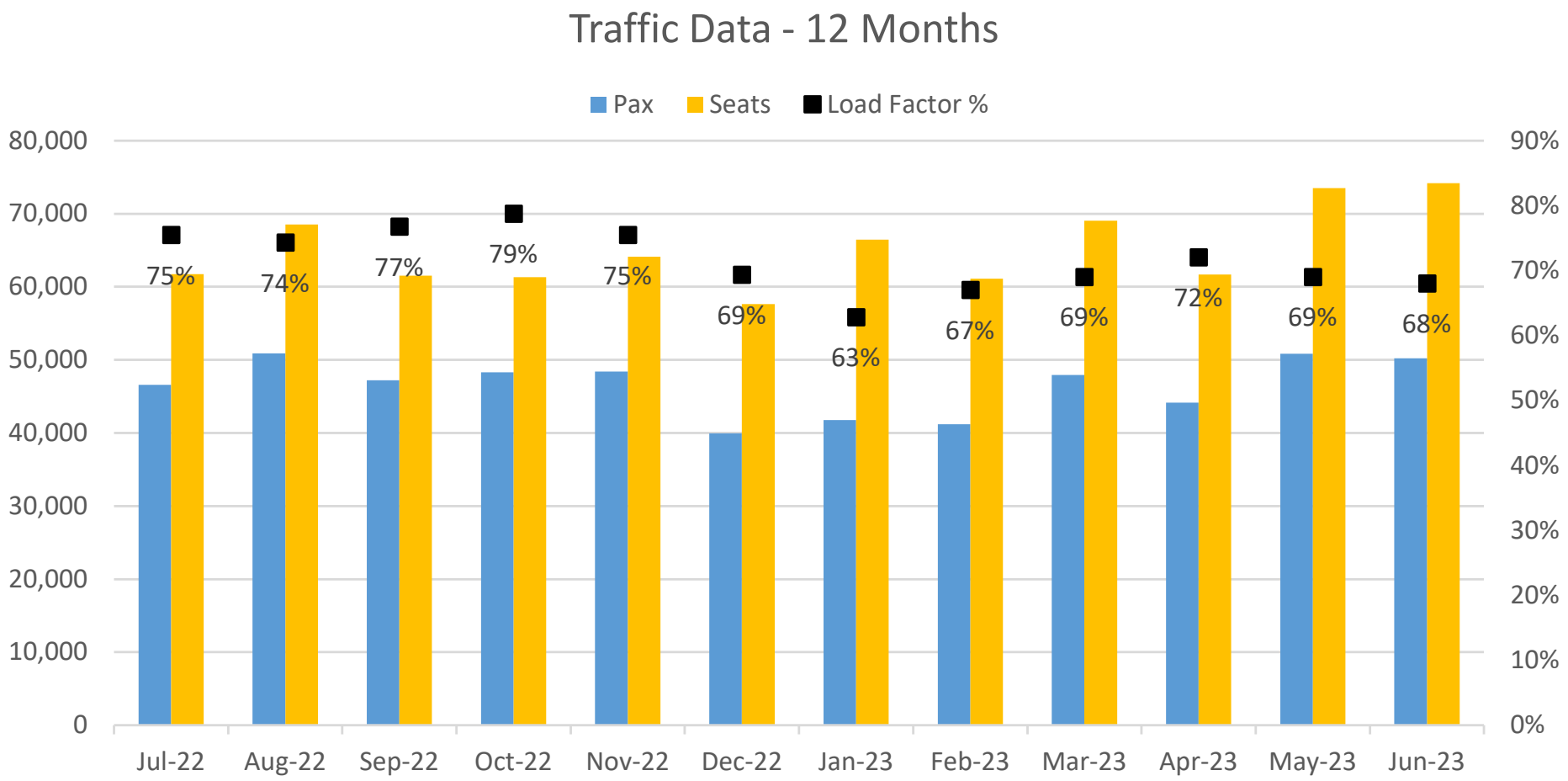
Disclosure of Interest: Nil

Attachment(s): Nil

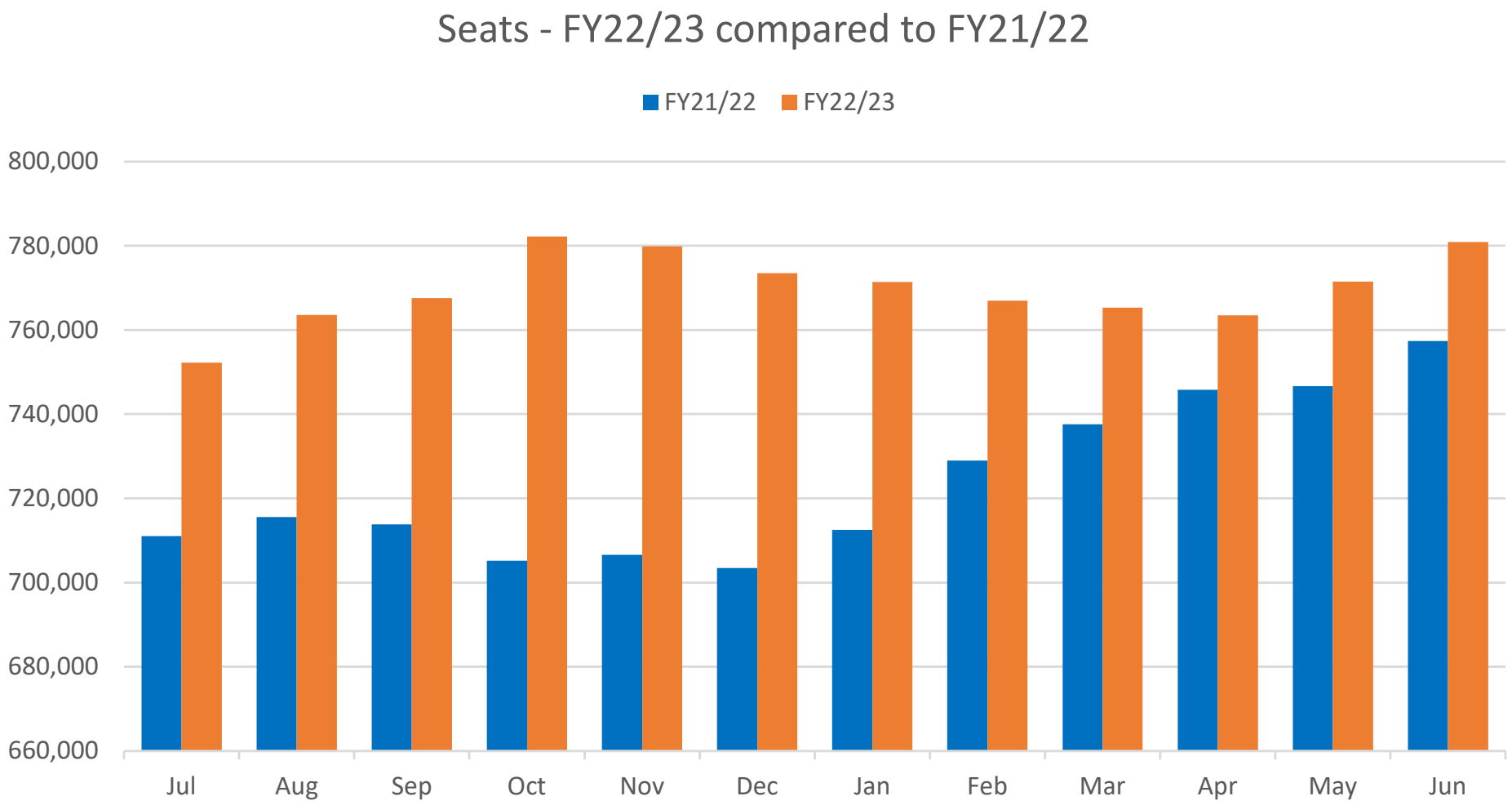
PURPOSE
To provide Council with comparative Airport Services data in respect to aircraft movements, passenger movements and car parking volumes.



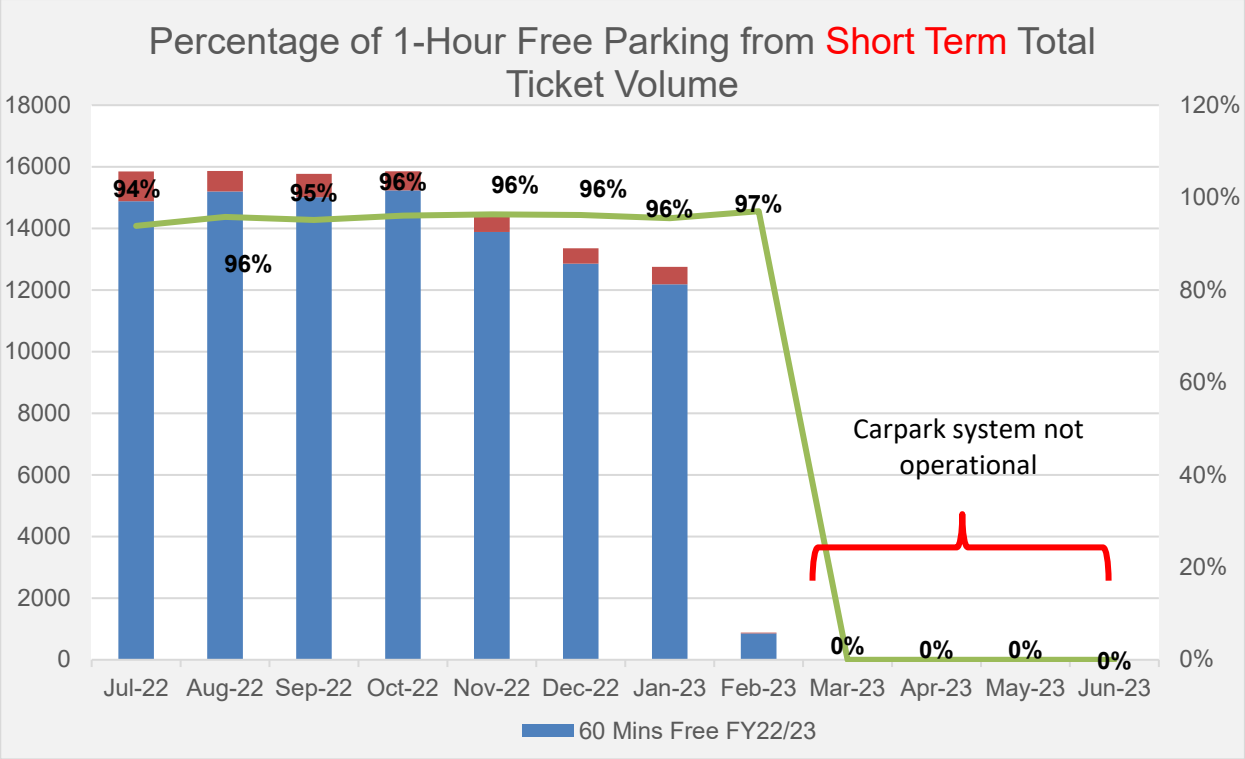
This graph provides monthly total passenger (PAX) numbers over the last twelve months compared with that of the previous year. This includes Regular Public Transport (RPT), Charter, Rotary and General Aviation (GA).



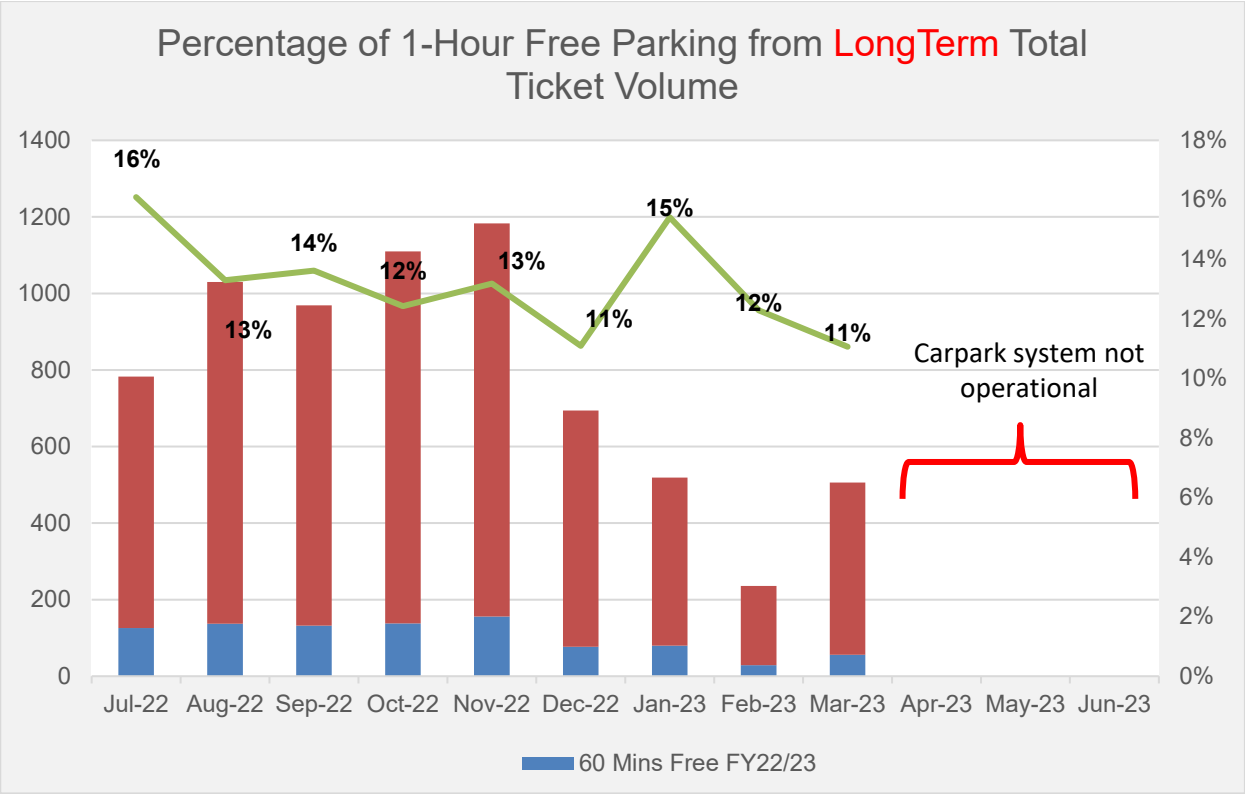
The above graph reflects Airport Traffic Data on a monthly basis for the last 12 months for all Passengers, Seats and Load Factors (%).



The graph above compares Year on Year available seat capacity on return services to/from Karratha.



This graph provides total volume of car park short term tickets issued for each month and of the total number of those relating to free and paid parking. The chart also shows free parking tickets issued as a percentage.



This graph provides total volume of car park long term tickets issued for each month and of the total number of those relating to free and paid parking. The chart also shows free parking tickets issued as a percentage.

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:

CONFIDENTIAL ITEM 18.1 18 WARRIER STREET, BULGARRA

CONFIDENTIAL ITEM 18.2 RATING EXEMPTION APPLICATION – EASTERNGURUMA CHARITABLE TRUST NO.2

CONFIDENTIAL ITEM 18.3 APPLICATIONS FOR WAIVER OF RATES

CONFIDENTIAL ITEM 18.4 SWEEPING OF ROADS, PAVEMENTS AND CARPARKS

These matters if disclosed would reveal information about the business, professional, commercial or financial affairs of a person.

18.1 CONFIDENTIAL ITEM – 18 WARRIER STREET, BULGARRA

This matter is confidential and if disclosed would reveal commercial-in-confidence information.

File No:	CP.182
Responsible Executive Officer:	Chief Executive Officer
Reporting Author:	Chief Executive Officer
Date of Report:	24 July 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. Warrier Street Acquisition Report – July 2023 2. 18 Warrier Street Bulgarra O&A 3. Valuation 18 Warrier Street – Todd Heron White 4. Valuation 18 Warrier Street Acumentis – April 2023

18.2 CONFIDENTIAL ITEM – RATING EXEMPTION APPLICATION – EASTERN GURUMA CHARITABLE TRUST NO. 2

This matter is confidential and if disclosed would reveal information about the business, professional, commercial or financial affairs of a person

File No:	RV.11
Responsible Executive Officer:	Acting Director Corporate and Commercial Services
Reporting Author:	Manager Financial Services/CFO
Date of Report:	8 August 2023
Applicant/Proponent:	Australian Executor Trustee as Trustee for the Eastern Guruma Charitable Trust No.2
Disclosure of Interest:	Nil
Attachment(s):	1. Rating Exemption Application September 2022 2. Letter from Gilbert Tobin 30 June 2023 3. McLeods Lawyers legal advice 27 July 2023

18.3 CONFIDENTIAL ITEM – APPLICATIONS FOR WAIVER OF RATES

This matter is confidential and if disclosed would reveal commercial-in-confidence information.

File No:	RV.11
Responsible Executive Officer:	Acting Director Corporate Services
Reporting Author:	Manager Financial Services/CFO
Date of Report:	3 August 2023
Applicant/Proponent:	Pilbara Health Network Karratha Business Enterprise Centre
Disclosure of Interest:	Nil
Attachment(s):	1. Pilbara Health Network 2. Karratha Enterprise Centre

18.4 CONFIDENTIAL ITEM - SWEEPING OF ROADS, PAVEMENTS AND CARPARKS

This matter is confidential and if disclosed would reveal commercial-in-confidence information.

File No:	CM.340
Responsible Executive Officer:	Director Strategic Projects & Infrastructure
Reporting Author:	Manager Waste, Fleet and Depot
Date of Report:	28 July 2023
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	LOS Overview

19 CLOSURE & DATE OF NEXT MEETING

The meeting closed at _____.

The next meeting is to be held on Monday, 18 September 2023 at 6pm at Council Chambers - Welcome Road, Karratha.