



Town of  
**Port Hedland**



# Special Meeting of Council Minutes

**Council Chambers, McGregor St, Port Hedland**

**5:30pm Wednesday 27 February 2019**

- 2018/19 Mid-Year Budget Review
- 2018/19 Additional Rates Concessions and Exemptions
- RFT2018-35 Workwear and Personal Protective Equipment for staff at the Town of Port Hedland

Distribution Date:  
6 March 2019

**David Pentz**  
Chief Executive Officer

## **Our Vision**

*To be Australia's leading  
Port Town embracing  
community, culture  
and environment*





Mr David Pentz  
Chief Executive Officer  
Town of Port Hedland  
P O Box 41  
PORT HEDLAND WA 6721

Dear David

**SPECIAL MEETING OF COUNCIL**

In accordance with Section 5.4 of the Local Government Act 1995, I hereby request that you arrange for a Special Meeting of Council to be held on Wednesday, 27 February 2019 at 5.30pm to consider the following matters:

- 2018/19 Mid-Year Budget Review
- 2018/19 Additional Rates Concessions and Exemptions
- RFT2018-35 Workwear and Personal Protective Equipment for staff at the Town of Port Hedland

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Camilo Blanco', is written over a light blue background.

Camilo Blanco  
Mayor

19 February 2019

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**Item 1 Opening of Meeting**

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The Mayor declared the meeting open at 5.30pm.

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**Item 2 Acknowledgement of Traditional Owners and Dignitaries**

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The Mayor acknowledged the traditional custodians, the Kariyarra people, and recognised the contribution of Kariyarra Elders past, present and future, in working together for the future of Port Hedland.

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**Item 3 Recording of Attendance**

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**3.1 Attendance**

Mayor Camilo Blanco  
Deputy Mayor Louise Newbery  
Councillor Julie Arif  
Councillor Richard Whitwell  
Councillor Peter Carter  
Councillor Tricia Hebbard  
Councillor Warren McDonogh  
Councillor Telona Pitt

David Pentz	Chief Executive Officer
Anthea Bird	Director Corporate and Performance
Michael Cuvalo	Acting Director Development, Sustainability and Lifestyle
Gerard Sherlock	Director Infrastructure and Town Services
Josephine Bianchi	Manager Governance
Wendy Barnard	Corporate Support Officer/Minute Taker

Staff	6
Public	3
Media	1

**3.2 Attendance by Telephone / Instantaneous Communications**

Nil

**3.3 Apologies**

Nil

**3.4 Approved Leave of Absence**

Councillor George Daccache

### 3.5 Disclosures of Interest

Nil

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## Item 4 Public Time

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*Important note:*

*'This meeting is being recorded on audio tape and streamed live online as an additional record of the meeting and to assist with minute-taking purposes which may be released upon request to third parties. If you do not give permission for recording your participation please indicate this at the meeting. The public is reminded that in accordance with Section 6.16 of the Town of Port Hedland Local Law on Standing Orders nobody shall use any visual or vocal electronic device or instrument to record the proceedings of any meeting unless that person has been given permission by the chairperson to do so. Members of the public are also reminded that in accordance with section 6.17(4) of the Town of Port Hedland Local Law on Standing Orders mobile telephones must be switched off and not used during the meeting.'*

*In accordance with section 6.7(3) of the Town of Port Hedland Local Law on Standing Orders, members of the public are required to complete a question form and place the completed form in the tray provided.*

### 4.1 Public Question Time

The Mayor opened Public Question Time at 5.32pm

#### 4.1.1 Ms Kailah Marshall

*Could you clarify if the amount of \$300,000 allocated for work on the Port Hedland Retirement Village, based on the upcoming building report (page 14 of these minutes), should not be enough to complete the required works for the Village to return to a safe residence for our elderly citizens? Is there a reserve allocation of funds in the budget to cover the additional costs?*

The Mayor advised that the \$300,000 is not allocated for works on the Port Hedland Retirement Village. It can be allocated for emergency works, but it was allocated to technical reports that had to be redone.

*\$300,000 worth?*

The Mayor advised that it was a figure put into the budget and that local governments cannot spend any funds that are not in the budget. The \$300,000 was an estimated figure to cover the extra reports that were requested.



*So the money is budgeted for paying for the reports?*

The Mayor advised in the affirmative.

*There is a reserve of \$3M allocated for "Asset Management - Community Facilities and Infrastructure" (page 24 of these minutes), however, as stated by the Mayor at the Special Council Meeting held in November, the Village has reached the end of its asset depreciation period and the Town of Port Hedland intended to no longer value this asset. The community would then assume that the Village is therefore not listed on the asset register and does not qualify for funds from this reserve. Can you please clarify if the Village has been removed from the Town's asset register?*

The Director of Corporate and Performance advised that the asset has been written down to zero value, but will remain on the asset register.

*So it is classed as an asset to the Town of Port Hedland?*

The Director of Corporate and Performance advised in the affirmative.

*So in that case it does fall under the "Asset management - Community Facilities and Infrastructure" that you have budgeted for \$3M?*

The Director of Corporate and Performance advised that the \$3M reserve is accumulated over time through the budget and collection of rates, and is for Council, through the budget process, to determine how that money is spent. Asset renewal is for assets of the town.

*If the Port Hedland Retirement Village is classed as an asset, then that money can be used for that as well?*

The Director of Corporate and Performance advised that in theory, yes.

The Mayor advised that the funds are allocated to specific budgeted projects.

*It states on the agenda "specifically (but not limited to)", so there is room for unallocated areas?*

The Mayor advised that if Ms Marshall was referring directly to the Port Hedland Retirement Village, then any funds that would be allocated to the Port Hedland Retirement Village would first have to be agreed to by Council and a business case would have to be developed. As it is not a core function of local government to invest in public housing, public consultation would then have to take place to determine whether the public want the Council to spend that sort of money on the Port Hedland Retirement Village. It is a long process which has only just started.

The Mayor closed Public Question Time at 5.37pm.

The Mayor opened Public Statement Time at 5.37pm.

## 4.2 Public Statement Time

### 4.2.1 Mr Dave McGowan

The Port Hedland Yacht Club is an integral part of the social fabric of Port Hedland, it offers a pleasant, vibrant location for members and their guests, along with visitors to our town, to relax and have a great experience on the vast grassed area overlooking the Port environs. The Club provides sail training to community members, and currently consistently has 30 kids and up to 15 adults participating in our 'Try Sailing Days' each fortnight. We, as a club, take pride in what we offer the people of Port Hedland and are always aiming to improve the experience, services and manage the costs.

The Club has had varied financial success over the years, and is currently in a better condition than the past few, but is still not in a position to move forward as quickly as we want, due to financial restraints. The Club management has reduced ongoing costs as best we can, by redefining services, local company sponsorship and volunteer labour to keep the property in good condition.

The impending Marina and Spoilbank upgrades will enhance the amenity of everyone in the town and the Club will be part of that. The Club needs to be in a position financially to be able to move along with what is planned, and be able to achieve our aims.

The impost of rates on our property, which have doubled this year, albeit with a 50% concession has caused us additional financial stress that was unplanned. We have had to discontinue the council rubbish service as that became too expensive once the bin audit was completed and we have been fortunate to have a local company, Toxfree, support us with the rubbish service, a significant saving.

The Club currently has a 50% concession on our rates, however we are the only club in the Town of Port Hedland that does not have a 100% concession.

The Club believes that, as a vital community resource, the Town of Port Hedland should afford the Club the same benefits as other clubs in the jurisdiction.

We request a review of our rate concession to 100% in order to be able to put those funds into improving facilities and services at the Club, and bring us on par with all other clubs in Port Hedland.

*The Mayor advised that the Club had submitted an application for 50% concession, which was granted.*

We were not aware of the fact that our rates would double due to the change in the rating structure, and the fact that all the other clubs were applying for 100% concession. We had budgeted for 50% of the rates that we paid last year.

*The Mayor queried what the rates bill for the Yacht Club is.*

The total amount for rates excluding rubbish is \$5837.00 plus Emergency Services levy.



The Mayor closed Public Statement Time at 5.42pm

#### 4.3 Petitions/Deputations/Presentations/Submissions

Nil

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### Item 5 Questions from Members without Notice

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#### 5.1 Deputy Mayor Newbery

The Airport Masterplan Review item comments (page 25 of these minutes) read "Review required, will be reimbursed by Port Hedland International Airport." Why did the Town do the review?

*The Chief Executive Officer advised that the terms of the lease agreement are that the Town completes the independent review and the Airport covers the costs for it.*

#### 5.2 Councillor Whitwell

Is there any indication of when the report on the Port Hedland Retirement Village is going to be ready?

*The Mayor advised that the report will be presented towards the end of this month or early next month.*

So it will be given to Council when it arrives?

*The Chief Executive Officer advised the detailed analysis has been done, the inspections undertaken, and the costs determined to repair the buildings. Advice has been received that the extent of works required triggers a requirement to bring the buildings up to code, so a request has been made to assess what additional costs would be involved in that process.*

*We are also looking at what an in situ rebuild would cost and what the cost for relocatable buildings, like they have in Karratha, would be. This would mean that the full picture would be available to Council.*

#### 5.3 Councillor Pitt

In regards to Mr Dave McGowan's comment in Public Statement Time, if item 8.1.2 2018/19 Additional Rates Concessions and Exemptions goes through, will there be an opportunity to have the concession rates for the Yacht Club reviewed?

*The Mayor advised that Council members are welcome to suggest an addition to the Officer's Recommendation, but the Yacht Club has filled out the paperwork and the Council has determined the rates concession for this year, therefore the correct process has been followed.*

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**Item 6 Announcements by Presiding Member without Discussion**

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Nil

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**Item 7 Declarations of All Members to Have Given Due Consideration to All Matters Contained in the Business Paper before the Meeting**

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The following Elected Members declared that they had given due consideration to all matters contained in the agenda:

Mayor Camilo Blanco  
Deputy Mayor Louise Newbery  
Councillor Julie Arif  
Councillor Richard Whitwell  
Councillor Peter Carter  
Councillor Tricia Hebbard  
Councillor Warren McDonogh  
Councillor Telona Pitt

*Disclaimer*

*Members of the public are cautioned against taking any action on Council decisions, on items on this evening's Agenda in which they may have an interest, until formal notification in writing by the Town has been received. Decisions made at this meeting can be revoked, pursuant to the Local Government Act 1995.*

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**Item 8 Reports of Officers**


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**8.1 Corporate and Performance****8.1.1 2018/19 Mid-Year Budget Review (File No. 12/05/0014)**

Author	Manager Finance
Authorising Officer	Director Corporate and Performance
Disclosure of Interest	The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

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**CM201819/148 OFFICER'S RECOMMENDATION/COUNCIL DECISION**

MOVED: CR MCDONOGH

SECONDED: CR ARIF

That Council:

1. Adopt the 2018/19 Budget Review for period ended 31 December 2018, resulting in a projected closing municipal surplus of \$499,584 as at 30 June 2019;
2. Adopt the new/expanded initiatives as per the below table (already included in the above municipal surplus figure):

<i>Project</i>	<i>Current Budget (\$)</i>	<i>Proposed Budget (\$)</i>	<i>Funding (\$)</i>	<i>Municipal Impact (\$)</i>
<i>Car Park Renewals Program</i>	<i>0</i>	<i>150,000</i>	<i>0</i>	<i>150,000</i>
<i>Lighting and Safety upgrades at Pretty Pool Car Park</i>	<i>0</i>	<i>50,000</i>	<i>0</i>	<i>50,000</i>
<i>Car Park Upgrades (Rear of Esplanade Hotel)</i>	<i>0</i>	<i>30,000</i>	<i>0</i>	<i>30,000</i>
<i>Footpath Renewal Programme</i>	<i>577,798</i>	<i>677,798</i>		<i>100,000</i>
<i>Traffic calming – Sutherland street</i>	<i>115,000</i>	<i>150,000</i>		<i>35,000</i>
<i>Pipingarra Road Intersection Upgrade</i>	<i>0</i>	<i>400,000</i>	<i>400,000</i>	<i>0</i>
<i>Staff housing construction</i>	<i>50,000</i>	<i>85,000</i>		<i>35,000</i>
<i>Civic Centre and Gratwick Hall refurbishment</i>	<i>743,876</i>	<i>1,183,876</i>		<i>440,000</i>
<i>Commercial building renewal program</i>	<i>375,121</i>	<i>625,121</i>		<i>250,000</i>
<i>Large Plant Replacement program</i>	<i>400,000</i>	<i>411,000</i>	<i>11,000</i>	<i>0</i>

<i>Project</i>	<i>Current Budget (\$)</i>	<i>Proposed Budget (\$)</i>	<i>Funding (\$)</i>	<i>Municipal Impact (\$)</i>
<i>Light Fleet Replacement Program</i>	<i>946,000</i>	<i>1,052,000</i>	<i>106,000</i>	<i>0</i>
<i>YMCA transition</i>	<i>0</i>	<i>550,200</i>	<i>0</i>	<i>550,200</i>

**CARRIED BY ABSOLUTE MAJORITY 8/0**

## PURPOSE

This report presents the 2018/19 mid-year budget review for period ended 31 December 2018. Per section 33A of the *Local Government (Financial Management) Regulations 1996*, a review of the annual budget must be completed between 1 January and 31 March for the applicable budget year. The review is an opportunity to evaluate the current budget and allocate funding for emerging community and social priorities, allowing the organisation to respond and provide the best result for the Town. There are also other factors that are affecting the operational activities and revenue streams which have resulted in budget variations and are discussed in the detail of this report. The proposed budget changes from the review indicate an overall budget positive variation of \$213,927, resulting in an estimated closing municipal surplus of \$499,584 as at 30 June 2019.

## DETAIL

Following the 2018/19 Budget adoption on September 6, 2018, the *Local Government (Financial Management) Regulations 1996* state that we are required to carry out a review of the annual budget between 1 January and 31 March in each financial year. The purpose of this report is to review the budget as at 31 December 2018 and present the proposed revised budget endorsed by the Audit, Risk and Governance Committee (ARG) on 12 February 2019.

The budget review is an opportunity to evaluate the current budget as a result of numerous factors that affect the operational activities and revenue streams. The reviews are used as a tool for decision making for current and future activities and they are a key component of prudential financial management practices in order to mitigate financial risk exposure to Council. In conjunction with compliance to legislation, the review conducted aimed to reconsider all budget items and review them by taking into account any changes in the macro or minor economic variables and any other relevant information.

Summary of actual financial position as at 31 December 2018:

- Capital expenditure to date is tracking at 23% budget spent, with committed orders bringing the current financial completion to 34%. Major projects include; intersection works carried forward from 17/18 have been completed; Gratwick remedial works are within budgeted progress and cost; and the Civic Centre west wing refurbishment is well underway with completion expected mid-February 2019.
- Operating expenditure is currently 37% of budget. This is under the expected budget YTD, mainly due to lower than expected expenses across all areas.
- Rating income is higher than budgeted due to rating of previously unrated land with the additional rate income being placed into the Financial Risk Reserve.

For more detailed information on actual expenditure, please refer to the Statement of Financial Activity for the period ended 30 December 2018 presented at Ordinary Council Meeting on 13 February 2019.

A Statement of Financial Activity by Nature and Type is attached which demonstrates the current annual budget, the proposed annual budget following the variations included as part of this budget review and amendment. The significant movements are detailed below:

Operating Revenue		
Rate Revenue	\$5.9M increase	Increase in rates relating to leased land not previously rated after the budget adoption. To be transferred to the financial risk reserve.
Fees & charges	\$0.4M increase	Lease income not included in the original budget
Other revenue	\$1.6M increase	\$0.4M YMCA management fee review resulting in a reimbursement for over payments in prior years \$1.1M Kingsford Smith Business Park proceeds for sale of land to be treated as inventory (not asset disposal)

Operating Expenditure		
Employee costs	\$0.5M increase	\$0.2M adjustment in the LGIS WorkCover premium for 16/17 financial year \$0.1M CEO recruitment budget \$0.1M in overtime for casuals in Landfill and Libraries \$0.1M Additional contract staff in Finance and Waste
Utilities	\$0.2M increase	\$0.2M increase in Utilities attributed to increases in related sportsground and other water reticulation watering requirements
Depreciation	\$7.9M reduction	\$7.9M reduction in depreciation in line with devaluation of infrastructure in 17/18. No cash impact.

Operating Expenditure		
Materials & Contracts	\$1.7M increase	\$0.6M YMCA transition operational costs \$0.5M FORM contract omitted from the original budget \$0.2M Fuel increases due to price and usage increases \$0.2M Addition of Illegal dumping project that was omitted from the original budget \$0.1M WANDRRA program categorized as capital expenditure incorrectly, reclassified to operational expenditure \$0.3M Retirement Village building maintenance subject to outcome of building reports.
Material & Contracts Airport Project	\$10.4M reduction	\$10.0M decrease in expenditure for the Airport Project. This project will not be proceeding in this financial year apart from \$0.1M associated with looking at options to operate the sewerage pumping station and pipe network internally. All required asbestos removal has been completed.
Other Expenditure	\$2.7M increase	\$1.3M expense to provision for doubtful debts for Mia Mia outstanding rates and community contributions and other doubtful debts \$1.2M for cost of land held for sale (written down value) to be treated as inventory (reclassification) \$0.4M transfer of Developer Contributions to be transferred from Municipal funds to Trust in line with Public Open Space agreements.



Investing Activities		
Non-Operating Grants, Subsidies and Contributions	\$0.2M increase	\$0.1M removal of the budgeted grant for the Local Area Traffic Calming Project of \$0.1M, of which \$43k was funded from unspent grants reserve; \$0.4M increase for approved heavy vehicle program funding to be received in 18/19 \$0.1M transfer WANDRRA funding to operating revenue

Investing Activities		
Proceeds from Disposal of Assets	\$0.8M reduction	\$1.2M proceeds from disposal of KSBP lots reclassified to Other Revenue (treat as inventory) \$0.3M Add in proceeds for staff housing sales. These proceeds have been placed into the Staff Housing Reserve.
Capital Works	\$0.2M increase	Refer to detailed capital works schedule.

#### *New/Expanded Initiatives*

Included in the operating and capital expenditure increases identified through the budget review are a number of new/expanded initiatives and projects proposed for this financial year as outlined below:

Project	Current Budget	Proposed Budget	Funding	Muni Impact	Commentary
Car Park Renewals Program	0	150,000	0	150,000	The Town dropped the original program as a result of budgetary restrictions prior to adopting the 2018-2019 budget.  There is an existing program of works which can be delivered in 2018-2019 if adopted.
Lighting and Safety upgrades at Pretty Pool Car Park	0	50,000	0	50,000	Project has been proposed by the Police as the area is a hub for lewd and indecent behaviour.
Car Park Upgrades (Rear of	0	30,000	0	30,000	Project has been discussed at the BHP/Town of Port Hedland technical

Project	Current Budget	Proposed Budget	Funding	Muni Impact	Commentary
Esplanade Hotel)					working group. The project has been designed in house. Once the upgrade works are complete the intention is to hand the car park over to BHP to manage.
Footpath renewal program	577,798	677,798		100,000	Project is currently running on schedule and additional works are able to be completed this financial year to achieve a greater outcome for the Town.
Traffic Calming-Sutherland Street	115,000	150,000		35,000	Project to be delivered in May/June in line with the asphalt renewals program. Additional funding required for the raised speed islands. The project has been designed in house and the final design has the preliminary approval of main roads.
Pippingarra Road intersection upgrade	0	400,000	400,000	0	Currently in discussion with Pilbara Minerals in relation to this project. Grant funding has been approved for \$2.3M. Approval signed 2nd January 2019 - to commence construction 1 June 2019 pending final discussion with Pilbara Minerals.
Staff housing construction	50,000	85,000		35,000	The initial intent was to design the 3 houses for Pretty Pool only; however, it makes more financial and program sense to design all 5 houses at the one time.  The budget is for both concept and detailed design meaning once

Project	Current Budget	Proposed Budget	Funding	Muni Impact	Commentary
					completed they are ready to go to tender.
Civic Centre and Gratwick Hall refurbishment	743,876	1,183,876		440,000	<p>There have been additional costs associated with the purchase of furniture for the newly renovated Civic Centre, a structural report ensuring the Centre can become an evacuation centre once works are completed. Certified drawings for final design \$0.131M above budget. Additional funds are required for electrical upgrades (currently not compliant), requirements for new meeting rooms, ceiling issues in the East and West end. Window tinting and new air vents.</p> <p>We are also requesting additional funds to complete renovation works to Gratwick Hall (\$220,000) prior to it being returned to the Community. The works include ceiling replacement, sheeting and plastering the walls, painting addressing compliance issues with the stage rails and stairs, fixing the acoustic insulation on the stage, painting the stage, polishing the stage and</p>

Project	Current Budget	Proposed Budget	Funding	Muni Impact	Commentary
					main floor, painting the entire hall and addressing non-compliance issue with fire exits.
Commercial building renewal program	375,121	625,121		250,000	When the works for the Civic Centre were awarded we reduced the commercial budget figure to cover the additional costs. This meant that the works to renovate and upgrade the change facilities at GAC could not proceed without the \$100,000 that was moved being returned to the budget. \$150,000 is being requested for upgrades to the Baseball and Softball Pavillion. Currently neither the change rooms nor kitchen area are up to code and the club is hosting the North West Regional Championships in September.
Large Plant Replacement program	400,000	411,000	11,000	0	Failure of motor for VEH126 (Landfill loader). Replacement costs were circa \$40K which was not budgeted.
Light Fleet Replacement Program	946,000	1,052,000	106,000	0	Per Council Resolution from January 2019 OCM. Additional \$0.1M is required to deliver all 28 vehicles outlined in the RFT.

Project	Current Budget	Proposed Budget	Funding	Muni Impact	Commentary
YMCA transition	0	550,200	0	550,200	Per Council resolution from November 2018 OCM, the Town will be transitioning the management of the leisure facilities to in-house at the end of the current contract period. A component of these costs would have been incurred regardless of the type of management model.

### LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of medium significance, because budget reviews are vital to ensure the Town is forecasting expected expenditure and revenue in line with current conditions and commitments. Budget reviews are used as a tool for decision making for current and future activities and they are a key component of prudential financial management practices in order to mitigate financial risk exposure to Council.

### CONSULTATION

The municipal surplus brought forward for 1 July 2018 has been amended to reflect the final audited closing balance of \$7,140,521 as per the 2017/18 Annual Financial Statements presented to ARG on 12 February 2019. This was originally estimated in the budget at \$1,101,592.

#### *Internal*

The 2018/19 Budget has been reviewed by all budget managers and the Executive Leadership Team, who collectively have considered the impact of the budget amendments presented to benefit the community as a whole and keep within the budget guidelines of a balanced budget.

#### *External Agencies*

- N/A

#### *Community*

- N/A

## LEGISLATION AND POLICY CONSIDERATIONS

A local government is required to carry out a budget review between the 1 January and 31 March of each financial year in accordance with *regulation 33A(1) of the Local Government (Financial Management) Regulations 1996*. The review must consider the financial performance between 1 July to 31 December, the financial position at the date of the review, and review the outcomes for the end of financial year forecast as stipulated in *regulation 33A(2A)*.

Although there is no statutory requirement to present the review to the ARG, the Committee's terms of reference under 7.4.7 require the ARG to receive quarterly budget reviews. It is the Committee's role to provide comment and feedback on the review in terms of the overall aspects of the review. This review was prepared as at 31 December 2018 to provide the Committee and Council with overview and insight to expenditure against the budget, and amendments identified throughout the financial year.

Any budget review must be submitted to Council within 30 days of completion, with Council to determine whether or not to adopt the review by absolute majority as required by regulation 33A(2) and (3).

## FINANCIAL AND RESOURCES IMPLICATIONS

The 2018/19 budget review for period ended 31 December 2018 has identified an increased operating revenue of \$8.0M and a decreased operating expenditure of \$13.2M, resulting in an increased operating surplus of \$14.2M.

In addition to the budget amendments presented, this report also provides to amend the municipal surplus brought forward at 1 July 2018 to match the final audited Annual Financial Statements 2018/19 with a brought forward figure of \$7.1M. The overall result of the budget amendments is a proposed increase to the closing municipal surplus, resulting in an estimated closing municipal surplus of \$0.5M as at 30 June 2019.

## STRATEGIC AND SUSTAINABILITY IMPLICATIONS

- 4.b.1** Sound long-term financial planning is implemented
- 4.b.2** Transparent and regular financial reporting and communication to the community is undertaken
- 4.b.3** Transparent and regular governance reporting and communication to the community is undertaken

### *Environmental*

Substantial positive environmental impacts will be achieved, including the investment in environmental infrastructure and programs and the utilisation of local trades and businesses where possible, practical and available.



*Economic*

There are significant benefits to the local economy including investment in local infrastructure and the utilisation of local trades and businesses where possible, practical and available.

*Social*

Significant social impacts will be achieved including the investment into community infrastructure and programs and the promotion of the Town as a great place to live and work.

**RISK MANAGEMENT CONSIDERATIONS**

As per the risk matrix contained in policy 1/022 'Risk Management', the level of risk is considered to be Medium (6) .

There is a risk rating of medium (6) assigned to the risk that the review not be submitted to Council within 30 days after the review has been finalised. This risk has an unlikely possibility and a moderate impact in relation to compliance with significant regulatory requirements imposed.

There is a risk rating of medium (9) assigned to the risk that the Council do not adopt the 2018/19 Budget Review for period ended 31 December 2018, resulting in the delay or inability to perform specific capital works which are essential but do not currently have an approved budget item line. This risk has a possible possibility and a moderate impact in relation to compliance with significant regulatory requirements imposed.

**OPTIONS***Option 1 - Adopt Officers Recommendation*

Council adopt the 2018/19 Budget Review for period ended 31 December 2018, resulting in a projected closing municipal surplus of \$499,584 as at 30 June 2019 including new/extended initiatives and projects.

*Option 2 – Do not adopt Officers Recommendation*

Council do not adopt the proposed amendments presented in the 2018/19 Budget Review for period ended 31 December 2018.

**CONCLUSION**

This report presents a summary of the 2018/19 Budget Review for period ended 31 December 2018. A number of variations are proposed as part of this review to meet community and organisational requirements. The outcome of the review presents an estimated municipal surplus of \$499,584 as at 30 June 2019.

ATTACHMENTS

1. Reserves – Mid-year Budget Review
2. Operational Works Program 2018/19
3. Statement of Financial Activity by Program
4. Statement of Financial Activity by Nature and Type
5. Capital Works Program 2018/19

**TOWN OF PORT HEDLAND  
RESERVES  
MID-YEAR BUDGET REVIEW 31 DECEMBER 2018**

	Opening Balance	Transfers In & Interest		Transfers Out		Current Closing Balance of Reserve	
	Actual	Budget	Proposed Budget	Budget	Proposed Budget	Budget	Proposed Budget
<b>Current</b>							
Airport Reserve	14,975,559	0	0	(10,684,795)	(277,841)	4,290,764	14,697,718
Asset Management - Community Facilities and Infrastructure Reserve	2,099,467	2,179,000	2,135,000	(1,508,368)	(826,000)	2,770,099	3,408,467
Cyclone Emergency Support Response	80,410	0	0	0	0	80,410	80,410
Developer Contributions - Car Parking and Public Open Space Reserve	259,269	0	0	0	(259,269)	259,269	0
Employee Leave Reserve	875,612	0	0	0	0	875,612	875,612
Financial Risk Reserve	0	3,000,000	8,947,000	0	0	3,000,000	8,947,000
GP Housing	184,728	0	0	0	0	184,728	184,728
Historical Reserve	11,123	2,850	2,850	0	0	13,973	13,973
Insurance Reserve	123,826	0	0	(123,826)	(123,826)	0	0
PHIA Long Term Lease Proceeds Reserve	168,026,137	0	0	0	0	168,026,137	168,026,137
Plant Reserve	2,454,835	612,039	612,039	(1,013,318)	(1,131,318)	2,053,556	1,935,556
Spoilbank Reserve	37,568,502	0	0	(110,000)	(110,000)	37,458,502	37,458,502
Staff Housing Reserve	276,354	0	349,454	(276,354)	(276,354)	0	349,454
Strategic Reserve	499,645	0	0	0	0	499,645	499,645
Unfinished Works & Committed Works Reserve	1,463,995	0	1,136,277	(1,336,377)	(1,326,377)	127,618	1,273,895
Unspent Grants, Loans & Contributions Reserve	392,486	0	20,975	(13,000)	(68,455)	379,486	345,006
Waste Management Reserve	7,652,244	0	0	(1,445,000)	(1,159,606)	6,207,244	6,492,638
	<b>236,944,192</b>	<b>5,793,889</b>	<b>13,203,595</b>	<b>(16,511,038)</b>	<b>(5,559,046)</b>	<b>226,227,043</b>	<b>244,588,741</b>
*Unallocated internal overdraft Facility	(4,209,376)		4,209,376				0
	<b>232,734,816</b>	<b>5,793,889</b>	<b>17,412,971</b>	<b>(16,511,038)</b>	<b>(5,559,046)</b>	<b>226,227,043</b>	<b>244,588,741</b>

\*The use of the unallocated internal overdraft facility has returned to a zero balance during October 2018, satisfying the short term use restrictions of this facility to manage cash flow.

In accordance with council resolutions in relation to each current reserve account, the purpose for which the reserves are set aside are as follows:

<i>Airport Reserve</i>	<i>To fund the future Port Hedland International Airport major Works commitments.</i>
<i>Asset Management - Community Facilities and Infrastructure Reserve</i>	<i>To fund the ongoing maintenance, refurbishment, renewal, replacement and upgrade of Council owned infrastructure assets within the Town of Port Hedland and community facilities within the Town of Port Hedland, specifically (but not limited to): Wanangkura Stadium, South Hedland Aquatic Centre, Gratwick Aquatic Centre, Marquee Park and JD Hardie Centre.</i>
<i>Cyclone Emergency Support Response</i>	<i>To fund cyclone and emergency related projects.</i>
<i>Developer Contributions - Car Parking and Public Open Space Reserve</i>	<i>To hold contributions which arise from conditions applied to a Development Application for car parking and public open space.</i>
<i>Employee Leave Reserve</i>	<i>To ensure that adequate funds are available to finance employee leave entitlements such as annual leave, long service leave, sick leave and redundancies.</i>
<i>Financial Risk Reserve</i>	<i>To provide funds to mitigate against Financial Risks including legal cases with penalties awarded against the Town, SAT rulings upholding valuation objections on high value properties likely to cause significantly large refunds and other unknown events potentially resulting in financial loss to the Town.</i>
<i>GP Housing Reserve</i>	<i>To fund the development, maintenance and management of GP Housing.</i>
<i>Historical</i>	<i>To fund historical building refurbishment projects.</i>
<i>Insurance Reserve</i>	<i>To restrict unspent insurance income at the end of the financial year.</i>
<i>Plant Reserve</i>	<i>To fund the Plant Replacement Program (plant with motor vehicle registration).</i>
<i>Port Hedland International Airport (PHIA) Long Term Lease Proceeds Reserve</i>	<i>To account for the lease proceeds from the long term lease of the Port Hedland International Airport and disburse funds as per the Wealth Management Framework.</i>
<i>Spoilbank Reserve</i>	<i>Funding the development of the Port Hedland Spoilbank Precinct.</i>
<i>Staff Housing Reserve</i>	<i>To fund the maintenance, refurbishment, redevelopment and construction of staff housing.</i>
<i>Strategic Reserve</i>	<i>To fund strategic projects (excluding renewal and replacement) as included in the Town's Strategic Community Plan and Corporate Business Plan. To fund strategic projects (excluding renewal and replacement) as included in the Town's Strategic Community Plan and Corporate Business Plan; and to fund the formulation and maintenance of the plans.</i>
<i>Unfinished Works &amp; Committed Works Reserve</i>	<i>To transfer unspent Municipal funded expenditure on specific projects to enable identification of carryover expenditure into the next financial year.</i>
<i>Unspent Grants, Loans &amp; Contributions Reserve</i>	<i>To restrict unspent grants, loans and contributions at the end of the financial year.</i>
<i>Waste Management Reserve</i>	<i>To fund the development, operation, maintenance and capital expenditure for the Council's waste management facilities including the landfill and waste collection operations and any associated repayments of borrowings and employee entitlements.</i>

## ATTACHMENT 2 TO ITEM 8.1.1

**TOWN OF PORT HEDLAND  
OPERATIONAL WORKS PROGRAM 2018/19  
MID-YEAR BUDGET REVIEW 31 DECEMBER 2018**

Operational Projects	Current Budget 2018/19	Budget Amendment Increase/(Decrease)	Proposed Budget 2018/19	Funding				Comment
				Municipal Funded	Reserve Funded	Sale of Assets	Grants, Subsidies & Contributions	
Rollout of SCP/CBP/Vision/Mission Values & Culture	20,000	(10,000)	10,000	(10,000)				Reduce budget by \$10k to align with expected deliverable for 18/19.
Building Asset Fire Safety Audit 2017/18	50,000	(10,000)	40,000		(40,000)			Project is underway, however full budget is not required to deliver the works. Reduce by \$10k.
Corporate Security Improvements	50,000		50,000		(50,000)			
Tyre Management Project	750,000	(165,394)	584,607		(584,607)			Budget reduced to match actual expenditure. Project is complete and no further expenditure expected.
Waste management Strategy	75,000	100,000	175,000		(175,000)			Increase Waste Management Strategy by \$100k to include Landfill site selection study; Landfill closure plan; Waste services Procurement; Landfill Tenures approvals; bin numbering.
Local Planning Strategy	33,550		33,550		(33,550)			
Parks and Paths Strategy	85,000	(20,000)	65,000	(55,000)	(10,000)			Reduce budget by \$20k to align with expected expenditure for 18/19.
Road Safety Audit & Compliance Improvement	40,000		40,000	(40,000)				
Community Facilities Strategy Review	30,000		30,000	(30,000)				
CHRMAP	50,000	8,000	58,000	(8,000)	(50,000)			Increase in budget to match actual expenditure.
Coastal Recreation Areas Management Plan	50,000	(50,000)	0	0				Subject to external funding - grant application to be submitted April - May - carry forward to next FY - has been placed into unfinished works reserve to be re-budgeted in 19/20
Design Concepts Foreshore Infrastructure	60,000		60,000		(60,000)			
Active Oval Renovation Program	100,000		100,000	(100,000)				
Street Tree Replacement Program	50,000		50,000	(50,000)				
Local History Collection Digitilisation	20,000	(20,000)	0	0				Funds will not be expended this financial year. Digitising to be completed when new library management system is implemented.
Airport Master Plan Review	0	39,700	39,700				(39,700)	Review required - will be reimbursed by Port Hedland International Airport
Observation Tower Assessment	25,000		25,000	(25,000)				
GIS Implementation	30,000		30,000	(30,000)				
WANDRRA		100,000	100,000				(100,000)	Transfer project from capital to operating. Reclassification of accounting treatment with no change to bottom line.
Mobile Library	0	10,000	10,000	(10,000)				Fit-out of mobile library.
<b>Total Operational Projects</b>	<b>\$1,518,550</b>	<b>(\$17,694)</b>	<b>\$1,500,857</b>	<b>(\$358,000)</b>	<b>(\$1,003,157)</b>	<b>\$0</b>	<b>(\$139,700)</b>	



## ATTACHMENT 3 TO ITEM 8.1.1

**TOWN OF PORT HEDLAND  
STATEMENT OF FINANCIAL ACTIVITY  
MID-YEAR BUDGET REVIEW 31 DECEMBER 2018  
BY PROGRAM**

	YTD Budget (a)	YTD Actual (b)	YTD Variance (a-b)	Full Year Budget	Budget Amendment	Proposed Budget
	\$	\$	\$	\$	\$	\$
Opening Funding Surplus(Deficit)	1,101,592	7,140,521		1,101,592	6,038,929	7,140,521
<b>Revenue from operating activities</b>						
Governance	-	-	-	-	-	-
General Purpose Funding - Rates	30,227,659	36,174,985	(5,947,326)	30,227,659	5,597,900	35,825,559
General Purpose Funding - Other	4,617,029	4,000,885	616,144	9,234,058	-	9,234,058
Law, Order, Public Safety	185,416	373,799	(188,383)	370,832	41,944	412,776
Health	234,026	202,506	31,520	468,051	-	468,051
Education and Welfare	84,936	136,851	(51,915)	169,872	10,000	179,872
Housing	9,500	363,096	(353,596)	19,000	349,454	368,454
Community amenities	3,873,615	5,532,127	(1,658,512)	7,747,230	-	7,747,230
Recreation and Culture	844,396	1,079,888	(235,493)	1,688,791	436,905	2,125,696
Transport	187,045	156,208	30,837	374,090	(73,450)	300,640
Economic Services	117,321	1,121,290	(1,003,970)	234,641	1,445,158	1,679,799
Other Property and Services	208,685	270,614	(61,929)	417,370	193,422	610,792
	<b>40,589,627</b>	<b>49,412,250</b>	<b>(8,822,624)</b>	<b>50,951,594</b>	<b>8,001,333</b>	<b>58,952,927</b>
<b>Expenditure from operating activities</b>						
Governance	(1,660,576)	(1,487,849)	(172,727)	(3,321,152)	63,500	(3,257,652)
General Purpose Funding	(118,906)	(119,433)	527	(237,812)	(182,405)	(420,217)
Law, Order, Public Safety	(1,187,821)	(768,290)	(419,531)	(2,375,642)	83,122	(2,292,520)
Health	(582,832)	(382,434)	(200,398)	(1,165,664)	(1,000)	(1,166,664)
Education and Welfare	(1,390,092)	(839,419)	(550,673)	(2,780,184)	(291,425)	(3,071,609)
Housing	(398,437)	(320,080)	(78,356)	(796,873)	248	(796,625)
Community amenities	(4,101,533)	(3,462,038)	(639,495)	(8,203,066)	(532,557)	(8,735,623)
Recreation and Culture	(10,419,493)	(8,496,732)	(1,922,761)	(20,838,986)	1,600,000	(19,238,986)
Transport	(11,280,933)	(6,636,481)	(4,644,452)	(22,561,866)	15,506,927	(7,054,939)
Economic Services	(388,255)	(243,480)	(144,774)	(776,509)	(2,392,766)	(3,169,275)
Other Property and Services	(192,325)	(710,143)	517,818	(384,649)	(636,735)	(1,021,384)
	<b>(31,721,202)</b>	<b>(23,466,379)</b>	<b>(8,254,822)</b>	<b>(63,442,403)</b>	<b>13,216,909</b>	<b>(50,225,494)</b>
<b>Operating activities excluded from budget</b>						
Add back Depreciation	7,129,741	7,129,741	-	14,259,481	(7,876,686)	6,382,795
Adjust (Profit)/Loss on Disposal	7,064	(355,366)	362,430	14,127	(29,389)	(15,262)
Transfer to/(from) Non current	(462,080)	-	(462,080)	(924,160)	-	(924,160)
Movement in provisions						
<b>Amount attributable to operating activities</b>	<b>15,543,150</b>	<b>32,720,246</b>	<b>(17,177,096)</b>	<b>858,639</b>	<b>13,312,167</b>	<b>14,170,806</b>
<b>Investing activities</b>						
Grants, Subsidies and Contributions	1,170,121	237,011	933,110	2,340,242	210,000	2,550,242
Proceeds from Disposal of Assets	795,500	349,454	446,046	1,591,000	(829,546)	761,454
Capital Works	(4,514,108)	(3,620,686)	(893,422)	(15,272,102)	(155,924)	(15,428,026)
<b>Amount attributable to investing activities</b>	<b>(2,548,487)</b>	<b>(3,034,221)</b>	<b>485,734</b>	<b>(11,340,860)</b>	<b>(775,470)</b>	<b>(12,116,330)</b>
<b>Financing activities</b>						
Proceeds from self supporting loans	34,503	33,430	1,073	69,006	-	69,006
Transfer from Reserves	1,453,014	1,453,014	-	16,511,038	(10,951,992)	5,559,046
Transfer to Reserves	(5,289,673)	(5,289,673)	-	(5,793,889)	(7,409,706)	(13,203,595)
Repayment of Debentures	(559,935)	(552,473)	(7,462)	(1,119,869)	-	(1,119,869)
<b>Amount attributable to financing activities</b>	<b>(4,362,091)</b>	<b>(4,355,702)</b>	<b>(6,389)</b>	<b>9,666,286</b>	<b>(18,361,698)</b>	<b>(8,695,412)</b>
Closing Funding Surplus(Deficit)	9,734,164	32,470,844	(22,736,680)	285,657	213,927	499,584

## ATTACHMENT 4 TO ITEM 8.1.1

**TOWN OF PORT HEDLAND  
STATEMENT OF FINANCIAL ACTIVITY  
MID-YEAR BUDGET REVIEW 31 DECEMBER 2018  
BY NATURE & TYPE**

	YTD Budget (a)	YTD Actual (b)	YTD Variance (a-b)	Full Year Budget	Budget Amendment	Proposed Budget
	\$	\$	\$	\$	\$	\$
Opening Funding Surplus(Deficit)	1,101,592	7,140,521		1,101,592	6,038,929	7,140,521
<b>Revenue from operating activities</b>						
Rates	30,227,659	36,174,985	(5,947,326)	30,227,659	5,897,731	36,125,390
Operating Grants, Subsidies & Contributions	1,263,225	1,406,084	(142,859)	2,526,450	90,561	2,617,011
Fees & Charges	5,283,968	6,663,046	(1,379,078)	10,567,936	397,800	10,965,736
Other Revenue	485,056	1,221,588	(736,532)	970,112	1,559,979	2,530,091
Interest Earnings	3,329,719	3,591,181	(261,462)	6,659,437	40,000	6,699,437
Profit on disposal of assets	-	355,366	(355,366)	-	15,262	15,262
	<b>40,589,627</b>	<b>49,412,250</b>	<b>(8,822,623)</b>	<b>50,951,594</b>	<b>8,001,333</b>	<b>58,952,927</b>
<b>Expenditure from operating activities</b>						
Employee Costs	(9,420,764)	(8,360,953)	(1,059,813)	(18,841,532)	(515,549)	(19,357,081)
Utilities	(1,361,681)	(870,202)	(491,479)	(2,723,361)	(168,990)	(2,892,351)
Depreciation	(7,129,741)	(7,129,741)	-	(14,259,481)	7,876,686	(6,382,795)
Interest Expenses	(565,524)	(302,813)	(262,711)	(1,131,047)	(5,712)	(1,136,759)
Materials & Contracts	(6,611,196)	(5,441,037)	(1,170,159)	(13,222,391)	(1,726,651)	(14,949,043)
<i>Airport Projects</i>	(5,342,398)	(177,841)	(5,164,556)	(10,684,795)	10,418,961	(265,834)
Insurance Expenses	(408,268)	(397,839)	(10,429)	(816,535)	-	(816,535)
Other Expenditure	(874,567)	(785,953)	(88,614)	(1,749,134)	(2,675,963)	(4,425,097)
Profit / Loss On Asset Disposal	(7,064)	-	(7,064)	(14,127)	14,127	-
	<b>(31,721,202)</b>	<b>(23,466,379)</b>	<b>(8,254,825)</b>	<b>(63,442,404)</b>	<b>13,216,909</b>	<b>(50,225,495)</b>
<b>Operating activities excluded from budget</b>						
Add back Depreciation	7,129,741	7,129,741	-	14,259,481	(7,876,686)	6,382,795
Adjust (Profit)/Loss on Disposal	7,064	(355,366)	362,430	14,127	(29,389)	(15,262)
Transfer to/(from) Non current	(462,080)	-	(462,080)	(924,160)	-	(924,160)
Movement in provisions	-	-	-	-	-	-
<b>Amount attributable to operating activities</b>	<b>15,543,150</b>	<b>32,720,246</b>	<b>(17,177,098)</b>	<b>858,639</b>	<b>13,312,167</b>	<b>14,170,805</b>
<b>Investing activities</b>						
Grants, Subsidies and Contributions	1,170,121	237,011	933,110	2,340,242	210,000	2,550,242
Proceeds from Disposal of Assets	795,500	349,454	446,046	1,591,000	(829,546)	761,454
Capital Works	(4,514,108)	(3,620,686)	(893,422)	(15,272,102)	(155,924)	(15,428,026)
<b>Amount attributable to investing activities</b>	<b>(2,548,487)</b>	<b>(3,034,221)</b>	<b>485,734</b>	<b>(11,340,860)</b>	<b>(775,470)</b>	<b>(12,116,330)</b>
<b>Financing activities</b>						
Proceeds from self supporting loans	34,503	33,430	1,073	69,006	-	69,006
Transfer from Reserves	1,453,014	1,453,014	-	16,511,038	(10,951,992)	5,559,046
Transfer to Reserves	(5,289,673)	(5,289,673)	-	(5,793,889)	(7,409,706)	(13,203,595)
Repayment of Debentures	(559,935)	(552,473)	(7,462)	(1,119,869)	-	(1,119,869)
<b>Amount attributable to financing activities</b>	<b>(4,362,091)</b>	<b>(4,355,702)</b>	<b>(6,389)</b>	<b>9,666,286</b>	<b>(18,361,698)</b>	<b>(8,695,412)</b>
Closing Funding Surplus(Deficit)	9,734,164	32,470,844	(22,736,680)	285,657	213,927	499,584



## ATTACHMENT 5 TO ITEM 8.1.1

TOWN OF PORT HEDLAND CAPITAL WORKS PROGRAM 2018/19 MID-YEAR BUDGET REVIEW 31 DECEMBER 2018									
Capital Projects	Asset Classification	Budget 2018/19	Amendment Increase/(Decrease)	Amended Budget	Funding			Grants, Subsidies & Contributions	Commentary
					Municipal Funded	Reserve Funded	Sale of Assets		
<b>Infrastructure</b>									
Bollard installation	New	100,000	0	100,000	(100,000)				Bollard program works is 90% complete working on replacing damaged / vandalised bollards. Works to be completed in 19/20.
Port Hedland Baseball Association - Re-establishment of dugouts and scorers box	New	30,000	0	30,000	(30,000)				Currently in discussion around the dug out and score board works. Will be finalised in February 2019.
Shade structure for South Hedland taxi rank	New	15,000	0	15,000	(15,000)				Initial information provided from engineers is that modifications can not be made to existing structures & new structure will be required. Investigating a second option with a local engineering firm.
South Hedland Landfill - Batters	New	220,000	(220,000)	0		0			Pulled from FY 18/19 and to be re-scoped for 19/20
South Hedland Landfill - Fire suppression	New	60,000	0	60,000		(60,000)			Research ongoing - expect procurement to commence end March 19.
South Hedland Landfill - Transfer station	New	50,000	0	50,000		(50,000)			Awaiting conclusion of conceptual plans. Procurement to commence end March 19 - budget will be spent.
South Hedland Skate Park shade cover	New	400,000	0	400,000	(400,000)				SHYS currently in the concept stage 3 x proposals to be presented to ELT in February 2019.
Cassia Primary School footbridge	Renewal	300,000	0	300,000	(185,000)	(115,000)			Project has commenced and will be completed in early February 2019.
Depot works	Renewal	835,000	(500,000)	335,000	0	(335,000)			Scope of works has been considerably reduced as a result of a rethink in relation to the records storage shed. Budget can be reduced by additional \$400k on top \$100k transfer to commercial building renewal.
Drainage Improvement Program	Renewal	350,000	0	350,000	(350,000)				Second stage of drainage improvements to be undertaken with 6000m2 grassroots to be installed Limpet cres & Beronia cres.
Footpath renewal program	Renewal	577,798	100,000	677,798	(677,798)				Project is currently running on schedule and additional works are able to be completed this financial year to achieve a greater outcome for the Town.
Gratwick Aquatic Centre - Remedial Works	Renewal	905,298	0	905,298	(799,298)	(106,000)			Project is running as per revised schedule and scope. Project will come in on budget and on time.
Intersection - Lukis & McGregor Streets	Renewal	113,833	0	113,833	(83,433)			(30,400)	Project Complete
Intersection - Murdoch Drive & Broilga Way	Renewal	70,078	0	70,078	(48,304)			(21,774)	Project Complete
Irrigation inground renewal	Renewal	150,000	0	150,000	(150,000)				Internal works have been completed at Sutherland St, K9 club. Works remaining Throssle St to be completed.
Kerb and disability ramp improvements and renewal	Renewal	150,000	0	150,000	(150,000)				Project is on time and on budget. Project aligns with the second stage of the asphalt renewal program which kicks off in May.
Marapikurrinya drainage and open area development	Renewal	200,000	0	200,000	(200,000)				Concept drawings developed and are being reviewed internally. Project will commence in March 2019.
Marquee Park pump replacement and repair	Renewal	290,000	0	290,000	(290,000)				Project is complete pending final invoices. Possible savings with project coming in under budget to be confirmed later in the financial year.
McGregor st Irrigation tank Replacement stage 1	Renewal	250,000	0	250,000	(250,000)				RFT closing 18th of January 2019. Project will be delivered in March/April.
Playground softfall renewal program	Renewal	75,000	0	75,000	(75,000)				Project is currently underway and will be completed early March 2019.
Playground renewal program	Renewal	350,000	0	350,000	(350,000)				RFT awarded to Active discovery. Installation will commence in late February/ early March to be delivered by May 2019.
Port Hedland boat ramp sandblast and repaint	Renewal	130,000	0	130,000	(130,000)				RFT currently being finalised with consultant for the delivery of works.
Road Renewal Program - Cajarina Road	Renewal	200,000	0	200,000	(66,667)			(133,333)	Currently on program and will be delivered in late April/May in line with the asphalt program.
Road Renewal Program - Redbank Road	Renewal	104,567	0	104,567	(34,856)			(69,712)	Project has been postponed. RRG funds have been reallocated to Shoata Rd.
Road Renewal Program - Shoata Road	Renewal	970,922	(291,277)	679,645	(32,364)			(647,281)	30% of Project budget to be carried forward to 19/20 Financial Year, budget to held in Unfinished Works Reserve.
Road Renewal Program - Yandeyarra Road	Renewal	224,079	0	224,079	(112,412)			(111,667)	Project Complete
Shade structures	Upgrade	154,000	0	154,000	(154,000)				First stage of the project is completed with the shade structures on Sutherland Street and at Spoilbank completed. Stage 2 will be delivered in March/April 2019.
South Hedland Landfill - Asphaltting	Renewal	100,000	0	100,000		(100,000)			Internal project delivery. Will use existing Asphalt contract to deliver. Awaiting conclusion of Cyclone season - Estimate May 19.
South Hedland Landfill - Fencing	Renewal	140,000	0	140,000		(140,000)			Scheduled for completion end January 2019.
South Hedland Landfill - Road Resheeting	Renewal	50,000	0	50,000		(50,000)			Awaiting conclusion of Cyclone season - Estimate May 19
WANDRRA project	Renewal	100,000	(100,000)	0				0	Project complete
Waste - Public place bin enclosures renewal project	Renewal	120,000	0	120,000	(120,000)				Tenders closed - Review underway. Expect award in March 19.
Intersection - Murdoch Drive & Masters Way	Upgrade	81,185	0	81,185	(59,411)			(21,774)	Project complete
Local Area Traffic Management	Upgrade	200,000	(50,000)	150,000	(107,000)	(43,000)		0	No grant funding was received in 2019 - 2020, reduce expenditure in line with reduced income.

Capital Projects	Asset Classification	Budget 2018/19	Amendment Increase/(Decrease)	Amended Budget	Municipal Funded	Reserve Funded	Sale of Assets	Grants, Subsidies & Contributions	Commentary
Road Reseals Program	Upgrade	1,050,000	0	1,050,000	(437,355)			(612,645)	Project is currently on program. Remaining works will be delivered in May/June 2019.
South Hedland Main street- Throssel Road Verge Upgrade	Upgrade	250,000	0	250,000	(250,000)				Designs to be finalised for project this financial year and delivery in 2019/20
Sutherland street beach access improvement	Upgrade	60,000	0	60,000	(60,000)				Beach access points being finalised as internal works remainder of works to be completed in 3rd quarter
Traffic Calming- Sutherland Street	Upgrade	115,000	35,000	150,000	(150,000)				Project to be delivered in May/June in line with the asphalt renewals program. Additional funding required for the raised speed humps
Yandegarra Formation Improvements	Upgrade	80,000	10,000	90,000				(90,000)	Project complete. Increase budget to match actuals and additional funding received.
Pipingarra Road Intersection Upgrade	Upgrade	0	400,000	400,000				(400,000)	Currently in discussion with Pilbara Minerals in relation to this project. Grant funding has been approved of \$2.27m. Signed approval signed 2nd January 2019 - to commence construction 1 June 2019
Carpark Renewals Programme	Upgrade	0	150,000	150,000	(150,000)				New projects identified subsequent to original budget
Lighting and Safety upgrades at Pretty Pool Car Park	Upgrade	0	50,000	50,000	(50,000)				Project has been proposed by the Police as the area is a hub for low and indecent behaviour
Car Park Upgrades (Rear of Esplanade Hotel)	Upgrade	0	30,000	30,000	(30,000)				Project has been discussed between the CEO and BHP. Once the upgrade works are complete the intention is to hand the car park over to BHP to manage.
<b>TOTAL Infrastructure Projects</b>		<b>9,621,760</b>	<b>(386,277)</b>	<b>9,235,483</b>	<b>(6,097,898)</b>	<b>(999,000)</b>	<b>0</b>	<b>(2,138,586)</b>	
<b>Land &amp; Buildings</b>									
Staff housing construction	New	50,000	35,000	85,000	(85,000)				Informal Quotation request was released. Indicative costs for the concept and design drawings came in between \$50,000-150,000. Suitable submissions received for \$85,000 which would allow for commencement of initial construct in FY19/20. Formalised RFQ to be released 9 January 2019 for award in February 2019.
Civic Centre and Gratwick Hall refurbishment	Renewal	743,876	440,000	1,183,876	(1,183,876)				Furniture and structure report required for Civic Centre as well as certified drawings for final design \$0.1M above budget. Additional funds required for electrical upgrades, requirements for new meeting rooms, rectification of ceiling issues in the east end. Increase includes improvement to the Gratwick Hall including window tinting, polish floors, painting the area at the back of the Gratwick Hall stage and cleaning of the Gratwick Hall area.
Commercial building renewal program	Renewal	375,121	250,000	625,121	(370,121)	(255,000)			Additional funds requested to replenish the funds transferred to the Civic Centre refurb to complete renewal works required at GAC. Additional funds requested for Baseball and Softball rooms.
Housing renewal program	Renewal	277,000	0	277,000	(646)	(276,354)			0
JD Hardie expansion	Renewal	143,841	0	143,841	0	(143,841)			Funds remaining will be spent on masterplan and community consultation
JD Hardie kiosk and reception redesign	Upgrade	20,000	(10,000)	10,000	(10,000)				\$10,000 to be returned. \$10,000 requested to remain for scaled down renovations
Marapikuringa Toilet re-vamp	Upgrade	150,000	0	150,000	(150,000)				Project has been awarded and will be delivered in March/April 2019. Project is on program and on budget
Port Hedland Community Facilities (Turf club)	Renewal	93,841	0	93,841		(93,841)			Masterplan still to be delivered after community consultation.
South Hedland Sports Precinct	Renewal	365,145	0	365,145		(365,145)			Masterplan still to be delivered after community consultation.
YMCA Transition Project	Upgrade	0	550,200	550,200	(550,200)				As per the Council resolution from the November 2018 OCM, the Town will be transitioning the management of the leisure facilities to in-house at the end of the current contract period. A component of these costs would have been incurred regardless of the type of management model and the following capital expenses are required to provide adequate renewal of the facilities: <ul style="list-style-type: none"> <li>• Maintenance to HVAC and Building Management System at Wanangkura Stadium;</li> <li>• IT Hardware and Network connectivity to leisure facilities;</li> <li>• Refurbishment of changerooms, offices, reception and Jimblebar function room at Wanangkura Stadium; and,</li> <li>• Updated signage for Port Hedland Leisure branding.</li> </ul>
<b>TOTAL Land &amp; Building Projects</b>		<b>2,218,824</b>	<b>1,265,200</b>	<b>3,484,024</b>	<b>(2,349,843)</b>	<b>(1,134,181)</b>	<b>0</b>	<b>0</b>	

<b>Furniture &amp; Equipment</b>								
CCTV - Finucane Island boat ramp/car park remote CCTV	New	4,200	0	4,200	(4,200)			Works to be completed in 18/19.
CCTV - Safer Communities - CCTV network expansion	New	411,656	0	411,656	0		(411,656)	Works to be completed in 18/19.
Infocouncil software	New	35,345	0	35,345	(35,345)			Works to be completed in 18/19.
Library software	New	90,000	0	90,000	(90,000)			Works to be completed in 18/19.
Plan Cabinets for Records	New	10,000	(10,000)	0	0			Project budget to be carried forward to 19/20 Financial Year, budget to held in Unfinished Works Reserve.
Rapid Plan traffic management system	New	5,000	0	5,000	(5,000)			Project complete
Safe purchase	New	5,000	(5,000)	0	0			Cancel project - if required will be opex
CCTV hardware refresh	Renewal	250,000	(250,000)	0	0			Project budget to be carried forward to 19/20 Financial Year, budget to held in Unfinished Works Reserve.
Firewalls refresh	Renewal	75,000	(75,000)	0	0			Project budget to be carried forward to 19/20 Financial Year, budget to held in Unfinished Works Reserve.
ICT Hardware and Renewal including windows 10 upgrade	Renewal	80,000	0	80,000	0	(80,000)		Windows 10 rollout still progressing. Balance to be spent on hardware
Iphone replacement	Renewal	5,000	(5,000)	0	0			No longer required - covered in mobile contract
South Hedland Skate Park CPTED Design Response	Renewal	15,000	0	15,000	0	(15,000)		Works to be completed in 18/19.
Telecommunications renewal & upgrade project	Renewal	500,000	(400,000)	100,000	(100,000)	0		Project budget to be carried forward to 19/20 Financial Year, budget to held in Unfinished Works Reserve.
Workstations refresh (IT)	Renewal	35,000	(35,000)	0	20,000	(20,000)		No longer capex, opex budget increased items less than \$5k
CCTV - Marquee Park federation into Town's CCTV network	Upgrade	60,000	(60,000)	0	0			Project budget to be carried forward to 19/20 Financial Year, budget to held in Unfinished Works Reserve.
Desktop phone system	Upgrade	155,000	0	155,000	(155,000)			Procurement plan due in April 2019
JD Hardie outdoor basketball courts backboards upgrade	Upgrade	20,000	0	20,000	(20,000)			Funds must be held until certainty of grant applications established.
Server room refresh / Microwave link upgrade	Upgrade	250,000	0	250,000	(126,174)	(123,826)		Procurement plan being drafted must be in place 30 June 2019
<b>TOTAL Furniture &amp; Equipment Projects</b>		<b>2,006,201</b>	<b>(840,000)</b>	<b>1,166,201</b>	<b>(515,719)</b>	<b>(238,826)</b>	<b>0</b>	<b>(411,656)</b>
<b>Plant &amp; Equipment</b>								
Small Plant Replacement Program	Renewal	35,000	0	35,000		(35,000)		Works to be completed in 18/19.
Large Plant Replacement program	Renewal	400,000	11,000	411,000		(361,000)	(50,000)	Failure of motor for VEH126 (Landfill loader) \$40,000 - not budgeted for
Light Fleet Replacement Program	Renewal	946,000	106,000	1,052,000		(690,000)	(362,000)	Tenders have been reviewed and evaluated. An additional \$106,000 is required to deliver all 28 vehicles outlined in the RFT.
Phase 2 Digital Radio System	New	44,318	0	44,318		(44,318)		Spend to happen in third quarter
<b>TOTAL Plant &amp; Equipment Projects</b>		<b>1,425,318</b>	<b>117,000</b>	<b>1,542,318</b>	<b>0</b>	<b>(1,130,318)</b>	<b>(412,000)</b>	<b>0</b>
<b>TOTAL Capital Works Program</b>		<b>\$15,272,103</b>	<b>\$155,923</b>	<b>\$15,428,026</b>	<b>(\$8,963,460)</b>	<b>(\$3,502,325)</b>	<b>(\$412,000)</b>	<b>(\$2,550,242)</b>

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**8.1.2 2018/19 Additional Rates Concessions and Exemptions  
(24/04/0002)**

Author	Rates Officer
Authorising Officer	Director of Corporate and Performance
Disclosure of Interest	The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

**OFFICER'S RECOMMENDATION**

That Council grant the rates concessions and exemptions in relation to the 2017/18 and 2018/19 rate charges listed as per the schedule provided in Attachment 1, pursuant to *sections 6.26 and 6.47 of the Local Government Act 1995, the Rates and Charges (Rebates and Deferments) Act 1992* and Council Policy 02/004 Rating.

**CM201819/149 COUNCIL DECISION**

MOVED: DM NEWBERY

SECONDED: CR PITT

That Council:

- Grant the rates concessions and exemptions in relation to the 2017/18 and 2018/19 rate charges listed as per the schedule provided in Attachment 1, pursuant to *sections 6.26 and 6.47 of the Local Government Act 1995, the Rates and Charges (Rebates and Deferments) Act 1992* and Council Policy 02/004 Rating.
- Includes a 100% concession in rates in 2018/19 for the Port Hedland Yacht Club.

*CARRIED BY ABSOLUTE MAJORITY 8/0***PURPOSE**

The purpose of this report is for Council to consider applications for concessions and exemptions for the 2017/18 and 2018/19 rates charges for applications received after the due date of 31 March, and not included as part of the original budget process. A list of the applicants has been included on Attachment 1.

## DETAIL

All rates concession and exemption applications are required to be received prior to 31 March of the preceding financial year pursuant to policy 02/004 Rating. Following initial review of the concession applications received by 31 March relating to the 2018/19 financial year, the Finance team reviewed the list of prior community groups who had missed the application cut-off date. Following direction from the Council at previous budget workshops, contact has been made with these community groups inviting them to submit late applications for consideration. A list of the applications since received are attached in the schedule in Attachment 1 for consideration by Council. The applications received including rate charges from both the 2017/18 and 2018/19 financial year.

Properties listed with an exemption application in the attached schedule meet the requirements as per section 6.26 of the *Local Government Act 1995*.

Properties listed with a concession application in the attached schedule are property owners that have applied under section 6.47 for a concession in rates and meet the criteria identified for concessions under policy 02/004 Rating.

As part of standard process and in line with policy 02/004 Rating, all properties subject to an exemption or a concession will be reviewed on an annual basis with an application requested to be submitted to the Town prior to 31 March.

## LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of low significance, because the decision is estimated at less than 5% of the total rates as shown in the Corporate Business Plan and only a limited number of community members apply for rates concessions and exemptions.

## CONSULTATION

### *Internal*

Budget workshop with Elected Members during 2018/19 original budget development.

### *External Agencies*

No external agency consultation completed.

### *Community*

Community consultation completed in March 2018 with concessions publically advertised requesting applications to be submitted prior to 31 March.



## LEGISLATION AND POLICY CONSIDERATIONS

*Section 6.26 of the Local Government Act 1995* define land which is not rateable and where exemptions are applicable.

*Section 6.47 of the Local Government Act 1995* considers that subject to the *Rates and Charges (Rebates and Deferments) Act 1992* a local government may resolve to waive a rate or service charge or grant other concessions.

02/004 Rating Policy requires all landowners to apply for concessions and exemptions by 31 March each year and will be assessed in accordance with this policy and related legislation. The policy includes a provision for late applications submitted after the due date to be reviewed and adopted by Council under exceptional circumstances.

## FINANCIAL AND RESOURCES IMPLICATIONS

Applications received for concessions and exemptions relate to both the 2017/18 and 2018/19 financial year. The financial implication for concessions is \$18,360.78 and exemptions is \$33,874.13, totalling \$52,234.91.

This will result in a reduced expected rate revenue by the above total. This budget amendment has been included in the 2018/19 Mid-Year Budget Review agenda item to be presented to Special Council Meeting on 27 February 2019.

Adoption of the concessions and exemptions outlined in the schedule in Attachment 1 will result in an \$18,859.34 cash flow impact to refund rates already paid. All nominal interest amounts incurred will also be removed.

## STRATEGIC AND SUSTAINABILITY IMPLICATIONS

The following section of the Council's Strategic Community Plan 2018-2028 is applicable in the consideration of this item.

- 4.b.1** Sound long-term financial planning is implemented
- 4.b.2** Transparent and regular financial reporting and communication to the community is undertaken
- 4.b.3** Transparent and regular governance reporting and communication to the community is undertaken
- 4.c.1** High quality and responsive customer service is provided

There are no significant identifiable environmental, social or economic impacts relating to this item.

## RISK MANAGEMENT CONSIDERATIONS

The risk rating is considered to be Medium (6), associated with concessions or exemptions being incorrectly granted or applied within a financial year, which is determined by a likelihood of unlikely (2) and a consequence of moderate (3) financial impact (\$30,001-\$300,000).

This risk will be controlled through active consultation with appropriate community groups to ensure applications are completed and submitted within a reasonable time frame for formal review as part of the budget process to allow for accurate financial planning. The risk is mitigated through implementation of criteria contained within the policy 02/004 Rating and application of the *Local Government Act 1995* to ensure concessions and exemptions are applied appropriately.

#### OPTIONS

*Option 1 – Adopt officer's recommendation*

*Option 2 – Amend officer's recommendation*

*Option 3 – Do not adopt officer's recommendation*

#### CONCLUSION

The provision of a rates concession is subject to the approval of Council and is not a guarantee. The review of these additional concessions and exemptions will allow for effective financial management of properties subject to a concession or an exemption.

#### ATTACHMENTS

1. Schedule of Concessions and Exemption Applications

## ATTACHMENT 1 TO ITEM 8.1.2

Summary of Concession and Exemption Applications					
Ratepayer to which concession or exemption is grants	Type	Rate Charge		Financial Year	Circumstance to which the concession or exemption is grants
		Discount %	to be waived		
BLOOD WOOD TREE	Concession	50%	6,635.44	2018/19	Meets the requirements of a concession as per policy 02/004 Rating
TRUSTEES OF THE GRAND LODGE OF WA MASONS	Concession	100%	2,283.55	2017/18	Meets the requirements of a concession as per policy 02/004 Rating
TRUSTEES OF THE GRAND LODGE OF WA MASONS	Concession	100%	4,094.56	2018/19	Meets the requirements of a concession as per policy 02/004 Rating
SEAFARERS	Concession	100%	5,347.23	2018/19	Meets the requirements of a concession as per policy 02/004 Rating
FOUNDATION HOUSING	Exemption	100%	1,555.56	2018/19	Exempt under <i>Local Government Act 1995</i> s6.26
FOUNDATION HOUSING	Exemption	100%	1,750.00	2018/19	Exempt under <i>Local Government Act 1995</i> s6.26
FOUNDATION HOUSING	Exemption	100%	1,555.56	2018/19	Exempt under <i>Local Government Act 1995</i> s6.26
FOUNDATION HOUSING	Exemption	100%	1,434.03	2018/19	Exempt under <i>Local Government Act 1995</i> s6.26
FREEMASONS HOME FOR AGED	Exemption	100%	14,583.35	2018/19	Exempt under <i>Local Government Act 1995</i> s6.26
PORT HEDLAND VOLUNTEER SEA RESCUE GROUP	Exemption	100%	3,926.29	2018/19	Exempt under <i>Local Government Act 1995</i> s6.26
UNIVERSITY OF WESTERN AUSTRALIA	Exemption	100%	3,340.12	2017/18	Exempt under <i>Local Government Act 1995</i> s6.26
UNIVERSITY OF WESTERN AUSTRALIA	Exemption	100%	2,763.61	2018/19	Exempt under <i>Local Government Act 1995</i> s6.26
FOUNDATION HOUSING	Exemption	100%	1,458.66	2018/19	Exempt under <i>Local Government Act 1995</i> s6.26
FOUNDATION HOUSING	Exemption	100%	1,506.95	2018/19	Exempt under <i>Local Government Act 1995</i> s6.26
			<b>52,234.91</b>		

**8.1.3 RFT2018-35 Workwear and Personal Protective Equipment for staff at the Town of Port Hedland (File No. 23/08/0074)**

Author Procurement Officer  
Authorising Officer Acting Director, Corporate & Performance  
Disclosure of Interest The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

**CM201819/150 OFFICER'S RECOMMENDATION/COUNCIL DECISION**

MOVED: DM NEWBERY

SECONDED: CR WHITWELL

That Council

1. Endorse the recommendation of the evaluation panel and award RFT2018-35 Workwear and Personal Protective Equipment for staff at the Town of Port Hedland to:
  - a. Workwear Group Pty Ltd (Separable Portion 1 – Corporate Workwear)
  - b. Marque Haus (Separable Portion 2 – Polo Shirts)
  - c. Blackwoods (Separable Portion 3 – Personal Protective Equipment)
  - d. Decline all responses to Separable Portion 4 – Fire Fighting Equipment

For a contract term of four (4) years with two (2) 12 month extension options with an overall estimated contract price of \$320,000 ex GST over the life of the contract.

*CARRIED 8/0***PURPOSE**

The purpose of this report is to provide a summary of the assessment of submissions received for award of tender RFT2018-35 Workwear and Personal Protective Equipment for staff at the Town of Port Hedland and to endorse the evaluation panel's recommendation for the preferred tenderers.

**DETAIL**

The Town is seeking uniform supplier/s to provide staff uniform across the organisation for approximately 170 staff positions, split between corporate wear, polo shirts and PPE (Personal Protective Clothing). Approximately half of Town of Port Hedland staff is required to wear PPE as it is compulsory for their roles, the remaining staff are encouraged to wear the Town's corporate uniform.

The uniforms will all need to be fit for purpose, with a strong focus on breathability and fade resistance due to Port Hedland's weather. The polo shirts are set colours and designs which require sublimation. PPE must meet Australian Standard requirements and strict turnaround of order times due to staff being unable to work without the necessary safety items.

The contract is to be awarded based on the following separable portions

Separable Portion 1 – Corporate Wear

Separable Portion 2 – Polo Shirts

Separable Portion 3 – Personal Protective Equipment

Separable Portion 4 – Fire Fighting Equipment

### *Request for Tender*

The Request for Tender was released on Vendorpanel and advertised in both the West Australian and North West Telegraph on 24 October 2018 with a closing date of 15 November 2018.

There were seventeen (17) submissions received from the below contractors:

Arborgreen Landscape Products  
Blackwoods  
Bunzl Brands & Operations Ptd Ltd  
Fire & Safety WA  
Fire Rescue Safety Australia  
Hedland Emporium Pty Ltd  
Hip Pocket Workwear & Safety Geraldton  
J R & A Hersey Pty Ltd  
KC Australia  
Marque Haus  
Outsource1  
Shoreditch Corporate  
Speqs Limited  
The Workwear Group  
Winc  
Ipswich & District Fire Equipment Services Pty Ltd  
Tradey's Browns Plains

### *Tender assessment*

All compliant tender submissions have been evaluated by a panel of Town employees whose main objectives were:

- a) Make a recommendation to the Council.
- b) Ensure the tender submissions are assessed fairly in accordance with a predetermined weighting schedule;
- c) Ensure adherence to Local Government policies and legislation; and
- d) Ensure that the requirements specified in the Request are evaluated in a way that can be measured and documented

Evaluation Panel consisted of:

Administration Officer, Corporate & Performance, Voting Member

Manager Marketing Events and Communications, Voting Member

Executive Assistant to the CEO & Mayor, Voting Member

Store Person, Voting Member

OSH Advisor, Voting Member

Procurement Advisor, Non-Voting Member

Two respondents made a submission to decline to the tender, and two other submissions were deemed to be non-compliant. The remaining submissions were deemed compliant and assessed against the below qualitative criteria

<b>Criteria</b>	<b>(%)</b>
Relevant Experience	20%
Capacity to Deliver	30%
Quality / Suitability	50%
	<b>100%</b>

A summary of the assessment results of submissions received for RFT2018-35 is included in the confidential attachment.

As per the officer's recommendation, the preferred suppliers demonstrated superior responses to the qualitative criteria and the products available are best suited to the Port Hedland climate and conditions which was a focus of this tender.

The respondents for Separable Portion 4 did not provide a suitable response to Separable Portion 4.

#### LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of low significance, because the purchase of uniforms is normal practice within any organisation and thus community consultation is not required in this instance.

#### CONSULTATION

##### *Internal*

The Executive Leadership Team reviewed the Procurement Plan on 8 October 2018. Both the Director Development, Sustainability & Lifestyle and the Manager Marketing Events and Communications provided guidance regarding the products and the impact of the corporate style guide.

#### LEGISLATION AND POLICY CONSIDERATIONS

*The Local Government Act 1995* and Town of Port Hedland's Procurement Policy were observed when preparing and awarding this tender.

*The Local Government Act 1995* section 3.57 and the *Local Government (Functions and General) Regulations 1996* part 4, division 2 provide statutory requirements for the release, assessment, and award of tenders.



RFT 2018-35 was conducted in accordance with the following policies: The Town of Port Hedland's Purchasing Policy 2/007 and Regional Price Preference Policy 2/016. Sections of this report pertaining to price submissions from tenderers have been deemed confidential in accordance with the *Local Government Act 1995* section 5.23 part 2 (e) (iii).

#### FINANCIAL AND RESOURCES IMPLICATIONS

The Towns adopted 2018/19 budget listed an allocation of:

\$35,000 ex. GST for the purchase of staff uniforms (Corporate Wear and Polo Shirts)  
\$95,500 Ex GST for the purchase of OHS and PPE Expenses however this not just for uniform expenses, it also includes provision for safety equipment (eg. Fire hydrants, hydration, First Aid kits etc)

It is estimated that an additional \$50,000 will be allocated from the Facilities budget for uniforms following the transfer of management of the Wanangkura Stadium, South Hedland Aquatic Centre and Gratwick Aquatic Centre. This will include additional uniform purchases not included in this tender specifically related to the Wanangkura Stadium.

#### STRATEGIC AND SUSTAINABILITY IMPLICATIONS

There are no significant identifiable environmental, social or economic impacts relating to this item.

#### RISK MANAGEMENT CONSIDERATIONS

There is a reputational risk associated with this item due to an increased number of staff in customer focused positions, who have direct contact with the community who require a uniform. The risk rating is considered to be Low (4), which is determined by a likelihood of Likely and a consequence of Insignificant.

There is also a Health (Safety) risk associated with this item due to a requirement for outdoor staff to wear appropriate PPE. The risk rating is considered to be Medium (9), which is determined by a likelihood of Possible and a consequence of Moderate.

This risk will be eliminated by the adoption of the officer's recommendation.

#### OPTIONS

*Option 1 – Adopt officer's recommendation*

*Option 2 – Amend officer's recommendation*

*Option 3 – Do not adopt officer's recommendation*

## CONCLUSION

Council is recommended to award tender RFT2018-35 to the preferred tenderers indicated in the Tender Evaluation Report. They have met all selection criteria requirements and also represent best value for money for the Town of Port Hedland.

## ATTACHMENTS

1. Tender evaluation report RFT 2018-35 RFT2018-35 Workwear and Personal Protective Equipment for staff at the Town of Port Hedland (Confidential, under separate cover).

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**Item 9 Matters for Which Meeting May Be Closed (Confidential Matters)**

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Nil

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**Item 10 Closure**

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**10.1 Date of Next Meeting**

The next Ordinary Meeting of Council will be held on Wednesday 27 March 2019 commencing at 5:30pm. The Public Agenda Briefing scheduled for Wednesday, 20 March 2019 has been cancelled.

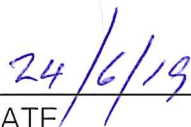
**10.2 Closure**

There being no further business, the Mayor declared the meeting closed at 5.52pm.

CONFIRMATION:



\_\_\_\_\_  
MAYOR



\_\_\_\_\_  
DATE