



**Shire of Ngaanyatjaraku**  
ON A JOURNEY

**ORDINARY MEETING OF COUNCIL**

**MINUTES**

**30 March 2022**


**at**

**1.00 pm**

**SHIRE OF NGAANYATJARRAKU**

**ORDINARY MEETING OF COUNCIL**

The Chief Executive Officer recommends the endorsement of these minutes at the next Ordinary Meeting of Council.



**Chief Executive Officer**

Date: 31-3-2022

These minutes were confirmed by Council as a true and correct record of proceedings of the Meeting of Council held on the 30 March 2022.

**Presiding Member:** \_\_\_\_\_



Date: 27/4/2022

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## 1. DECLARATION OF OPENING

The Presiding Member declared the meeting open at 1.04 pm.

## 2. ANNOUNCEMENT OF VISITORS

The Presiding Member welcomed members of the public to the gallery.

## 3. ATTENDANCE

### 3.1 PRESENT

<b>Elected Members:</b>	President Deputy President Councillor Councillor Councillor Councillor Councillor	D McLean P Thomas (via phone from 1.06pm) A Jones D Frazer J Frazer L West J Porter
<b>Staff:</b>	CEO DCEO / DCS AC DGC DIS	K Hannagan (via videoconference) K Fisher (via videoconference) S Richardson C Green (via videoconference) L Morgan
<b>Guests:</b>	Nil	
<b>Members of Public:</b>	There were no members of the public in attendance at the commencement of the meeting.	

### 3.2 APOLOGIES

Cr. A Benning

<p><b>Council Resolution</b></p> <p><b>Moved: Cr J Frazer      Seconded: Cr D Frazer</b></p> <p><b>That Council approves Cr P Thomas's request to attend this Ordinary Meeting of Council by telephone, as he will be:</b></p> <p><b>(a) in audio contact, by telephone, a means of instantaneous communication, with each other person present at the meeting; and</b></p> <p><b>(b) will be in a suitable place.</b></p> <p style="text-align: right;"><b>Carried: 7/0</b></p>
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### 3.3 APPROVED LEAVE OF ABSENCE

## 4. PUBLIC QUESTION TIME

### 4.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

### 4.2 PUBLIC QUESTION TIME

## 5. APPLICATIONS FOR LEAVE OF ABSENCE

## 6. DECLARATION BY MEMBERS

### 6.1 DUE CONSIDERATION BY COUNCILLORS TO THE AGENDA

Councillors are requested to give due consideration to all matters contained in the Agenda presently before the meeting.

### 6.2 DECLARATIONS OF INTEREST

#### Councillors to Note

A member who has an Impartiality, Proximity or Financial Interest in any matter to be discussed at a Council or Committee Meeting, that 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:

- (a) Preside at the part of the Meeting, relating to the matter or;
- (b) 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 DECLARING INTERESTS (FOR YOUR GUIDANCE)**

The following notes are a basic guide for Councillors when they are considering whether they have an interest in a matter.

These notes are included 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) without 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 s.5.69(3) of the Local Government Act, with or without conditions.

Declarations of Interest provided:

Item Number/ Name	Type of Interest	Nature/Extent of Interest

**7. ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION**

**8. PETITIONS, DEPUTATIONS, PRESENTATIONS**

**8.1 PETITIONS**

**8.2 DEPUTATIONS**

**8.3 PRESENTATIONS**

**9. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

**9.1 MINUTES OF ORDINARY MEETING OF COUNCIL**

**Voting Requirement**  
Simple Majority

**Officers Recommendation and Council Resolution**

**Moved: Cr A Jones      Seconded: Cr D Frazer**

**That the Unconfirmed Minutes of the Ordinary Meeting of Council held on 23 February 2022 at the Council Chambers, Tjulyuru Cultural and Civic Centre, Warburton Community (as circulated and available on the Shires official website) be confirmed as a true and accurate record.**

**Carried: 7/0**

## 10. CEO REPORTS

### 10.1 PROGRESS ON THE IMPLEMENTATION OF COUNCIL RESOLUTIONS

<b>FILE REFERENCE:</b>	GV.05
<b>AUTHOR'S NAME AND POSITION:</b>	Kevin Hannagan Chief Executive Officer
<b>DATE REPORT WRITTEN:</b>	16 March 2022
<b>DISCLOSURE OF INTERESTS:</b>	The author has no financial, proximity or impartiality interest in the proposal.

#### Summary

The purpose of this agenda item is to report back to Council on the progress of the implementation of Council resolutions.

#### Background

The best practice in governance supports the regular review of Council decisions to ensure that they are actioned and implemented in a timely manner.

#### Comment

All resolutions of Council have been acted upon.

#### Statutory Environment

*Local Government Act 1995:*

Section 2.7

*"Role of council*

*(1) The council —*

- a) governs the local government's affairs; and*
- b) is responsible for the performance of the local government's functions.*

*(2) Without limiting subsection (1), the council is to —*

- a) oversee the allocation of the local government's finances and resources; and*
- b) determine the local government's policies."*

The above section of the Act notwithstanding, there is no specific legal requirement to present such a report to Council or for Council to receive or consider such a report. The decision to have the report in the Council's monthly agenda is entirely Council's prerogative. Staff acknowledge the critical and ongoing nature of the document, in that Council 'speaks by resolution'.

Section 5.100 of the Act expressly provides that a person who is a committee member but is not a council member or an employee is not to be paid a fee for attending any meeting.

#### Financial Implications

There are no known financial implications for this matter.

#### Strategic Implications

Plan for the Future 2021 – 2031

Goal 3, Our Leadership

Outcome 8, A well-functioning organisation

Strategy, 8.2, Maintain corporate governance, responsibility and accountability

#### Risk Management

This item has been evaluated against the Shire of Ngaanyatjarraku Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is "Low" risk and can be

managed by routine procedures and is unlikely to need specific application of resources.

**Policy Implications**

There are no known policy implications for this matter.

**Attachments**

Not applicable

**Voting Requirement**

Simple Majority

**Officers Recommendation and Council Resolution**

**Moved: Cr J Frazer      Seconded: Cr L West**

**That Council notes the monthly report, Progress on the implementation of Council Resolutions.**

**Carried: 7/0**



## 10.2 2021/22 MID YEAR BUDGET REVIEW AS AT 28 FEBRUARY 2022

<b>FILE REFERENCE:</b>	FM.10
<b>AUTHOR'S NAME AND POSITION:</b>	Kevin Hannagan Chief Executive Officer
<b>DATE REPORT WRITTEN:</b>	24 March 2022
<b>DISCLOSURE OF INTERESTS:</b>	The author has no financial, proximity or impartiality interests in the proposal.

### Summary

For Council to consider and adopt the proposed amendments to the 2021/22 Budget as a result of the Mid-Year Budget Review process.

### Background

The Department of Local Government and Communities has issued Circular No. 06/2006 to provide local governments with information about the budget review process. The following paragraphs are key points from the circular:

*A budget review is a detailed comparison of the year-to-date actual results with the adopted budget. It establishes whether a local government continues meeting its budget commitments in receipt of income and incurs expenditure in accordance with the adopted budget.*

Shire Officers have completed a review of the Shire's 2021/22 budget as at 28 February 2022. This review is now presented to Council and the outcome of that review is to be considered for adoption by Council. As part of the process Officers have examined the operations of the Shire for the 2021/22 financial year to date identifying the reasons for significant variances and the action required to address them.

The attached review compares the year to date (YTD) Budget with YTD Actual, and commentary is provided on variances to the adopted budget (see Note 5). Officers have ensured that Council resolutions presented during the 2021/22 financial year have been incorporated in this Mid-Year Budget Review. Changes to the Adopted Budget are proposed by Officers where they believe that circumstances have occurred that impact permanently on the budget position for the financial year under review.

### Comment

The 'net result' of the recommended changes is to have a balanced budget.

2021/22 Operational savings and projects that will not be completed are to be transferred to the Asset Replacement / Acquisition, Strategic and Cultural Centre Reserves for use in next years budget or future years asset renewals.

Additionally, the Shire's financial surplus for 2020/21 was \$2,370 lower than budget and has been accounted for in the review.

The Shire has been successful in gaining additional grants from:

- State Sport & Recreation \$50,000 for School Holiday Program
- Federal Stronger Communities grant, \$10,000 for minor upgrades of the Drop in Centre, Warburton
- MRWA \$900,000 that has enabled road work improvements to be undertaken without using

Own Source Funding (FAGs), e.g. Wanarn, Papulankutja and Tjirrkarli Roads.

The above items and some projects to be carried over, and staff vacancies have largely contributed to the savings.

### **Statutory Implications**

#### Local Government Act 1995

6.8. *Expenditure from municipal fund not included in annual budget*

- 1) *A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —*
  - a) *is incurred in a financial year before the adoption of the annual budget by the local government; or*
  - b) *is authorised in advance by resolution\*;*
  - c) *is authorised in advance by the mayor or president in an emergency.*

*\* Absolute majority required.*

*(1a) In subsection (1) — additional purpose means a purpose for which no expenditure estimate is included in the local government's annual budget.*

- 2) *Where expenditure has been incurred by a local government —*
  - a) *pursuant to subsection (1)(a), it is to be included in the annual budget for that financial year; an*
  - b) *pursuant to subsection (1)(c), it is to be reported to the next ordinary meeting of the council*
  - c) *[Section 6.8 amended by No. 1 of 1998 s. 19.]*

#### Local Government (Financial Management) Regulations 1996

32. *Amounts which may be excluded when calculating budget deficiency (Act s. 6.2(3))*

*A local government may exclude from the calculation of the budget deficiency —*

- a) *money borrowed or to be borrowed, to the extent that it is proposed in the annual budget to remain unspent at the end of the financial year; and*
- b) *reserves, to the extent that they are proposed in the annual budget to remain unspent at the end of the financial year; and*
- c) *in relation to a land transaction or trading undertaking, assets and liabilities, to the extent to which they are proposed in the annual budget to remain restricted to the purposes of the land transaction or trading undertaking at the end of the financial year; and*
- d) *any proposed amounts of depreciation of non-current assets; and*
- e) *assets from grants or gifts or non-cash revenue or expenditure; and*
- f) *current liabilities which, by their nature, are restricted, to the extent that they are proposed in the annual budget to remain uncleared at the end of the financial year; and*
- g) *any other current assets which, by their nature, are restricted, to the extent that they are proposed in the annual budget to remain unused at the end of the financial year.*

33A. *Review of Budget - Local Government (Financial Management) Regulations 1996*

- (1) *Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.*
- (2A) *The review of an annual budget for a financial year must —*
  - (a) *consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and*
  - (b) *consider the local government's financial position as at the date of the review; and*
  - (c) *review the outcomes for the end of that financial year that are forecast in the budget.*

- (2) *Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.*
- (3) *A council is to consider a review submitted to it and is to determine\* whether or not to adopt the review, any parts of the review or any recommendations made in the review.*

*\*Absolute majority required.*

- (4) *Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.*

### **Financial Implications**

After considering all adjustments considered to be permanent changes to the budget position for the 2021/22 financial year detailed in the mid-year Budget Review Report, the overall position of the Shire is forecast to have a balanced budget at year-end. There have been savings made and projects that will not be completed this year. It is proposed to transfer these into Asset Replacement / Acquisition, Strategic and Cultural Centre Reserves for future years asset renewals and project requirements.

Officers have ensured that Council resolutions presented during the financial year have been considered in the mid-year Budget Review Report. A summary of the financial implications is included in the report.

### **Strategic Implications**

Plan for the Future 2021 – 2031

Goal 3, Our Leadership: Showing the way for our communities

Outcome 8, A well-functioning organisation

Strategy, 8.1, Maintain corporate governance, responsibility and accountability

### **Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is “Low” risk and can be managed by routine procedures and is unlikely to need specific application of resources.

### **Policy Implications**

No policy implications apply in the preparation of the report.

### **Attachments**

10.2 - 2021 / 22 Mid-Year Budget Review Report

### **Voting Requirement**

Absolute Majority Required.

#### **Officers Recommendation and Council Resolution**

**Moved: Cr L West**

**Seconded: Cr J Porter**

#### **That Council:**

- 1. Receives the Mid-Year Budget Review Report for the period ended 28 February 2022;**
- 2. Adopts the 2021/22 revised budget position and associated budget amendments as per the attached Report; and,**
- 3. Requests the Chief Executive Officer to, within 30 days of this determination, provide a copy of the review and determination to the Department of Local Government Sport and Community Industries.**

**Carried: 7/0**

### 10.3 GVROC - GOLDFIELDS RECORD STORAGE FACILITY

**FILE REFERENCE:** CA.00 & IM.00

**AUTHOR'S NAME AND POSITION:** Kevin Hannagan  
Chief Executive Officer

**DATE REPORT WRITTEN:** 24 March 2022

**DISCLOSURE OF INTERESTS:** The author has no financial, proximity or impartiality interest in the proposal.

#### **Summary**

To update Council on a Deed of Assignment and Assumption for Execution and the process going forward to finalise and windup the Joint Venture Agreement for the Goldfields Records Storage Facility.

#### **Background**

The Shire entered into an Archives and Records Management Agreement (Agreement) in 2013 with the other 9 GVROC Local Governments to enter into a joint venture, the object of which was to create and manage a regional archives and records management and storage facility to be located in Kalgoorlie.

The Shire has committed Capital and Operating expenditure (approx. \$89,000) to the facility since commencement of operation in 2013. No Shire records have been stored in the facility as it is too far from Warburton to be practically used. However, the Shire supported the establishment of the facility and continued to honour the agreement conditions as the project was a regional initiative.

At Councils 19 September 2018 meeting the Shire resolved to give notice of the Shires desire to withdraw from the Agreement in late 2018.

#### **Officers Recommendation and Council Resolution**

**Moved: Cr A Bates**

**Seconded: Cr A Jones**

**That Council in accordance with the GVROC, Archives and Record Management Agreement, 2013:**

- 1. Gives the Shire of Coolgardie three months' notice of the Shire of Ngaanyatjarraku's' intention to withdraw from the joint venture;**
- 2. Agrees to pay a proportion of its contribution to the projects budget (calculated pro-rata to date of retirement); and**
- 3. Subject to confirmation from the Shire of Coolgardie that the Shire of Ngaanyatjarraku's share of any liabilities of the joint venture to the extent they do not exceed its share of the assets of the joint venture.**

**Carried: 5/0**

#### **Comment**

Since then, other GVROC local governments have also given notice of their intention to withdraw. The last invoice to participating Shires was for the 2018/19 FYE.

GVROC also resolved to sell the facility, but no firm offers were received in response to the sales advertising. Subsequently a consortium of City of Kalgoorlie Boulder plus the Shires of Coolgardie and Leonora have made an offer of \$450,000 to purchase the facility and assume operating costs

from 1 July 2021. Each of the 10 JV members to receive \$45,000 less costs of sale and winding up the joint venture.

Since 1 July 2019 when JV members were no longer invoiced, and some parties had stopped using the facility it has occurred losses of approximately \$166,000 in the following two financial years.

The following has been agreed to clear the debt in accordance with the GVROC Resolutions from 26/6/2020 through to 26/11/2021:

- a. The Shire of Coolgardie with the lead for the management of the Financial Accounts for the Records Storage Facility, will finalise all outstanding accounts and organise to invoice through the GVROC Records Facility Trust to all the Original Parties for outstanding costs as follows:
  - i. All original ten parties will receive invoices as per Recommendation 6 a) on 20/6/2020 resolution for the outstanding equally shared specified fixed expenses for the facility e.g. insurance, rates, building maintenance; etc up until 30 June 2021.
  - ii. For the original parties that still utilised the facility for records storage as listed in the resolutions from 20/6/2020 and 26/11/21 and aligned with Recommendation 6 b), invoices will be raised to the City of Kalgoorlie-Boulder, Shires of Coolgardie, Dundas, Leonora and Menzies to cover the 2019/20 and 2020/21 operational costs of the facility.

The above process will clear all the financial issues associated with the facility and a Deed of Assignment and Assumption has now been finalised and is ready for execution under seal by each of the ten original members to the Joint Venture Agreement for the Goldfields Record Storage Facility to transfer ownership.

As such this report seeks Councils' approval for use of the Common Seal to sign the Deed. The Chief Executive Officer will be attending the March meeting via video conference and it is recommended the Director Infrastructure or the Administration Coordinator be authorised to sign the Deed.

### **Statutory Environment**

*Local Government Act 1995:*

*Section 2.7 Role of council*

*(3) The council —*

- a) governs the local government's affairs; and*
- b) is responsible for the performance of the local government's functions.*

*(4) Without limiting subsection (1), the council is to —*

- a) oversee the allocation of the local government's finances and resources; and*
- b) determine the local government's policies.*

*Section 3.59. Commercial enterprises by local governments*

*9.49A. Execution of documents*

- (4) A local government may, by resolution, authorise the CEO, another employee or an agent of the local government to sign documents on behalf of the local government, either generally or subject to conditions or restrictions specified in the authorisation*

### **Financial Implications**

There are no known financial implications for this matter.

### **Strategic Implications**

Plan for the Future 2021 – 2031

Goal 3, Our Leadership

Outcome 8, A well-functioning organisation

Strategy, 8.2, Maintain corporate governance, responsibility and accountability

### **Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is "Low" risk and can be

managed by routine procedures and is unlikely to need specific application of resources.

**Policy Implications**

There are no known policy implications for this matter.

**Attachments**

10.3 Deed of Assignment and Assumption (Multi-party) Goldfields Records Storage Joint Venture

**Voting Requirement**

Simple Majority

**Officers Recommendation and Council Resolution**

**Moved: Cr L West**

**Seconded: Cr P Thomas**

**That Council:**

- 1 notes the above-mentioned report on a Deed of Assignment and Assumption for Execution and the process going forward to finalise and windup the Joint Venture Agreement for the Goldfields Records Storage Facility, and**
- 2. authorises the Shire President, Chief Executive Officer or (in the absence of the CEO), Director Infrastructure or the Administration Coordinator to sign and affix the Common Seal to execute the Deed of Assignment and Assumption for Execution.**

**Carried: 7/0**

# 11 DEPUTY CEO / DIRECTOR CORPORATE SERVICES REPORTS

## 11.1 MONTHLY PAYMENTS LISTING

**FILE REFERENCE:** FM.07

**AUTHOR'S NAME AND POSITION:** Kerry Fisher  
Deputy CEO / Director Corporate

**AUTHORISING OFFICER AND POSITION:** Kevin Hannagan  
Chief Executive Officer

**DATE REPORT WRITTEN:** 16 March 2022

**DISCLOSURE OF INTERESTS:** The author has no financial, proximity or impartiality interest in the proposal

### Summary

For Council to confirm the payment of accounts listed in the attached Accounts for Payment.

### Background

In accordance with the Local Government (Financial Management) Regulations 1996 the Chief Executive Officer is required to present a list of payments to the Council at the next ordinary meeting of the council after the list is prepared.

### Comment

The payments made are consistent with previous months.

### Statutory Environment

*Local Government (Financial Management) Regulations 1996*

*S13. Payments from municipal fund or trust fund by CEO, CEO's duties as to etc.*

- (1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared—*
  - (a) the payee's name; and*
  - (b) the amount of the payment; and*
  - (c) the date of the payment; and*
  - (d) sufficient information to identify the transaction.*
- (2) A list of accounts for approval to be paid is to be prepared each month showing—*
  - (a) for each account which requires council authorisation in that month—*
    - (i) the payee's name; and*
    - (ii) the amount of the payment; and*
    - (iii) sufficient information to identify the transaction; and*
    - (b) the date of the meeting of the council to which the list is to be presented.*
- (3) A list prepared under subregulation (1) or (2) is to be —*
  - (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and*
  - (b) recorded in the minutes of that meeting.*

### Financial Implications

The Shire makes annual budget allocations for payment of accounts.

**Strategic Implications**

Plan for the Future 2021 – 2031

Goal 3, Our Leadership: Showing the way for our communities

Outcome 8, A well-functioning organisation

Strategy, 8.1, Maintain corporate governance, responsibility and accountability

**Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is “Low” risk and can be managed by routine procedures and is unlikely to need specific application of resources.

**Policy Implications**

There are no known policy implications for this matter

**Attachments**

11.1 – Payment Listing, February

**Voting Requirement**

Simple Majority Required.

**Officers Recommendation and Council Resolution**

**Moved: Cr D Frazer      Seconded: Cr J Frazer**

**That Council receives the Payment Listing February 2022 totaling payments of \$750,508.94 as per Attachment 11.1.**

**Carried: 7/0**



## 11.2 COUNCIL INVESTMENTS

<b>FILE REFERENCE:</b>	FM.04
<b>AUTHOR'S NAME AND POSITION:</b>	Kerry Fisher Deputy CEO / Director Corporate
<b>AUTHORISING OFFICER AND POSITION:</b>	Kevin Hannagan Chief Executive Officer
<b>DATE REPORT WRITTEN:</b>	24 March 2022
<b>DISCLOSURE OF INTERESTS:</b>	The author and the authorising officer have no financial, proximity or impartiality interests in the proposal.

### Summary

For Council to be advised of the Shires Municipal Account and Investments as attached.

### Background

To invest the Shire of Ngaanyatjarraku surplus funds with consideration of risk and at the most favourable rate of interest available to it at the time, for that investment type, whilst ensuring that liquidity requirements are being met.

### Comment

Preservation of capital is to be the principal objective with consideration given to liquidity, cash flow requirements and return on investment.

Preservation of capital is the principal objective of the investment portfolio. Investments are to be performed in a manner that seeks to ensure security and safeguarding the investment portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters.

The investment portfolio will ensure there is sufficient liquidity to meet all reasonably anticipated cash flow requirements, as and when they fall due, without incurring significant costs due to the unanticipated sale of an investment.

The investment is expected to achieve a predetermined market average rate of return that takes into account the Shire's risk tolerance. Any additional target set by the Shire will also consider the risk limitation and prudent investment principles.

The reduction of RBA interest rate has greatly reduced term deposit interest.

### Statutory Environment

#### *Local Government Act 1995*

#### *Section 6.14 Power to Invest*

- (1) *Money held in the municipal fund or the trust fund of a local government that is not, for the time being, required by the local government for any other purpose may be invested as trust funds may be invested under the Trustees Act 1962 Part III.*
- (2A) *A local government is to comply with the regulations when investing money referred to in subsection (1).*
- (2) *Regulations in relation to investments by local governments may—*
  - (a) *make provision in respect of the investment of money referred to in subsection (1); and*
  - [(b) deleted]*
  - (c) *prescribe circumstances in which a local government is required to invest money held by it; and*

- (d) provide for the application of investment earnings; and
- (e) generally, provide for the management of those investments.

*Local Government (Financial Management) Regulations 1996*

19. *Investments, control procedures for*
- (1) *A local government is to establish and document internal control procedures to be followed by employees to ensure control over investments.*
  - (2) *The control procedures are to enable the identification of —*
    - (a) *the nature and location of all investments; and*
    - (b) *the transactions related to each investment.*
- 19C. *Investment of money, restrictions on (Act s. 6.14(2)(a))*
- (1) *In this regulation —*
    - authorised institution means —*
      - (a) *an authorised deposit taking institution as defined in the Banking Act 1959 (Commonwealth) section 5; or*
      - (b) *the Western Australian Treasury Corporation established by the Western Australian Treasury Corporation Act 1986;*
    - foreign currency means a currency except the currency of Australia.*
  - (2) *When investing money under section 6.14(1), a local government may not do any of the following —*
    - (a) *deposit with an institution except an authorised institution;*
    - (b) *deposit for a fixed term of more than 3 years;*
    - (c) *invest in bonds that are not guaranteed by the Commonwealth Government, or a State or Territory government;*
    - (d) *invest in bonds with a term to maturity of more than 3 years;*
    - (e) *invest in a foreign currency.*

**Financial Implications**

Not applicable.

**Strategic Implications**

Plan for the Future 2021 – 2031

Goal 3, Our Leadership: Showing the way for our communities

Outcome 8, A well-functioning organisation

Strategy, 8.1, Maintain corporate governance, responsibility and accountability

**Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is “Low” risk and can be managed by routine procedures and is unlikely to need specific application of resources.

**Policy Implications**

Corporate Policy Finance 2.12 Investment.

**Attachments**

11.2 – Westpac screen prints of Municipal and Investment Accounts. (No monies are recurrently being held with any other institutions.)

**Voting Requirement**

Simple Majority Required.

**Officers Recommendation and Council Resolution**

**Moved: Cr J Frazer**

**Seconded: Cr A Jones**

**That the report on Council Investments as at Attachment 11.2 be received.**

**Carried: 7/0**

## 11.3 MONTHLY STATEMENT OF FINANCIAL ACTIVITY FOR THE MONTH ENDED

<b>FILE REFERENCE:</b>	FM.10
<b>AUTHOR'S NAME AND POSITION:</b>	Kerry Fisher Deputy CEO / Director Corporate
<b>AUTHORISING OFFICER AND POSITION:</b>	Kevin Hannagan Chief Executive Officer
<b>DATE REPORT WRITTEN:</b>	22 March 2022
<b>DISCLOSURE OF INTERESTS:</b>	The author and the authorising officer have no financial, proximity or impartiality interests in the proposal.

### Summary

For Council to receive the monthly financial report.

### Background

Council is to prepare monthly financial reports as required by the Local Government (Financial Management Regulations) 1996.

Council has resolved those details and explanations of the material variances reflected on the Statement of Financial Activity are provided as required by Local Government (Financial Management) Regulation 34(1) (d). The attached statements include details of variances between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold of \$20,000 or 10.00% whichever is the greater (refer last page of statements). These materiality levels have been applied in the preparation of this report.

### Comment

Comments in relation to budget to actual variances are included as notes (last page) in the Financial Reports attached. Comments related to 'Timing' refer to an estimate of when costs would occur at the time the budget was formulated versus actual costs being incurred. 'Permanent' variances to note as at end January 2021 are:

- Governance income is higher due to refunds for FBT higher and workers compensation claims and a legal fees reimbursement of \$159,807.73
- Rates income is higher due to Interim Rates higher than anticipated
- Housing Income is higher as additional properties available to rent a/c staff vacancies
- Recreation and culture is higher as higher take up of units at CRC
- Governance expense generally tracking under with savings of \$19k due to no election required offset by higher compliance costs
- Health inspection staffing costs higher than budgeted
- Housing Expenses are under budget in as the Maintenance Officer has not returned to the lands as yet to undertake budgeted works;
- Housing maintenance is under budget due to unavailability of staff;
- Community Amenities expenditure under as difficulty in sourcing rubbish collection staff and replacement of the Operations Coordinator;
- Recreation expenditure under due to difficulty in recruiting replacement staff;
- Transport expenditure under due to difficulty sourcing grader operators and Covid border closures.
- Tourism under as consultancy projects have begun but are behind in timing.

### Statutory Environment

*Local Government Act 1995*

#### 6.4. Financial report

- (1) A local government is to prepare an annual financial report for the preceding financial

year and such other financial reports as are prescribed.

(2) The financial report is to —

- (a) be prepared and presented in the manner and form prescribed; and
- (b) contain the prescribed information.

*Local Government (Financial Management) Regulations 1996.*

34. Financial activity statement required each month (Act s. 6.4)

(1A) In this regulation —

committed assets means revenue unspent but set aside under the annual budget for a specific purpose.

- (1) A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —
  - (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c); and
  - (b) budget estimates to the end of the month to which the statement relates; and
  - (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates; and
  - (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
  - (e) the net current assets at the end of the month to which the statement relates.
- (2) Each statement of financial activity is to be accompanied by documents containing
  - (a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets; and
  - (b) an explanation of each of the material variances referred to in sub regulation (1)(d); and
  - (c) such other supporting information as is considered relevant by the local government.
- (3) The information in a statement of financial activity may be shown —
  - (a) according to nature and type classification; or
  - (b) by program; or
  - (c) by business unit.
- (4) A statement of financial activity, and the accompanying documents referred to in sub regulation (2), are to be —
  - (a) presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and
  - (b) recorded in the minutes of the meeting at which it is presented.
- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.

### **Financial Implications**

Monthly financial reporting is a primary financial management and control process. It provides the Council with the ability to oversee the Shire's financial performance against budgeted targets.

### **Strategic Implications**

Plan for the Future 2021 – 2031

Goal 3, Our Leadership: Showing the way for our communities

Outcome 8, A well-functioning organisation

Strategy, 8.1, Maintain corporate governance, responsibility and accountability

**Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is “Low” risk and can be managed by routine procedures and is unlikely to need specific application of resources.

**Policy Implications**

No policy implications apply in the preparation of the report.

**Attachments**

11.3(a) - Monthly Financial Report, December

11.3(b) - Monthly Financial Report, January

**Voting Requirement**

Simple Majority Required.

**Officers Recommendation and Council Resolution**

**Moved: Cr J Frazer**

**Seconded: Cr D Frazer**

**That Council receives the monthly financial report for February 2022.**

**Carried: 7/0**

## 12. DIRECTOR GOVERNANCE & STRATEGIC REPORTS

### 12.1 2021/22 SCHOOL HOLIDAY PROGRAM REPORT

<b>FILE REFERENCE:</b>	RC.00
<b>AUTHOR'S NAME AND POSITION:</b>	Cary Green Director Governance and Strategic
<b>AUTHORISING OFFICER AND POSITION</b>	Kevin Hannagan Chief Executive Officer
<b>DATE REPORT WRITTEN:</b>	17 March 2022
<b>DISCLOSURE OF INTERESTS:</b>	The author has no financial, proximity or impartiality interest in the proposal.

#### Summary

For council to note the attached 2021/22 Term 4, School Holiday Program Report.

#### Background

The Term 4 School Holiday Program commenced on Thursday the 16th of December 2021 and concluded on Saturday the 29th of January 2022. The Sports & Recreation Team School Holiday Program serves as a structured sport, recreation and nutrition program that operates during the Department of Education school term breaks

#### Comment

The outcomes of the program are for the coordination and provision of out-of-school hours and holiday programs using sport and recreation in the identified communities in Warburton.

The aim of the SHP is to meet the following strategic objectives as outlined in our Sport and recreation plan:

- Increased community cohesiveness/ sense of shared purpose;
- Health benefits to members from physical activity;
- Reduced crime (generally youth related);
- Physiological and social development for children and Youth;
- Employment opportunities; and
- Lower rates of depression, anxiety and improved mental wellbeing

The program had many benefits, and the success of the program can be measured by the high numbers of youth who attended. The attendance statistics show the activity and nutrition sessions had a consistent level of high engagement by youth in community. Anecdotally, it was observed by staff that youth responded positively to activities offered and enjoyed participating in the program.

This year's program had its challenges, however the team performed well under difficult circumstances. The program delivered on the strategic objectives listed above and created a safe and healthy environment for the youth in Warburton.

#### Statutory Environment

Section 2.7 of the Local Government Act 1995 states:

*"Role of council*

*1. The council —*

*(a) governs the local government's affairs; and*

*(b) is responsible for the performance of the local government's functions.*

*2. Without limiting subsection (1), the council is to —*

- (a) *oversee the allocation of the local government's finances and resources; and*  
(b) *determine the local government's policies."*

**Financial Implications**

The program forms part of the Shires annual budget.

**Strategic Implications**

Plan for the Future 2021 – 2031

Goal 1, Our People

Outcome 1, Happy people

Strategy, 1.1.3, Implement Sport and Recreation Programs and services across the lands

**Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku's Risk Management Strategy, Risk Assessment Matrix. The perceived level of risk is "Low" risk and can be managed by routine procedures and is unlikely to need specific application of resources.

**Policy Implications**

N/A

**Attachments**

12.1, 2021/22 Term 4, School Holiday Program Report

**Voting Requirement**

Simple Majority

**Officers Recommendation and Council Resolution**

**Moved: Cr D Frazer      Seconded: Cr J Frazer**

**For council to note the attached 2021/22 Term 4, School Holiday Program Report.**

**Carried: 7/0**

## 12.2 LEAVE MANAGEMENT PROCEDURES

<b>FILE REFERENCE:</b>	CM.15 / PL.07
<b>AUTHOR'S NAME AND POSITION:</b>	Cary Green Director Governance and Strategic
<b>AUTHORISING OFFICER AND POSITION</b>	Kevin Hannagan Chief Executive Officer
<b>DATE REPORT WRITTEN:</b>	18 March 2022
<b>DISCLOSURE OF INTERESTS:</b>	The author has no financial, proximity or impartiality interest in the proposal.

### Summary

For Council to be advised of the proposed inclusions to CEO Procedure 12 – Leave Management Procedures, to address the leave requirements relating to COVID-19.

### Background

The Covid-19 pandemic has brought about the need to review the Shires current Leave Management procedures to respond to the leave arrangements for employees affected by the Covid-19.

### Comment

The proposed inclusions to the Shires Leave Management procedures, sets out leave opportunities available to Shire employees who are affected by Covid-19. These inclusions will be used by Managers to take a pragmatic and precautionary approach to managing work absences related to COVID-19, with a view to promoting health and safety for individuals, others in the workplace, and the public.

The proposed Covid specific inclusions include:

- Self-isolation for COVID-19
- Leave arrangements
- COVID-19 leave
- Employees who are sick
- Employees who are required to self-isolate, but are not sick
- Employees who are required to care for someone else
- Evidence of entitlements
- Staff not attending work without notice

For further information regarding the inclusions, see the attached procedure.

### Statutory Environment

*Local Government Act 1995:*

Section 2.7

*“Role of council*

1. *The council —*

- a) governs the local government's affairs; and*
- b) is responsible for the performance of the local government's functions.*

2. *Without limiting subsection (1), the council is to —*

- a) oversee the allocation of the local government's finances and resources; and*
- b) determine the local government's policies*



**Financial Implications**

The provision for leave entitlements is covered as part of the annual budget process.

**Strategic Implications**

Plan for the Future, 2021 – 2031

Goal 3, Our Leadership

Outcome 7, Good leadership, effectively representing and advocating for our communities

Strategy 7.2.2, Collaborate with regional partners, key stakeholders and other relevant organisations

Outcome 8, A well-functioning organisation

Strategy 8.2 Provide a good place to work

**Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku Risk Management Strategy, Risk Assessment Matrix. The perceived level of risk is “Low” risk and can be managed by routine procedures and is unlikely to need specific application of resources.

**Policy Implications**

N/A

**Attachments**

12.2 CEO, Leave Management Procedure

**Voting Requirement**

Simple Majority

**Officers Recommendation and Council Resolution**

**Moved: Cr J Porter**

**Seconded: Cr A Jones**

**For Council to note changes to CEO Procedure 12 – Leave Management Procedures, to address the leave requirements relating to COVID-19.**

**Carried: 7/0**

## 12.3 PROGRESS REPORT ON THE WORKFORCE PLAN (2021-2025)

<b>FILE REFERENCE:</b>	CM.14
<b>AUTHOR'S NAME AND POSITION:</b>	Cary Green Director Governance and Strategic
<b>AUTHORISING OFFICER AND POSITION</b>	Kevin Hannagan Chief Executive Officer
<b>DATE REPORT WRITTEN:</b>	22 March 2022
<b>DISCLOSURE OF INTERESTS:</b>	The author has no financial, proximity or impartiality interest in the proposal.

### Summary

To provide Council with a progress report on the Workforce Plan (2021 – 2025).

### Background

The Workforce Plan (2021 – 2025) was adopted by the Shire on the 26 May 2021 and was developed to assist the Shire to respond to its workforce challenges in a strategic way as we work with the community to build a sustainable future and a capable workforce.

The Shire's Strategic Community Plan and Corporate Business Plan outline the community's hopes and aspirations and the Workforce Plan plays an important part as we seek to ensure the Shire has the right people, in the right place, at the right time, to meet the needs of our community.

The Workforce Plan is an informing document which sets out the human resources required to deliver the Shire's Strategic Community Plan objectives. It also requires us to build a culture of innovation and continual improvement to make it happen.

### Comment

This report provides a progress update on the strategies to meet future workforce needs as listed in the plan. Regular review of the Workforce Plan, particularly the strategies and actions contained in the tables, is required to ensure they are being achieved. The preferred timing is a review at least annually.

The attached spreadsheet from the Director Corporate Services provides an ongoing evaluation of the Workforce Plan to address the following:

- The progress towards meeting the performance indicator targets; and
- The progress towards meeting strategic actions of the Workforce Plan.

### Statutory Environment

S5.56 (1) of the Local Government Act 1995.

Council's minimum obligations relating to planning for the future (IPR).

### Financial Implications

The Workforce Plan (2021-2025) is an informing document that links the Shires Strategic objectives with the operational functions. This Plan assists the Shire to respond to its workforce challenges in a strategic way as we work with the community to build a sustainable future and a capable workforce.

### Strategic Implications

Plan for the Future, 2021 – 2031

Goal 3, Our Leadership

Outcome 8, A well-functioning organisation

Strategy, 8.2, Maintain corporate governance, responsibility and accountability

**Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku Risk Management Strategy, Risk Assessment Matrix. The perceived level of risk is low, however, continuing to monitor the progress of the projects will further reduce the risk.

**Policy Implications**

Not Applicable.

**Attachments**

Attachment 12.3 – Workforce Plan (2021-2025) progress report

**Voting Requirement**

Simple Majority

**Officers Recommendation and Council Resolution**

**Moved: Cr J Frazer**

**Seconded: Cr D Frazer**

**That Council notes this report and the attached progress report on the Workforce Plan (2021 – 2025).**

**Carried: 7/0**

### **13. DIRECTOR INFRASTRUCTURE SERVICES REPORT**

#### **13.1 ACTION REPORT – WORKS ENGINEER**

**FILE REFERENCE:** RD.00

**AUTHOR'S NAME AND POSITION:** Peter Kerp  
Works Engineer

**AUTHORISING OFFICER AND POSITION:** Les Morgan  
Director Infrastructure

**DATE REPORT WRITTEN:** 22 March 2022

**DISCLOSURE OF INTERESTS:** The author and the authorising officer have no financial, proximity or impartiality interests in the proposal.

#### **Summary**

To inform Council of Works Engineering activities and actions for the preceding month.

#### **Background**

Not applicable

#### **Comment**

See attachment.

#### **Statutory Environment**

Not applicable

#### **Financial Implications**

No known financial implications for this matter.

#### **Strategic Implications**

Plan for the Future 2021 - 2031

Goal 2, Our Land

Outcome 5, Travelling our Land

Strategy: 5.1, Effective management and planning of road infrastructure

#### **Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is "Low" risk and can be managed by routine procedures and is unlikely to need specific application of resources.

#### **Policy Implications**

There are no known policy implications for this matter.

#### **Attachments**

Attachment 13.1 – Action Report, Works Engineering

#### **Voting Requirement**

Simple Majority Required.

#### **Officers Recommendation and Council Resolution**

**Moved: Cr D Frazer**

**Seconded: Cr J Frazer**

**That Council receives the Action Report, Works Engineering March 2022.**

**Carried: 7/0**

## 13.2 ACTION REPORT – OPERATIONS COORDINATOR

<b>FILE REFERENCE:</b>	RD.00
<b>AUTHOR’S NAME AND POSITION:</b>	Joseph Joseph Operations Coordinator
<b>AUTHORISING OFFICER AND POSITION:</b>	Les Morgan Director Infrastructure
<b>DATE REPORT WRITTEN:</b>	22 March 2022
<b>DISCLOSURE OF INTERESTS:</b>	The author and the authorising officer have no financial, proximity or impartiality interests in the proposal.

### **Summary**

To inform Council of Operational activities and actions for the preceding month.

### **Background**

Not applicable

### **Comment**

See attachment.

### **Statutory Environment**

Not applicable

### **Financial Implications**

No known financial implications for this matter.

### **Strategic Implications**

Plan for the Future 2021 - 2031

Goal 2, Our Land

Outcome 6, Living on our Land

Strategy: 6.1, Maintain Shire owned buildings and facilities

### **Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is “Low” risk and can be managed by routine procedures and is unlikely to need specific application of resources.

### **Policy Implications**

There are no known policy implications for this matter.

### **Attachments**

Attachment 13.2 – Action Report, Operations Coordinator

### **Voting Requirement**

Simple Majority Required.

### **Officers Recommendation and Council Resolution**

**Moved: Cr A Jones**

**Seconded: Cr L West**

**That Council receives the Action Report, Operations February/March 2022.**

**Carried: 7/0**

### 13.3 STRATGIC ASSET MANAGEMENT ROADMAP – UNSEALED ROADS

<b>FILE REFERENCE:</b>	RD.00
<b>AUTHOR'S NAME AND POSITION:</b>	Les Morgan Director Infrastructure
<b>AUTHORISING OFFICER AND POSITION:</b>	Kevin Hannagan Chief Executive Officer
<b>DATE REPORT WRITTEN:</b>	22 March 2022
<b>DISCLOSURE OF INTERESTS:</b>	The author and the authorising officer have no financial, proximity or impartiality interests in the proposal.

#### **Summary**

To inform Council of work undertaken to strategically manage the unsealed roads as a crucial step in meeting legislative requirements, day to day operational needs and ensuring that present and future generations living within the shire will continue to enjoy an acceptable level of service without being left to meet a substantial financial burden.

#### **Background**

At the November 2021 Ordinary Council Meeting it was resolved as follows:

*That Council:*

- 1. endorses the recommended Strategic Asset Management Roadmap as contained within this report; and*
- 2. requests management to report back to the Council at each stage of the journey as outlined in this report.*

Accordingly, the purpose of this report is to update Council of the progress of this journey.

#### **Comment**

##### Introduction

The previous report outlined critical points where progress should be reported to aid understanding and buy-in. This process of informing should also enhance the Elected Council's understanding in staff reporting issues such as the works program due to the transparent methodology in the process.

To address these critical points, an Operational Management Manual for Unsealed Roads (Appendix A) has been developed to guide the strategic management of the Shire's unsealed roads. A summary of how this manual addressed the critical points outlined previously are as follows.

##### Road Inventory

The inventory of all unsealed roads under the care and control of the Shire has been reviewed, updated and is included in the attached manual.

##### Road Hierarchy

A road hierarchy for unsealed roads has been developed to enable the Shire to provide levels of service that are appropriate for the function and use of a road. Unsealed roads have been also split into urban and rural as the characteristics and levels of service differ for each. Accordingly, the following principles apply to the new hierarchy:

- Roads within communities are Urban Roads and roads that connect communities or have a through road function have been designated as Rural Roads.

- Roads that carry vehicles to and from a significant Regional centre such as Kalgoorlie and Alice Springs are Regional Distributer roads.
- Roads that carry vehicles between communities on the Ngaanyatjarra Lands are deemed to be Local Distributer roads.
- All other roads under the care and control of the Shire are Access roads.

#### Design and Construction standards

It was considered appropriate to set minimum and maximum gravel depth standards to meet traffic loadings on these roads and to minimise life-cycle costs. Thus, the attached manual proposes that all maintained unsealed roads have a minimum depth of 100mm and a maximum depth of 300mm.

#### Condition Rating

An asset condition rating methodology is established in the attached manual. The aspects of an unsealed road that are condition rated are as follows:

- Unsealed surface condition,
- Unsealed shape, and
- Depth of base.

Unsealed surface condition incorporates defects such as potholes, rutting, and corrugations as these defects have an impact on the ride comfort that motorist experiences whilst driving a road.

Unsealed shape considers the profile and the impact that shape has on aspects of the performance of that road. Roads with good profile shed water rapidly and avoid the development of potholes and defects. If the profile is flat, water ponds in localised depressions resulting in softening of the surface and development of potholes and defects. Unsealed shape also takes into account the cross section of a road which directly affects the ability of a road to quickly disperse water away from the driving surface towards the table drains.

The depth of base is the thickness of the gravel on a road. It can be condition rated by measuring the actual thickness or visually. To assess this visually a judgment is made as to whether or not the existing gravel is of sufficient depth to be graded without difficulty. If the gravel is too thin it is usually identifiable by the presence of subgrade or rocks showing through or other natural materials.

#### Work practices for each stage of the life of an unsealed road.

The three main work practices for each stage of an unsealed road are gravel resheeting, maintenance grading and drainage repairs.

Gravel resheeting involves the addition of granular material to strengthen and deepen the existing pavement. Maintenance grading is carried out at regular intervals on unsealed roads to repair the running surface and enhance driving comfort and safety. Drainage Repairs are undertaken to de-silt, clean, reshape and repair table drains and off-shoot drains. Drainage repairs are undertaken when needed during grading and Gravel Resheeting works.

#### Works prioritisation

Due to the aim of maintaining a minimum of 100mm of gravel on all unsealed roads, gravel resheeting works are prioritised to ensure that the road in highest need is undertaken first. Grading will not normally require prioritising as it is usually carried out on a scheduled rotation basis in line with the levels of service. However, a priority system has been devised for grading to address requests for grading that are outside of the proposed program. Drainage repairs do not require prioritisation as this work is carried out in line with Gravel Resheeting and grading.

When assessing whether an unsealed road needs a gravel resheet, the most important factor is the depth of pavement as a road with an adequate gravel depth can be merely maintenance graded at significantly lower cost.

### Accomplishment records of Previous Works

Whilst accomplishment records are not directly addressed in the manual, this directly informs many aspects of the manual. Most records such as the date of last gravel resheet on a section of road is now captured in the Shire's asset management database.

### Unit rates for all work types

The capture of costs for individual works, in the Shire's general ledger is an important aspect that has not been done adequately. Accordingly, this vital aspect is current being addressed through revamping the job costing system in Synergy and should be ready for use in the new financial year.

The table below outlines how the unit rate for gravel resheeting was derived from three gravel resheeting projects that were carried out in 2021/22. As these projects vary in size significantly, they are considered a good representation of economies of scale. It is also important to note that these projects all involved the reshaping of table drains and off-shoot drains.

Road Name	Length (Km)	Width (m)	AREA (m <sup>2</sup> )	Scope of Works	Final Actual Cost of Works	Cost per m <sup>2</sup>
Outback Way	9.00	10.00	90,000.00	Re-Sheet, Drainage	\$ 954,858.70	\$ 10.61
Third Street	0.74	8.00	5,920.00	Re-Sheet, Drainage	\$ 101,488.00	\$ 17.14
Wanarn Road	5.20	8.00	41,600.00	Re-Sheet, Drainage	\$ 389,368.72	\$ 9.36
<b>Totals</b>	<b>14.94</b>		<b>137,520.00</b>		<b>\$ 1,445,715.42</b>	<b>\$ 10.51</b>
<b>22/23 Increase in costs</b>						<b>10%</b>
<b>Total Cost Of A 200mm Gravel Resheet</b>						<b>\$11.56</b>
<b>Total Cost Of A 300mm Gravel Resheet</b>						<b>\$17.34</b>

There were no adequate costs records that could be combined with the actual work done to ascertain an adequate unit rate for grading. Hence, the table below shows how this unit rate was calculated.

Number Graders	Full Mob/ Demob Costs per day	Productivity per day (km)	Distance between Camp moves (km)	Frequency of camp Moves (every X days)	Apportionment of Mob/demob costs (% of daily cost)	Apportionment of mob/ demob costs (\$)	Grading Width (m)	Productivity per Day (sq.m)	Cost per Hour Per Grader (21/22)	Hours Worked Per day	Cost of Graders Only per day	Increase for 22/23 Financial Year	Total Cost Per Day	Cost per sq.m	Cost Per Km
2	\$3,740	20	80	5	20%	\$748	8	160,000	\$ 187	10	\$3,740	10%	\$4,488	\$0.03	\$246.84

### Useful lives

The loss of gravel is the best predictor of the useful life of an unsealed road. The surface may become rough, but if there is still adequate gravel in place, it can be reshaped through maintenance grading, and the useful life still achieved. A gravel loss prediction model developed by the Australian Road Research Board (ARRB) which enabled this prediction to be made, takes into account traffic volumes, rainfall, the gradient of the road and different types of gravel.

This annual gravel loss prediction shows that it will take about 50 years for a 300mm thick gravel pavement to be lost completely, thereby giving a useful life of 50 years. However, it is the aim of this strategy to not allow the gravel to be thinner than 100mm before the Shire intervenes and gravel resheets the road back to 300mm depth. Hence, there will only be 200mm of gravel lost for this intervention. The same gravel loss prediction results in it only taking 35 years for this 200mm of gravel to be lost. Hence, an intervention life of 35 years has been used for life cycle analysis.



### Levels of service

The levels of service relate to the frequency that each work activity is undertaken on the roads. This frequency varies according to the function and level of use of a road. As the road hierarchy reflects the function and use of each road, the levels of service for the three main activities on an unsealed road are connected to the road hierarchy as shown below:

Road Hierarchy Classification		Maintenance Grading Frequency	Gravel Resheeting Frequency	Drainage Repairs
Rural	Regional Distributor	3 times per year	Once every 35 years	As required in line with grading and gravel resheeting works.
	Local Distributor	1 time per year	Once every 35 years	
	Access	1 time every 5 years	Once every 35 years	
Urban	Regional Distributor	3 times per year	Once every 35 years	
	Local Distributor	1 time per year	Once every 35 years	
	Access	1 time every 5 years	Once every 35 years	

### Works Programs

A 35 year, full life-cycle works programs has been developed for gravel resheeting and a 10 year program for maintenance grading. The first 10 years of each program has been provided in the attached manual.

It is important to note that many unsealed roads within the LGA already have a pavement depth less than 100mm. To address this, the first 15 years of the gravel resheeting program focuses on bringing these thinly gravelled roads up to 300mm.

There are also number of cultural sites on the Ngaanyatjarra Lands, with unformed, unmaintained roads leading to them. Whilst the Shire does not maintain these roads, the grading program also includes an annual allocation of \$30,000 for these roads. Works on these roads should be merely a single cut grade and should be carried out on a request basis only. As these roads are not maintained, they are also not included in any asset inventory registers and are not included in any strategic modelling.

### Budget

In order to provide a 200mm gravel resheet to all unsealed roads within the Shire, once in their intervention life and thus keep the unsealed roads in their existing condition and close the gap by undertaking 300mm gravel overlays in the first 15 years, on roads with less than 100mm gravel, an annual budget of \$5,364,982 is required for the first 15 years of the program and \$3,257,057 for the final 20 years.

In order to grade all unsealed roads in line with the previously mentioned levels of service and thus keep the unsealed roads in their existing condition an annual budget of \$604,791 is required.

### Backlog of Works

If no works were carried out, the unsealed road network would need to be reconstructed in 26 years. The cost of this in today's dollars would be about \$135,000,000. Similarly, if the current expenditure was maintained, there would be a back log of works in the order of \$40,000,000 in 35 years.

Whereas by spending just over \$5,000,000 per year for the first 15 years and just over \$3,000,000 per year for the remaining 20 years, the overall condition of the unsealed road network will be increased from its current 52% to over 80% in the first 25 years and remain over 80% to enable the continuation of the service and function that they are intended to provide.

### Life – cycle costs

The overall cost of implementing the above program is \$166,678,540 spread over 35 years or \$4,762,244 per annum on average. If nothing was done \$135,000,000 would need to be spent in 26 years' time, which averages out to \$5,192,308 per year over that time span.

Maintaining the existing level of funding will cost \$126,062,674.61 over 35 years, plus \$40,000,000 to bring the unsealed road network up to an acceptable standard. This costs averages out to \$4,744,648 per annum, which is a very similar annual cost to implementing the program.

Thus, by implementing the recommended program, the Shire will save about \$430,000 per annum over the do nothing option. Keeping the existing level of funding will result in a similar level of funding over the life cycle of these roads. However, this option will see the roads deteriorate from an overall condition of 52% of new condition down to a very poor 20% of new condition. Further to this, future generations will have to foot a \$40,000,000 bill to bring these roads up to an acceptable condition.

Hence, in terms of annual costs, life cycle costs, road condition, functionality and level of service, implementation of the program is the best course of action for the Shire.

### Valuation

When undertaking “Fair Value” assessments, the results of the condition rating methodology are merely converted to a percentage of a road in perfect condition or its current replacement cost. By multiplying this percentage from the condition assessment by the current replacement cost the “Fair Value” or depreciated replacement cost is attained. The current replacement cost is divided by the useful life to provide the annual depreciation. The annual depreciation multiplied by the years that the road has been in use provides the accumulated depreciation.

### **Statutory Environment**

Section 5.56 (1) of the Local Government Act 1995

### **Financial Implications**

Whilst there are no financial implications recommended within this report, financial implications are inherent in implementation of the attached manual. Whilst implementation will require a higher funding level, the financial implications of not implementing the attached manual are higher over the life cycle of these roads. Not only will not implementing this manual cost more in the long term, it will also result in significantly poor outcomes in terms of road condition, driver comfort, road safety, service delivery, community connectiveness and road network functionality.

### **Strategic Implications**

Plan for the Future 2021 - 2031

Goal 2, Our Land

Outcome 5, Travelling our Land

Strategy: 5.1, Effective management and planning of road infrastructure

### **Risk Management**

This item has been evaluated against the Shire of Ngaanyatjarraku Risk Management Framework, Risk Assessment Matrix. The perceived level of risk is “Low” risk and can be managed by routine procedures and is unlikely to need specific application of resources.

Implementation of the attached manual will enhance the Shire’s ability to identify and reduce its exposure to financial risk and the communities exposure to infrastructure risk.

### **Policy Implications**

Council Policy - 2.6 Asset Management.

### **Attachments**

Attachment 13.3 – Operations Management Manual – Unsealed Roads

### **Voting Requirement**

Simple Majority Required.

**Council Resolution**

**Moved: Cr A Jones      Seconded: Cr D Frazer**

**That Council adopt the Operations Management Manual – Unsealed Roads as tabled in principle and use this manual for budget deliberations for the 2022/23 Financial Year.**

**Carried: 7/0**

Note: Council Resolution advises that an amended report was tabled for adoption at the meeting. There had been a variation to the contractors Schedule of Rates that required updating of unit costs and therefore maintenance and renewal costs contained in the report.

**14. NEW BUSINESS OF AN URGENT NATURE AS ADMITTED BY DECISION**

**15. CONFIDENTIAL MATTERS**

**16 NEXT MEETING**

Scheduled for Wednesday, 27 April 2022 at the Tjulyuru Cultural and Civic Centre, Warburton Community commencing at 1:00 pm.

**17 CLOSURE OF MEETING**

There being no further business to discuss the Presiding Member closed the meeting at 1.38pm.