



TOWN OF PORT HEDLAND

ORDINARY MEETING OF COUNCIL MINUTES

MONDAY 23 APRIL 2018 AT 5:30PM

**COUNCIL CHAMBERS, MCGREGOR STREET,
PORT HEDLAND**

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Town of Port Hedland for any act, omission, statement or intimation occurring during the Town's Annual General Meeting of Electors meetings. The Town of Port Hedland disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission, and statement of intimation occurring during Annual General Meeting of Electors meetings.

Any person or legal entity that acts or fails to act in reliance upon any statement, act or omission occurring in an Annual General Meeting of Electors meetings does so at their own risk. The Town of Port Hedland advises that any person or legal entity should only rely on formal confirmation or notification of Annual General Meeting of Electors resolutions.

*David Pentz
Chief Executive Officer*

Distribution Date: 4 May 2018

Item 1	Opening of Meeting.....	4
Item 2	Acknowledgement of Traditional Owners and Dignitaries	4
Item 3	Recording of Attendance.....	4
	3.1 Attendance.....	4
	3.2 Attendance by Telephone / Instantaneous Communications	4
	3.3 Apologies	4
	3.4 Approved Leave of Absence	4
	3.5 Disclosure of Interests	5
Item 4	Applications for Leave of Absence.....	5
Item 5	Response to Previous Questions	5
	5.1 Response to Questions taken on notice from Public at the Ordinary Council Meeting held on Wednesday 28 March 2018.....	5
	5.2 Response to Questions taken on notice from Elected Members at the Ordinary Council Meeting held on Wednesday 28 March 2018	5
	5.2.1 Councillor George Daccache	5
Item 6	Public Time	6
	6.1 Public Question Time	6
	6.1.1 Mr Dean Davis	6
	6.2 Public Statement Time	8
	6.3 Petitions/Deputations/Presentations/Submissions.....	9
	6.3.1 Councillor Karen Chappel on behalf of WALGA.....	9
	6.3.2 Mr Brendon Grylls on behalf of Aviair	10
Item 7	Questions from Members without Notice	12
	7.1 Deputy Mayor Louise Newbery	12
	7.2 Councillor Richard Whitwell.....	12
	7.3 Councillor George Daccache	12
Item 8	Announcements by Presiding Member without Discussion	13
Item 9	Declarations of All Members to Have Given Due Consideration to All Matters Contained in the Business Paper before the Meeting.....	14
Item 10	Confirmation of Minutes of Previous Meeting	15
	10.1 Confirmation of Minutes of the Ordinary Council Meeting held on Wednesday 28 March 2018	15
Item 11	Reports of Officers.....	16
	11.1 Corporate and Performance	16
	11.1.1 Debtors Sundry Write off (<i>File No. 12/15/0001</i>)	16
	11.1.2 Statement of Financial Activity for the Period Ended 28 February 2018 (<i>File No. 12/14/0003</i>).....	27

11.1.3	Intra-Regional Air Services (<i>File No. 20/01/0186</i>)	45
11.2	Development, Sustainability and Lifestyle.....	54
11.2.1	WALGA Draft 2018 Climate Change Policy Statement (<i>File No. 13/04/0008</i>).....	54
11.2.2	Kariyarra and State Indigenous Land Use Agreement – Land Transfers (<i>File No. 18/07/0002</i>).....	80
11.3	Infrastructure and Town Services.....	90
11.3.1	Staff Housing Renewal Program (<i>File no. 05/01/0003</i>).....	90
11.3.2	Award of Tender 2018-06 Gratwick Aquatic Centre Upgrade Works in Port Hedland (<i>File No. 05/09/0055</i>).....	96
Item 12	Reports of Committees.....	101
Item 13	Motions of Which Previous Notice Has Been Given	101
13.1	Councillor Daccache attending the Developing North Australia conference in Alice Springs (<i>File No. 13/01/0009</i>)	101
Item 14	New Business of an Urgent Nature.....	104
14.1	Rating Strategy 2018/19 (<i>File No. 24/04/0002</i>).....	104
14.2	Ministerial Briefings in Canberra June 2018 (<i>File No. 14/03/0002</i>).....	111
Item 15	Matters for Which Meeting May Be Closed (Confidential Matters)	118
Item 16	Closure.....	118
16.1	Date of Next Meeting	118
16.2	Closure	118

Item 1 Opening of Meeting

The Mayor declared the meeting open at 5:30pm.

Item 2 Acknowledgement of Traditional Owners and Dignitaries

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.

The Mayor acknowledged the attendance of Councillor Karen Chappel, President of the Shire of Morawa.

Item 3 Recording of Attendance

3.1 Attendance

Mayor Camilo Blanco
Deputy Mayor Louise Newbery
Councillor Richard Whitwell
Councillor George Daccache
Councillor Tricia Hebbard
Councillor Telona Pitt
Councillor Warren McDonogh

David Pentz	Chief Executive Officer
Anthea Bird	Director Corporate and Performance
Tony Butler	Acting Director Development, Sustainability and Lifestyle
Gerard Sherlock	Director Infrastructure and Town Services
Josephine Bianchi	Manager Governance
Louise O'Donnell	Governance Officer/ Minute Taker

Public	4
Media	1
Officers	5

3.2 Attendance by Telephone / Instantaneous Communications

Nil

3.3 Apologies

Nil

3.4 Approved Leave of Absence

Councillor Julie Arif
Councillor Peter Carter

3.5 Disclosure of Interests

Name	Item no.	Interest	Nature
Councillor Pitt	11.2.2 Kariyarra and State Indigenous Land Use Agreement – Land Transfers	Impartiality	Councillor Pitt is of Kariyarra descent but has no membership with any Kariyarra Corporations

Item 4 Applications for Leave of Absence

Nil

Item 5 Response to Previous Questions

5.1 Response to Questions taken on notice from Public at the Ordinary Council Meeting held on Wednesday 28 March 2018

Nil

5.2 Response to Questions taken on notice from Elected Members at the Ordinary Council Meeting held on Wednesday 28 March 2018**5.2.1 Councillor George Daccache**

What financial input has Roy Hill (Gina Rinehart) put in toward the Town and community of Port Hedland? If so, how much and which areas were the funds put in to?

*Note – research into this question taken on notice is still being undertaken, and will be presented as part of the Town of Port Hedland Council agenda for its 23 May Ordinary Council meeting.

Item 6 Public Time

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.

The Mayor opened Public Question Time at 5:35pm

6.1 Public Question Time**6.1.1 Mr Dean Davis**

I am requesting public support in actively lobbying the State Government with me for a needle exchange program with an 80 percent return rate by the end of the calendar year. I am also seeking public support and help to lobby the House of Representatives for the Town of Port Hedland to be included in the drug testing bill 2018. The drug testing Centrelink Newstart recipient's full disclosure of activities and timelines.

The Mayor asked if these were the same questions that he has previously asked at the Public Agenda Briefing held on Wednesday, 18 April 2018.

Mr Davis advised in the affirmative and stated that he also responded to the Mayor's question that was asked at the Public Agenda Briefing in relation to why a needle exchange program is required in Port Hedland.

The Mayor advised Mr Davis that he was provided with a copy of the questions that he asked and the Town's responses to these questions.

Mr Davis advised that these responses did not provide an answer to his questions as they only stated what is going to help and did not state whether the Council was going to support a needle exchange program.

The Mayor advised that the process would be for Mr Davis to ask a question and then the Town would respond and bring an agenda item to Council to then get Council support on moving forward on any of the questions that Mr Davis has asked.

Mr Davis asked the Mayor if he would like him to read out the questions that he has previously asked.

The Mayor advised in the negative and asked if Mr Davis had any further questions and whether he would like an item brought up to Council to address the questions he has raised.

Mr Davis advised that he would like the Council's and public support and also to lobby the Federal and State Government. He further advised that the Council has not shown that they are supporting the needle exchange program but rather just stating what is going to happen.

The Mayor advised that WACHS (WA Country Health Services) have received 12 months funding to conduct a needs assessment and to prepare a business plan which the Council will have to wait for this to be finalised before the Council can move forward with a needle exchange program.

The Chief Executive Officer advised that the Town can bring an item to Council which would outline all the information and what actions officers would recommend to Council such as lobbying State and Federal Government.

Mr Davis asked if the Council is totally at the discretion of State Government at this point?

The Mayor advised that an item can be brought to Council where Council can decide if they want to support it and the outcome of this decision will be the direction that the Council take.

Mr Davis confirmed that he would request in writing this item to be brought to Council for consideration.

Mr Davis asked the following questions at the Public Agenda Briefing held on Wednesday 18 April 2018 and the Town's response was sent to Mr Davis on Monday, 23 April 2018:

1. What is the roll out strategy for the Needle Exchange Program consultation phase?

Consultation will include multiple stakeholders including the community, local government and NGOs who provide alcohol and other drug services to the community.

The consultation phase is anticipated to occur during the month of May/June 2018. Consumer surveys will be face-to-face or paper based. Electronic and paper based surveys will be circulated to stakeholders using what is known as the snowball sampling technique (surveys are passed onto other potential contributors by the original targeted participants).

WACHS Pilbara will consult with the Sexual Health and Blood-borne Virus Program (SHBBVP), Department of Health throughout the process.

2. Timeframes for commencement of a NEP, factoring in considerations such as financial investment etc. If you cannot provide a set timeframe, please indicate why.

WACHS Pilbara has received 12-months funding to conduct a needs assessment and prepare a business plan. A dedicated NSP Regional Coordinator has been funded to lead this project, as well as provide support to current NSP providers across the region. It is expected that an NSEP would be established towards the end of 2018/19 financial year/early 2019/20.

3. *What role would you like the Town of Port Hedland to play for the community consultation phase and implementing a NEP? Public endorsement, media coverage etc.*

Community Consultation – circulation of survey to community groups.

Communication to wider community:

- Development of small, local media plan – limited media coverage, focussing on BBV prevention and benefits to wider community
- Responses to community concerns

4. *Should the Town of Port Hedland start counting correctly disposed of needles and if so, why?*

It is unlikely this information would be useful given confounding factors such as:

- Syringes may be correctly disposed of in the domestic waste in a rigid-walled, puncture resistant plastic container with a screw-top lid.
- Syringes are also used for a number of common medical conditions e.g. diabetes, and these may also be disposed of in the disposal units.

5. *Are needles individually serialised?*

Syringes do not come with individual serial numbers nor do the fit packs. Note: there are a variety of different 'fit packs' containing differing equipment, however the 'fit packs' and 'Fit pack Plus' distributed in Port Hedland contain 5 and 3 syringes respectively and a disposal unit, so the client can safely dispose of the syringes in waste or via accessing a sharps disposal unit. Information on safe disposal is also included on the stickers attached to each pack distributed in WA.

The Mayor closed Public Question Time at 5:40pm

The Mayor opened Public Statement Time at 5:40pm

6.2 Public Statement Time

Nil

The Mayor closed Public Statement Time at 5:41pm

6.3 Petitions/Deputations/Presentations/Submissions

6.3.1 Councillor Karen Chappel on behalf of WALGA

Councillor Karen Chappel, Shire President of Morawa, on behalf of the Western Australian Local Government Association (WALGA) to discuss the "Member Advisor Program" being trialled by WALGA as part of WALGAs Members First Engagement Strategy.

I would firstly like to thank Elected Members and the Chief Executive Officer (CEO) for your time today to discuss the Member Advisor Program. My role is to be an advisor for Elected Members on behalf of WALGA. WALGA has a member's first engagement strategy that was part of their strategic plan. The president and the CEO endeavoured last year to get across to many local governments, they struggled to get them all and this year they have brought this program in as a trial. They have four members who comprise of Mayor Carol Adams, Cr Stephen Strange, Cr Paul Omodei and myself. We are called the trusted peers and we travel to local governments across the state. We provide Elected Members with our contact details so that Elected Members can contact us if they have any concerns about their roles and responsibilities or discuss something is worrying them within their local government. Our role as advisors is to either refer you to the appropriate person or we may advise that it would be best to have a conversation with your CEO or Mayor. This is confidential service and I will not be reporting anything that is discussed to anyone.

I have a strong governance background and a diploma in local government, I chair the Governance Policy Committee for WALGA. I chaired the working group for Local Government Advisory Board that developed the new code of conduct, the charter and the terms of reference for local government advisory board. I have been on that board for 8 years. I live and die local government; that is because I believe in what we do and what we have to do to do it right for our community.

Please take advantage of what WALGA is offering. Another thing I would like to do is to promote WALGA and its services and the conventions that are coming up this year for Elected Members, the WA Local Government Convention Gala dinner is going to be held on a Thursday night which I think will be a good event.

I sit on the Blackspot Consultancy Panel and this year we have some concern about the blackspot subject and the submissions which we need look at closer and do better. There is also the annual general meeting (AGM) for the constitution, this year they are asking for changes in the constitution which we will need to consider at the AGM quite strongly and have equal representation at the leadership level of WALGA which will effect each of us. WALGA's honours awards are open currently and they close on the 11 May 2018. If you know someone that you would like to nominate, you can put their name forward to be considered.

I sit on the Local Government House Trust and this is just one successful purchase of WALGA which is working well.

Another item that may interest you is that two Elected Members have been chosen to be part of the Local Government Act review process and I have been selected for this review. I have strong interests in being an Elected Member and how we can achieve things and how we can make a difference to our community. If you have any issues at any time, my card is there and it doesn't have to be tomorrow it can be in 6 months' time. Thank you for your time.

6.3.2 Mr Brendon Grylls on behalf of Aviair

Mr Brendon Grylls speaking on behalf of Aviair in relation to item 11.1.3 'Intra-regional Air Services'.

Thank you for giving me the time to talk to you all about Aviair item which is on the agenda for tonight's discussion. It has nearly been a 12 month process and we are grateful for your interest and consideration of the project.

For the last 10 years, I have been a passionate advocate for the development of the Pilbara and your community here in Port Hedland. We have been determined to do things differently because status quo was not acceptable anymore, status quo of the FIFO camp, servicing one of the biggest industrial mining precinct in the world was not acceptable to me and I know this is not acceptable to you or your community.

The Aviair northwest flight network is to me another way of looking at addressing one of the intractable problems that has been talked about for years and will never actually go away until a solution is provided. The Aviair proposal is a very innovative proposal looking at how we solve that for the community, for small businesses' and people who need to travel, be that the councillors, businesses' or local community members.

This problem has been talked about and studied a lot and the government have done multiply enquiries which they all say it's difficult, expensive, it's a long way away and we would rather invest our money in a bus network in metropolitan area because this will then allow good connectivity.

The northwest flight network is a private proposal brought to you for sponsorship. The Aviair proposal is a \$600,000 a year investment from Michael McConachy and Aviair of his risk capital to solve that problem of connectivity, this is an investment using his businesses money to create two return flights each week to Karratha, Broome and Newman.

Aviair is a big business, growing rapidly and it has expanded further in the time that you have been considering this option. With the purchase of a major aviation company in Broome, they now run nearly 50 airfreights across the northwest. They run regular public transport (RPT) services which provide an enormous amount of investment in pilot training, accreditation, and mechanical engineering to support a network with 50 airfreights and an impeccable safety record. It is a business of that scale that can actually deliver the innovation of the northwest flight network as they are capable of taking the risk of starting the network up and building it from scratch.

The vision of Aviair is for the Pilbara to have its own airline, an airline that services the Pilbara, the region and the community and hopefully into the future achieve what Airnorth has done previously, which is to push further afield and provide greater connectivity. At the moment if you get on the plane, you can only go to Perth. We would like the opportunity for another service where you can get on the plane and go to Broome, Newman or Karratha in the first instance.

This sponsorship arrangement is about sponsoring the start of an extensive network across the region. The proposal before is not for the end of that process but the beginning. The fact that 25,000 passengers each year fly with the Helispirit network in East Kimberley gives you an idea of the growth and potential that can come from this type of connectivity. The request tonight is for \$293,000 in the first and second year and 50% of that amount in the third year to enable this network to get up and running. We know that there has been previous strong demand for the Broome link when Airnorth carried out this service, we know that BHP have previously run a link across to Newman to link the port to the mine, we know that there are businesses in your community that service across the region, and we know that there is a need to travel.

I am very confident that we can win the support of the Shire of East Pilbara and the Shire of Broome and it is important to note that for every dollar that is requested from the Town of Port Hedland, there is a corresponding dollar from the destination. Those decisions are to be made by those councils in the coming month.

It is fair to say that Aviair, Michael McConachy and I are disappointed in the officer's recommendation that is being presented in the agenda before you today. We think that we have endeavoured to provide you with all of the information over a long period of time in multiple meetings. The issues and concerns that were raised in the agenda were first seen by Michael McConachy and myself at the end of last week. We do not think we have had a fair opportunity to discuss with you and discuss those concerns before you take this decision to the meeting. It would be great to be given the opportunity to address your procurement concerns and the Council be given the opportunity to identify whether or not an alternative provider is actually available and capable of providing the northwest flight network as that of being proposed.

We believe that we have a substantial commitment on the table from you and as stated earlier that for every dollar sourced from sponsorship across the network, there is two dollars from Aviair being risked to deliver this network. We would respectfully suggest that if you as Councillors believe that you have not been able to be provided with the time available with answers to the questions that have been raised in this agenda item that you lay the proposal on the table, come back to us and let us address them. Michael McConachy and I can come back next week to talk about the procurement and the advice that has been provided to other Councils and the Pilbara Regional Council and also about the requirements to deliver an RPT service.

I believe that opportunities like this do not come around very often and I would be disappointed to see Aviair's proposal not supported by the Town of Port Hedland based on concerns that we have not had a chance to address. We believe that we can address them and we can prove to Council and to officers that have put the recommendation together that those concerns can be addressed.

My history in working in your community has been about bringing innovative plans to the table. They are edgy and different and in most cases they have not been tried before; but this is one that I am passionate about because I know what difference it will make for your community. We seek sponsorship to get this project up and running. We seek your support to solve that connectivity problem. We will then work with you across the Pilbara Regional Council network, which includes Broome and Exmouth and this support will allow this to stand on its own two feet and for us to have the connectivity and the linkages to the wider northwest and the rest of the State that has been a challenge for you and your community for many years.

Please do not accept the officer's recommendation and back our proposal to enable Northwest Flight Network to get it underway. If you believe that there are more questions that you have not had answered, please lay your decision on the table to allow Aviair to come back and formally answer those concerns before you make the final decision. Thank you.

Item 7 Questions from Members without Notice

7.1 Deputy Mayor Louise Newbery

I would like to express a very big disappointment to a faceless Jones Dean on Facebook chat which displayed accusations concerning my husband and I allegedly illegally dumping in Redbank. It is diabolical that such individuals such as Jones Dean use Facebook in a disrespectful way as a weapon to slander community members such as my husband and I without showing their true identity and unfortunately manipulate the truth. If Jones Dean would like to contact me, I am more than happy to give him all paid dumping fees for the landfill for the last 8 years.

7.2 Councillor Richard Whitwell

In relation to item 14.2 'Ministerial Briefings in Canberra June 2018', of the 3 people that have been selected to travel to Canberra as representatives of the Town, will they all be meeting with the Ministers?

The Mayor advised in the affirmative.

7.3 Councillor George Daccache

In the Northwest Telegraph newspaper article titled 'Town ranks highly in probe figures' on page 5 printed last week, it stated that out of 156 councils, the Town of Port Hedland are third to having the highest number of complaints submitted. I am really concerned about the Department of Local Government investigating the Town of Port Hedland mainly due to the number of complaints that have been submitted by the Mayor. The Mayor has said in this article that he has personally made 40 of these complaints about breaches but yet not one has been upheld or justified. Can the Mayor please do his job as the Mayor and refrain from making up breaches against the Elected Members, as they are making us look like idiots?

The Mayor advised that this was duly noted and further stated that if there is a requirement to lodge a breach again, he would comply with this.

Item 8 Announcements by Presiding Member without Discussion

It's been a busy month showcasing Hedland's potential for jobs and growth. The Minister for Environment; Disability Services, Stephen Dawson visited Port Hedland. We did a tour of the Port Hedland Port and the Minister was very impressed with the port operations and the development of world leading environmental research and development.

We also hosted The Minister for Housing; Veterans Issues; Youth, Peter Tinley. For those who did not know, Minister Tinley is an army veteran and has had an impressive career in the Australian Defence Force. He attended Port Hedland to open Youth week and we also discussed a range of topics.

The Premier, Mark McGowan visited Port Hedland last week with his family. We spoke about being very grateful to the State Government having committed to investing the 112 million into Port Hedland which will greatly benefit Hedland's social amenity. We spoke about the port expansion and how the Town has taken a port first approach focused on port expansion and diversification of our economy. We also discussed Lumsden Point common user port facility, and how important this is for the future port growth ambitions and job creation for Port Hedland. The Premier has pushed ahead on this project which will have a lasting positive impact on our town's future.

We discussed the West End's issues and I pointed out that it is critical to the future of Port Hedland that we resolve these issues and that we have been pushing hard to shift to the focus from a health perspective to a planning conversation.

We also spoke about the anti-social issues that we have been experiencing in Hedland and that we are grateful for the extra resources the government has applied to the South Hedland Police Station as this has made a difference, but we have a long way to go, and together we need to do all we can to reduce the community dysfunction.

One of the main topics we discussed was about the Marina or boating facility proposal. The Premier was keen to get the development started and to develop the Port Hedland foreshore.

Mayor's meetings for the month of March 2018:

Date	Meeting
2/03/2018	Hedland Road Wise Group Meeting
06/03/2018	Meeting with Hon Jacqui Boydell
06/03/2018	Audit Risk and Governance Committee
13/03/2018	Spirit Chat Radio
15/03/2018	Meeting with Disability Services Commission
16/03/2018	Respite Centre Opening
16/03/2018	Meeting with Minister Dawson
20/03/2018	Visit to Pardoo Station
21/03/2018	Site Visit at Port Authority
21/03/2018	Public Agenda Briefing
22/03/2018	Port Authority Community Consultation Committee Meeting
23/03/2018	Meeting with FMG
26/03/2018	PRC Special Council Meeting
27/03/2018	Meeting with Creating Communities
28/03/2018	Community Directory Launch
28/03/2018	Meeting with Kevin Michel MP

28/03/2018	Meeting with Chair of Regional Development Australia Pilbara
28/03/2018	Ordinary Council Meeting
29/03/2018	Hedland Road Wise Group meeting
29/03/2018	Local Emergency Management Committee Meeting (LEMC)

Item 9 Declarations of All Members to Have Given Due Consideration to All Matters Contained in the Business Paper before the Meeting

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 Richard Whitwell
- Councillor George Daccache
- Councillor Tricia Hebbard
- Councillor Telona Pitt
- Councillor Warren McDonogh

Item 10 Confirmation of Minutes of Previous Meeting

10.1 Confirmation of Minutes of the Ordinary Council Meeting held on Wednesday 28 March 2018**CM201718/183 OFFICER RECOMMENDATION/ COUNCIL DECISION****MOVED: CR HEBBARD****SECONDED: CR MCDONOGH**

That Council confirm that the Minutes of the Ordinary Council Meeting held on Wednesday 28 March 2018 are a true and correct record.

CARRIED 7/0*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.

Item 11 Reports of Officers

11.1 Corporate and Performance**11.1.1 Debtors Sundry Write off (*File No. 12/15/0001*)**

Author	Accounts Officer
Authorising Officer	Manager Financial Services
Disclosure of Interest	The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

CM201718/184 OFFICER'S RECOMMENDATION/ COUNCIL DECISION**MOVED: CR WHITWELL****SECONDED: CR MCDONOGH**

Pursuant to section 6.12(1)(c) of the Local Government Act 1995, that Council approves the write off of bad debts totalling \$4,354.14 as per the presented Schedule of Sundry Debtors (provided under confidential cover), to be transacted before 30 June 2018.

CARRIED BY ABSOLUTE MAJORITY 7/0

PURPOSE

A Schedule of Sundry Debtors for write off consideration has been prepared and is attached under confidential cover. It is recommended that Council approve the write off of monies pursuant to section 6.12(1)(c) of the *Local Government Act 1995* as the debt is either unrecoverable or the cost to pursue further would outweigh the debt owed.

DETAIL

Council has adopted a Debt Management Policy (Policy 2/005) which outlines the procedure for the recovery of outstanding debts owed to the Town of Port Hedland. Under the guidelines of the policy, the Town has attempted to recover these debts without success. All debts recommended for write off hold an overdue term of 120 days or greater.

A copy of the Policy is attached.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of low significance, because the debts have been allowed for in our provision for doubtful debts.

CONSULTATION

External Agencies

The Town has made various attempts to contact debtors to recover these funds.

LEGISLATION AND POLICY CONSIDERATIONS

Section 6.12 (1)(c) of the *Local Government Act 1995* provides Council with the power to write off any amount of money which is owed to the local government by an absolute majority decision.

The attachment is confidential in accordance with section 5.23 (2)(e)(iii) of the *Local Government Act 1995* as the attachment contains the financial affairs of a person.

Policy 2/005 'Debt Management' is also relevant to this item.

FINANCIAL AND RESOURCES IMPLICATIONS

Impact for this financial year being 2017/18 is a credit of \$4,657.20. The remaining balance of \$9,011.34 was recognised as doubtful debts in prior financial years. Therefore the total amount written off as bad debts is \$4,354.14

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

This following section of the Council's *Strategic Community Plan 2014-2024* are applicable in the consideration of this item:

<i>4.1 Strategic and best practice local government administration</i>	Deliver high quality corporate governance accountability and compliance. Maintain a strong and sustainable financial position Be efficient and effective in use of resources, infrastructure, assets and technology
--	---

There are no significant identifiable environmental, economic or social impacts arising from adoption of the officer's recommendation.

RISK MANAGEMENT CONSIDERATIONS

As per the risk matrix contained in policy 1/022 'Risk Management', the level of risk is considered to be Medium (5) for non-compliance. If Council do not approve the write off of unrecoverable debts the balance sheet will be overstated.

OPTIONS

Option 1 - Adopt Officers Recommendation

Option 2 – Do not adopt Officers Recommendation

CONCLUSION

In writing off these bad debts, Council is not prevented from reinstating the debt if future circumstances change and the debt becomes collectable.

ATTACHMENTS

1. Schedule of debtor accounts recommended for write off (Confidential – Under separate cover)
2. Policy 2/005 'Debt Management'

ATTACHMENT 2 TO ITEM 11.1.1

Town of
Port Hedland**2/005 DEBT MANAGEMENT****2/005 DEBT MANAGEMENT****POLICY OBJECTIVE**

The object of the Debt Management Policy is to provide a framework for the efficient and effective collection of outstanding debts; and fulfil statutory requirements in relation to the recovery of rates, charges, fees and other debts.

The Town has a responsibility to ensure monies owed to it are recovered in a timely, effective and efficient manner to finance its operations and ensure effective cash flow management. The Town recognises that individual financial circumstances differ across the community and that, as a government organisation, it has a fiscal responsibility to meet the community's service expectations with regard to flexible options for the payment of rates and charges that it establishes.

Whilst carrying out this responsibility, the Town will:

- Treat all people fairly and consistently under this policy; and
- Treat all matters under this policy confidentially; and
- Treat people with respect and sensitivity in considering their circumstances.

POLICY**Non Rates Debtors****1. *Application for Credit***

Sundry debtor credit accounts will not be routinely established for the following services:

- Private Works
- Facilities Hire
- Cemetery Fees

The provision of these services requires payment in advance and or upon delivery of the service, except in limited circumstances where prior approval has been obtained from The Manager Financial Services.

The minimum credit amount for all Landfill accounts shall be \$1,000 per month, otherwise cash/EFTPOS/cheque terms will apply.

Prior to extending credit, applicants are required to complete a Credit Application Form (Annexure 1) and return to the Accounts Receivable department for processing.





If the applicant is a corporation (as defined in the *Corporations Act 2001*), the Town may require from all the directors of the applicant company personal guarantees in support of an application for such credit.

Credit Application Forms will not be accepted unless all necessary information has been provided, including nomination of credit referees, and consent for the Town to use the information disclosed in the submitted forms to make such enquiries. The information may be disclosed, but not limited to:

- a credit reporting agency;
- a debt collector; or
- a legal services provider.

All Landfill customer application forms (Annexure 2) are to be supported by documentation of all vehicle registrations that are authorised to use the South Hedland Landfill Facility.

Once submitted, the forms will be reviewed and assessed by the Manager Financial Services. The review and assessment of the application may include

- An evaluation of the applicant's previous payment history with the Town; and
- The Town making enquiries as to the credit and financial status of the applicant via nominated credit referees or Credit Ratings Agencies.

The Manager Financial Services has delegation to approve or decline applications for credit. Credit will be refused where an evaluation of an application is deemed to be unsatisfactory. The Manager Financial Services has the discretion to impose an appropriate credit limit on all accounts and impose a 60 day probationary period on any new Debtor account for the purpose of establishing a trading history.

The applicant will be advised in writing of the outcome of their application, including the maximum credit limit and trading terms approved by the Town, and any applicable probation periods.

It is a condition of the granting of any Credit facility, that the Debtor is responsible for immediately advising the Town of Port Hedland of any change of account details or financial circumstances that would affect their credit worthiness.

2. Standard Payment Terms

The Town's standard payment terms for credit trading accounts is 30 days from date of invoice.





Regardless of standard credit trading terms, all bookings shall be paid for in accordance with the Town of Port Hedland's Terms and Conditions of Hire.

3. Debt Collection Process

The Town will undertake all efforts to collect outstanding monies. All contact and attempted contact will be recorded as a Memo against the Debtor account in Synergy. The process of collection will be as follows:

Stage 1

Outstanding debts over 30 days will have their statements marked with a reminder that the account is now overdue and stop credit will be enforced if the debt remains unpaid after 42 days from date of invoice. Accounts Receivable shall make contact with the Debtor.

Stage 2

Outstanding debts over 60 days will have their statements marked with a Final Notice stamp advising payment is required within 7 days or legal action will commence. Accounts Receivable shall make contact with the Debtor.

Stage 3

7 days after Stage 2 if payment has not been received or a payment arrangement entered into, a standard letter, allowing a further 10 days to settle the account or make alternative arrangements.

Stage 4

The Director Corporate and Performance and Manager Financial Services are authorised to commence legal action to collect debts outstanding over 90 days from date of invoice.

This may include, but is not limited to the following:

Letter of Demand

General Procedure Claim

Seizure and Sale of Goods

Exemptions to the aforementioned Debt Collection Process are as follows:

- 1) Rebates or recoups from tiers of government and funding bodies
- 2) Grants and subsidies
- 3) Donations

The Town may elect to utilise the services of a Debt Collection Agency, duly licenced under the *Debt Collectors Licencing Act 1964*.





4. Stop Credit

Where debtors do not make payment within the Town's nominated payment terms, or enter into an approved payment arrangement, the Manager Financial Services is authorised to impose Stop Credit on the account. The appropriate business unit shall be notified and will be responsible for ensuring no further credit is provided to the Debtor. The Debtor will receive written notification from the Town to their last known address of the Stop Credit.

5. Provision for Doubtful Debts

Where the recovery of debt is unlikely, a provision for doubtful debts shall be made in accordance with Australian Accounting Standards. A bad debts register shall be maintained and reviewed on a regular basis.

6. Write Off of Bad Debts

The Chief Executive Officer and the Director Corporate and Performance Services have the authority to write-off bad debts up to \$500.

All write-offs above this threshold will be reported to Council on a quarterly basis and will include:

- Name of Debtor*
- Amount to be written off
- Description of invoice
- Reason for write-off

For a debt to be written off one of the following conditions must be satisfied:

- The debtor cannot be located
- Uneconomical to pursue the debt
- The hardship circumstances of the debtor do not warrant the taking or continuation of recovery action
- Legal proceedings through the courts have proved, or on legal advice would prove, unsuccessful

*Where a debt is recommended for write-off as a result of hardship circumstances, the name of the Debtor will be reported to Council in confidence.





Rates & Service Charges

The recovery of outstanding rates will be collected in a fair and timely manner. Rate notices are due for payment 35 days from date of issue in accordance with the *Local Government Act 1995*.

Overdue accounts, which remain outstanding past the due date, will have interest applied at the prevailing interest rate as set out in the adopted Fees & Charges.

Interest is calculated on the number of days from the due date of payment until the day the payment is received by the Town of Port Hedland. This includes overdue amounts where the ratepayer has elected the instalment option.

Alternative payment arrangement via Direct Debit is available. An administration fee is payable on alternative payment arrangements. The Administration Fee is set in the Town's adopted Fees & Charges. Interest on overdue amounts accrues at the prevailing interest rate as set out in the adopted Fees & Charges.

1. Accounts 35 days in arrears after the initial invoice

Where payment is not received within thirty five (35) days of the rate notice issue date, a Final Notice is issued seven days after the due date requesting full payment within fourteen (14) days, unless the Ratepayer has agreed to enter into a special repayment arrangement or is able to catch-up to the instalment option as per the Rate Notice.

Final Notices are not to be issued to Pensioners or Seniors registered to receive a rates rebate with the Town of Port Hedland. Under the *Rates and Charges (Rebates and Deferments) Act 1992* Eligible Pensioners and Seniors have until 30 June of the financial year in which the Rates were levied to make payment, without incurring any late payment penalties.

2. Accounts 60 days or more in arrears after the initial invoice

Where amounts remain outstanding for sixty (60) days or more after the due date for payment listed on the original Rate Notice, the Rates Department will make their best effort to contact the Ratepayer using available methods before commencing further debt recovery action.

Following a risk management approach as determined by the value and nature of the debt, further debt recovery action may include referral to a debt collection agency, including a General Procedure Claim and Court Proceedings.





3. Seizure of Rent for Non Payment of Rates

Where the property owner of a leased or rented property on which Rates and Service Charges are outstanding cannot be located or refuses to settle Rates and Service Charges owed, a Notice may be served on the lessee or tenant under the provisions of Section 6.60 of the *Local Government Act 1995* requiring the lessee or tenant to pay to the Town the rent due that they would otherwise pay under the lease/tenancy agreement as it becomes due, until the amount in arrears has been paid.

4. Options to recover rates debt where rates are in arrears for in excess of three (3) years

i) Lodging a Caveat on the Title for Land

Where Rates and Service Charges owed to the Town in respect of any rateable land remain unpaid for at least three (3) years, a caveat may be registered on the title for the land, under the provisions of Section 6.64 (3) of the *Local Government Act 1995*.

ii) Sale of Land

Where Rates and Service Charges owed to the Town in respect of any rateable land have been unpaid for at least three (3) years, the Town may take possession of the land under the provisions of Section 6.64 of the *Local Government Act 1995*.

The approval of Council is required to be obtained before this course of action is undertaken.

Financial Hardship

Financial Hardship may apply to individuals who are experiencing circumstances that have caused disruption and stress to the typical financial operations of their household.

The Town recognises its responsibility in responding to the needs of residents experiencing severe financial hardship by ensuring that they are treated with respect, dignity, fairness, equity and confidentiality.

This Policy enables a person (liable for rates and other charges) experiencing financial hardship to make application to Council for assistance relating to any unpaid rates or charges levied on a property under the *Local Government Act 1995*. The Town may provide relief to those experiencing financial hardship by offering a repayment arrangement and will determine the financial contribution an applicant may contribute to the reduction of the debt.





The level of relief applicants may receive will be based on the evidence of genuine hardship as a result of trauma/tragedy, level of income, reliance on social security, illness/disability, business failure or other factors considered relevant by the Chief Executive Officer.

If the Chief Executive Officer is satisfied that the contribution will exacerbate the level of hardship, then consideration may be given to writing off all or part of the late payment interest. In the case of severe financial hardship, as determined by the Chief Executive Officer, the Town will not impose additional charges and interest.

As a general principle, Hardship assistance should only be granted to individuals experiencing hardship, with regard to the rates on their primary residence. Applications for hardship assistance for residential investment, commercial or industrial properties may be considered under exceptional circumstances.

Applications for Financial Hardship Assistance must be made on the Financial Hardship Rate Relief Application form and submitted to the Town.

Authority is delegated to the Chief Executive Officer to determine alternative payment options based on individual circumstances.

RELATED POLICIES AND LEGISLATION

- *Local Government Act 1995*
- Part 6, Division 4, Clause 6.13 – Interest on money owing to local governments
- Part 6, Division 6, Subdivision 4, Clause 6.45 – Options for payment of rates and service charges
- Part 6, Division 6, Subdivision 4, Clause 6.51 - Accrual of interest on overdue rates or service charges
- Part 6, Division 6, Subdivision 5, Clause 6.56 - Rates or service charges recoverable in court
- Part 6, Division 6, Subdivision 5, Clause 6.60 - Local government may require lessee to pay rent
- Part 6, Division 6, Subdivision 6, Clause 6.64 - Actions to be taken
- Rates and Charges (Rebates and Deferments) Act 1992
- Debt Collectors Licencing Act 1964

Council Adoption Date and Resolution No.	26 April 2006 OCM
Date of adoption of amendment and Resolution Number Do not delete previous dates	26 November 2014 OCM 201415/120 24 January 2018 OCM



Town of
Port Hedland



2/005 DEBT MANAGEMENT



	CM201718/124
Relevant Legislation	Local Government Act 1995
Delegated Authority	Chief Executive Officer
Directorate	Corporate Services
Review Frequency	As Required



11.1.2 Statement of Financial Activity for the Period Ended 28 February 2018 (File No. 12/14/0003)

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.

CM201718/185 OFFICER RECOMMENDATION/ COUNCIL DECISION**MOVED: CR MCDONOGH****SECONDED: CR WHITWELL****That Council, pursuant to section 6.4 of the Local Government Act 1995:**

- 1. Receive the Monthly Financial Health Check for the period ended 28 February 2018;**
- 2. Receive the Statement of Financial Activity for the period ended 28 February 2018;**
- 3. Receive the Material Variance Report;**
- 4. Note the Accounts paid under delegated authority for period ended 28 February 2018; and**
- 5. Receive the Credit Card Statements for period ended 28 February 2018.**

CARRIED 7/0**PURPOSE**

This report presents the Statement of Financial Activity for the period ended 28 February 2018.

Supplementary information has been presented to the Council to provide further information regarding the Town's activities.

DETAIL

The information provided in this report is for the period ended 28 February 2018, with financial results included in *Attachment 2. Statement of Financial Activity Notes 1-12* prepared by Moore Stephens on behalf of the Town of Port Hedland.

The Town of Port Hedland financial activity reports use a materiality threshold to measure, monitor and report on financial performance and position of the Town.

As part of the (adopted) 2017/18 budget, Council adopted the following thresholds as levels of material variances for financial reporting.

1. With regards to expenditure classified as operating, a variance of 10% or \$10,000, whichever is the greater, of the year to date current budget, with Program as the level that requires explanation;
2. With regards to expenditure classified as capital, a variance of 10% or \$10,000, whichever is the greater, of the 12 month current budget, with individual project as the level that requires explanation;
3. With regards to income, a variance of 10% or \$100,000, whichever is the greater, of the year to date current budget, with Nature and Type as the level that requires explanation;
4. With regards to all other items not specifically identified above, a variance of 10% or \$100,000, whichever is the greater, of the 12 month current budget, with Nature and Type as the level that requires explanation.

Commentary is provided on variances as details above as per *Attachment 3 NOTE 13. Explanation of Material Variances.*

The net current asset position as at 28 February 2018 is \$17.8M. The net Municipal cash balance (after matured investments and restricted reserves taken into account) as at 28 February 2018 is \$6.7M.

	2017/18 Actuals
Current Assets: Cash and Investments	239.7M
Restricted Cash – Reserves	233.0M
Unrestricted Cash Position as at 28 February 2018	6.7M

Previous Decisions

The Statements of Financial Activity are presented to Council each month for noting.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of low significance, because this report is presented for information purposes only.

CONSULTATION

Internal

All consultation and engagement is conducted internally.

External Agencies

Consulted with Moore Stephens for the preparation of the financial statements.

Community

N/A

LEGISLATION AND POLICY CONSIDERATIONS

Section 6.4 of the Local Government Act 1995 and Regulation 34 of the Local Government (Financial Management) Regulations 1996 detail the form and manner in which a local government is to prepare its statement of financial activity.

FINANCIAL AND RESOURCES IMPLICATIONS

The statement of financial activity is to be supported by such information as is considered relevant by the local government 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. supporting information as is considered relevant by the local government.

Reserves:

Ensure compliance with section 6.11 of the LG Act when reserve accounts are utilised.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

The following section/s of the Council's *Strategic Community Plan 2014-2024* are applicable in the consideration of this item:

<i>4.1 Strategic and best practice local government administration</i>	Deliver high quality corporate governance accountability and compliance. Maintain a strong and sustainable financial position
--	--

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

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 in 2017/18 budget to the risk that a reduction in income or increase in expense throughout the 2017/18 financial year is likely to have an impact on the Town's ability to meet service levels or asset renewal funding requirements. The risk action plan is to manage by building reserve balance to required level to mitigate financial loss.

OPTIONS

Option 1 - Adopt Officers Recommendation

Note the Statement of Financial Activity and reports for the period ended 28 February 2018 in accordance with *regulation 34(1) of the Local Government (Financial Management) Regulations 1996*.

Option 2 - Amend Officers Recommendation

That Council receive the Statement of Financial Activity for the period ended 28 February 2018 and request further information or clarification.

Option 3 – Do not adopt Officers Recommendation

That Council do not note or receive the Statement of Financial Activity for the period ended 28 February 2018.

CONCLUSION

The opening funding surplus of \$4.1M presented in YTD Actual on the Statement of Financial Activity is as per the Audited Annual Financial Report 2016/17. As at 28 February 2018, the net current asset position is \$17.8M compared to the current budgeted closing position for 30 June 2018 \$584.8K.

Variances in operating revenue and expenditure is addressed in detail in *Attachment 3 NOTE 13. Explanation of Material Variances*. The net current asset position will decrease as operating and capital budgets expended throughout the year.

ATTACHMENTS

1. Monthly Financial Health Check
2. Statement of Financial Activity Notes 1-12 (Under separate cover)
3. Note 13 Material Variance Report (Under separate cover)
4. Accounts paid under delegated authority listing (Under separate cover)
5. Credit Card Statements for period ended 28 February 2018

MONTHLY FINANCIAL HEALTH CHECK



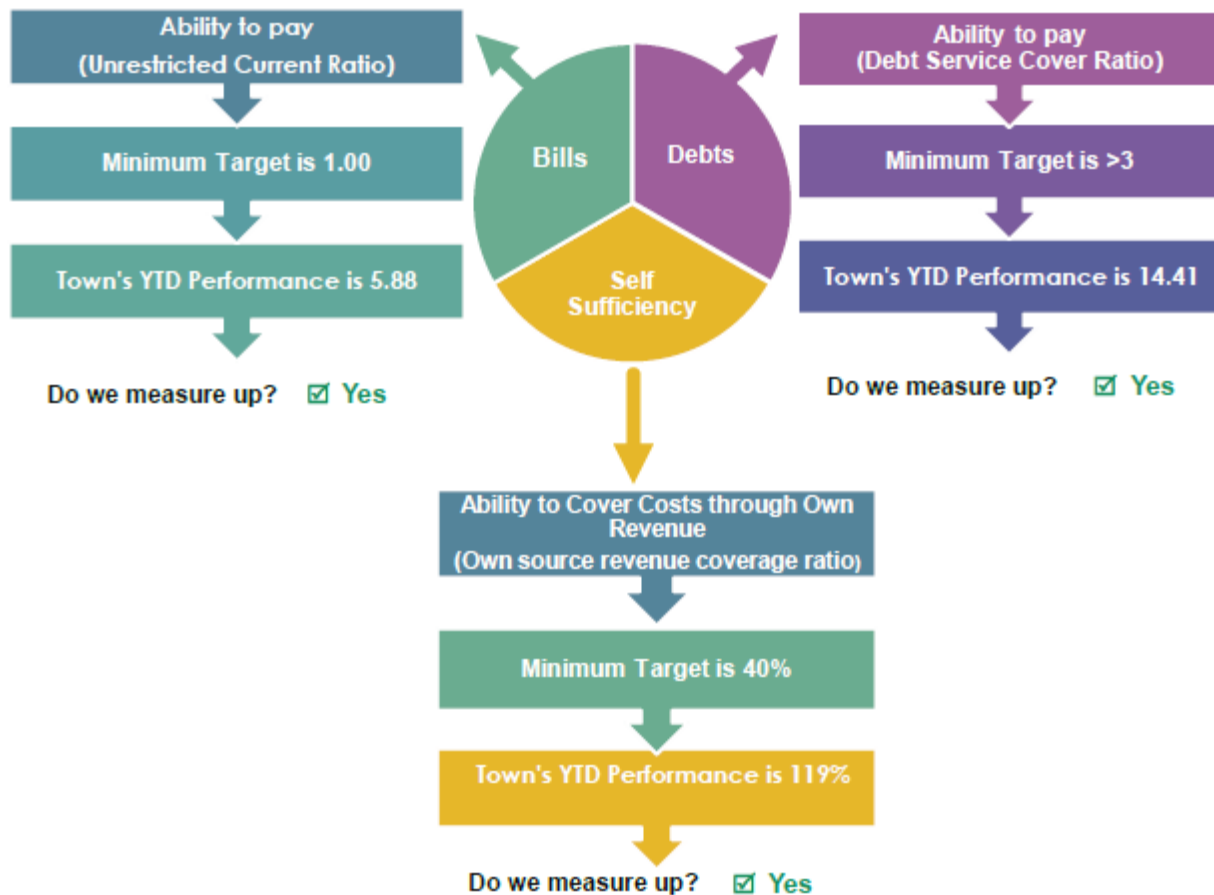
As at 28 February 2018

Highlighting how the Town of Port Hedland is tracking
against financial ratios



Financial Snapshot (Year to Date)	Actual (000's)
Operating Revenue	\$39,346
Operating Expenditure (Including Non-Cash Items)	(\$29,811)
Non-Cash Items	\$6,367
Capital Revenue	\$2,433
Capital Expenditure	(\$10,153)
Loan Repayments	(\$913)
Transfers to/from Reserves	\$6,411
Updated Surplus Brought Forward 1 July 2017	\$4,125
Current Municipal Surplus Position at 31 January 2018	\$17,805
Current Budget Municipal Surplus Position at 30 June 2018	\$585

Financial health indicators



Cash in the bank



▶ How are we tracking against our budgeted targets?

Adjusted Operating Surplus

A measure of the Town's ability to cover its operational costs including depreciation and have funds left over to cover capital expenditure (including principal loan repayments) without relying on debt or reserves.

Note: Adjusted for one off expenditure related to major works at PHIA classified as operating due to lease of the facility

Minimum Target is 1%

Town's YTD Performance is 27%

Do we meet the target? ☒ Yes

Adjusted operating surplus and self-sufficient ratios are high due to rates being fully invoiced at beginning of the financial year. However as the year progresses, operating expenditure will continue to draw on this revenue source reducing to target by 30 June 2018.

It should be noted that the increase in depreciation (following revaluation of assets at fair value over the last three years) has significantly increased the annual depreciation charge and puts pressure on the operating surplus result.

Asset Sustainability Ratio

Measures if the Town is replacing or renewing existing non-financial assets at the same rate that its overall asset stock is wearing out.

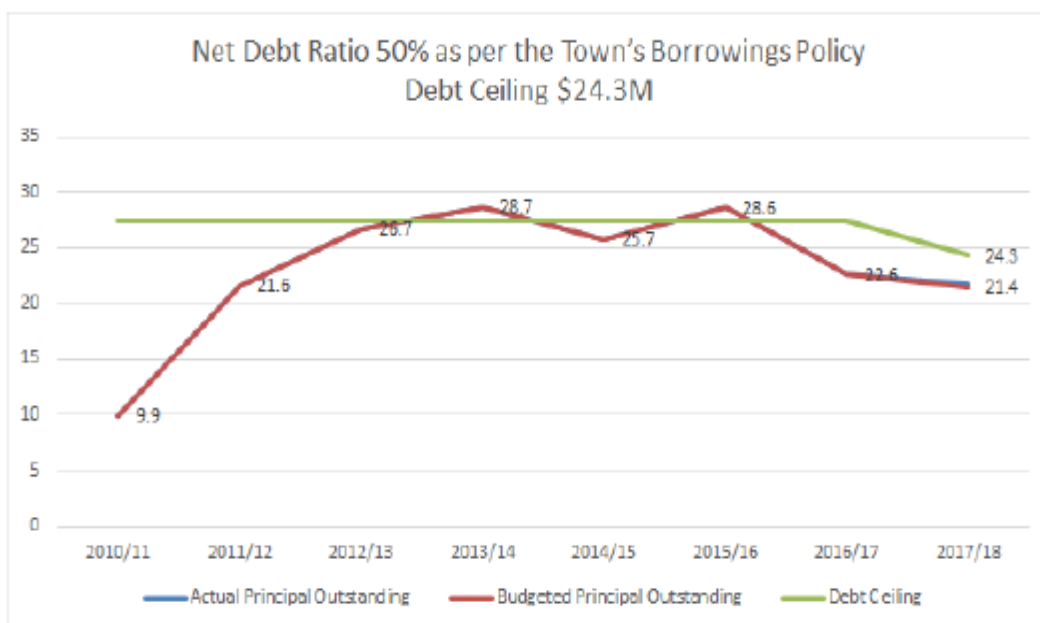
Minimum Target is 90%

Town's YTD Performance is 55%

Do we meet the target? ☐ No

- A reduced Capital Works Program (including renewals) and an increase in the budgeted depreciation as a result of revaluations has had a two-fold effect on the asset sustainability ratio resulting in the ratio coming in below the target.
- With a history of high levels of capital expenditure in the past 4 years, the Town need to ensure expenditure on capital renewal is maintained at the same rate as depreciation moving forwards.

Debt levels



Original Budget Principal Outstanding Forecast at 30 June 2018 = \$21.4M

Original Budget Operating Revenue = \$48.6M

Budgeted Net Debt Ratio = 47%

Actual Net Debt Ratio = 54%

Total Actual Principal Amount Outstanding 28 February 2018 = \$21.7M

Debt Ceiling 50% pursuant to Policy (\$54.8M x 50%) = \$24.3M

Intergenerational Loans

Loan Purpose	Principal Amount Outstanding	Remaining Term
1. Marquee Park	\$4.50M	14/15 years
2. JD Hardie Upgrade	\$2.51M	14/16 years
3. Wanangkura Stadium	\$8.56M	15/16 years
4. GP Housing	\$1.30M	16 years

Any feedback on this document is greatly appreciated and can be emailed to council@porthedland.wa.gov.au

ATTACHMENT 5 TO ITEM 11.1.2**TOWN OF PORT HEDLAND****Summary of Credit Card Statements for the Month of February 2018****Attachment 5**

Account Name	Account Number	Debit Balance (\$)
Town of Port Hedland	xxxx-xxxx-xxxx-4300	9,691.22
Town of Port Hedland	xxxx-xxxx-xxxx-8364	567.03
Town of Port Hedland	xxxx-xxxx-xxxx-3111	238.99
Town of Port Hedland	xxxx-xxxx-xxxx-6321	7,557.78
Town of Port Hedland	xxxx-xxxx-xxxx-2287	1,498.26
Town of Port Hedland	xxxx-xxxx-xxxx-1669	4,337.16
Town of Port Hedland	xxxx-xxxx-xxxx-9507	2,703.89
TOTAL		26,594.33

At the Town of Port Hedland, the Council's Corporate and Performance Directorate and Finance Team have an overriding objective of providing quality corporate governance; accountability; transparency and compliance and welcome any questions or queries on the credit card statements from not just Elected Members, but the public in general.



NAB Connect

Transaction History Report

Account details

Account name
TOWN OF PORT HEDLAND
Account number
XXXX-XXXX-XXXX-1669
Currency
AUD

Account balance summary

Opening balance: 0.00 CR
Total credits: 0.00 CR
Total debits: 4,337.16 DR
Closing balance: 0.00 CR

Date from: 01 February 2018
Date to: 28 February 2018

Transaction details

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
02/02/2018	CREDIT CARD PURCHASE ALL STATES TRAILER S WYONG		1,917.05 DR		1,917.05 DR
09/02/2018	CREDIT CARD PURCHASE STH METROPOLITAN TAFE THORNIE		422.64 DR		422.64 DR
13/02/2018	CREDIT CARD PURCHASE N S KOMATSU WEDGEFIELD		1,017.78 DR		1,017.78 DR
15/02/2018	CREDIT CARD PURCHASE 016466 REPCO PORT HEDLAND		69.30 DR		69.30 DR
16/02/2018	CREDIT CARD PURCHASE AUSTRALIA POST - SOU SOUTH HEDLAND		47.15 DR		47.15 DR
23/02/2018	CREDIT CARD PURCHASE PURPLE DIAMOND AUTO SOUTH HEDLAND		250.00 DR		250.00 DR
26/02/2018	CREDIT CARD PURCHASE UES INTL PTY LTD MALAGA		462.00 DR		462.00 DR
27/02/2018	CREDIT CARD PURCHASE N S KOMATSU WEDGEFIELD		151.24 DR		151.24 DR

Transaction History Report (Continued)

Account details	Account balance summary
Account name TOWN OF PORT HEDLAND	Opening balance: 0.00 CR
Account number XXXX-XXXX-XXXX-2287	Total credits: 0.00 CR
Currency AUD	Total debits: 1,498.26 DR
	Closing balance: 0.00 CR
	Date from: 01 February 2018
	Date to: 28 February 2018

Transaction details

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
06/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		174.00 DR		174.00 DR
12/02/2018	CREDIT CARD PURCHASE COLES 0385 SOUTH HEDLAND		77.21 DR		
12/02/2018	CREDIT CARD PURCHASE MEGAOS COM AU 6155243888		223.30 DR		300.51 DR
21/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		694.52 DR		694.52 DR
22/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7951500286729SPRING HILL		4.23 DR		
22/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7952145405398SPRING HILL		325.00 DR		329.23 DR

Transaction History Report (Continued)

Account details	Account balance summary
Account name TOWN OF PORT HEDLAND	Opening balance: 0.00 CR
Account number XXXX-XXXX-XXXX-4300	Total credits: 0.00 CR
Currency AUD	Total debits: 9,691.22 DR
	Closing balance: 0.00 CR
	Date from: 01 February 2018
	Date to: 28 February 2018

Transaction details

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
05/02/2018	CREDIT CARD PURCHASE MEGAOS COM AU 6155243888		40.00 DR		40.00 DR
06/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		347.31 DR		
06/02/2018	CREDIT CARD PURCHASE PAYPAL *PETERRODERI 4029357733		1,426.70 DR		1,774.01 DR
09/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7951500092434SPRING HILL		8.58 DR		
09/02/2018	CREDIT CARD PURCHASE WWW.ISTOCK.COM 866- 478-6251		14.30 DR		
09/02/2018	CREDIT CARD PURCHASE WIX.COM*190558083 800- 6000949 NY		212.25 DR		
09/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		347.31 DR		
09/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7952145071316SPRING HILL		660.00 DR		
09/02/2018	CREDIT CARD PURCHASE WWW.CARTRANSPORTEXP RES MOLENDINAR		1,004.95 DR		2,247.39 DR
12/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7951500102998SPRING HILL		4.23 DR		
12/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7952145086964SPRING HILL		160.00 DR		
12/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7952145090519SPRING HILL		325.00 DR		489.23 DR
13/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		106.01 DR		
13/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7951500124509SPRING HILL		140.00 DR		
13/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		174.00 DR		
13/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		174.00 DR		
13/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		420.10 DR		

Printed on: 21-Mar-2018 07:37pm

Page 3 of 15

Transaction History Report (Continued)

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
13/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		767.41 DR		
13/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		767.41 DR		
13/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		767.41 DR		
13/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		767.41 DR		
13/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		767.41 DR		4,851.16 DR
14/02/2018	CREDIT CARD PURCHASE P H C C I PORT HEDLAND		60.00 DR		60.00 DR
21/02/2018	CREDIT CARD PURCHASE FORM CY CT N DN INC PORT HEDLAND		160.00 DR		160.00 DR
22/02/2018	CREDIT CARD PURCHASE RAIKAS CAFE PTY LTD PORT HEDLAND		11.80 DR		11.80 DR
23/02/2018	CREDIT CARD PURCHASE Four Points Sheraton Perth		25.28 DR		
23/02/2018	CREDIT CARD PURCHASE Four points sheraton Perth		32.35 DR		57.63 DR

Transaction History Report (Continued)

Account details	Account balance summary
Account name TOWN OF PORT HEDLAND	Opening balance: 0.00 CR
Account number XXXX-XXXX-XXXX-9507	Total credits: 0.00 CR
Currency AUD	Total debits: 2,703.89 DR
	Closing balance: 0.00 CR
	Date from: 01 February 2018
	Date to: 28 February 2018

Transaction details

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
20/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		420.10 DR		
20/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		694.52 DR		1,114.62 DR
21/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7951500271156SPRING HILL		5.08 DR		
21/02/2018	CREDIT CARD PURCHASE WOTIF WOTIF.COM		149.00 DR		
21/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		159.01 DR		
21/02/2018	CREDIT CARD PURCHASE ESPLANADE HOTEL FREMANTLE		176.89 DR		
21/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7952145380068SPRING HILL		391.00 DR		880.98 DR
22/02/2018	CREDIT CARD PURCHASE Four Points Sheraton Perth		213.32 DR		213.32 DR
27/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7951500337490SPRING HILL		5.97 DR		
27/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7952145493582SPRING HILL		459.00 DR		464.97 DR
28/02/2018	FEE ANNUAL FEE		30.00 DR		30.00 DR

Transaction History Report (Continued)

Account details	Account balance summary
Account name TOWN OF PORT HEDLAND	Opening balance: 0.00 CR
Account number XXXX-XXXX-XXXX-3111	Total credits: 0.00 CR
Currency AUD	Total debits: 238.99 DR
	Closing balance: 0.00 CR
	Date from: 01 February 2018
	Date to: 28 February 2018

Transaction details

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
15/02/2018	CREDIT CARD PURCHASE SWAN TAXIS 13 13 30 VICTORIA PARK		36.75 DR		36.75 DR
19/02/2018	CREDIT CARD PURCHASE SWAN TAXIS 13 13 30 VICTORIA PARK		8.51 DR		8.51 DR
20/02/2018	CREDIT CARD PURCHASE GM CABS PTY LTD MASCOT		59.01 DR		59.01 DR
21/02/2018	CREDIT CARD PURCHASE BWC PERTH 133222 BELMONT		29.40 DR		29.40 DR
22/02/2018	CREDIT CARD PURCHASE WWW.INGOGO SYDNEY		24.04 DR		24.04 DR
27/02/2018	CREDIT CARD PURCHASE TAXI EPAY AUSTRALIA WEST MELBOURN		36.65 DR		
27/02/2018	CREDIT CARD PURCHASE TAXI EPAY AUSTRALIA WEST MELBOURN		44.63 DR		81.28 DR

Transaction History Report (Continued)

Account details	Account balance summary
Account name	Opening balance: 0.00 CR
TOWN OF PORT HEDLAND	Total credits: 0.00 CR
Account number	Total debits: 567.03 DR
XXXX-XXXX-XXXX-8364	Closing balance: 0.00 CR
Currency	
AUD	Date from: 01 February 2018
	Date to: 28 February 2018

Transaction details

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
01/02/2018	CREDIT CARD PURCHASE WANEWSDTI Osborne Park		288.00 DR		288.00 DR
02/02/2018	CREDIT CARD PURCHASE FACEBK *5HTUJE25Y2 fb.me/ads		214.40 DR		214.40 DR
09/02/2018	CREDIT CARD PURCHASE MAILCHIMP *MONTHLY MAILCHIMP.COMGA		64.63 DR		64.63 DR

Transaction History Report (Continued)

Account details	Account balance summary
Account name TOWN OF PORT HEDLAND	Opening balance: 0.00 CR
Account number XXXX-XXXX-XXXX-6321	Total credits: 7,775.00 CR
Currency AUD	Total debits: 7,557.78 DR
	Closing balance: 0.00 CR
	Date from: 01 February 2018
	Date to: 28 February 2018

Transaction details

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
01/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		347.31 DR		347.31 DR
02/02/2018	CREDIT CARD PURCHASE Dropbox WCYX7ZQZB195 db.tt/echelp		2.74 DR		
02/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7958229647146SPRING HILL		8.78 DR		
02/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7958229647386SPRING HILL		8.78 DR		
02/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7958229647640SPRING HILL		8.78 DR		
02/02/2018	CREDIT CARD PURCHASE CLINIPATH PATHOLOGY AN OSBORNE PARK		40.00 DR		
02/02/2018	CREDIT CARD PURCHASE ROYAL WESTERN AUSTRA NEDLANDS		165.00 DR		
02/02/2018	CREDIT CARD PURCHASE IBIS HOTEL 1773 PERTH		250.20 DR		
02/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7952144889686SPRING HILL		675.00 DR		
02/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7952144889586SPRING HILL		675.00 DR		
02/02/2018	CREDIT CARD PURCHASE VIRGIN AUST 7952144889602SPRING HILL		675.00 DR		
02/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		694.52 DR		
02/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		767.41 DR		3,971.21 DR
06/02/2018	CREDIT CARD PURCHASE DROPBOX*V7PCFHJTSZJ DUBLIN		119.00 DR		119.00 DR
07/02/2018	CREDIT CARD REFUND VIRGIN AUST 7952144889602BOWEN HILLS			595.00 CR	595.00 CR
12/02/2018	CREDIT CARD PURCHASE PAYPAL *HEALINGINTO 4029357733		1,435.26 DR		1,435.26 DR

Printed on: 21-Mar-2018 07:37pm

Page 14 of 15

Transaction History Report (Continued)

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
13/02/2018	CREDIT CARD PURCHASE WOTIF WOTIF.COM		720.00 DR		720.00 DR
15/02/2018	CREDIT CARD PURCHASE WOTIF WOTIF.COM		180.00 DR		180.00 DR
20/02/2018	CREDIT CARD REFUND WOTIF WOTIF.COM			180.00 CR	180.00 CR
22/02/2018	CREDIT CARD PURCHASE DOME PORT HEDLAND PORT HEDLAND		50.65 DR		
22/02/2018	CREDIT CARD PURCHASE QANTAS AIRW MASCOT		99.00 DR		149.65 DR
23/02/2018	CREDIT CARD PAYMENT INTERNET PAYMENT Transfer to CEO CC			7,000.00 CR	
23/02/2018	CREDIT CARD PURCHASE Four point Sheraton PerthPerth		61.00 DR		6,939.00 CR
26/02/2018	CREDIT CARD PURCHASE Four Points Sheraton Perth		32.35 DR		
26/02/2018	CREDIT CARD PURCHASE PORT HEDLAND AIRPORT PORT HEDLAND		85.00 DR		
26/02/2018	CREDIT CARD PURCHASE LAPA BRAZILIAN BBQ FREMANTLE		457.00 DR		574.35 DR

End of report

11.1.3 Intra-Regional Air Services (*File No. 20/01/0186*)

Author	Finance Officer
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.

CM201718/186 OFFICER'S RECOMMENDATION/ COUNCIL DECISION**MOVED: CR WHITWELL****SECONDED: CR DACCACHE**

That Council reject the Pilbara Regional Council's North West Flight Network proposal.

CARRIED 7/0**PURPOSE**

The Town of Port Hedland endorsed the Intra-Regional Air Service Memorandum of Understanding (MOU) at the Ordinary Council Meeting 27 September 2017. The Intra-Regional Air Service has become known as the North West Flight Network. The CEO was authorised to work with the Pilbara Regional Council (PRC) to develop a regional regular public transport (RPT) airline proposal for consideration by the Council. The resulting document, the North West Flight Network Business Case was released by the PRC on 15 February 2018.

After reviewing the North West Flight Network Business Case (NWFN), the Council are being asked to decide whether the Town of Port Hedland should provide a financial subsidy to a private company, Aviair Pty Ltd of up to \$ 961,000 over two and a half years. This amount constitutes Port Hedland's contribution to a subsidy to be paid by participating local governments of up to \$ 3.51 million over two and a half years. The City of Karratha is the only PRC member council to have endorsed the NWFN proposal. The Shire of Ashburton rejected the proposal. The Shires of Broome and East Pilbara are yet to make council decisions.

DETAIL*Background*

AVIAIR has been in operation since 1984 offering private charter and scenic flights. Helispirit, its sister company, has been operating 22 helicopters across the Kimberley/Pilbara and NT for more than 30 years. In 2016 AVIAIR commenced providing RPT Services from Kununurra to Halls Creek with the Kalumburu service commencing in July 2017. AVIAIR purchased Karratha Flying Services in late 2016 extending its reach in to the Pilbara and has more recently purchased Broome Air Services.

In early June 2017, the Pilbara Regional Council (PRC) held a workshop together with AVIAIR and member local governments to explore the potential of an intra-regional air service. This service would not only link the Pilbara towns to each other (avoiding the need to fly through Perth), but would also connect the Pilbara to Exmouth and Broome, and be integrated into the proposed new flights from Singapore to Karratha and from Denpasar to Port Hedland.

At the PRC June Council meeting, the PRC resolved to endorse the PRC CEO to engage with the member local governments for the purpose of drafting an MOU that established the principles and operating mechanism for a Pilbara intra-regional air service.

Since the June 2017 Council meeting the PRC has worked with AVIAIR and member CEOs on several versions of the MOU, which was signed by all parties except the Shire of Ashburton.

Since the signing of the MOU the PRC has prepared a business case to analyse the demand for such a network, and the potential economic benefits. At its December 2017 OCM, the PRC delivered its preliminary findings, whilst conducting a broader investigation of the potential demand for such a service.

At the February 2018 OCM, the PRC delivered the final NWFN Business Case, and the PRC Council resolved to form a working group together with CEOs, nominated representatives, and AVIAIR, to discuss the financials and commerciality of the arrangement in greater detail.

A meeting of representatives from the City of Karratha, Town of Port Hedland and Shire of East Pilbara met with the PRC CEO and AVIAIR representatives on the 9 March 2018, where detailed financials and commerciality of the proposed services and routes were discussed. The outcome of the meeting was that each local government would present the NWFN proposal at their next Council meeting for a final decision.

AVIAIR Proposal

AVIAIR proposes to run intra-regional RPT flights, starting with small aircraft before growing flight frequency and aircraft size as demand for the service improves. AVIAIR will market the flight services and manage ticket sales. Air fares will be set by AVIAIR.

A critical element of the proposal is the requested subsidy from each local government. The subsidy will ensure financial viability of AVIAIR's operations during the initial startup period of two and a half years. The Town of Port Hedland subsidy contribution will be \$ 734,000 – \$ 961,000 subject to Port Hedland International Airport (PHIA) participation. The subsidy contribution is a fixed fee. This means that in percentage terms the subsidy will be higher than 50% of total costs if ticket sales are low. If ticket sales are high then the subsidy percentage will be below 50% of total costs. Any local government participants leaving the network will raise the subsidy contribution if routes are left unchanged.

The summary of the subsidy proposal presented by AVIAIR is as follows:

	100%	100%	50%	2.5 Years	2.5 Years	
	Y1 Subsidy	Y2 Subsidy	Y3 Subsidy	Operations Subsidy Total	Airport Subsidy	Total Subsidy
City of Karratha	416,080	416,080	208,040	1,040,200	174,350	1,214,550
Town of Port Hedland	293,596	293,596	146,798	733,990	226,881	960,871
Shire of East Pilbara	220,682	220,682	110,341	551,705	74,698	626,403
Shire of Broome	241,135	241,135	120,568	602,838	105,468	708,305
Total Subsidy:	1,171,493	1,171,493	585,747	2,928,733	581,397	3,510,130

The PRC has produced the NWFN Business Case, examining the economic benefits of the proposed network and the potential demand for the services offered. The PRC's analysis focused primarily on government and major industry users of the service. Their key claims were:

- A strong argument based on, return on investment to the economy due to time saved not driving long distances;
- The network would provide a game-changing benefit to the region;
- It is difficult to confirm that sufficient demand exists to ensure that the entire network would remain viable post-the subsidy period, but specific routes may be viable;
- If the North West Flight Network is to viable, it will also require the patronage of small business and community members; and
- Anecdotal evidence from the Broome Chamber of Commerce indicates that local business use may be significant enough to make the service economically viable.

The major benefits in considering support to the introduction of the North West Flight Network include:

- Improves the ability of local businesses to service regional customers;
- Provides more accessibility to the region's tourism attractions;
- Saves considerable time and hence provides productivity benefits; and
- It is a safer way to travel through the region.

Council is not obligated to provide support to the service and it should be noted that there are several risks in considering support. These include:

- There is no guarantee that the service will perform to expected standards.
- The proposed subsidy is non-refundable and commits the Town for two and a half years.
- Several local governments may elect not to participate which raises concerns around the proposed routes and raises the subsidy that is required to ensure profitability of the service.
- If the service is successful the Town of Port Hedland will not be reimbursed, repaid or compensated in any way.

Other critical points to consider are:

- No other operator was given the opportunity to provide a similar service;
- AVIAIR has sole responsibility to decide if it will provide the NWFN service;
- Local Governments have been asked to waive landing fees and other airport charges.

The City of Karratha is the only local government to have made a commitment to the service at this stage. The support of each local government is likely to influence the initial routes introduced and the subsidies paid to Aviair.

Officer's Recommendation

The officer's recommendation is based on a number of issues relating to procurement and business case assessment.

Procurement

1. The Pilbara Regional Council (PRC) procurement process is potentially open to a legal challenge from any company who believes they too should have been given the opportunity to express an interest in providing a regular public transport aviation service in the Pilbara. Aviation industry interest would have been heightened by the knowledge that the winning contractor stood to receive subsidies from participating local governments up to \$3.51 million over two and a half years. These subsidies will be used to offset Aviair's establishment costs in Karratha, airport fees and operational costs in the NWFN proposal.
2. The PRC procurement process did not involve an Expression of Interest. A subjective assessment was made to use an exemption clause under Local Government (Functions and General) Regulations 1996 Part 4 Division 2 r. 11 (f).

There are many potential suppliers of air services in WA and the Pilbara. The only way to objectively test or independently verify if there were other potential suppliers interested in providing this service is if the PRC procurement process included an expression of interest or a request for tender.

No objective test or independent verification of potential suppliers has been made. This leaves the Town of Port Hedland open to a legal challenge by suppliers of air services who would have liked the opportunity to receive a \$ 3.51 million subsidy over two and a half years for the provision of regional regular public transport services in the Pilbara.

See the confidential attachment, McLeods (Barristers and Solicitors) legal advice letter dated 22 August 2013, points 1.6, 4.2 and 4.3 for legal arguments confirming the need to objectively ascertain the likelihood of other service providers or suppliers.

Business Case Assessment

The PRC's North West Flight Network (NWFN) Business Case states that the base load demand is low. The PRC's low customer demand argument contradicts data provided in an email by Aviair that shows actual passenger numbers from July 2014 to May 2016 for BME-PHE-KTA route averaged 394 passengers per month. Passenger numbers this high would indicate that a subsidy may not be in the best interests of Town of Port Hedland rate payers. See confidential attachment, Aviair email dated 6 April 2018.

The PRC NWFN Business Case survey of State Government agencies, mining companies, local Chambers of Commerce and Local Governments found that 25 of 31 respondents had either a No or Low level of demand for the service.

Recent community consultation for the Town of Port Hedland Strategic Community Plan (SCP) did not reveal any interest in a regional airline service in the Pilbara. The SCP did reveal a desire for lower passenger airfares to and from Perth. This coupled with current budget constraints at the Town of Port Hedland would indicate that the \$734,000 subsidy does not align with community expectations. It should be noted that if the Port Hedland International Airport does not agree to waive airport fees, then the Town's subsidy would rise to \$ 961,000.

Statutory Implications

The MOU between Aviair and member local governments indicates that the subsidy administration be managed by the PRC. Should the Town of Port Hedland support this proposal, the final contractual details of the subsidy agreement are yet to be determined.

Under Regulation 26(1)(c) of the Local Government (Financial Management) Regulations 1996, the Town is required to stipulate within the Annual Budget under what circumstances Council may waive certain fees. The Annual Budget states fee waivers for Economic Development purposes may be considered on an individual basis to encourage economic diversity and growth within the Town/Region and this resolution would fall within this scope.

Town of Port Hedland Purchasing Policy 2/007, section 4.3 Exemptions for Publicly Inviting Tenders, stipulates that a genuine reason must exist for the 'sole supplier' exemption to be used. The NWFN proposal does not objectively make the case for 'sole supplier' exemption status.

Town of Port Hedland Purchasing Policy 2/007, 1. Objectives, includes the need for the Town to mitigate probity risk by promoting openness, transparency, fairness and equity to all potential suppliers. The NWFN proposal does not clearly demonstrate this objective with its adoption of the 'sole supplier' exemption.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of medium significance because the decision to support the NWFN proposal will be difficult to reverse. The NWFN proposal essentially locks the Town into a two and a half year commitment to provide the financial subsidy.

CONSULTATION

Internal

Aviair presented a confidential briefing to council on Wednesday 4 April 2018. Elected members discussed the merits and risks attached to the Aviair NWFN proposal. The outcome from the session was to request further information from Aviair about potential passenger numbers between Broome – Port Hedland – Karratha and flight duration times between various destinations. It was agreed that the Aviair NWFN agenda item will be presented to council at the 23 April 2018 ordinary council meeting.

External Agencies

A meeting of representatives from the City of Karratha, Town of Port Hedland and Shire of East Pilbara met with the PRC CEO and AVIAIR representatives on the 9 March 2018 where detailed financials and commerciality of the proposed services and routes were discussed. The outcome of the meeting was that each local government would present the NWFN proposal at their next council meeting for a final decision to either support or reject the proposal.

Community

No community consultation activities specifically related to the NWFN proposal have been undertaken by the Town of Port Hedland. Considerable activities of this nature have been undertaken by the Pilbara Regional Council in preparation of the North West Flight Network Business Case. The PRC engagements were restricted to State Government agencies, large mining and resource companies, local Chambers of Commerce and Local Governments.

Recent community consultation for the Town of Port Hedland Strategic Community Plan did not reveal any interest in a regional airline service in the Pilbara. The SCP did reveal a desire for lower passenger airfares to and from Perth.

LEGISLATION AND POLICY CONSIDERATIONS

The procurement process used in the North West Flight Network proposal is applicable to Section 3.57 of the Local Government Act 1995 and regulation 11 (f) of the Local Government (Functions and General) Regulations 1996.

FINANCIAL AND RESOURCES IMPLICATIONS

The North West Flight Network proposal requires a financial subsidy to be paid to Aviair Pty Ltd for a period of two and a half years. The Town of Port Hedland subsidy contribution will be \$ 734,000 – \$ 961,000 subject to Port Hedland International Airport (PHIA) participation.

The Town of Port Hedland has no input into the operation of routes or fares. The Town will not be reimbursed any funds. The subsidy includes no entitlements or benefits to the Town. All funds directed toward the NWFN subsidy will be funds not available for other community programs.

As the NWFN proposal was an unsolicited bid, the Town has not budgeted for this type or level of expenditure. The subsidy for either \$960K or \$734K will have a significant impact on the Town's annual financial budget, the Corporate Business Plan and the Long Term Financial Plan.

The final contractual details of the subsidy agreement are yet to be negotiated.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

This following sections of the Council's *Strategic Community Plan 2014-2024* are applicable in the consideration of this item:

1.1 A unified community across our townships

- Ensure all members of the community can access our services and facilities
- Provide safe and accessible community facilities, services, events and open spaces that connect people and neighbours

- Facilitate the provision of high-quality health services and facilities equal to those found in metropolitan areas

2.1 A thriving, resilient and diverse economy

- Facilitate commercial, industry and town growth
- Work closely with businesses, government and industry groups to drive local employment and investment, encourage entrepreneurship and achieve sustainable economic growth

2.2 A nationally significant gateway city and destination

- Advance Port Hedland's sea, air and road transport infrastructure as main logistics hub for the Pilbara, including developing Port Hedland International Airport as the gateway to the North West
- Develop our tourism industry, facilitate increased accommodation offerings and position Port Hedland as a unique destination

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

RISK MANAGEMENT CONSIDERATIONS

As per the risk matrix contained in policy 1/022 'Risk Management', the level of risk is considered to be High (16).

There could be a high financial impact if legal action were to be brought against the Town of Port Hedland because of the 'sole supplier' procurement process undertaken by the Pilbara Regional Council. The Town of Port Hedland has legal advice indicating the risk to which it could be exposed.

OPTIONS

Option 1 - Adopt Officers Recommendation

Option 2 – Do not adopt Officers Recommendation

CONCLUSION

The Pilbara Regional Council's North West Flight proposal should be rejected for the following reasons:

1. The PRC (and therefore the Town's) procurement process is potentially open to legal challenge by any aviation operator.
2. The PRC procurement process did not involve an Expression of Interest for interested aviation operators.
3. The NWFN Business Case states that most routes will not be viable.
4. The NWFN Business Case found that 25 of 31 respondents had either No or Low level of demand for the service.
5. The Towns recent Strategic Community Plan did not reveal any interest in a regional air service.

The NWFN Business Case has not been able to show a clear and tangible benefit to Town of Port Hedland rate payers and the wider community.

ATTACHMENTS

1. McLeods Barristers and Solicitors. Legal advice on compliance with Local Government Act. Points 1.6, 4.2, 4.3. 22/8/13. (Confidential – under separate cover)
2. Email from Aviair of actual passenger flight numbers between BME-PHE-KTA, 6/4/18. (Confidential – under separate cover)
3. North West Flight Network – Business Case v20180215 (Confidential – under separate cover)
4. Proposed Flight costs (Confidential – Under separate)
5. Newspaper Article – North West Telegraph 11 April 2018

ATTACHMENT 5 TO ITEM 11.1.3



Polar Aviation senior pilot Stephen Lavin with a 14-seat Cessna 208 Caravan.

Regional flight-link proposal 'opportunity to grow tourism'

■ Robert Dougherty

Pilbara residents have been given the opportunity for faster regional travel, with a local charter airline proposing weekly "milk run" flights.

More than 300 responses to an online survey have been received after Port Hedland-based Polar Aviation suggested a regular service could be possible between Hedland, Karratha, Newman and Broome.

Polar Aviation senior pilot Stephen Lavin said a service could connect Pilbara residents to holidays in Broome, work in Newman and direct Bali flights out of Port Hedland.

"This would be potential regular, two flights a week, but whether we get enough people interested would show

whether we can do it... a lot of people living in Hedland and Newman want to go to Broome. There are suggestions from BHP employees who want to fly to Broome on their weeks off."

Mr Lavin said the company would use existing bases in Newman and Hedland, with two of its 14-seat air-conditioned Cessna 208 Caravan aircrafts, to avoid travelling to Perth.

Australia's North West Tourism chief executive Glen Chidlow said any additional access to the region would provide tourism opportunities.

"Whilst the focus of the flights may initially be more on corporate traffic, making the Pilbara more accessible by providing better internal linkages will provide an opportunity to grow tourism," he said.

11.2 Development, Sustainability and Lifestyle**11.2.1 WALGA Draft 2018 Climate Change Policy Statement (File No. 13/04/0008)**

Author Manager Environmental Health & Community Safety
Authorising Officer Director Development Sustainability & Lifestyle
Disclosure of Interest The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

CM201718/187 OFFICER'S RECOMMENDATION/ COUNCIL DECISION**MOVED: CR WHITWELL****SECONDED: CR DACCACHE****That Council,**

- 1. Endorses the WALGA Climate Change Policy Statement (Draft – March 2018);**
- 2. Direct the CEO to make a submission to WALGA advising that the Town of Port Hedland endorses the WALGA Climate Change Policy;**
- 3. Supports the call for Commonwealth and State Government action on climate change mitigation and adaptation.**

CARRIED 7/0**PURPOSE**

The Western Australian Local Government Association (WALGA) has developed a Draft Policy Statement to be submitted to State and Federal Government, detailing a call for action on climate change (this document is attachment 1).

The paper acknowledges that climate change is real, poses a real threat to both society and nature, and calls for immediate action from all tiers of government to plan for, mitigate against and adapt to the effects of climate change.

The paper calls on Federal and State Government to take a lead in developing a whole of country response to climate change and to develop achievable but ambitious targets to reduce the emissions of Green House Gasses (GHGs). To realize this, Government needs to accelerate a movement towards a low carbon, energy efficient and sustainable society.

This report requests Council to acknowledge and endorse the WALGA position on Climate Change and to request the Chief Executive Officer to notify WALGA of the Town's endorsed position.

DETAIL

Climate Change and Local Government

The effect of climate change will continue to have a significant impact on the way in which Local Government operates. As the main conduit to the community, Local Governments manage and plan for a range of issues directly related to climate change such as:

- The effects on community assets
- Disruption of Council services
- Unbudgeted financial impacts
- Adverse health effects on residents

Local Governments have been actively engaged in undertaking and delivering climate change mitigation and adaptation projects, together with education and awareness initiatives. This work demonstrates Local Governments' commitment to responsibilities under the Western Australian *Local Government Act 1995*, specifically section 1.3(3):

In carrying out its functions, a local government is to use its best endeavours to meet the needs of current and future generations, through an integration of environmental protection, social advancement and economic prosperity.

Local Governments across Western Australia and the country have further demonstrated a commitment to climate change mitigation and adaptation through supporting programs such as:

- Cities for Climate protection 1996-2006
- Local Government Energy Efficiency Program 2011-2014
- Community Energy Efficiency Program 2011-2016

Policy Statement on Climate Change

In 2009, WALGA developed their Policy Statement on Climate Change which was endorsed by State Council (attachment 2). This policy statement was used to advocate to State and Federal Government on matters related to climate change, inform several submissions on issues such as carbon farming, provide feedback to an inquiry into the effects of climate change on infrastructure, and in responding to the Australian Government's review of climate change policies.

Since 2009, significant advances in both understanding the impacts of climate change and actions taken to prepare for and mitigate the effects of climate change have occurred. Australia has also made international commitments under the Paris Agreement, where 175 countries have committed to responding to the global climate change threat by working towards keeping global temperature rise this century well below the 2°C above pre-industrial levels.

To ensure a current position on climate change encompasses the contemporary scientific understanding of climate change and details of Australia's international commitments, a new draft policy statement has been developed and issued in March 2018, for comment by WA Local Governments.

The 2018 Draft Climate Change Policy Statement takes firm position on climate change by demonstrating an acknowledgement of the following key points:

- The science is clear: climate change is occurring now and human activities are the dominant cause.
- Climate change threatens human societies and the Earth's ecosystems.
- Climate change requires urgent action to mitigate against catastrophic climate change and to adapt to the climate change that is now unavoidable.
- Mitigation and adaptation strategies must be efficient, effective and equitable.
- A failure to adequately address this climate change emergency places an unacceptable burden on future generations.

The Draft Policy Statement expands on the original Policy Statement from 2009, by highlighting the ongoing commitments of Local Government to act on climate change mitigation and adaptation, but emphasizes the urgent need for adequate Commonwealth and State policies, programs and funding to support climate change action.

Attached is both the Draft 2018 WALGA Climate Change Policy Statement and the 2009 WALGA Climate Change Policy Statement. It is the opinion of the responsible officer that the Town of Port Hedland formally endorse and openly support the 2018 Draft Policy Statement and that Council direct the CEO to write to WALGA advising of the Town's support.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of Low significance, as there will currently be no financial or operational impacts in supporting the officer's recommendation. Providing support simply ensures that the Town of Port Hedland adopts a positive stance on climate change and demonstrates a commitment, in line with other WA Local Governments, to advocate for effective climate change action. Future action on climate change will need to be considered during the budget process.

CONSULTATION

Both the 2009 and 2018 WALGA Climate Change Policy Statements have been reviewed by the Town's Manager of Environmental Health and Community Safety. At this stage, no consultation has taken place with external agencies or the community.

LEGISLATION AND POLICY CONSIDERATIONS

Under section 1.3(3) of the Western Australian *Local Government Act 1995*, a Local Government is required to act in the best interests of current and future generations. There are no policy considerations associated with this agenda item.

FINANCIAL AND RESOURCES IMPLICATIONS

Nil

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

The following sections of the Council's *Strategic Community Plan 2014-2024* are applicable in the consideration of this item:

- 3.2 Protect our natural environment
- 3.3 Safe, attractive and accessible environment
- 4.1 Strategic and best practice local government administration

Environmental

Planning for and responding to the effects of climate change is a matter for the community to consider. Climate change is altering the planet with visible effects on land, air and sea environments. Intervention to reduce the ongoing pollution of greenhouse gases and limiting/reducing global temperature rise is critical to ensure for the future of Australia and the world.

Economic

The economic effects of climate change are considerable when factoring the impacts on food production, habitat loss, air quality and decreasing water resources. While at this time the financial commitments to reducing climate change is viewed as high, these are dramatically lower when compared against the cost future generations will bear.

Social

The effect of climate change is a global issue, requiring global input to ensure future prosperity.

RISK MANAGEMENT CONSIDERATIONS

As per the risk matrix contained in policy 1/022 'Risk Management', the level of risk is considered to be Medium (9) due to the potential reputational damage by not supporting a conclusive position on climate change.

OPTIONS

Option 1 - Adopt Officers Recommendation

Option 2 – Do not adopt Officers Recommendation

CONCLUSION

The impacts of climate change experienced by both society and the environment are obvious. We are no longer in a position where we can choose to not take action and believe that everything will be fine. As a Local Government, here to serve the best interests of current residents and future generations, we must take a formal position to combat climate change, advocate for a whole of government response and ensure that we as a Local Government make positive change.

ATTACHMENTS

1. WALGA 2018 Draft Climate Change Policy Statement
2. WALGA 2009 Climate Change Policy Statement



Climate Change Policy Statement

Draft – March 2018

**Version tracking**

Version number	Date	Author	Comments / Modifications
1	February 2018	Laura Simes	Major revision of 2009 Climate Change Policy Statement.

ONE70
LV1, 170 Railway Parade
West Leederville WA 6007

(08) 9213 2000



1.0 Policy Statement

Local Government acknowledges:

- I. The science is clear: climate change is occurring now, and human activities are the dominant cause.
- II. Climate change threatens human societies and the Earth's ecosystems.
- III. Climate change requires urgent action to mitigate against catastrophic climate change and to adapt to the climate change that is now unavoidable.
- IV. Mitigation and adaptation strategies must be efficient, effective and equitable.
- V. A failure to adequately address this climate change emergency places an unacceptable burden on future generations.

Local Government is committed to acting on climate change, and are already active in climate change mitigation and adaptation, but an effective response to climate change requires strong action, leadership and coordination at all levels of government.

Local Government is calling for adequate Commonwealth and State policies, programs and funding to underpin climate change action, in particular, for climate change adaptation.

2.0 Rationale

2.1 The science is clear

Local Government supports the scientific consensus that climate change is happening now, and human activities are the dominant cause.

Local Government cites the *Fifth Assessment Report*, the latest report of the consensus-based Intergovernmental Panel on Climate Change (IPCC), which finds:

Warming of the climate system is unequivocal, and since the 1950s, many of the observed changes are unprecedented over decades to millennia. The atmosphere and ocean have warmed, the amounts of snow and ice have diminished, sea level has risen, and the concentrations of greenhouse gases have increased¹.

Most aspects of climate change will persist for many centuries even if emissions of CO₂ are stopped².

Surface temperatures will remain approximately constant at elevated levels for many centuries after a complete cessation of net anthropogenic CO₂ emissions. Due to the long time scales of heat transfer from the ocean surface to depth, ocean warming will continue for centuries. Depending on the scenario, about 15 to 40% of emitted CO₂ will remain in the atmosphere longer than 1,000 years. It is virtually certain that global

¹ IPCC (2013). Summary for Policymakers. In: Climate Change 2013: The Physical Science Basis. Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA at 4. Available at: <https://www.ipcc.ch/report/ar5/>.

² As above, at 27.



mean sea level rise will continue beyond 2100, with sea level rise due to thermal expansion to continue for many centuries³.

Local Government also cites a recent CSIRO study which determined “*there is less than 1 chance in 100,000 that global average temperature over the past 60 years would have been as high without human-caused greenhouse gas emissions*”, that is, a certainty of 99.999% that humans are driving climate change⁴.

2.2 Climate change is a global threat, and Australia has committed to being part of the solution

As a signatory to the Paris Agreement and the Sustainable Development Goals (SDGs), Australia has committed to taking action on climate change and to ensuring that mitigation and adaptation action is equitable and consistent with the aims of the SDGs.

Local Government is committed to meeting international obligations through Australia’s participation in protocols and agreements established under the UNFCCC, including but not limited to the Paris Agreement and successor international treaties.

Local Government notes the Paris Agreement expressly recognises the importance of engagement at all levels of government⁵, and **are committed** to contributing to national and international emissions reduction targets to achieve the Paris Agreement goal of limiting global temperature rise to well below 2° Celsius and to pursue efforts to limit the temperature increase even further to 1.5° Celsius.

However, **Local Government acknowledges** that current worldwide commitments under the Paris Agreement are insufficient to achieve even the 2° Celsius goal⁶. Australia is a developed country with amongst the highest per capita emissions in the world⁷. Recognising this, **Local Government demands the Federal Government commit to a more ambitious target.**

Local Government recognises that both the impacts of climate change and the policy responses required to contribute to the avoidance of dangerous climate change have significant equity implications. These equity considerations have domestic and international

³ As above, at 28.

⁴ P Kovic, M Howden & S Crimp (CSIRO) (2014). “99.999% certainty humans are driving global warming: new study”, *The Conversation*, 4 September 2014. Available at: <https://theconversation.com/99-999-certainty-humans-are-driving-global-warming-new-study-29911>.

⁵ United Nations / Framework Convention on Climate Change (2015) *Adoption of the Paris Agreement*, 21st Conference of the Parties, Paris: United Nations at 2. Available at: http://unfccc.int/files/home/application/pdf/paris_agreement.pdf.

⁶ Climate Action Tracker (Climate Analytics, Ecofys & NewClimate Institute) (2018). “Improvement in warming outlook as India and China move ahead, but Paris Agreement gap still looms large”. 13 November 2017. Available at: <http://climateactiontracker.org/publications/briefing/288/Improvement-in-warming-outlook-as-India-and-China-move-ahead-but-Paris-Agreement-gap-still-looms-large.html>.

⁷ Australia has the highest per capita emissions of the OECD countries, and is seventh in the world after Kuwait, Brunei, Qatar, Belize, Oman and Bahrain: CAIT Climate Data Explorer (World Resources Institute) (2018). *GHG Emissions Totals Excluding Land Use Change and Forestry Per Capita 2014*. Available at: <http://cait.wri.org/historical>.



dimensions, implications for both present and future generations, and for the survival of other species.

Local Government supports an equitable transition to a carbon constrained world:

- **globally**, the right of developing countries to increase their share of global wealth in ways that remain within the ecological capacities of the planet;
- **domestically**, the need to equitably share the cost of climate change adaptation and mitigation and ensure socioeconomically disadvantaged groups receive adequate support.

Local Government supports the United Nations Sustainable Development Goals, and support climate change action as part of a broader sustainable development agenda.

2.3 Local Government is already acting on climate change, but all levels of Government must act

Climate change is a key issue for Local Governments that impacts almost all aspects of their operations and responsibilities. Local Government has, for a number of years, been actively engaged in a range of climate change mitigation and adaptation activities, together with education and encouraging awareness and behaviour change amongst residents.

Local Government stresses that climate change is a matter of national significance, and is a direct responsibility of both the State and Federal Governments. The State and Federal Governments have an obligation to address climate change in cooperation with Local Governments, and in consultation with the Australian community as a whole.

There is currently little in the way of long-term State and Commonwealth plans or resources directed to climate change action. There is a particularly significant policy vacuum within the Western Australian Government, with negligible demonstrated or coordinated leadership or long-term planning.

Australia and the world is already seeing a broad scale shift away from fossil fuels towards energy efficient and renewable technologies that includes widespread uptake of rooftop



solar⁸, battery storage⁹, energy trading¹⁰, virtual power plants¹¹ and electric vehicles.¹² The market, business, insurers, many Local Governments, and (other) State Governments are moving in this direction. Local Governments are calling on the Western Australian and Federal Governments to catch up, to remove regulatory barriers, to support and accelerate the movement towards a low carbon, energy efficient and sustainable society.

Local Government calls on the State and Federal Governments to:

- **take a strong leadership and coordination role;**
- **engage in long-term planning on climate change;**
- **ensure all action is evidence-based, and guided by the scientific consensus on climate change;**
- **consider amending their investment strategies and /or policies to invest in financial institutions which do not fund fossil fuel, directly or indirectly, subject to minimum credit risk and portfolio exposure limits; and**
- **embed climate change mitigation and adaptation in the Government projects and policies** (including procurement, land management, development etc.).

Local Government seeks State and Federal Government cooperation in:

- removing existing barriers to climate mitigation actions by Local Governments;
- actively supporting Local Governments to take mitigation and adaptation actions where appropriate, without placing undue liability for the delivery of such actions on Local Governments;
- taking direct responsibility for the delivery of mitigation actions, adaptation and resilience planning in areas that lend themselves to centralised coordination at State or Federal level; and
- partnering with and resourcing Local Governments to deliver community emissions reduction programs that are most effectively implemented at the Local Government level.

⁸ See for example: A Bruce & I MacGill. "FactCheck Q&A: is Australia the world leader in household solar power?" The Conversation. 28 March 2016. Available at: <https://theconversation.com/factcheck-ganda-is-australia-the-world-leader-in-household-solar-power-56670>.

⁹ See for example: N Hamsen. "Elon Musk's giant lithium ion battery completed by Tesla in SA's Mid North". ABC News. 24 November 2017. Available at: <http://www.abc.net.au/news/2017-11-23/worlds-most-powerful-lithium-ion-battery-finished-in-sa/9183868>; Climate Council. *Renewables and Storage Powering Australia*. 2018. Available at: <https://www.climatecouncil.org.au/uploads/d4a4f17c09c83d03f13234051e3e77d8.pdf>.

¹⁰ See for example: K Diss, "Blockchain technology fuels peer-to-peer solar energy trading in Perth start-up". ABC News. 11 October 2017. Available at: <http://www.abc.net.au/news/2017-10-11/blockchain-technology-fuels-peer-to-peer-energy-trading-start-up/9035616>.

¹¹ See for example: C Chang. "South Australian government strikes deal with Tesla to install free batteries to 50,000 homes". *News.com.au*. 5 February 2018. Available at: <http://www.news.com.au/technology/innovation/south-australian-government-strikes-deal-with-tesla-to-install-free-batteries-to-50000-homes/news-story/fd04731350da176c374383f3fb25e947/>.

¹² A Gray. "Countries are announcing plans to phase out petrol and diesel cars. Is yours on the list?" *World Economic Forum*. 26 September 2017. Available at: <https://www.weforum.org/agenda/2017/09/countries-are-announcing-plans-to-phase-out-petrol-and-diesel-cars-is-yours-on-the-list/>.



State Government leadership is required in the following areas:

- **a 'joined up government' approach to climate change**, so that climate change action is coordinated and cohesive throughout State Government, with clear lines of responsibility, and accountability for required actions;
- **climate change adaptation and building resilience**, which requires an overarching strategic view, and a strategic approach to progressing and funding action (eg, actions arising from Local Government coastal hazard mapping and adaptation planning);
- **driving mass LED public lighting retrofits**, which is an area where regulatory hurdles and unaligned incentives continue to hinder action by Local Governments;
- undertaking a major revision and update to the **Western Australian Government's Climate Change Strategy**¹³;
- ensuring that **statutory planning policies** are consistent with climate change mitigation priorities (eg, maintaining urban forest to reduce heat island effect, best practice building energy efficiency etc); and
- in the absence of effective State-level climate change policy, the **Environmental Protection Authority must take a greater regulatory role** in assessing and recommending conditions to mitigate the greenhouse gas emissions associated with major projects within the Environment Impact Assessment process.¹⁴

Local Government has, in the past, been key delivery agents of Australian Government mitigation programs. **Local Government calls on the State and Federal Governments to implement climate change policy and programs that take advantage of the substantial emissions reductions that can be achieved by Local Governments and their communities.**

2.4 Local Government urges effective mitigation action

Local government recognises that we are in a state of climate emergency which requires urgent action.

Local Government is committed to reducing operational GHG emissions and supporting the reduction of GHG emissions in the community.

Local Government recognises that Australia has the capacity to contribute to global climate change mitigation, by reducing emissions now, in a way that creates positive opportunities for communities, industries and our economic sustainability.

Local Government acknowledges a successful response to the challenge of climate change requires cross-sectoral action by government, business and the community.

¹³ Western Australian Government (2012). *Adapting to our Changing Climate*. Available at: <https://www.der.wa.gov.au/images/documents/your-environment/climate-change/adapting-to-our-changing-climate-october-2012.pdf>.

¹⁴ See commentary on State climate change in the EPA's *Annual Report 2016-2017* at 38-40. Available here: http://www.epa.wa.gov.au/sites/default/files/Annual_reports/EPA%20Annual%20Report%202016-2017.pdf.



Local Government considers a wide range of policy measures - from regulatory intervention and market-based mechanisms (such as an emissions trading scheme) through to voluntary schemes, education and behaviour change programs - are required to successfully achieve appropriate and adequate emission reduction targets.

In the absence of an effective market-based mechanism at the Federal level, **Local Government calls on the Federal Government** to introduce an interim greenhouse trigger under the Environment Protection and Biodiversity Conservation legislation.¹⁵

Local Governments can be key delivery agents for mitigation projects, including, but not limited to:

- renewable energy projects (small scale and large scale);
- energy efficiency projects (eg, mass LED public lighting retrofits);
- waste management;
- enabling take-up of new renewable and sustainable technologies; and
- accelerating the take up of low or zero emissions vehicles (within Local Government fleets, but also more broadly, eg, through the installation of more electric vehicle charging stations).

2.5 Local Government urges effective adaptation and resilience planning

Local Government stresses that the effects of climate change are now unequivocally being felt, as they respond to current effects of climate change, and plan for a changed climate into the future.

Local Government is committed to contributing to the common goal of ensuring that Western Australia's human communities and natural ecosystems have the resources and other assistance necessary to enable them to build maximum resilience and adapt to climate change impacts that are now understood to be unavoidable.

Local Government asserts that it is the responsibility of all spheres of Australian Government to ensure that all current regulation and policies take into consideration the likely impact of climate change on current and future human settlements, natural resources and ecosystems and facilitate adaptation to these. These policies should include but not be limited to those pertaining to disaster relief, national security, infrastructure and land use planning, water, energy, housing, health, transport, environment and energy.

Local Government notes there are few policies, programs and limited funding for coastal adaptation in Western Australia, but this is not sufficient, and there is currently only *minimal* capacity and resourcing to adapt to other effects of climate change, such as changes in

¹⁵ As recommended in the A Hawke *Independent review of the EPBC Act 1999*, at 12. Available here: <http://www.environment.gov.au/system/files/resources/5f3fdad6-30ba-48f7-ab17-c99e8bcc8d78/files/fact-sheet-5-climate-change.pdf>.



temperature and rainfall, extreme weather events such as heatwaves, bushfires and floods, along with flow-on effects such as the health impacts of climate change¹⁶.

Local Governments simply do not have the financial capacity to shoulder the financial cost of protection measures required in response to rising sea levels and more frequent extreme weather events. This must be a shared responsibility. **Local Government demands** that adequate funding be provided by the State Government for hazard and risk mapping, together with the priority adaptation measures identified through this process. The State Government should follow the examples of other States, such as New South Wales and Queensland, who have devoted substantially more resources for this purpose (noting both States have significantly less coastline than Western Australia¹⁷).

Local Government is calling for effective adaptation and resilience planning, by all levels of government, including:

- ensuring the Western Australian planning system adequately incorporates consideration of climate change effects and adaptation issues;
- hazard identification and planning beyond coastal planning, into current and expected effects of changes change on extreme weather events, bushfires, biodiversity, health etc.;
- sustainable management of water resources;
- providing greater certainty for Local Governments in knowing what action is necessary to manage their own risk and liability flowing from adaptation planning decisions;
- a State-Wide Coastal Hazard Map, and coastal management legislation in Western Australia to define and establish principles, objects, actions, roles and responsibilities for integrated coastal zone management;
- a formalised coordinated approach, potentially in the form of a State/Local Government partnership agreement or an Intergovernmental Agreement taking in all levels of government, establishing consistent and coordinated principles, objectives and actions across Australia;
- adequate assistance, including funding, for Local Governments engaged in adaptation action.

Local Government is calling for emergency management and disaster relief policies that adequately incorporate climate change in their planning and implementation.

Western Australia Natural Disaster Relief and Recovery Arrangements (WANDRRA) financial measures need to provide funding to reinstate a damaged or destroyed asset to a more disaster resilient standard, where this is an appropriate and cost effective response based on likely recurrence of the disaster event.

¹⁶ For a summary of Western Australian adaptation policies, refer to 'Western Australian Local Government action on climate change' in Appendix - Background Information below.

¹⁷ As above.



Appendix

Background Information

Intergovernmental Panel on Climate Change (IPCC): is the international body for assessing the science related to climate change. IPCC assessments provide a scientific basis for governments at all levels to develop climate related policies, and they underlie negotiations at the UN Climate Conferences. IPCC reports undergo multiple rounds of drafting and review to ensure they are comprehensive and objective and produced in an open and transparent way. Thousands of other experts contribute to the reports by acting as reviewers, ensuring the reports reflect the full range of views in the scientific community.

Paris Agreement: The first-ever universal, legally binding global climate deal, adopted by 195 countries at the UNFCCC Conference of Parties in Paris, December 2015. It aims to respond to the global climate change threat by keeping a global temperature rise this century well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5°C. It aims for global greenhouse gases to peak as soon as possible, and seeks to foster resilience and climate adaptation. Full text of the Paris Agreement is available [here](#). As of November 2017, all 195 countries have signed on to the Paris Agreement. The United States of America has indicated an intention to withdraw (it is unable to withdraw until November 2020). Further information tracking country ratifications and targets is available [here](#).

Sustainable Development Goals (SDGs): In September 2015, 193 countries (including Australia) agreed to the United Nations 17 Sustainable Development Goals (SDGs) and 169 targets. The SDGs are a successor to the Millennium Development Goals, but unlike the Millennium Development Goals, relate to all developed and emerging countries, as well as developing countries. They aim to end poverty, hunger and inequality, take action on climate change and the environment, improve access to health and education, build strong institutions and partnerships, and more. Aims include climate action (Goal 13), affordable and clean energy (Goal 7), responsible consumption and production (Goal 12) and sustainable cities and communities (Goal 11). For further information on how the SDGs are relevant to Local Governments, see the Global Network of Cities, Local and Regional Government (UCLG) publication "The Sustainable Development Goals: What Local governments need to know", available [here](#).

United Nations Framework Convention on Climate Change (UNFCCC): an international environmental treaty adopted on 9 May 1992. The UNFCCC objective is to "stabilise greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system".

Western Australia Natural Disaster Relief and Recovery Arrangements (WANDRRA): provides a range of financial relief measures to assist communities to recover from an eligible natural disaster event, jointly funded by the Western Australian and Australian Governments, which reimburses Local Governments for the restoration and replacement of



essential public assets owned by a local government to the extent necessary to restore the asset to the equivalent of its pre-disaster standard.

Western Australian Local Government action on climate change: WA Local Governments have, for a number of years, been actively engaged in a range of climate change mitigation and adaptation activity, together with education and encouraging awareness and behaviour change amongst residents. Many Local Governments have made voluntary commitments or pledges in relation to climate change, including the following:

Pledge	Description	Number of Local Government Participants
Local Government Climate Change Declaration	Developed by WALGA. A voluntary opportunity for Local Governments to demonstrate their political commitment to locally appropriate climate change adaptation and mitigation action. ¹⁸	40 (representing 65% of the WA population)
Divesting from fossil fuels	Commitment to shift money out of banks that fund fossil fuels. ¹⁹	12 (representing 30% of the WA population)
Compact of Mayors	A coalition of city leaders around the world committed to addressing climate change. ²⁰	4
Cities Power Partnership	Launched July 2017 by the Climate Council, aims to celebrate and accelerate emission reductions and clean energy in Australian towns and cities. ²¹	10

In the past, Western Australian Local Governments have been key delivery agents of Commonwealth Government climate change mitigation programs, such as the Community Energy Efficiency Program (CEEP), the Local Government Energy Efficiency Program (LGEEP) and the Cities for Climate Protection (CCP) Program that was delivered by ICLEI with Commonwealth Government support. The LGEEP and CEEP grants assisted Local Governments in undertaking a wide range of building energy efficiency, LED public lighting and geothermal projects.

¹⁸ For further information see here: <http://walga.asn.au/Policy-Advice-and-Advocacy/Environment/Climate-Change.aspx>.

¹⁹ For a list of Australian Local Governments that have committed to divest see here: <http://gofossilfree.org.au/fossil-free-councils/>. Not listed are City of Bayswater, City of Subiaco and the Shire of Mundaring, which have also recently committed to divest.

²⁰ Cities of Joondalup, Perth, Melville and Mandurah. Further information about the Compact of Mayors available here: <https://www.compactofmayors.org/>.

²¹ Local Governments participating in the Cities Power Partnership are shown on the map here: <http://citiespowerpartnership.org.au/power-partners/>.



Program	Program dates	WA Local Government participants
Cities for Climate Protection	1999-2006	30
Local Government Energy Efficiency Program (LGEEP)	2011-2014	50 (includes 1 WALGA grant)
Community Energy Efficiency Program (CEEP)	2011-2016	15 (includes 1 WALGA grant)
Emissions Reduction Fund (ERF)	2014-present	2 (both transitioned from the Carbon Farming Initiative)

Adaptation is a current issue for Local Government, particularly as the effects of climate change are now unequivocally being felt, and Local Governments are in a position where they need to be planning for further effects of climate change in the future. The Western Australian State Government provides around \$1.3 million funding per year under the CoastWest, Coastal Management Plan Assistance Program and Coastal Adaptation and Protection programs. In contrast, the New South Wales State Government (with a coastline one sixth the length of Western Australia), is providing \$63 million over five years. The Queensland State Government (with a coastline a little over half the length of Western Australia) provides \$12 million dollars over three years. The Western Australian state planning system has encompassed coastal adaptation planning, this has not yet been expanded to deal with other current and expected issues such as changes in temperature, rainfall and extreme weather events (including floods), heatwaves and bushfires.



Policy Statement on CLIMATE CHANGE

June 2009

WA Local Government Association
Climate Change Policy Statement – June 2009

Status of this Policy Statement

This Policy Statement has been prepared by the Western Australian Local Government Association (the Association) for endorsement by the Western Australian Local Government Association State Council.

Policy Statements adopted by the Western Australian Local Government Association represent a consolidated viewpoint from Local Government and may differ from the positions adopted by individual member organisations. The Association will strive to promote this Policy Statement and to act consistently with its contents. Individual Local Governments and Regional Councils are encouraged to support but are not bound by the document.

Local Governments are encouraged to use this Policy Statement as template text to develop their own policy commitments and documents on Climate Change.

Policy Statements adopted by the WA Local Government Association are reviewed and new Policy Statements are developed regularly. The latest WA Local Government Association Policy Statements can be obtained from the website: www.walga.asn.au

In-line with standard WALGA policy, this policy statement will be reviewed 6-months after its endorsement by the State Council. It will be reviewed again at least every 2-years subsequent to this; with any significant developments acting to instigate an earlier review.



WA Local Government Association
Climate Change Policy Statement – June 2009

Policy Statement on CLIMATE CHANGE

Title:	WA Local Government Association Draft Policy Statement on Climate Change December 2008
Policy Objective:	To ensure that Local Government understands and addresses climate change impacts in a local, regional and international context, evaluates the climate change implications of operational decisions and policy positions, and is committed to greenhouse emissions reductions and risk management through appropriate mitigation and adaptation strategies.
Background:	<p>The Intergovernmental Panel on Climate Change (IPCC)'s Fourth Assessment Report (2007) asserts that "Global atmospheric concentrations of carbon dioxide, methane and nitrous oxide have increased markedly as a result of human activities since 1750 and now far exceed pre-industrial values", that "The global increases in carbon dioxide concentration are due primarily to fossil fuel use and land-use change, while those of methane and nitrous oxide primarily due to agriculture", and that "Warming of the climate system is unequivocal, as is now evident from observations of increases in global average air and ocean temperatures, widespread melting of snow and ice, and rising global average sea level."¹</p> <p>In the Fourth Assessment Report, the IPCC identified emissions pathways for wealthy and developed Annex I countries to limit global warming between 2.0° and 2.4°C. These pathways require emissions to be limited to 25 to 40 percent below 1990 levels and global concentrations of carbon dioxide equivalent ('CO₂-e') in the atmosphere to be maintained at no more than 400ppm in order to ensure a temperature increase below 2°C.</p> <p>Both IPCC reports and CSIRO reports indicate that climate change has already resulted in observed increases in global temperature, sea level rise and in some cases significant changes to rainfall and weather patterns. Without immediate mitigation action being taken climate change is projected to cause further changes in global temperature and sea level rise, significant changes to rainfall and weather patterns and increased incidences of extreme and dangerous weather events including storms, cyclones, floods and droughts.</p> <p>Local Government support for Climate Change Management</p> <p>Climate change is an issue that Local Governments in Western Australia consistently express concern about. In 2007 the Western Australian Local Government Association conducted a survey of Local Governments to ascertain their knowledge of, and concern about climate change impacts. Of over 80 responses 100% of Councils expressed concern about climate change impacts and implications http://www.walga.asn.au/about/policy/environment_waste/env_sub_docs/climate_change_survey.pdf/iew. From regionally specific concerns about sea level rise and its land use planning implications, to wide ranging environmental concerns about biodiversity loss and its effects on tourism, our communities expect Local Governments to manage climate change impacts. Councils are indicating their need for proactive leadership and adequate tools with which Local Government can assess their vulnerability and adapt to the climate change impacts that are now inevitable, while at the same time trying to mitigate their contribution to climate change impacts. Councils also have a leadership role to</p>

¹Climate Change 2007 The Intergovernmental Panel on Climate Change Fourth Assessment Report (2007) <http://www.ipcc.ch/>

WA Local Government Association
Climate Change Policy Statement – June 2009

Strategies	<p>play in their communities.</p> <p>While it is the closest sphere of Government to the community, and could provide significant climate change information and assistance to the community, it is not the best resourced sphere of Government to do so. Local Government however is committed to working with the State and Commonwealth Governments to ensure adequate resourcing for Local Government climate change adaptation and mitigation actions and to using appropriate research frameworks and data to inform Local Government strategies and decision making.</p> <p>Legislative support for Climate Change Management Section 1.3(3) of the Local Government Act 1995 states "In carrying out its functions a local government is to use its best endeavours to meet the needs of current and future generations through an integration of environmental protection, social advancement and economic prosperity".</p> <p>In order to 'meet the needs of current and future generations', Local Government must address climate change impacts on its community. Climate change poses a growing threat to the community and to Local Government, environmentally, socially and financially, and a range of mitigation and adaptation strategies must be applied to ensure that both social and legal obligations are met and risks and future costs are reduced.</p> <p>Climate Change Strategies The threats from climate change demand a range of responses that may be broadly classified as mitigation and adaptation strategies.</p> <p>Mitigation refers to the reduction of climate change impacts via broad scale behaviour change. Mitigation strategies principally rely on impacts of climate change being reducible via the contribution to collective global implementation of 'greenhouse gas' emissions reduction strategies. This may involve, amongst other things, improved energy efficiency, sequestration programs and educational or behaviour change programs.</p> <p>Adaptation strategies involve identifying the inevitable changes that climate change will cause, regardless of the success of any current or future mitigation strategies deployed, and managing these changes in the present and the future. Reducing the long term impact and severity of climate change relies on the success of international agreements to reduce greenhouse gas emissions. However due to historical greenhouse gas some changes are unavoidable, and these changes will have to be managed by all spheres of the community, including Local Government, who will feel the financial, infrastructure, water, land use planning, liability and social impacts of not addressing climate change most markedly.</p> <p>Adaptation strategies also aim to take advantage of any opportunities that climate change may offer with respect to development, infrastructure, technology or science, among other areas.</p> <p>These strategies are intimately dependent on each other: the more we contribute to global mitigation now, the greater is the likelihood that adaptation in the future will be less onerous. Neither concept is static and neither concept can be properly addressed without acknowledgement of its interrelationship with the other.</p>
------------	---

WA Local Government Association
Climate Change Policy Statement – June 2009

<p>Statement of Policy:</p>	<p>Climate Change Management for Local Government</p> <p>In order to properly assess and address climate change implications Local Government will need to address climate change in their strategic planning framework. Climate change has a range of legal, indemnity, budgetary, asset management, infrastructure, planning and environmental implications, all of which will need to be embedded in strategic frameworks and actioned at both a political and operational level in order to ensure climate change liability issues are adequately addressed.</p> <p>1. Acknowledging climate change impacts</p> <p>In order to ensure that Local Government understands the relevance of climate change impacts to their operational and strategic framework, Local Government adopts a series of acknowledgements on the impacts of climate change.</p> <p><u>1.1 Acknowledging Climate Change</u></p> <p>1.1.1 Local Government recognises that the global climate is changing as a consequence of increased concentrations of greenhouse gas emissions in the atmosphere, and that these increased concentrations are largely the result of human activities.</p> <p>1.1.2 Local Government considers climate change to be a serious current threat to our current way of life and the Earth's ecosystems.</p> <p>1.1.3 Local Government acknowledges that some human-induced climate change is already having an impact on human and natural communities and that further climate change will occur as a result of past, present and future emissions</p> <p><u>1.2 Costs of Delayed Action</u></p> <p>1.2.1 Local Government acknowledges that while uncertainty is present in the existing climate science, this does not present a reason for inaction or delay of action and that the 'Precautionary Principle' should be applied to the use of climate science.</p> <p>1.2.2 Local Government acknowledges that delayed action on climate change mitigation and adaptation strategies will increase costs and potential liabilities to Local Government in a range of areas, in particular planning and infrastructure management and risk management.</p> <p><u>1.3. Australia's Obligation to Act</u></p> <p>1.3.1 Local Government acknowledges that the Australian community has historically contributed, and continues to contribute, disproportionately to global greenhouse gas emissions. Australia has achieved considerable economic wealth in the process. It therefore has a responsibility for current climate change and an ethical obligation and opportunity to play a leadership role, commensurate with its capabilities, in contributing to the national and global greenhouse gas reductions necessary to avoid dangerous climate change.</p> <p>1.3.2 Local Government asserts that climate change, being a matter of national significance, is a direct responsibility of the State and Federal Governments and that as a result the State and Federal Governments have an obligation to address climate change in cooperation with Local Government, and in consultation with the Australian community as a whole.</p>
------------------------------------	---

WA Local Government Association
Climate Change Policy Statement – June 2009

1.4 Mitigation – Emission Reductions

1.4.1 Local Government recognises that Australia has the capacity to contribute to global climate change mitigation, by reducing emissions now, in a way that creates positive opportunities for communities, industries and our economic sustainability.

1.4.2 Local Government acknowledges that the magnitude of the mitigation task ahead is substantial, and that planning, investment and infrastructure decisions made today will shape the carbon intensity of our future. It therefore considers that a successful response to the challenge of meeting appropriate emission reduction targets should begin immediately and will require cross-sectoral action by government, business and broader community at all levels. Local Government supports the establishment of institutions and regulations that ensure effective, integrated action by these stakeholders.

1.4.3 Local Government acknowledges that no single policy measure will provide a solution to climate change. Local Government considers a wide range of policy measures - from regulatory intervention and market-based mechanisms through to voluntary schemes, education and behaviour change programs - is required to successfully achieve appropriate and adequate emission reduction targets.

1.4.4 Local Government acknowledges that no single technology will provide a solution to climate change; and that all reasonable options need to be researched, explored and facilitated.

1.5 Adaptation – Collaborative Action

1.5.1 Local Government acknowledges that the magnitude of the adaptation task ahead is substantial, and that planning, investment and infrastructure decisions made today will determine how successfully the community is able to adapt to the impacts of climate change, reduce its risks and vulnerabilities to these and take advantage of any opportunities. It therefore considers that a successful response to the challenge of adapting to climate change impacts should begin immediately and will require cross-sectoral action by government, business and broader community at all levels. Local Government supports the establishment of institutions and regulations that ensure effective, integrated action by these stakeholders as being crucial to cohesive and effective climate change management.

1.6 Equity and Social Justice

1.6.1 Local Government acknowledges that both the impacts of climate change and the policy responses required to contribute to the avoidance of dangerous climate change have significant equity implications. These equity considerations have domestic and international dimensions, and implications for both present and future human generations, and for the survival of other species.

1.6.2 Local Government acknowledges that climate equity has both domestic and international impacts. It supports global equity and the right of developing countries to increase their share of global wealth in ways that remain within the ecological capacities of the planet.

1.6.3 Local Government acknowledges that the burden of reducing greenhouse emissions domestically must be equitably dispersed and that disadvantaged communities or cultural groups need access to State and Commonwealth support in order to enable them to adequately respond to and cope with the cost increases likely to arise from a variety of mitigation and adaptation schemes,



WA Local Government Association
Climate Change Policy Statement – June 2009

	<p>including the Carbon Pollution Reduction Scheme.</p> <p>1.6.4 Local Government acknowledges that in order for standards of living to become globally equitable, culture shift towards sustainable standards of living in developed and prosperous countries, including Australia, will be required.</p> <p>2. Committing to immediate climate change action In order to deliver appropriate climate change mitigation and adaptation strategies, Local Government adopts the following policy commitments:</p> <p><u>2.1 Avoiding Dangerous Climate Change</u></p> <p>2.1.1 Local Government is committed to preventing dangerous, human induced climate change by working towards the realisation of Article 2 of the United Nations Framework Convention on Climate Change (UNFCCC). It recognises that increases in average global surface temperature have already occurred and that further warming is now inevitable.</p> <p>2.1.2 Local Government supports all local and global actions and targets intended to contribute to limiting the increase in average global surface temperature to within 2 degrees Celsius (above pre-industrial levels), in accordance with current scientific understanding that this is the threshold under which the worst consequences of climate change may be able to be avoided.</p> <p><u>2.2 Costs of Delayed Action</u></p> <p>2.2.1 Local Government is committed to immediate action on climate change mitigation and adaptation. Local Government notes that in addition to the irreversible environmental and social consequences of human-induced climate change, economic analysis indicates that delayed action has significant economic impacts, which would be more costly than early action.</p> <p>2.2.2 In acknowledging that climate change has immediate impacts, and that any delay of action could have financial and social cost implications, Local Government is committed to identifying and addressing local and regional climate change impacts in a timely manner. Given that recent climate change science indicates that actual warming is tracking at the upper levels of the IPCC Report (2007) predictions and that in order to limit global warming to acceptable levels deep cuts will need to be made, immediate action must be taken to identify, prioritise and address climate change risks via a robust risk management process and setting appropriate targets.</p> <p><u>2.3. Australia's Obligation to Act</u></p> <p>2.3.1 Local Government is committed to actively promoting and supporting efforts to develop effective global, national and state strategies to reduce the severity of climate change by reducing greenhouse gas emissions in a manner consistent with the intention of Article 3.1 of the UNFCCC.</p> <p>2.3.2 Local Government is committed to meeting its local, national and international obligations through participation in protocols and agreements established under the UNFCCC, including but not limited to the Kyoto Protocol and its successor international treaties, and supporting the Kyoto Protocol's further development and effective implementation.</p> <p>2.3.3 Local Government is committed to actively addressing climate change in a way which reflects</p>
--	--



WA Local Government Association
Climate Change Policy Statement – June 2009

	<p>Australia's disproportionate per capita contribution, as opposed to its global emissions ratio contribution.</p> <p><u>2.4 Mitigation – Emission Reductions</u></p> <p>2.4.1 Local Government is committed to working towards agreed national emission reduction targets, with caps and timeframes that will ensure the achievement of Article 2 of the UNFCCC, while also taking into account Australia's status as a developed country party to the UNFCCC given its high level per capita emissions.</p> <p>2.4.2 Local Government is committed to supporting the introduction of a well designed and equitable national emissions trading scheme and regards an effective price on greenhouse gas emissions as an important measure for achieving emissions reduction targets.</p> <p>2.4.3 Local Government is committed to reducing its operational greenhouse gas emissions and supporting the reduction of greenhouse gas emissions in the community.</p> <p>2.4.4 Local Government acknowledges the critical role that innovation will play in combating climate change and is committed to supporting and encouraging policies and measures that drive appropriate technological development and commercialisation.</p> <p>2.4.5 Local Government acknowledges that technological solutions go only part way to helping meet the necessary reduction in greenhouse emissions and that citizens must be encouraged to adopt more sustainable lifestyles that reduce greenhouse impact. Local Government is committed to supporting community and business in the transition towards sustainable lifestyles.</p> <p><u>2.5 Adaptation – Collaborative Action</u></p> <p>2.5.1 Local Government is committed to contributing to the common goal of ensuring that Western Australia's human communities and natural ecosystems have the resources and other assistance necessary to enable them to build maximum resilience and adapt to climate change impacts that are now understood to be unavoidable.</p> <p>2.5.2 Local Government asserts that it is the responsibility of all spheres of Australian Government to inform individuals and communities about the likely impacts of climate change. Local Government is committed to working with the community to ensure a high level of understanding of climate change impacts and develop strategies to help adapt to these.</p> <p>2.5.3 Local Government asserts that it is the responsibility of all spheres of Australian Government to ensure that all current regulation and policies take into consideration the likely impact of climate change on current and future human settlements, natural resources and ecosystems and facilitate adaptation to these. These policies should include but not be limited to those pertaining to disaster relief, national security, infrastructure, planning, water, energy, housing, health, transport, environment and energy.</p> <p><u>2.6 Equity and Social Justice</u></p> <p>2.6.1 Local Government supports Australian participation in actions, strategies and agreements that</p>
--	---

WA Local Government Association
Climate Change Policy Statement – June 2009

support and increase global climate justice. Local Government recognises the human rights dimension of climate change impacts and policy, and the necessity to address the disparity in resource use, emissions, wealth and vulnerability to the impacts of climate change between industrialised and non-industrialised countries and between different individuals and communities within countries.

2.6.2 In working towards the reduction of global and national emissions, Local Government is committed to working towards and supporting an equitable and fair framework for the international allocation of emission rights, which is then reflected in the commitments and actions of individual countries including Australia. This framework recognises:

- That all people have equal rights to the Earth's atmosphere;
- That climate change should be addressed globally with regard to relative per capita emissions;
- That climate change should be addressed globally with regard to differing historic responsibilities for man-made greenhouse gas emissions, and
- That climate change should be addressed with regard to differing ability or capacity to pay for mitigation and adaptation actions.

2.6.3 Local Government recognises that, domestically, certain individuals, households and communities, are particularly vulnerable to the impacts of climate change and to the impacts of some of the policies required to adapt to, and mitigate dangerous climate change. Examples include indigenous communities, those with low material wealth and/or access to services and communities dependant on adversely affected primary industries, resources industries or energy industries.

2.6.4 Local Government considers it essential to minimise the impacts of policy responses on, and provide additional assistance to, these vulnerable communities and individuals within Western Australian society and recognises that the Carbon Pollution Reduction Scheme has made some attempt to address the needs of vulnerable businesses and householders.

2.6.5 Local Government considers it essential that strategies are developed that identify the climate change risks and vulnerabilities of disadvantaged communities, measures are developed to reduce these and resources are allocated to enable adaptation and resilience building in these communities.

3. Reflecting appropriate priorities

The management of climate change impacts must reflect the priorities of the individual Local Governments and their communities. These will be individually determined by each Local Government with regard to its environmental, social and economic opportunities and risks.

Local Governments acknowledge the need to identify regionally specific priorities and impacts, and the associated need to coordinate cooperative regional climate change management across the political and operational areas under their jurisdiction.

It is essential for Local Governments to identify climate change risks to their operations and their communities and work together with Commonwealth and State Governments and their communities to plan and implement appropriate adaptation strategies.

4. Setting clear objectives and targets

In order to achieve outcomes and engage in 'best practice' climate change management processes it is essential for each Local Government to set and work towards a set of internal targets for



WA Local Government Association
Climate Change Policy Statement – June 2009

	<p>greenhouse gas emissions reduction. It is necessary to adopt these targets at Council and publicise the targets in order to achieve stakeholder and community support.</p> <p>5. Establishing clear roles and responsibilities While climate change management is the responsibility of all Local Government Officers and Elected Members, there is an expectation that a primary 'team' will be established within individual Local Governments in order to ensure that outcomes are met within a reasonable timeframe. As a significant global concern, climate change must be addressed at all levels of Government. Local Government, in its turn, must address climate change at all levels of its own operations, with support from the Executive Management Team.</p> <p>6. Acknowledging resourcing barriers and constraints Climate change management costs, while representing a relatively small financial commitment on a global scale, are likely to represent a larger proportion of Local Government spending. Local Government already has a wide range of responsibilities in the community and climate change is a new and additional aspect of environmental management that Local Governments will have to broaden their suite of services to include.</p> <p>The cost impacts of addressing climate change, exclusive of the Carbon Pollution Reduction Scheme direct costs, are likely to be proportionately high for Local Governments. Additionally Local Governments are likely to be expected to undertake projects and policy work in this area.</p> <p>Local Governments must be adequately resourced via Australian Government revenue avenues to meet these community and political obligations. Local Government asserts that funds from the Climate Change Action Fund (CCAF) or a similar funding mechanism should be made available to Local Governments to fund these costs and additional activities.</p> <p>7. Apportioning costs appropriately Local Governments, in acknowledging the immediacy and importance of climate change management, must ensure that high priority climate change risks are directly resourced or externally funded so that impacts can be ameliorated and/or adapted to. This should decrease legal liability issues for Local Government in the long term.</p>
Date of Adoption:	Wednesday June 3, 2009.
Associated Policies:	None
End of Policy Statement	

6:25pm Councillor Pitt declared an impartiality interest in item 11.2.2 'Kariyarra and State Indigenous Land Use Agreement – Land Transfers' as she is of Kariyarra descent but has no membership with any Kariyarra corporations.

CM201718/188 COUNCIL DECISION**MOVED: CR DACCACHE****SECONDED: CR WHITWELL**

That Council accept to consider the amended officer's recommendation for item 11.2.2 'Kariyarra and State Indigenous Land Use Agreement – Land Transfers'.

CARRIED 6/1

For: Deputy Mayor Newbery, Cr Daccache, Cr Whitwell, Cr McDonogh, Cr Pitt and Cr Hebbard

Against: Mayor Blanco

11.2.2 Kariyarra and State Indigenous Land Use Agreement – Land Transfers (File No. 18/07/0002)

Author	Principal Town Planner
Authorising Officer	Director Development, Sustainability & Lifestyle
Disclosure of Interest	The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

CM201718/189 AMENDED OFFICER RECOMMENDATION/ COUNCIL DECISION**MOVED: CR DACCACHE****SECONDED: DEPUTY MAYOR NEWBERY**

That Council:

- 1. Advises the Department of Planning, Lands and Heritage the following in relation to the land transfers:**
 - a) Prior to commencing use or building on any of the portions of land, consultation with the Town of Port Hedland is required to ensure that Development Approvals are applied for and obtained pursuant to the Town of Port Hedland Local Planning Scheme No. 5 and Building Permits are obtained pursuant to the *Building Act 2011*;**
 - b) The Town of Port Hedland accepts no responsibility for any costs associated with securing legal access to the land, or contributing to road maintenance costs associated with ongoing access; and**
 - c) Request that Department of Planning, Lands and Heritage provide the Town of Port Hedland with an opportunity to comment on proposed Management Plans for each reserve proposed to be managed by KLAC.**

- d) In relation to the joint management of Reserve 39913 (Six Mile Reserve), the Town of Port Hedland objects to joint management until such a time as the Town of Port Hedland has had discussions with Kariyarra Land Aboriginal Corporation over service level, financial management and public access arrangements, and has secured an agreement through a Memorandum of Understanding (MOU) that clearly defines the responsibilities of each party.

CARRIED 7/0

OFFICER'S RECOMMENDATION

That Council:

1. Supports the proposed land transfers from the State of Western Australia to the Kariyarra Land Aboriginal Corporation as shown in Attachments 1 and 2, excluding Reserve 39913 (Six Mile Reserve).
2. Advises the Department of Planning, Lands and Heritage the following in relation to the land transfers:
 - a) Prior to commencing use or building on any of the portions of land, consultation with the Town of Port Hedland is required to ensure that Development Approvals are applied for and obtained pursuant to the Town of Port Hedland Local Planning Scheme No. 5 and Building Permits are obtained pursuant to the *Building Act 2011*.
 - b) The Town of Port Hedland accepts no responsibility for any costs associated with securing legal access to the land, or contributing to road maintenance costs associated with ongoing access.
 - c) Request that Department of Planning, Lands and Heritage provide the Town of Port Hedland with an opportunity to comment on proposed Management Plans for each reserve proposed to be managed by KLAC.
3. Objects to the joint management of Reserve 39913 (Six Mile Reserve) until such a time as the Town of Port Hedland has had discussions with Kariyarra Land Aboriginal Corporation over service level, financial management and public access arrangements, and has secured an agreement through a Memorandum of Understanding (MOU) that clearly defines the responsibilities of each party.

PURPOSE

To inform Council of proposed land transfers between the State of Western Australia and Kariyarra Land Aboriginal Corporation (KLAC) as part of the Kariyarra and State Indigenous Land Use Agreement (ILUA), and seek comment from Council on the advice proposed to be provided to Department of Planning, Lands and Heritage (DPLH) on the proposed land transfers.

DETAIL

The Kariyarra and State Indigenous Land Use Agreement (ILUA) was executed on 4 October 2017. As part of the agreement, a number of land transfers were committed to through either conferral of a management order or freehold transfer from the State of Western Australia to KLAC. There are also a number of proposed transfers that remain in negotiation.

The Town has been given an opportunity to provide feedback to the Department of Planning, Lands and Heritage on the proposed transfers. The matter was presented to Elected Members at a briefing session held on 7 March 2018. There were a number of matters of clarification sought by Elected Members before providing comment to DPLH, including:

- Request further detail from DPLH on proposed use of the land to be transferred;
- Request further detail from DPLH on how legal access to the land will be achieved;
- Request further detail from DPLH on 'joint management' proposal for Reserve 39913 (Six Mile); and
- Obtain maps of all committed land transfers.

A table of each committed and proposed land transfer is included as Attachment 1 to this report, and corresponding maps have been included as Attachment 2.

In reference to the matter of *Gordon v State of Western Australia* [2018] FCA 430, regarding who are the persons (if anyone) holding the communal rights comprising the native title claimed by the applicants in the Kariyarra Claim Area, a decision has now been made by the Federal Court and the judgment and orders were published on 9 April 2018. The judgement supports the current configuration of the claim group and provides certainty that the Kariyarra and State Indigenous Land Use Agreement (ILUA) has been negotiated with the appropriate holders of native title in the Kariyarra Claim Area.

Consent Determination

The Department of Planning, Lands and Heritage have received advice from YMAC that based on the abovementioned decision, they are hopeful that a consent determination may be finalised by the end of the year. DPLH has advised that the ILUA and the subject land transfers to KLAC will occur regardless of the outcome of the determination as they have already been agreed upon between the State and KLAC.

ILUA Registration

The ILUA is currently undergoing the registration process and has received one objection which is currently being resolved. The ILUA contemplates the possibility that registration may not occur and outlines alternate methods for the subject land transfers in the event that the ILUA is not registered. Therefore, please note that the subject transfers will occur whether or not the ILUA is registered.

Use of the land/reserves

In relation to proposed use of the land to be transferred, further advice was provided to the Town by DPLH as follows:

- The reserves managed by the Kariyarra People will be for the "use and benefit of Aboriginal people", unless otherwise requested by the Kariyarra People.
- Under the Kariyarra and State ILUA, prior to the management of a reserve being conferred on the Kariyarra People, they must sign a management order deed. The

management order deed outlines the conditions upon which the conferral of management order is given. Note, in particular, clause 5.1 of Annexure A to the Deed, which requires the management body to comply with and observe all laws, and clause 5.2, which requires the management body to obtain and comply with all authorisations and any requirements under any law required for any conduct, activity or use undertaken on the reserve.

- Under the management order deed, the Kariyarra People have 36 months in which to provide the State with a management plan for each of the reserves.
- The Kariyarra and State ILUA requires the Kariyarra People to use all land transferred to them solely and exclusively for charitable purposes including to relieve poverty, sickness, suffering, misfortune, disability, destitution, and disadvantage among the Kariyarra People, and to maintain, protect, promote and advance the law, culture, native title, traditions and customs of the Kariyarra People.

It is recommended Council advises DPLH the following to ensure appropriate approvals are obtained from the Town of Port Hedland prior to commencing use:

“Prior to commencing use or building on any of the portions of land, consultation with the Town of Port Hedland is required to ensure that Development Approvals are applied for and obtained pursuant to the Town of Port Hedland Local Planning Scheme No. 5, and Building Permits are obtained pursuant to the Building Act 2011”.

Legal access to the land/reserves

In relation to concerns raised over legal access being provided to the land to be transferred and any costs the Town may have to absorb, further advice was provided to the Town from DPLH as follows:

- There is no obligation on the State under the Kariyarra and State ILUA to provide the Kariyarra People with legal access to their reserves if there is none in existence.
- There is the option of the Kariyarra People to request the Minister for Lands to grant an easement to them to provide them with legal access. It is at the Minister for Lands absolute discretion as to whether she will grant an easement.
- There is no obligation or requirement on the Town of Port Hedland to provide dedicated road access to the reserves.

It is recommended Council advises DPLH the following to ensure the Town does not bear any costs associated with securing or maintaining access to the land:

“The Town of Port Hedland accepts no responsibility for any costs associated with securing legal access to the land, or contributing to road maintenance costs associated with ongoing access.”

Proposed Joint Management of Six Mile Reserve

Six Mile Reserve (Reserve 39913) is used by the community for fishing, kayaking, dog walking, boat launching, picnics and other activities and is valued by the community for social and environmental reasons and amenity. The reserve is currently managed by the Town of Port Hedland which includes road and car park maintenance, provision of shelters and provision of two (2) bins which are emptied weekly. The Town should not accept joint management of Six Mile Reserve until an agreement is entered into that ensures continued public access, service level arrangements and financial management arrangements. This has been incorporated in the recommended response to DPLH.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of low significance, because the Town of Port Hedland is not party to the State and Kariyarra Indigenous Land Use Agreement and has been requested to provide comments only on the proposed land transfers.

CONSULTATION

The proposed land transfers were presented to Elected Members at a Briefing Session held on 7 March 2018. This report provides further details requested at the briefing. No external consultation has been undertaken in relation to the proposed transfers, as it is not the Town's responsibility to undertake consultation for the ILUA.

LEGISLATION AND POLICY CONSIDERATIONS

There are no legislative or policy considerations.

FINANCIAL AND RESOURCES IMPLICATIONS

There are no financial and resource implications associated with the proposed comments if Council adopt the Officer Recommendation.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

The following sections of the Council's *Strategic Community Plan 2014-2024* are applicable in the consideration of this item:

1.2 A vibrant community rich in diverse cultures

- Celebrate our multiculturalism, indigenous culture, arts and history

2.1 A thriving, resilient and diverse economy

- Work with the State Government, agencies and local partners to ensure serviced land availability for future residential, commercial and industrial development

3.3 Safe, attractive and accessible environment

- Facilitate public health initiatives across our community

4.2 Engage our community and stakeholders

- Be a powerful voice and influential partner with Federal and State Governments and major industries for the development of Port Hedland

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

RISK MANAGEMENT CONSIDERATIONS

As per the risk matrix contained in policy 1/022 'Risk Management', the level of risk is considered to be Low (3) .

OPTIONS

Option 1 - Adopt Officers Recommendation

Option 2 - Amended Officers Recommendation

That Council:

1. *SUPPORTS the proposed land transfers from the State of Western Australia to the Kariyarra Land Aboriginal Corporation as shown in Attachments 1 and 2, excluding Reserve 39913 (Six Mile Reserve).*
2. *ADVISES the Department of Planning, Lands and Heritage the following in relation to the proposed land transfers:*
 - a) *Prior to commencing use or building on any of the portions of land, consultation with the Town of Port Hedland is required to ensure that Development Approvals are applied for and obtained pursuant to the Town of Port Hedland Local Planning Scheme No. 5 and Building Permits are obtained pursuant to the Building Act 2011.*
 - b) *The Town of Port Hedland accepts no responsibility for any costs associated with securing legal access to the land, or contributing to road maintenance costs associated with ongoing access.*
 - c) *Request that Department of Planning, Lands and Heritage provide the Town of Port Hedland with an opportunity to comment on proposed Management Plans for each reserve proposed to be managed by KLAC.*
 - d) _____
 - e) _____
 - f) _____
3. *OBJECTS to the joint management of Reserve 39913 (Six Mile) until such a time as the Town of Port Hedland has had discussions with Kariyarra Land Aboriginal Corporation over service level, financial management and public access arrangements, and has secured an agreement through a Memorandum of Understanding (MOU) that clearly defines the responsibilities of each party.*

Option 3 – Do not adopt Officers Recommendation

CONCLUSION

There are a number of proposed land transfers between the State of Western Australia and Kariyarra Land Aboriginal Corporation (KLAC) as part of the Kariyarra and State Indigenous Land Use Agreement (ILUA). This report outlines recommended advice to be provided to the Department of Planning, Lands and Heritage (DPLH) on the proposed land transfers.

ATTACHMENTS

1. Table of proposed land transfers
2. Maps of proposed land transfers (Under Separate Cover)

ATTACHMENT 1 TO ITEM 11.2.2**Committed Transfers**

All reserves committed to change of reserve purpose to 'Use and benefit of Aboriginal People', and conferral of a management order on KLAC

Parcel	Comment	Parcel Size	Attachment Two Map
Lot 390 on DP76777	<ul style="list-style-type: none"> • Unallocated Crown Land • Committed creation of reserve and Management Order conferred on KLAC for 'Use and Benefit of Aboriginal Inhabitants' 	162.6ha	Map 1
Lots 258 and 259 on DP192219	<ul style="list-style-type: none"> • Freehold Lots • Committed to Freehold transfer 	89.7ha	Map 2
Lot 30 on DP403254	<ul style="list-style-type: none"> • Unallocated Crown Land • Committed to Freehold transfer with protective covenant for Buru Pipeline 	38ha	Map 3
Reserve 24055	<ul style="list-style-type: none"> • Managed reserve with purpose 'Use and benefit of aboriginal inhabitants' • Reserve purpose to remain the same, with management order conferred on KLAC 	11.7ha	Map 4
Reserve 46953	<ul style="list-style-type: none"> • Unmanaged reserve with purpose of 'Government Requirements' • Located approximately 56km west of Port Hedland 	20.2ha	Map 5
Reserve 46954	<ul style="list-style-type: none"> • Unmanaged reserve with purpose of 'Government Requirements' • Located approximately 59km west of Port Hedland 	12.1ha	Map 6
Reserve 370	<ul style="list-style-type: none"> • Unmanaged reserve with purpose of 'Watering Places' • Located approximately 78km south-west of Port Hedland • Within De Grey stock route 	191.3ha	Map 7
Reserve 371	<ul style="list-style-type: none"> • Unmanaged Reserve with purpose of 'Watering Places' • Located approximately 67km south-west of Port Hedland 	259ha	Map 8
Reserve 10550	<ul style="list-style-type: none"> • Unmanaged Reserve with purpose of 'Waterway' • Located approximately 90km south-west of Port Hedland 	124.4ha	Map 9
Reserve 12247	<ul style="list-style-type: none"> • Unmanaged Reserve with purpose of 'Waterway' • Located approximately 82km south-west of Port Hedland 	40.5ha	Map 10
Reserve 22895	<ul style="list-style-type: none"> • Unmanaged Reserve with purpose of 'Airport' • Located approximately 81km south of Port Hedland 	508.2ha	Map 11

Proposed Transfers

All reserves committed to change of reserve purpose to 'Use and benefit of Aboriginal People', and conferral of a management order on KLAC

Parcel	Comment	Parcel Size	Attachment Two Map
Reserve 39913	<ul style="list-style-type: none"> Managed Reserve with the purpose 'Foreshore protection and recreation'. Proposed to confer Management Order on KLAC, or joint management with ToPH ToPH maintain both the road and 2 bins at end of road, emptied weekly 	10.6ha	Map 12
Reserve 21448	<ul style="list-style-type: none"> Managed Reserve with the purpose 'Use and benefit of Aboriginal inhabitants'. Proposed to confer Management Order on KLAC 	3.3ha	Map 13
Portion of Kangan Pastoral Lease – Lot 209 on DP238236	<ul style="list-style-type: none"> Area yet to be determined Closest boundary of total lot approximately 70km south of Port Hedland Proposed to surrender portion of pastoral lease, create reserve for 'Use of benefit of Aboriginal People' and confer management order on KLAC 	unknown	Area yet to be determined, no map available
Portion of Pippingarra Pastoral Lease – Lot 202 on DP220387	<ul style="list-style-type: none"> Entire portion of heritage site Closest boundary of total lot adjacent to Townsite boundary Proposed to surrender portion of pastoral lease, create reserve for 'Use of benefit of Aboriginal People' and confer management order on KLAC 	272ha (total)	Map 14
Portion of Reserve 31427	<ul style="list-style-type: none"> Area yet to be determined Located approximately 91km from Port Hedland Managed Reserve with the purpose 'Use and benefit of Aboriginal inhabitants'. Proposed to sublease from Mugarinya Community Association Inc 	Approx. 6659.3ha	Map 15
Portion of Munda Pastoral Lease – Lot 44 on DP 220377	<ul style="list-style-type: none"> Approximate location of registered Aboriginal heritage site 11635 Closest boundary of total lot approximately 46km west of Port Hedland Proposed to surrender portion of pastoral lease, create reserve for 'Use of benefit of Aboriginal People' and confer management order on KLAC 	Approx. 61ha	Map 16
Reserves 12330, 10634 and 12793	<ul style="list-style-type: none"> Unmanaged Reserves with purposes of 'Common' and 'Waterway' Located approximately 105km south-west of Port Hedland Proposed to change reserve purpose to 'Use and benefit of Aboriginal People', and confer management order on KLAC 	5677.4ha	Map 17

Portion of Indee Pastoral Lease – Lots 208 and 54 on DP 238219	<ul style="list-style-type: none">• Approximate location of registered Aboriginal heritage sites 11334 and 11335• Closest boundary of total lot approximately 35km south of Port Hedland• Proposed to surrender portion of pastoral lease, create reserve for 'Use of benefit of Aboriginal People' and confer management order on KLAC	Unknown	Map 18
--	---	---------	--------

11.3 Infrastructure and Town Services**11.3.1 Staff Housing Renewal Program (File no. 05/01/0003)**

Author	Senior Property and Facilities Officer
Authorising Officer	Director of Infrastructure and Town Services
Disclosure of Interest	The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

CM201718/190 OFFICER'S RECOMMENDATION/ COUNCIL DECISION**MOVED: CR WHITWELL****SECONDED: DEPUTY MAYOR NEWBERY****That with respect to the Capital Staff Housing Renewal Program, Council,**

- 1. Approve to dispose of four residential properties as listed by way of sale at auction;**
 - a) 4 Janice Way South Hedland;**
 - b) 12 Janice Way South Hedland;**
 - c) 18 Logue Court South Hedland; and**
 - d) 3 Mitchie Crescent South Hedland.**
- 2. Support the reserve sale price listing of each property as the lower level of the market range provided in the sales appraisals;**
- 3. Approve that all revenue from the sale of the properties be set aside in the Housing Reserve to fund the next three years of the staff housing renewal program; and**
- 4. Delegate authority to the CEO to enter in to negotiations on behalf of the Town should the sale value of any property not meet the agreed upon reserve.**

CARRIED 7/0**PURPOSE**

The purpose of this report is to seek Council approval to dispose of four (4) of the Town of Port Hedland (Town) properties from its housing portfolio, in order to fund the next three years of the staff housing renewal program.

DETAIL

The Town of Port Hedland (Town) currently have 45 properties within its residential portfolio to house employees of the Town. The portfolio is made up of the following:

Property Type		Location	
Bed #	Bath #	Port	South
4	2	10	1
4	1.5	0	1
4	1	1	0
3	2	0	7
3	1	3	4
2	2	6	6
2	1.5	0	1
2	1	1	1
1	1.5	1	0
1	1	1	1
		23	22

With the extent of recent organisational restructures and staff turnover there were a large number of movements throughout the properties as new people were promoted or employed. During this process it was identified that some of the assets within the portfolio were unsuitable to house or offer to house some of our employees, due to the condition of the properties.

In 2015, the Town of Port Hedland engaged a contractor to complete building inspections of all properties with its priority being to ascertain the current conditions of all housing assets. From this report there was a number of properties issued with a rating of 4 or 5 (5 being poorest) indicating that the Town had seriously neglected its housing assets and that considerable renewals and upgrade works were required around improving the properties in order to attract, house and maintain an adequately skilled workforce.

Over the past two financial years the property team has identified those properties that require upgrades under the capital project of Staff Housing Upgrades. These properties were identified as being urgent on the basis that the portfolio should be brought up to a standard of 3 before offering it to a staff member.

The original reports from 2015 provided a base for the projected five year capital works program to improve the standard of the portfolio. Summary provided indicates the original rating and the new rating based on the work that was recommended at this time and is now complete.

Asset Name	Location	2015 Original Rating	2018 New Rating
1 Craig Street	Port Hedland	4	2
1 Frisby Court	South Hedland	4	1
1 Leake Street	Port Hedland	4	4
1/13 Wangara Crescent	South Hedland	3	3
1/38 Catamore Road	Port Hedland	1	1
1/52 Morgans Street	Port Hedland	2	2
115 Athol Street	Port Hedland	3	3
11A McGregor Street	Port Hedland	5	3
11B McGregor Street	Port Hedland	5	3
12 Janice Way	South Hedland	4	4

14 Goode Street	Port Hedland	4	3
14 Koolama Crescent	South Hedland	4	2
18 Counihan Crescent	Port Hedland	2	2
18 Logue Court	South Hedland	5	5
2/13 Wangara Crescent	South Hedland	4	4
2/38 Catamore Road	South Hedland	1	1
2/52 Morgans Street	Port Hedland	2	2
26 Robinson Street	Port Hedland	4	2
29A Gratwick Street	Port Hedland	3	2
29B Gratwick Street	Port Hedland	3	2
3 Mitchie Crescent	South Hedland	5	5
3/13 Wangara Crescent	South Hedland	4	3
3/38 Catamore Road	South Hedland	2	2
3/52 Morgans Street	Port Hedland	1	1
32 Moseley Street	Port Hedland	3	3
4 Janice Way	South Hedland	4	4
4/38 Catamore Road	South Hedland	1	1
4/52 Morgans Street	Port Hedland	2	2
4B Kabbarli Loop	South Hedland	3	3
5/38 Catamore Road	South Hedland	1	1
5/52 Morgans Street	Port Hedland	2	2
57A Lukis Street	Port Hedland	3	3
57B Lukis Street	Port Hedland	3	3
6/38 Catamore Road	South Hedland	1	1
6/52 Morgans Street	Port Hedland	2	2
7/38 Catamore Road	South Hedland	1	1
7/52 Morgans Street	Port Hedland	2	2
8/38 Catamore Road	South Hedland	1	1
8/52 Morgans Street	Port Hedland	2	2
82 Sutherland Street	Port Hedland	4	3
85 Sutherland Street	Port Hedland	4	3
8A Ashburton Court	South Hedland	3	3
8B Ashburton Court	South Hedland	3	3
96 Sutherland Street	Port Hedland	5	5

The four properties that have been identified to dispose of under sale are:

Property	Location	Bed	Bath
4 Janice Way	SOUTH HEDLAND	4	1.5
12 Janice Way	SOUTH HEDLAND	3	1
3 Mitchie Crescent	SOUTH HEDLAND	3	1
18 Logue Court	SOUTH HEDLAND	2	1.5

Each of the above properties has been highlighted as unusable for any incoming employees due to the current condition of the properties and as such have been held back from any maintenance and or renewals subject to Council making a decision around their future.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of low significance, because there will be a positive financial impact the current five (5) year staff housing capital renewal program.

CONSULTATION

Internal

The Executive and Elected Members have been briefed on the overall Staff Housing five year renewal program in conjunction with the presentation of this item.

External Agencies

The Town engaged a local real estate agent who provided a thorough review of the four properties and recommended listing price, as summarised in the attachments.

Property	Sales Est
4 Janice Way	\$ 80,000.00
12 Janice Way	\$ 80,000.00
18 Logue Court	\$ 160,000.00
3 Mitchie Crescent	\$ 180,000.00
Total	\$ 500,000.00

(NB: the Sales estimate value included here is the lower end of the proposed advertised selling price)

Community

The Town will be required to advertise the proposed disposal of the property and invite submissions to be made.

LEGISLATION AND POLICY CONSIDERATIONS

Under section 3.58 of the *Local Government Act*, a local government can dispose of property to the highest bidder at public auction; or the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.

The Towns Staff Housing Internal Operating Procedure commits the organisation to ensuring adequate and suitable staff housing be made available for the attraction and retention of highly skilled workforce.

FINANCIAL AND RESOURCES IMPLICATIONS

The five year capital works program for Staff Housing (commenced FY2016/17) consists of a proposed \$2.6m spend over the five year period. For the first two financial years the Town has been able to improve the overall condition of its current portfolio by already investing heavily in upgrades to wet areas, roof replacements, fencing etc.

Of the five year proposed budget, \$600,000 is allocated to be spent on the renewal of properties that are to be considered for disposal. Should Council endorse the disposal then the budget for renewals will be decreased by \$600,000.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

This following sections of the Council's *Strategic Community Plan 2014-2024* are applicable in the consideration of this item:

3.1 Sustainable services and infrastructure

- Support the development of education, research and strategic investment opportunities for 'clean technology' industrial development and energy production
- Develop and maintain our infrastructure to ensure the long-term sustainability of our built and natural environment
- Provide and promote sustainable waste management practices, including recycling initiatives
- Facilitate the delivery of high quality and enduring built and natural environment

4.1 Strategic and best practice local government administration

- Deliver high quality corporate governance accountability and compliance.
- Maintain a strong and sustainable financial position
- Be efficient and effective in use of resources, infrastructure, assets and technology
- Attract, develop and retain an effective workforce to deliver organisational outcomes
- Ensure community members know how to access our services and facilities
- Promote a positive representation of our community and Town's services

Environmental

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

Economic

By self-funding the staff housing renewal, the Town would be able to self-support the renewal program going forward to avoid impact on future operational budgets and housing reserves.

Social

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

RISK MANAGEMENT CONSIDERATIONS

As per the risk matrix contained in policy 1/022 'Risk Management', the level of risk is considered to be 10

The Towns inability to provide adequate and suitable staff housing could impact the ability of the organisation to retain staff in key roles that attract housing. In turn the Town would be unable to provide adequate housing from its current pool and may be forced to take on external properties to house future employees.

By disposing of these assets the financial risk of the expenditure for the capital works programs mitigated by the provision of partial self-funding for the next three years

OPTIONS

Option 1 - Adopt Officers Recommendation

Option 2 – Do not adopt Officers Recommendation

CONCLUSION

The Town have implemented a successful Staff housing renewal program thus far. In disposing of these properties funds to cover the costs of the next three years year capital works program, to improve the overall value of the residential portfolio.

ATTACHMENTS

1. Sales Appraisals (Confidential - Under separate cover)

11.3.2 Award of Tender 2018-06 Gratwick Aquatic Centre Upgrade Works in Port Hedland (File No. 05/09/0055)

Author Project Manager
Authorising Officer Director Infrastructure & Town Services
Disclosure of Interest The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

CM201718/191 OFFICER'S RECOMMENDATION/COUNCIL DECISION**MOVED: CR DACCACHE****SECONDED: CR WHITWELL****That Council,**

- 1. Award Separable Portion 1 of Request for Tender 2018-06 Gratwick Aquatic Centre Upgrade Works in Port Hedland to the preferred tenderer Dynamic Pools Australia Pty Ltd for the value of \$291,972.00 (ex GST).**
- 2. Award Separable Portion 2 of Request for Tender 2018-06 Gratwick Aquatic Centre Upgrade Works in Port Hedland (other works required) to the preferred tenderer Dynamic Pools Australia Pty Ltd for the value of \$409,718.00 (ex GST).**
- 3. Note that Separable Portion 2 will only be undertaken subject to Council endorsing the proposed works which are listed for consideration in the 2018 – 2019 Capital Works Budget.**

7/0 CARRIED**PURPOSE**

Detailed below is a summary of the evaluation and recommendation to award the Request for Tender (RFT) 2018-06 Gratwick Aquatic Centre Upgrade Works in Port Hedland to the preferred tenderer for the delivery of:

- Separable Portion 1 and Separable Portion 2

DETAIL

An RFT was released requesting pricing for the upgrade works for Gratwick Aquatic Centre in Port Hedland. The purpose of the RFT was to obtain professional services to address the issues currently being experienced in the pools, leaks, sinking tiles, sinking pavers, frayed joints etc. These works have been scoped out and are included in Separable Portion 1 which is budgeted for in 2017 – 2018.

There were also additional issues identified which currently do not affect compliance; however, without action they will soon be non-complaint and a risk to both staff and the community. These works have been scoped out and are included in Separable Portion 2.

Separable Portion 1 Leak works only	Separable Portion 2 Other works
Includes: <ul style="list-style-type: none"> • Pools grout repair works, • Leak inspection and repair, • Pressure test of all pipe, • Repair of balance tanks 	Includes: <ul style="list-style-type: none"> • General works around the pools, • Plant room structural repair works, • Electrical compliance and upgrade works • Mechanical upgrade works associated with the plant room to improve the plant room efficiency and to meet DoHWA requirements.

Request for Tender

The documentation for RFT 2018-06 Gratwick Aquatic Centre Upgrade Works in Port Hedland was advertised in The West Australian and North West Telegraph on Wednesday 7 March 2018, as well as being advertised on TenderLink e-Tendering Portal.

A mandatory tender briefing and site inspection was conducted at 10.30am (WST) Wednesday 14 March 2018. Companies that did not attend the mandatory tender briefing and site inspection were deemed ineligible to submit a tender.

The following companies attended the mandatory briefing:

- Dynamic Pools Australian Pty Ltd
- Safeway Aquatics
- Dyson Pools

When the Tender submissions closed at 2.00pm (WST) Wednesday 4 April 2018, two (2) submissions were received.

Submissions were received from the companies listed below:

Company name	Registered Address
Dynamic Pools Australia Pty Ltd	333 Hamilton Road, Coogee WA 6166
Safeway Aquatics	Unit 1/63 Gordon Road, Mandurah 6210

Tender Assessment

All compliant tender submissions have been evaluated by a panel of three (3) Town employees and the Aquatic Division and Technical Manager from Shenton Aquatic Division whose main objectives were:

- Make a recommendation to the CEO, as to the Tenderer that best represents value for money;
- Ensure the tender submissions are assessed fairly in accordance with a predetermined weighting schedule;
- Ensure adherence to Local Government policies and legislation; and
- Ensure that the requirements specified in the Request are evaluated in a way that can be measured and documented.

Evaluation Panel consisted of:

- Project Manager, Voting Member
- Manager Facilities, Voting Member
- Director Infrastructure & Town Services, Voting Member
- Aquatic Division and Technical Manager, Non-Voting Member (Technical Advice Only)
- Procurement Advisor, Non-Voting Member

Both submissions were deemed compliant and assessed against the tender assessment criteria of; price (inclusive of application of Regional Preference Policy); methodology and timelines; and demonstrated skills and experience of the organisation to undertake projects of a similar nature. The approved weighting for the qualitative criteria is shown in the table below:

Criteria	Weighting
Price, inclusive of application of Regional Preference Policy	40%
Methodology and Timelines	30%
Demonstrated Skills and Experience of the Organisation to Undertake Projects of a Similar Nature	30%

A summary of the assessment results of submissions received for RFT 2018–06 is included in the confidential attachment.

BASIS FOR PANELS DECISION

Quality

The preferred tenderer are a highly experienced commercial pool contractor. They have successfully completed the recent renewal works at South Hedland Aquatic Centre (SHAC). In addition to the recent works at SHAC they have also completed both medium and large renewal and construction projects which are similar in nature. They have a very clear understanding of the works to be undertaken and have made several recommendations in their submission which will be beneficial for the Town and more specifically, the Gratwick Aquatic Centre.

The tenderer has also referenced several local suppliers which they intend to use should they be successful in their tender submission.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', Council endorsement of the evaluation panel's recommendation will result in no significant impact. However if council does not endorse the panel's recommendation there is significant risk of adverse impact to the community particularly in relation to the following aforementioned risks:

- Non-compliance to the new requirements set by DoHWA
- Financial loss due to the continuation of the water leaks that may eventuate into a catastrophic situation
- Reputation damage in the Town's inability to deliver and support programs, events, facilities and services

CONSULTATION

Internal and external consultation has taken place with reference to the development of the RFT.

Discussions have also taken place with Governance and Risk in relation to compliance and non-compliance related matters.

LEGISLATION AND POLICY CONSIDERATIONS

The Local Government Act 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 2018–06 was conducted in accordance with the following policies: The Town of Port Hedland's Procurement Policy 2/007, Tender Policy 2/011, 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

All costs associated with this RFT will be allocated to GL C1105702 Gratwick Aquatic Centre – Remedial Works. An initial budget of \$300,000.00 excluding GST has been allocated with the 2017 – 2018 budget. This budget will cover the costs of Separable Portion 1.

The costs for Separable Portion 2 have been listed for consideration by Council in the 2018 – 2019 budget. An additional \$500,000.00 excluding GST (inclusive of contingency) will be required to complete the works. This brings the total budget for the works to \$800,000.00 excluding GST should Council endorse the proposal for Separable Portion 2.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

As part of the Council's *Strategic Community Plan 2014-2024*, section 1.2 A vibrant community rich in diverse cultures states the need for Port Hedland to deliver and support programs, events, facilities and services which attract and retain residents to increase our permanent population.

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

RISK MANAGEMENT CONSIDERATIONS

There is a risk rating of High (10) assigned to the reputational risk associated with the inability to meet the new requirements set by DoHWA.

OPTIONS

Option 1 - Adopt Officers Recommendation

Option 2 - Amended Officers Recommendation

Option 3 – Do not adopt Officers Recommendation

Should Council elect to not adopt the Officers Recommendation and instead opt to continue business as usual, there is a chance the pool could experience a catastrophic failure as a result of the leak worsening. This option is not supported by Officers due to the risks associated with both the financial loss and reputation damage.

CONCLUSION

Town Officers recommend the awarding of Request for Tender 2018-06 to the preferred tenderer indicated in the Tender Evaluation Report. They have met and exceeded all selection criteria requirements and also represent best value for money for the Town.

ATTACHMENTS

1. Evaluation report for Request for Tender 2018-06 Gratwick Aquatic Centre Upgrade Works for Port Hedland (Confidential – Under separate cover)

Item 12 Reports of Committees

Nil

Item 13 Motions of Which Previous Notice Has Been Given

13.1 Councillor Daccache attending the Developing North Australia conference in Alice Springs (*File No. 13/01/0009*)

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

CM201718/192 OFFICER'S RECOMMENDATION/ COUNCIL DECISION**MOVED: CR DACCACHE****SECONDED: CR MCDONOGH**

That Council approve the attendance of Councillor Daccache at the Developing Northern Australia Conference on behalf of the Town of Port Hedland on 18 and 19 June 2018 in Alice Springs.

CARRIED 7/0

PURPOSE

This report is presented to Council, following a resolution on 28 March 2018 (CM201718/179), for Council to consider approving Cr Daccache to attend the Developing Northern Australia Conference, to be held in Alice Springs on 18 and 19 June 2018.

DETAIL

At the Ordinary Meeting of Council on 28 February 2018 (resolution CM201718/138), it was decided that Councillors Pitt and Whitwell would attend the conference, in conjunction with an Executive Officer.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of low significance. This is due to the long term benefits of attendance including contribution to decision making for the Town of Port Hedland and the Strategic Community Plan, minimal impact to the community and public interest.

CONSULTATION

Consultation took place at the Council meeting of 28 March 2018 between all elected members and executives.

LEGISLATION AND POLICY CONSIDERATIONS

There are no legislative considerations with this agenda item.

This agenda item considers the provisions of the following Council policies:

- 2/007 'Purchasing'
- 4/008 'Elected Member Entitlements'
- 4/010 'Elected Members Travel and Training'

In accordance sections 1.6 and 2.2 of policy 4/010 'Elected Members Travel and Training', Council approval must be granted for travel outside of Western Australia, and Elected Members must prepare a report covering key messages on the benefits of attending the conference within one month of the event.

FINANCIAL AND RESOURCES IMPLICATIONS

The costs associated with this agenda item are appropriated from training and travel budgets allocated to Members of Council.

The forum is a two-day event on Monday 18 and Tuesday 19 June 2018 with a full day of travel required either side. The venue is the Alice Springs Convention Centre.

The following table outlines the approximate costs per person:

Detail	Approximate Total Cost	Notes
Accommodation	\$540	Based on \$180 per person per night (3 nights total).
Flights	\$1,500	Flights with QANTAS from Port Hedland to Alice Springs via Perth on Saturday 16 June (not Sunday due to irregular flights and a lack of connection) and returning on Wednesday 20 June.
Early Bird Registration Fee	\$1,040	Early Bird special if paid prior to 11 May 2018.
Total	\$3,080	

Meal allowances and cab charge vouchers will be provided to each attendee. As some meals are included in the conference registration fee, meals that are not included in the registration fee will be paid for in accordance with the Town's internal policies. The costs associated with meal allowances and cab charges are in addition to the costs included in table above.

At the time of writing this report, the following budget balances are noted:

Budget Line (General Ledger)	Annual Budget Total	Remaining Balance
Elected Members – Individual Training and Development (E0401100.405)	\$63,000	\$42,144.32
Elected Members – Accommodation and Travel Expenses (E0401100.370)	\$37,000	\$8,601.85

Registration fees are to be deducted from the relevant 'Individual Training and Development' budget, and accommodation, travel and incidentals will be deducted from the relevant 'Accommodation and Travel' budget.

In accordance with 2/007 'Purchasing' policy, the Town must ensure the efficient and prudent expenditure of financial resources.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

This following section/s of the Council's *Strategic Community Plan 2014-2024* are applicable in the consideration of this item:

- 2.1 A thriving, resilient and diverse economy
- 2.2 A nationally significant gateway city and destination
- 3.1 Sustainable services and infrastructure
- 3.2 Protect our natural environment
- 3.3 Safe, attractive and accessible environment
- 4.1 Strategic and best practice local government administration

There are positive identifiable environmental, social or economic impacts arising from the attendance of this conference and information sharing and networking.

RISK MANAGEMENT CONSIDERATIONS

As per the risk matrix contained in policy 1/022 'Risk Management', the level of risk is considered to be Low (4) should the Elected Member attend and not gain any benefit. This is calculated as a minor consequence and unlikely likelihood. This report promotes good governance, transparency, accountability, the prudent expenditure of financial resources and informed decision making.

OPTIONS

Option 1 - Adopt Officers Recommendation

Option 2 - Do not adopt Officers Recommendation

CONCLUSION

Representation of the Town of Port Hedland at the Developing Northern Australia Conference would allow the Town of Port Hedland to gain insight into the unique factors affecting regional and remotely-based entities across Northern Australia and share information and tactics. Attendance at the conference will contribute to the promotion of the strategic and corporate direction of Council contribution to the community.

ATTACHMENTS

Nil

Item 14 New Business of an Urgent Nature**14.1 Rating Strategy 2018/19 (File No. 24/04/0002)**

Author Manager Financial Services
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.

CM201718/193 OFFICER'S RECOMMENDATION/ COUNCIL DECISION**MOVED: CR DACCACHE****SECONDED: CR WHITWELL**

That Council,

1. Endorse, for the purpose of advertising, the Statement of Rating Objects and Reasons for the 2018/2019 as presented;
2. Endorse, for the purpose of advertising, the following proposed Differential Categories, General Rates and Minimum Payments for the Town of Port Hedland for the 2018/2019 rating year;

Basis of valuation	Differential rate category	Rate in Dollar (expressed as cents)	Minimum payment
GRV	Residential	11.1577	\$1,350
	Residential Vacant differential minimum		\$2,000
GRV	Commercial/Industrial	11.1577	\$2,000
GRV	Commercial/Industrial - Vacant	21.5924	\$2,000
GRV	Mass accommodation	32.6058	\$2,000
GRV	Tourist accommodation	22.2595	\$2,000
UV	Mining	37.1665	\$270
UV	Pastoral	10.7558	\$2,000
UV	Other	21.4200	\$2,000

3. Endorse a public consultation process on the proposed 2018/2019 general rates and general minimum rates as follows:
 - a. State-wide and local public notice on Wednesday 2 May 2018 as per the requirements of section 6.36 of the *Local Government Act 1995*;
 - b. Communication by letter with all rate payers whose rates will increase by more than 5% on 2017/2018 levied rates;
 - c. Individual ratepayer consultation for all ratepayers in general rate categories with less than 30 rateable properties; and
 - d. Facilitated public briefing sessions in Port Hedland and South Hedland.

4. Note that following the submission period, a final report will be presented to Council considering ratepayer submissions, and Ministerial Approval will be required to impose the following differential general rates and general minimum payments, as the proposed rates in the dollar are more than twice the lowest rate, and/or there are minimum payments of more than 50% of vacant properties:

- a. GRV Commercial / Industrial – Vacant (minimum);
- b. GRV Mass Accommodation (rate in the dollar); and
- c. UV Mining (rate in the dollar).

CARRIED 7/0

PURPOSE

In accordance with the direction received following two workshops and discussions with Elected Members, this report recommends that Council endorse the Statement of Rating Objects and Reasons and advertise the proposed 2018/2019 Differential General Rates and General Minimum Payments for public comment, as required by section 6.36 of the *Local Government Act 1995*.

DETAIL

Rate revenue is the primary source of discretionary revenue for the Town of Port Hedland, accounting for approximately 51% of the budgeted operating revenue in the financial year of 2017/2018. *The Local Government Act 1995* (the Act) enables local governments to impose differential general rates and minimum payments on rateable land.

The purpose of the levying of rates is to meet Council's budget requirements in each financial year in order to deliver services and community infrastructure, as outlined in the Strategic Community Plan, Long-Term Financial Plan and Corporate Business Plan. Asset management is a significant challenge for all local governments in Western Australia and any rating model must support asset renewal and replacement requirements in line with defined service levels.

Under section 6.36 of the *Local Government Act 1995*, local governments are required to give a minimum period of 21 days' notice of the proposed differential general rates and minimum payments and to consider any submissions received. The proposed differential general rates and minimum payments can then be imposed, with or without modifications.

Under the Act, the Minister for Local Government is required to approve the following in relation to rates:

- The imposition of a differential general rate which is twice the lowest differential general rate imposed by a local government;
- A minimum payment on vacant land that does not comply with legislative provisions;
- Changes in the method of valuation of land; and
- In some instances, land exempt from rates.

Proposed Rates Model for 2018/19

The Town of Port Hedland has previously adopted a differential general rate and general minimum payment model for a number of years, with the majority of the rates burden levied on residential ratepayers. For 2018/2019, the Town of Port Hedland proposes eight differential rate categories, with the introduction of a uniform rate in the dollar for residential, commercial and industrial.

The main objectives of the rates model presented for 2018/2019 are to:

- Raise sufficient yield to maintain current services and future infrastructure renewal to meet community expectations, as outlined in the draft Strategic Community Plan 2018 – 2028;
- Distribute the rates burden more objectively and equitably by introducing a uniform rate for residential, commercial and industrial rating categories;
- Distribute the rate burden to reflect that Port Hedland is an industrial port town, noting that the Town is currently unable to levy rates on the port; and
- Improve transparency, administrative efficiency and reduce compliance costs through introduction of uniform rates.

It should be noted that 4,019 of residential ratepayers will receive a reduction in rates from 2017/2018 under the proposed model.

The following table outlines the proposed Differential General Rates and Minimum Payments for the Town of Port Hedland to be advertised for the 2018/19 financial year, to be effective from 1 July 2018.

Rate Category	Minimum Payment	Rate in Dollar (expressed as cents in \$)	Rate in Dollar Comparative %	Yield \$	Yield %
GRV Residential Differential Minimum Rate - Vacant	\$1,350 \$2,000	11.1577	100%	\$15,107,562	54%
GRV Commercial / Industrial	\$2,000	11.1577	100%	\$5,940,570	21%
GRV Commercial / Industrial - Vacant	\$2,000	21.5924	194%	\$370,151	1%
GRV Mass Accommodation	\$2,000	32.6058	292%	\$3,854,527	14%
GRV Tourist Accommodation	\$2,000	22.3154	199%	\$820,877	3%
UV Mining	\$270	37.1665	346%	\$1,312,223	5%
UV Other	\$2,000	21.4200	100%	\$138,429	0%
UV Pastoral	\$2,000	10.7558	199%	\$307,812	1%

The proposed rate model is expected to yield \$27,852,152 in rate revenue for 2018/2019 which will contribute to the net funding requirements of the Town's services, activities, financing costs and asset renewal programme.

Supporting Statement of Rating Objects and Reasons

In accordance with section 6.36 of the *Local Government Act 1995*, a document detailing the objects and reasons for each of the proposed rates and minimum payments is to be made available to all rate payers. The proposed 2018/19 Statement of Rating Objects and Reasons is provided as Attachment 1. This will be publicised on the Town of Port Hedland's website from 2 May 2018.

Below is a summary of the changes applied to each rating category:

GRV Residential

- Decrease to the rate yield achieved by 7%
- No increase to developed minimum of \$1,350
- Introduction of differential minimum for residential vacant/undeveloped land of \$2,000

GRV Commercial / Industrial

- Combine the Commercial and Industrial differential into one category for uniform rating
- Increase the rate yield achieved by 77%
- No change to minimum of \$2,000

The proposed increase is recommended to assist in balancing the rates burden across the rating differential categories and moving towards a uniform rating between Residential, Commercial and Industrial, with the current rate for Industrial and Commercial no longer holding a valid argument to be less than Residential.

GRV Commercial and Industrial - Vacant

- Increase the rate yield achieved by 23%
- Increase to minimum to \$2,000 from \$1,180

GRV Mass Accommodation

- Decrease the rate yield achieved by 2.6%
- No change to minimum of \$2,000

The Town is continuing to reduce its reliance on the Mining and Mass Accommodation sector in line with direction from the Minister and Department of Local Government, Sport and Cultural Industries.

GRV Tourist Accommodation

- Decrease the rate yield achieved by 12%
- No change to minimum of \$2,000

UV Mining

- Increase the rate yield achieved by 5%
- No change to minimum of \$270

UV Pastoral

- Decrease the rate yield achieved by .05%
- No change to minimum of \$2,000

UV Other

- Increase the rate yield achieved by 1%
- No change to minimum of \$2,000

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of high significance, as it meets the criteria listed in the policy which states "a decision that will substantially affect a wide range of people who reside in Port Hedland".

CONSULTATION

Two workshops have been conducted with Elected Members and the Executive Leadership Team to consider budget direction, strategies and rating models, and the resultant impact on ratepayers.

Submissions will be sought from ratepayers through public consultation on the proposed 2018/2019 rates model via state-wide and local public notices. Individual ratepayers whose proposed rates have increased by 5% or more from 2017/2018 will be contacted by letter. Facilitated public briefing sessions will be held in Port Hedland and South Hedland.

LEGISLATION AND POLICY CONSIDERATIONS

- Section 6.33 of the *Local Government Act 1995* – Differential General Rates
- Section 6.35 of the *Local Government Act 1995* – Minimum Payments
- Section 6.36 of the *Local Government Act 1995* – Giving Notice

FINANCIAL AND RESOURCES IMPLICATIONS

The proposed rate model is expected to yield \$27,852,152 in rate revenue for 2018/2019 which will contribute to the net funding requirements of the Town's services, activities, financing costs and asset renewal programme.

The 2018/19 rates model presented changes the rate burden as outlined in the following table, resulting in an overall increase to the rates yield of 3.5%.

Rate Category	Yield 2017/18	Yield 2018/19	Yield Movement %
GRV Residential Differential Minimum Rate - Vacant	\$16,317,325	\$15,107,562	(7%)
GRV Commercial / Industrial	\$3,360,869	\$5,940,570	77%
GRV Commercial / Industrial - Vacant	\$301,572	\$370,151	23%
GRV Mass Accommodation	\$3,960,320	\$3,854,527	(3%)
GRV Tourist Accommodation	\$935,710	\$820,877	(12%)
UV Mining	\$1,174,485	\$1,312,223	5%
UV Other	\$139,181	\$138,429	(0%)
UV Pastoral	\$301,290	\$307,812	1%

The 2018/19 budget will be developed using the following principles discussed and agreed with Elected Members at budget workshops:

- Focus on long-term financial sustainability of the Town of Port Hedland;
- Structural change to the financial budget to occur over 3 to 5 years;
- Rebalance the burden of ratepayers to reflect that Port Hedland is an industrial port town, noting that the Town cannot currently levy rates on the port;
- Annual increase in rates yield to be greater than CPI to fund long-term asset renewal whilst maintaining current service levels;
- Move closer to a user pays model for some services;
- Maintain current service levels to the community (supported by community consultation as part of the Strategic Community Plan process);
- Maintain current debt levels; and
- Use interest revenue from PHIA lease proceeds reserve to fund asset renewal.

The Town's current financial health is 'adequate' in State and Regional comparisons, however is considerably lower than the benchmark for asset sustainability. By increasing the rates yield and adopting the budget principles listed above, the Town will be able to improve its financial ratios, reportable health and its ability to meet community and business expectations in relation to future service delivery and asset renewal.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

This following section of the Council's *Strategic Community Plan 2014-2024* are applicable in the consideration of this item:

4.1 Strategic and best practice local government administration

- Deliver high quality corporate governance accountability and compliance.
- Maintain a strong and sustainable financial position
- Be efficient and effective in use of resources, infrastructure, assets and technology

Environmental

There are no significant identifiable environmental impacts arising from adoption of the officer's recommendation.

Economic

With an increase to the GRV Industrial rate in the dollar and introduction of the GRV Commercial and Industrial – Vacant differential rating category at a higher rate in the dollar, there may be increased financial pressure for some local businesses who are holding undeveloped vacant land or industrial properties. However, the Town of Port Hedland considers the development of vacant commercial and industrial land to be in the best interests of the community, as it will improve amenity and service offering, increase the vibrancy of town centres, and encourage local businesses further improving and strengthening the economy.

Social

There are no significant identifiable social impacts arising from adoption of the officer's recommendation.

RISK MANAGEMENT CONSIDERATIONS

As per the risk matrix contained in policy 1/022 'Risk Management', the level of risk is considered to be high (12) assigned to the risk that:

1. Any differential rating category with a proposed rate in the dollar more than twice the lowest; and/or
2. Minimum payments applying to more than 50% of vacant properties; will require ministerial approval. This risk is quantified as a possible reduction of rate yield of up to \$3m.

OPTIONS

Option 1 - Adopt Officers Recommendation

Option 2 – Amend Officers Recommendation, requesting change in total yield %

CONCLUSION

This report recommends that Council endorse the Statement of Rating Objects and Reasons and advertise the proposed 2018/19 Differential General Rates and General Minimum Payments for public comment, as required by section 6.36 of the *Local Government Act 1995*. The proposed rate model will yield \$27,852,152 in rate revenue which will contribute to the net funding requirements of the Town's services, activities, financing costs and asset renewal programme.

ATTACHMENTS

1. Statement of Objects and Reasons 2018/19 (Under separate cover)

CM201718/194 COUNCIL DECISION**MOVED: CR HEBBARD****SECONDED: CR PITT**

That Council agree to consider New Business of an Urgent Nature, items 14.1 Rating Strategy 2018/19 and 14.2 Ministerial Briefings in Canberra June 2018

CARRIED 7/0
14.2 Ministerial Briefings in Canberra June 2018 (File No. 14/03/0002)

Author Manager Governance
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.

CM201718/195 OFFICER'S RECOMMENDATION/ COUNCIL DECISION**MOVED: CR HEBBARD****SECONDED: CR PITT****That Council,**

- 1. Endorse the following topics for discussion to be raised with the relevant Federal Ministers in Canberra in June 2018:**

Minister / Chief of Staff	Name	Topic	Matters approved by Council for discussion
Minister for Indigenous Affairs	Nigel Scullion	Anti-social issues in Port Hedland	Support to and effectiveness of wrap around social services
Minister for the Environment	Josh Frydenberg	Chemical Contamination at PH International Airport	AirServices Australia And P-PFAS contamination at PHIA
Assistant Minister for the Environment	Melissa Price		
Minister for Resources and Northern Australia	Matt Canavan	Resource Sector	Northern Australia Infrastructure Fund
Deputy Prime Minister	Michael McCormack	Road networks	Northern Australia Infrastructure Fund
Minister for Infrastructure and Transport			
Minister for Regional Development, Territories and Local Government	John McVeigh	Building Better Regions Funding	Building Better Regions Fund

Minister for Aged Care and Indigenous Health	Ken Wyatt	Aged care & Indigenous Health	National Aboriginal and Torres Strait Islander Flexible Aged Care Program
Minister for Immigration and Border Protection	Peter Dutton	Port Hedland Asset	Dempster Street Beachfront site (old Detention Centre)
Minister for Trade, Tourism and Investment	Steven Ciobo	Tourism	Tourism restrictions and constraints
Shadow Minister for Consumer Affairs, Shadow Minister Assisting for Resources, and Federal Member for Perth.	Tim Hammond	Resource Sector	Meet and Greet

CARRIED 7/0

PURPOSE

This report seeks Council's endorsement of a number of Ministerial appointments that the Town is proposing to set up in Canberra in conjunction with the Mayor and Deputy Mayor attendance at the Regional Cooperation and Development forum and the National General Assembly of Local Government between the 17 and 20 June 2018.

DETAIL

At the Ordinary meeting on 28 February 2018 the Council resolved to appoint the Mayor and Deputy Mayor to attend the 2018 Regional Cooperation and Development Forum and National General Assembly of Local Government and represent the Town of Port Hedland from 17 to 20 June 2018.

As the Forum and the Assembly will take place in Canberra, this is a great opportunity for the Town to set up a series of Ministerial appointments to ensure Hedland continues to be given appropriate consideration in matters requiring Federal support and assistance, as well as establishing positive relationships with relevant Ministers.

At the confidential briefing session on 4 April 2018, the Town's administration presented Elected Members with a draft list of Ministers and topics for discussion. Following feedback from Elected Members, the list has now been further consolidated, and the Council is required to endorse it in principle.

As part of this process the Hon. Melissa Price MP will be contacted to support the Town with the proposed Ministerial visits, in her role as Federal Member for Durack. A series of detailed briefing notes will also be prepared prior to formally contacting Ministerial offices and circulated to Elected Members accordingly. Where required, briefing notes will include specific items for discussion and request definitive action from each Minister, as it is protocol when dealing with Members of Parliament. In view of next year's Federal election the Town also considers prudent to meet with Shadow Minister for Consumer Affairs, Shadow Minister Assisting for Resources, and Federal Member for Perth, Tim Hammond MP.

As follows, is a list of high level matters for discussion which the Town envisages will be raised with individual Ministers, however these might be subject to change pending discussions with the Member for Durack and/or further input from Elected Members.

Minister for Indigenous Affairs

Indigenous Affairs are a national priority for the Australian Government, as such this portfolio sits within the Department of the Prime Minister and Cabinet. There are a number of different agencies in Hedland, herewith referred to as 'wrap around services' that are tasked with the provision of services to assist its Indigenous population which are linked to anti-social issues. The Town will endeavor to meet with the Minister to outline these issues, and propose ways for these to be addressed through a better coordinated approach between local, state and federal government and more appropriately funded services. Specifically the following areas of concerns will be raised:

- Data collection and sharing of information across all wrap around services;
- Impact on the Town as a direct result of reduction in federal funding to remote communities; and
- Aboriginal safe-house support services (for homeless/itinerant visitors)

This Minister's portfolio does not address matters pertaining to Centrelink or welfare.

Minister for the Environment

The Department of Environment and Energy designs and implements Australian Government policy and programs to protect and conserve the environment, water and heritage, promote climate action, and provide adequate, reliable and affordable energy.

One of the matters the Department is tasked to manage is land contamination; as such the Town will endeavor to meet with Minister Frydenberg and describe the P-FAS contamination issue at the Port Hedland International Airport (PHIA) and the role of Air Services Australia. The Town will request the Minister that the PHIA is prioritized as a research location under the Australian Research Council PFAS Remediation Research Program.

Minister for Resources and Northern Australia

Minister Canavan's portfolio is part of the Department of Industry, Innovation and Science, which recognises that the right infrastructure is a fundamental driver of economic change, as it can stimulate productivity and economic growth, encourage investment, increase accessibility to markets, especially for remote areas, and help attract and retain workers. The latest statistics on Australia's vast mineral resources show Australia continues to lead as the world's largest reserve holder or producer of key commodities, with the Pilbara being the site of lithium processing plants having been commissioned in recent times. Due to the contribution that the Pilbara resources sector continues to deliver to the national economy, the Town will continue previous conversation with the Minister to ensure that it is kept informed of any upcoming projects connected to the resource industry that will impact the local and regional economy. The Town will also seek to better understand from the Minister the criteria required to access the Northern Australia Infrastructure Fund, so as to ensure its best chance of success in any future applications.

Minister for Infrastructure and Transport

Minister McCormack's portfolio is part of the Department of Infrastructure, Regional Development and Cities. The Australian Government has committed over \$75 billion for the next 10 years to transport infrastructure across Australia, of which a substantial component is under the Infrastructure Investment Program. This significant investment is a crucial part of the Government's strategy to boost economic growth and create new jobs. The list of programs includes:

- Investment Road and Rail
- Black Spot
- Bridges Renewal
- Heavy Vehicle Safety and Productivity
- Roads to Recovery
- Northern Australia Beef Roads
- Northern Australia Roads
- National Highway Upgrade
- Outback Way \$100 million Commitment
- Airport / Aviation

The Town will endeavor to meet with the Minister to ensure that the Town is kept informed of any upcoming projects connected to infrastructure and transport projects that will impact the local and regional economy, as well as gathering a better understanding of the criteria required to access funding for some of the most relevant infrastructure programs listed above.

Minister for Regional Development, Territories and Local Government

Minister McVeigh's portfolio is also part of the Department of Infrastructure, Regional Development and Cities. The Building Better Regions Fund (BBRF) is part of this Minister's portfolio and supports the Australian Government's commitment to create jobs, drive economic growth and build stronger regional communities into the future. As the Town has never received BBRF funding so far, a meeting with the Minister will be set up to better understand the criteria required to access the BBRF, so as to ensure the Town's best chance of success in any future applications. The Town will determine and advise Elected Members of projects considered suitable for this type of funding.

Minister for Aged Care and Indigenous Health

The Town will request the Minister to consider allocating funding for culturally appropriate aged care facilities and health support services in Hedland through the National Aboriginal and Torres Strait Islander Flexible Aged Care Program.

The Town will also discuss with the Minister the 2017 Regional Development Australia report on North West Ageing and Aged Care Strategy, and in particular, outline the issues the Stevens Street Senior Centre is facing, with a view of gathering an understanding of the Federal government's position on how to better address the provision of this important service for the Hedland community.

Minister for Immigration and Border Protection

A number of Elected Members have recently enquired about the old detention centre site located on Dempster Street, converted into the no longer utilised Beachfront accommodation a number of years ago. The Town can confirm this site is owned by Federal Government (Department of Immigration and Border Protection), and that BHP Billiton have first right of refusal and option to purchase if the Federal government receives an offer to purchase from another party.

In view of the above it is suggested that a meeting be set up with the Minister for Immigration and Border Protection to verify whether the Federal Government is seeking to dispose of the asset as part of any asset sales program, or if there is any interest for them to redevelop and/or reopen it.

Minister for Trade, Tourism and Investment

The Town will discuss with the Minister the development of tourism in the Pilbara with a focus on current international flight restrictions and the constraints in growing the tourism industry in the district.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of medium significance, because of the actions that will potentially derived from communication with Ministers.

CONSULTATION

- Executive Leadership Team
- Manager Environmental Health
- Community Safety Advisor
- Elected Members

LEGISLATION AND POLICY CONSIDERATIONS

Nil

FINANCIAL AND RESOURCES IMPLICATIONS

Should the Council agree for the abovementioned meetings to be set up, Town representatives will most likely have to extend their trip to Canberra of at least one additional day, in order for them to meet with relevant Ministers on Thursday 21 June. This will require an additional night's accommodation at \$180 per night, any meals and cab charges.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

This following sections of the Council's *Strategic Community Plan 2014-2024* are applicable in the consideration of this item:

1.1 A unified community across our townships

- Ensure all members of the community can access our services and facilities
- Provide safe and accessible community facilities, services, events and open spaces that connect people and neighbours
- Facilitate the provision of high-quality health services and facilities equal to those found in metropolitan areas

1.2 A vibrant community rich in diverse cultures

- Deliver and support programs, events, facilities and services which attract and retain residents to increase our permanent population
- Celebrate our multiculturalism, indigenous culture, arts and history
- Work with key agencies and our community to reduce antisocial behaviours and improve community safety

2.1 A thriving, resilient and diverse economy

- Facilitate commercial, industry and town growth
- Work closely with businesses, government and industry groups to drive local employment and investment, encourage entrepreneurship and achieve sustainable economic growth

2.2 A nationally significant gateway city and destination

- Advance Port Hedland's sea, air and road transport infrastructure as main logistics hub for the Pilbara, including developing Port Hedland International Airport as the gateway to the North West

3.1 Sustainable services and infrastructure

- Develop and maintain our infrastructure to ensure the long-term sustainability of our built and natural environment

4.2 Engage our community and stakeholders

- Be a powerful voice and influential partner with Federal and State Governments and major industries for the development of Port Hedland

Environmental

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

Economic

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

Social

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

RISK MANAGEMENT CONSIDERATIONS

As per the risk matrix contained in policy 1/022 'Risk Management', the level of risk associated with this particular decision is considered to be low.

OPTIONS

Option 1 - Adopt Officers Recommendation

Option 2 - Amended Officers Recommendation

That Council resolve to add, delete or modify proposed meetings and topics for discussion.

Option 3 – Do not adopt Officers Recommendation

CONCLUSION

The Canberra visit represents a great opportunity for the Town to position itself on the national agenda. The topics for discussion listed above are primarily connected to concrete funding and/or policy positions that the Town is able to lobby for, or seek to influence. It is important that the Town maintains contact with the Ministers whose portfolios are closely linked to matters that will have a significant impact on social and economic development in Hedland, the Pilbara and Northern Australia. It is therefore recommended that Council endorse the topics for discussion included in this agenda item, to ensure that Hedland can be duly represented at the national level.

ATTACHMENTS

Nil

Item 15 Matters for Which Meeting May Be Closed (Confidential Matters)

Nil

Item 16 Closure

16.1 Date of Next Meeting

The next Ordinary Meeting of Council will be held on Wednesday 23 May 2018, commencing at 5:30pm, with the Public Agenda Briefing being held on Wednesday 16 May 2018, commencing at 5:30pm.

16.2 Closure

There being no further business, the Mayor declared the meeting closed at 6:38pm.