



Town of Port Hedland
MINUTES
OF THE
SPECIAL MEETING
OF THE TOWN OF PORT HEDLAND COUNCIL
HELD ON
FRIDAY 22 JULY 2011
COMMENCING AT 3:00 PM
IN COUNCIL CHAMBERS
McGREGOR STREET, PORT HEDLAND

*Purpose of Meeting: To consider:
2011/12 Budget Adoption
Adoption of Town of Port Hedland Corporate Business Plan 2011/12*

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*Paul Martin
Chief Executive Officer*

OUR COMMITMENT

To enhance social, environmental and economic well-being through leadership and working in partnership with the Community.

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ITEM 1 OPENING OF MEETING**1.1 Opening**

The Mayor declared the meeting open at 3:20pm and acknowledged the traditional owners, the Kariyarra people.

ITEM 2 RECORDING OF ATTENDANCE AND APOLOGIES**2.1 Attendance**

Mayor Kelly A Howlett
 Councillor Arnold A Carter
 Councillor Stan R Martin
 Councillor George J Daccache
 Councillor Jan M Gillingham
 Councillor Steve J Coates
 Councillor Michael (Bill) A Dziombak
 Councillor David W Hooper

Mr Paul Martin	Chief Executive Officer
Ms Natalie Octoman	Director Corporate Services
Mr Russell Dyer	Director Engineering Services
Mr Gordon MacMile	Director Community Development
Mr Eber Butron	Director Planning and Development Services
Ms Josephine Bianchi	Coordinator Governance
Mr Ayden Férdeline	Administration Officer Governance
Members of the Public	1
Members of the Media	1
Members of Staff	4

2.2 Apologies

Councillor Stan R Martin

2.3 Approved Leave of Absence

Nil

ITEM 3 PUBLIC TIME**3.1 Public Questions**

3:21pm Mayor opened Public Question Time

3.1.1 Mr Camilo Blanco

Can Council please clarify several entries in the Town of Port Hedland's Monthly Statement of Business Activity for the period ending 31 May 2011. I downloaded this document from the Town of Port Hedland's website.

With regard to page 35 of this document, can Council please clarify how many houses the Town of Port Hedland owns? And how much rent does the Town of Port Hedland receive from these houses?

On page 46 of this same document, Council budgeted \$2,529,877 on swimming areas and beaches, and up to date has spent \$2,166,744. Please breakdown this figure.

On page 50, why has Council budgeted \$5,877,792 on sports grounds, but year to date has only spent \$2,698,477?

On page 47, year to date Council has spent \$400,230 on the Turtle Boardwalk. Hasn't this project been completed? What was this money spent on?

On page 56, why has Council budgeted \$21,657,131 on the Wallwork Road Bridge, and only spent \$1,700,489 year to date?

Also on page 56, Council budgeted \$621,265 on the South Hedland footpath construction, and only spent \$220,940. Why has this occurred? My understanding was that this project was covered by Royalties for Regions, is this correct?

On page 67, under Private Works Council has an amended budget of \$2,000, and yet \$94,430 has been spent year to date. Can Council please breakdown this figure?

On page 67, Council budgeted \$138,330 on Public Works Overheads, and year to date has spent \$525,693. Can Council please explain the discrepancy in cost?

Also on page 67, Council budgeted \$30,000 on Plant Operating Costs. Year to date, Council has spent \$1,400,205, a variance of 5092%. Can Council please explain this discrepancy in cost?

On page 35, Council originally budgeted \$4,500 on "85 Sutherland Street, Sch 4", but amended this to \$19,500. Why has this occurred?

Mayor advised that Council is not considering the 'Monthly Statement of Business Activity for the period ending 31 May 2011' at this Special meeting and that this document which Mr Blanco is referring to is not included in today's Agenda.

In view of this, the Mayor advised that all of Mr Blanco's questions are taken on notice.

3:27pm Mayor closed Public Question Time

3:27pm Mayor opened Public Statement Time

3.2 Public Statements

Nil

3:27pm Mayor closed Public Statement Time

ITEM 4 QUESTIONS FROM MEMBERS WITHOUT NOTICE

Nil

ITEM 5 DECLARATION BY MEMBERS TO HAVE GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPER PRESENTED BEFORE THE MEETING

The following Members verbally declared to have given due consideration to all matters contained in the Business Paper presented before the meeting.

Mayor K A Howlett	Cr A A Carter
Cr S J Coates	Cr G J Daccache
Cr M (Bill) Dziombak	Cr D W Hooper
Cr J M Gillingham	

ITEM 6 **REPORTS OF OFFICERS****6.1** **Corporate Services****6.1.1** **Finance****6.1.1.1** **2011/12 Budget Adoption (File No.: -)**

Officer **Natalie Octoman**
 Director, Corporate
 Services

Date of Report **16 July 2011**

Disclosure of Interest by Officer: **Nil**

Summary

For Council to consider adopting the 2011/12 Annual Budget.

Background

The 2011/12 Budget has been produced over the last six months, principally as a result of four budget workshops conducted with Council and Senior Management.

The Statutory Budget (attached) is produced to meet Council's statutory reporting requirements, as dictated by the Local Government Act 1995, and associated Local Government (Financial Management) Regulations 1996. To assist users, the document also contains detailed account listings and a management component which refers to a summary of the 5 year plan.

Consultation

Apart from the Council workshops on the Budget, the public has been invited to participate in the budget on a number of occasions, principally:

- invited to submit budget requests and proposals; and
- invited to comment on the proposed rates in the dollars and minimum rates.

Statutory Implications

Local Government Act 1995

6.2 . *Local government to prepare annual budget*

(1) *Not later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt*, in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.*

** Absolute majority required.*

(2) *In the preparation of the annual budget the local government is to have regard to the contents of the plan for principal activities accepted by a local government under section 5.58 and to prepare a detailed estimate for the current year of -*

(a) *The expenditure by the local government;*

(b) *the revenue and income, independent of general rates, of the local government; and*

(c) *the amount required to make up the deficiency, if any, shown by comparing the estimated expenditure with the estimated revenue and income.*

(3) *For the purposes of subsections (2)(a) and (b) all expenditure, revenue and income of the local government is to be taken into account unless otherwise prescribed.*

(4) *The annual budget is to incorporate -*

(a) *particulars of the estimated expenditure proposed to be incurred by the local government;*

(b) *detailed information relating to the rates and service charges which will apply to land within the district including -*

(i) *the amount it is estimated will be yielded by the general rate; and*

(ii) *the rate of interest (if any) to be charged by the local government on unpaid rates and service charges;*

(c) *the fees and charges proposed to be imposed by the local government;*

(d) *the particulars of borrowings and other financial accommodation proposed to be entered into by the local government;*

(e) *details of the amounts to be set aside in, or used from, reserve accounts and of the purpose for which they are to be set aside or used;*

(f) *particulars of proposed land transactions and trading undertakings (as those terms are defined in and for the purpose of section 3.59) of the local government; and*

(g) *such other matters as are prescribed.*

(5) *Regulations may provide for -*

(a) *the form of the annual budget;*

(b) *the contents of the annual budget; and*

(c) *the information to be contained in or to accompany the annual budget.”*

6.33. Differential general rates

(3) In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.

Local Government (Financial Management) Regulations 1996

56. Contents of rate notice — s. 6.41

(4) The following information is to accompany or be included in the rate notice —

(a) a brief statement of the objects and reasons for —

(i) any differential rates imposed by the local government under section 6.33;

(ii) any differential minimum payments imposed by the local government under section 6.35(6)(c); and

(iii) any service charges imposed by the local government;

(b) if a differential general rate or minimum payment differs from the proposed rate or payment set forth in the local public notice given under section 6.36, reasons for the difference.

Policy Implications

The Budget document has been developed in accordance with Council Policy 2/100 Significant Accounting Policies.

Strategic Planning Implications

The Budget has been developed with reference to the 2010-15 Strategic Plan along with the 2011-15 Forward Capital Works Plan. Cross referencing of strategies with budget allocations has been undertaken to ensure that funds have been allocated to achieve the objectives and goals of the plan.

As part of the introduction of the Integrated Planning and Reporting Framework required by the Department of Local Government, a draft Corporate Plan has been prepared for 2011/12. This plan takes into account the outcomes of the budget development process.

Budget Implications

The Annual Budget is the primary means for a Local Government to manage and allocate its financial resources. The Budget also provides the ability to impose rates, which is the primary means for a Council to raise income to fund the upcoming year's projects. Should Council not adopt the budget at this time, the issuing of rates will be delayed and alternate means of funding major projects in 2011/12 will need to be investigated.

Officer's Comment

General

Council has prepared its 2011/12 Budget, and subsequent rate charges based on similar principals used in its 2010/11 budget, which was based on the community survey results and the Council's Strategic Plan document. Though there is significant Council expenditure for 2011/12, much of this is funded externally, reducing pressure to increase rates significantly. Though this budget will provide the financial resources needed to pay for these projects, careful management is still required to source and administer the physical resources needed to achieve the budget objectives.

Rates

Council has continued to progress the use of differential rates to ensure the sections of the community which will benefit most from the proposed infrastructure upgrades will help fund its development. Generally all GRV (Gross Rental Value) categories, including residential rates have increased by 7.0%, while Unimproved Values (UV's) were increased by 15%.

Additionally Council has proposed to make a standard minimum rate of \$1,000 across all rating categories, being a \$200 increase from 2010/11. By making one minimum rate, Council is demonstrating the view that all properties, regardless of improvement, require a minimum standard and availability of services and activities.

As per Council's Resolution on 25 May, the Rates in the Dollars and Minimum Rates were advertised, and only one submission was received by close of advertising on 17 June 2011. The submission was received from a ratepayer (Attachment 2) and requests Council to consider reducing the rates in the dollar as they believe that if the increase is to fund the operation of facilities, then this should be managed through entry fees.

It was outlined in the agenda item approved by Council on 25 May for the rates in the dollar that the rates are not only to fund the new facilities across the Town, but also the improved amenities and their ongoing maintenance. The rates in the dollar for GRV properties were also recommended to increase by 7% to cover escalating costs associated with utilities and general contract and material costs. It is commonly known that costs associated with being in the Pilbara increase at a greater level than that of the Perth CPI rate.

As the Town gained Ministerial approval on 22 June 2011 to impose a differential general rate which is more than twice the lower differential rate imposed, any subsequent changes to the rates in the dollar would require further approval from the Minister, and the Town would also be required to incorporate in the information that is distributed to ratepayers an outline as to why the rate in the dollar has changed from those that were publicly advertised in accordance with the Local Government (Financial Management) Regulations 1996.

It is therefore the officer's recommendation that Council retain the rates in the dollar as approved during its 25 May meeting.

Operating Surplus

In 2011/12, Council is predicting a \$47.859 million operating surplus, based on estimated operating revenue and expenditure. The majority of Council total revenue (\$91.883 million) consists of:

Grants and contributions from State and private organisations (operating and non operating)	\$51.421m
Fees and Charges (majority from airport and waste services)	\$23.036m
Rates	\$15.508m
Other	\$1.918m

This reflects a 11.56% increase from 2010/11 however, rates for residential properties have only increased on average by 7.0%, representing Council's continued ability to source alternative funding.

Alternatively, Council total operating expenses (\$44.024m) have increased by 21.95% (compared to \$36.099m). A significant portion of this increase (\$2.878m, or 7.97%) is associated with depreciation charges. While depreciation is a non-cash item, this has significantly increased given the new projects that will be finalised and therefore the depreciation process will commence. Taking this into account, the overall increase in total operating expenses is 13.98%.

As per the Council adopted budget assumptions, the administration has tried to cap operating expenditure to 2010/11 levels. The only major increases are the provision of 10 new staff positions, increases associated with a new Enterprise Bargaining Agreement, and general increases in fuel, utilities, insurance and materials.

Utilities and insurance costs continue to escalate well in excess of CPI rates, with insurance alone factored in at an 11% increase. This is therefore reflective of the overall increase of 13.98% (excluding depreciation costs).

Capital Projects

In 2011/12 Council is again proposing an ambitious capital works program of \$81.403m compared to \$79.673 million in 2010/11. The Budget contains the following capital (Non-Operating) expenditure:

Land and Buildings	\$32.108m
Roads, Footpaths & Drainage	\$32.086m
Parks	\$13.173m
Plant & Equipment	\$ 2.628m
Furniture & Equipment	\$ 1.408m

Of this amount there are both new projects and uncompleted works from 2010/11 along with items that were approved as part of the five year plan and plant replacement program. Much of this proposed work has only been achievable by contributions from both non government and private organisations. Additional loan funds (\$17.848m) and Reserve funds (net \$6.086m) are required to assist in funding the large capital projects.

Once these projects are completed, residents and ratepayers should see a significant change in the Port Hedland landscape, principally in the provision of road and recreational infrastructure, identified as a needed improvement in last year's community survey.

Carry Forwards

As noted previously, the Budget contains both expenditure and income initially budgeted in 2010/11. These items are essentially uncompleted projects from last year. The Town of Port Hedland, like many other organisations in the Pilbara was unable to finalise many projects simply due to limited resources available in the boom economy of the Pilbara.

Council has no option but to carry forward a net balance of \$5.131m. This incorporates expenditure of \$31.076m and associated revenue (tied grants etc) of \$25.945m. The balance of \$5.131m has been funded partially from a cash surplus, and a scaled back program in 2011/12.

The Budget Document

The Budget Document represents effectively 6 months works in bringing the total budget together and meets the expectations of both Council and the Administration. Due to the Financial Management regulation requirements, the Statutory Budget Document is similar to the Annual Financial Statements, having to meet various accounting and statutory reporting requirements. The budget is currently in balance (based on the below recommendations) and any changes will require the document to be amended.

There is an additional management component again this year which outlines the 5 Year Plan previously discussed with Council, at a summarised level.

As Council is aware, the Town performs quarterly budget reviews, which allows the Budget to be “flexed” as a result of changing situations. Should Council wish to amend the proposed budget, this is easier done during the Budget Review process, requiring less statutory reporting and/or advertising to occur. Should any proposed change result in a change in the rates, all rate notices will require additional disclosure information, which will delay Council in charging and therefore collecting rates.

Attachments

1. Draft 2011/12 Budget – attached under separate cover
2. Public submission in relation to Rates and the Dollar

201112/016 Council Decision – Officer’s Recommendation –
En Bloc Resolution No. 1

Moved: Cr A A Carter

Seconded: Cr M B Dziombak

That Council adopts en bloc the Officer’s Recommendations 1 to 16 inclusive of Agenda Item 6.1.1.1 ‘2011/12 Budget Adoption’.

CARRIED BY ABSOLUTE MAJORITY 7/0

Officer's Recommendation 1

That Council imposes general and differential rates on Gross Rental Values and on Unimproved Values as permitted by the Local Government Act 1995 for the financial year 2011/12 as follows:

Rate Category	Cents in the Dollar
General Rates – Gross Rental Values	
GRV Residential	4.5625
GRV Commercial	5.4315
GRV Industrial	4.5625
GRV Shopping Centre	9.1250
GRV Ex Gratia	4.5625
GRV Mass Accommodation	9.1250
Differential Rates – Unimproved Valuations	
UV Mining Improved	31.3051
UV Mining Vacant	31.3050
UV Pastoral	5.1049
UV Other	10.3731
UV Other Vacant	11.7752

and for the purpose of general and differential rating, the following rate zone categories apply:

Residential

Includes all properties within the Town boundaries, classified for residential use in Town Planning Scheme No.5, Port Hedland.

Commercial

Includes all properties within the Town boundaries, classified for commercial use (excluding properties classified as Shopping Centre) in Town Planning Scheme No.5 Port Hedland.

Industrial

Includes all properties within the Town boundaries, classified for industrial use in Town Planning Scheme No.5 Port Hedland.

Shopping Centre

Includes properties located as Lot 4 Throssell Road, South Hedland and Lot 724 Wilson Street Port Hedland.

Ex Gratia

Includes all Government properties within the Town boundaries leased by the Commonwealth to third parties.

Mass Accommodation

Includes all properties exceeding 80sqm within the district boundaries, approved and predominately utilised for the following activities, as identified in Town Planning Scheme No.5

- **Holiday Accommodation**
- **Hotel**
- **Lodge**
- **Motel**
- **Transient Workforce Accommodation**
- **Tourism Development**
- **Tourism Resort**

Mining Improved

Includes all properties that currently operate under a mining lease tenure, and the land is significantly improved.

Mining Vacant

Includes all properties that currently operate under a mining lease tenure, and the land is not significantly improved.

UV Pastoral

Includes all properties that currently operate under a pastoral lease tenure.

UV Other

Includes all properties that don't meet the criteria of any other rate zoning category and are significantly improved.

UV Other Vacant

Includes all properties that don't meet the criteria of any other rate zoning category and are not significantly improved.

CARRIED BY EN BLOC RESOLUTION NO. 1

Officer's Recommendation 2

That Council, in accordance with section 6.32 of the Local Government Act 1995, imposes minimum rates according to the purpose for which the land is zoned or used and whether or not it is improved land as follows:

Rate Category	Minimum Rates
General Rates – Gross Rental Values	
GRV Residential	\$1,000.00
GRV Commercial	\$1,000.00
GRV Industrial	\$1,000.00
GRV Shopping Centre	\$1,000.00
GRV Ex Gratia	\$1,000.00
Differential Rates – Unimproved Valuations	
UV Mining Improved	\$1,000.00
UV Mining Vacant	\$1,000.00
UV Pastoral	\$1,000.00
UV Other	\$1,000.00
UV Other Vacant	\$1,000.00

CARRIED BY EN BLOC RESOLUTION NO. 1

Officer's Recommendation 3

That Council, in accordance with regulation 64(2) of the Local Government (Financial Management) Regulations 1996, nominates the following instalment dates for the payment of rates for the 2011/12 financial year:

12 September 2011	Payment in full or 1 st instalment
18 November 2011	2 nd Instalment
19 January 2012	3 rd Instalment
22 March 2012	4 th Instalment

CARRIED BY EN BLOC RESOLUTION NO. 1

Officer's Recommendation 4

That in accordance with Section 6.47 of the Local Government Act 1995, 100% rating concessions be granted to the following:

- i. A106284 – 9 Hamilton Road, South Hedland – Bloodwood Tree Association
- ii. A113927 – 22 Beroona Loop, South Hedland, Frontier Services – Uniting Church
- iii. A400610 – 10 Smith Street, South Hedland – Frontier Services – Uniting Church

- iv. A130114 - Sub Lot of 5812 Reserve 39012, South Hedland - Lotteries House
- v. A401480 - 32 Demarchi Road, South Hedland - Pilbara Family Violence Prevention Legal Service
- vi. A156490 - Lot 5164 Shoata Road, South Hedland - Port Hedland Golf Club
- vii. A803051 - P48 Wharf Road, Port Hedland - Port Hedland Peace Memorial Seafarers Centre
- viii. A130005 - 29 Johnson Land, Port Hedland - Port Hedland Pony Club
- ix. A156260 - Location 118 of Forrest Location, Port Hedland - Port Hedland Speedway Club
- x. A802155 - Lot 5164 Shoata Road, South Hedland - South Hedland Owners & Trainers
- xi. A156550 - Lots 55 56 & 57 McKay Street, Port Hedland - Volunteer Marine Rescue Service
- xii. A106282 - 1-5 Hamilton Road, South Hedland - Wirraka Maya Health Service
- xiii. A406870 - Lot 2916 Stanley Street, South Hedland - Youth Involvement Centre
- xiv. A802207 - Lot 2466 Lawson Street, South Hedland - Youth Involvement Centre

and that 50% rating concessions be granted on the following:-

- i. A402430 - Lot 2513 Dempster Street, Port Hedland, Len Taplin Centre
- ii. A130286 - Lot 5653 Styles Road, Port Hedland - Port Hedland Turf Club
- iii. A154780 - 4 Treloar Street, South Hedland - Treloar Child Care Centre

The total value of concessions for 2011/12 is \$95,329.

CARRIED BY EN BLOC RESOLUTION NO. 1

Officer's Recommendation 5

That Council notes:

- i. That the concessions outlined in Recommendation 4 above do not incorporate those community groups that have been deemed to be charitable, and have been classified as exempt under section 6.26 of the Local Government Act.

CARRIED BY EN BLOC RESOLUTION NO. 1

Officer's Recommendation 6

That Council:

- i. in accordance with Section 6.51 of the Local Government Act 1995, impose interest at 11% per annum calculated on a daily basis on rates and service charges, excluding underground power service charge and sundry debtors, remaining unpaid (excluding eligible pensioners opting to defer the payment of their rates) if no installment option taken.
- ii. in accordance with Section 6.51 of the Local Government Act 1995, impose interest at 6.41% per annum calculated on a daily basis on underground power service charge remaining unpaid (excluding eligible pensioners opting to defer the payment of their rates).

CARRIED BY EN BLOC RESOLUTION NO. 1

Officer's Recommendation 7

That Council, in accordance with section 6.45(3) of the Local Government Act 1995 and Regulation 67 of the Local Government (Financial Management) Regulations 1996, impose administration fees as follows (excluding eligible pensioners and underground power service charges):

- i. Payment of rates and service charges by instalments - \$12.10 plus interest at 5.5% per annum calculated daily.
- ii. Late payment of rates and services charges - \$60.40
- iii. Payment of rates and service charges by alternative instalment arrangement or a late payment penalty - \$60.40 per arrangement plus interest at 5.5% per annum calculated daily.

CARRIED BY EN BLOC RESOLUTION NO. 1

Officer's Recommendation 8

That the following Refuse Collection Charges under Section 41 of the Health Act 1911, be imposed for the 2011/12 year:

- i. an Annual Classic Collection Charge of \$212.20 for one (1) service per week, verge collection of waste from a 240 Litre Mobile Garbage Bin; and

- ii. an Annual Premium Collection Charge of \$424.40 for one (1) service (i.e. per bin emptied of waste each week) for the collection of waste from a 240 Litre Mobile Garbage Bin, where the bin is manually picked up from the property, emptied and returned.

CARRIED BY EN BLOC RESOLUTION NO. 1

Officer's Recommendation 9

That Council adopts the proposed fees and charges for 2010/11 as contained within pages 42 to 61 of the 2011/12 Budget Document.

CARRIED BY EN BLOC RESOLUTION NO. 1

Officer's Recommendation 10

That Council, in accordance with section 6.20 of the Local Government Act 1995, raises the following loans in 2011/12:-

Staff Housing – Airport (partial carry forward)	\$ 200,000
Catamore Court Housing (carry forward)	\$1,095,000
GP Housing Project (carry forward)	\$1,500,000
JD Hardie Upgrade (partial carry forward)	\$1,446,000
South Hedland Bowling Club Self Supporting Loan (carry forward)	\$ 500,000
Multi-Purpose Recreation Centre (partial carry forward)	\$7,819,000
Marquee Park (partial carry forward)	\$4,438,000
Wallwork Road Bridge (carry forward)	\$ 850,000

CARRIED BY EN BLOC RESOLUTION NO. 1

Officer's Recommendation 11

That Council adopts the following Councillor fees and allowances for 2011/12:

Meeting Fees (x1 for Councillors, x2 for Mayor)	\$ 7,000
Communication Allowance	\$ 2,400
Technology Allowance (or access to a laptop)	\$ 1,000
Mayoral Allowance	\$60,000
Deputy Mayor Allowance	\$15,000

Officer's Recommendation 12

That Council, in accordance with Section 6.11 of the Local Government Act 1995, approves the creation of the GP Housing Reserve with the purpose being: "for the development, maintenance and ongoing management of GP Housing within the Town of Port Hedland."

CARRIED BY EN BLOC RESOLUTION NO. 1

Officer's Recommendation 13

That Council adopts the following percentage or dollar value for determining and reporting material variances as follows:

1. 10% of the Function amended budget; or
2. \$100,000 of the Function amended budget

whichever is the lesser, for the following categories of revenue and expenditure:

- a. Operating Revenue
- b. Operating Expenditure
- c. Non-Operating Revenue
- d. Non-Operating Expenditure

CARRIED BY EN BLOC RESOLUTION NO. 1

Officer's Recommendation 14

That Council adopts the Statutory Annual Budget for the year ending 30 June 2012, including the Rate Setting Statement requiring \$15,508,133 rates to be raised (as presented).

CARRIED BY EN BLOC RESOLUTION NO. 1

Officer's Recommendation 15

That Council notes that the Corporate Plan for 2011/12 has been amended to reflect all budget amendments that have taken place throughout the budget development process.

CARRIED BY EN BLOC RESOLUTION NO. 1

Officer's Recommendation 16

That Council notes that as part of Stage 2 of developing the Town's Integrated Planning and Reporting Framework (a requirement of the Department of Local Government), that a 10 Year Financial Plan, a Workforce Plan, Asset Management Plan, ICT Strategy, Housing and Accommodation Strategy will each be developed in the coming months. These will inform both the development of the Strategic Community Plan and the 2012/13 Budget.

CARRIED BY EN BLOC RESOLUTION NO. 1

ATTACHMENT 2 TO AGENDA ITEM 6.1.1.1

From: [Octoman Natalie](#)
To: [Bianchi Josephine](#)
Subject: FW: Frequently asked questions/little fact card re: Rates for Councillors
Date: Monday, 18 July 2011 6:01:07 PM

[Gaye Stephens](#)

Hi Kelly, thanks for your update on Council's decisions re: new showers/change of mtg dates, etc. BUT, can you also let us know Council's decision in relation to our rates (especially for owner occupiers)? Previous years (5 or more) we have had CPI increases (i.e. 2.6%), but I noted that Councillors have been discussing increasing... by 7% for 2011-12 rates! Is this true? & if so, what did you and Council decide? If it was for a 7% increase as the Agenda suggested (i.e. for improvements for amenities and facility improvements in the Town such as JD Hardie Centre, Water Park & MPRC) - I am quite happy to assist when I walk through the doors of those facilities! BUT NOT THROUGH MY RATES! Please give us good news re Council's decision on this :-) 7% increase is huge compared to CPI which I can swallow (2.6%)....and I am sure others feel the same way. Look forward to you letting the Town's ppl know. Thanks, G

[Saturday at 7:42pm](#)

Hi Gaye, thank you for your message and concerns regarding rates. I must point out that last year's rates were increased by 4% and this has been a similar amount of increase over the past few years. The Town of Port Hedland as well as other Councils have never been able to stick with the Perth CPI rate given the accepted high costs associated with in the Pilbara compared to Perth. Yes at the last Council meeting the "rate in dollar" value was set for advertising (Page 98 on Agenda). Mayor/Councillors have worked and are continuing to work hard towards the development of the 2011/2012 budget. At our 4th Workshop the rate in the dollar & corresponding rate % increase was discussed at length. Last year 10/11 there was an increase in 4% rates, UV 15% & 22.5% minimum rate in the dollar. This year 11/12 we are considering an increase in 7% rates, UV 15% & 25% minimum rate in the dollar (this is currently being advertised for public comment). This translates to an increase on average \$160 per residential property (Last year the increase was approximately \$100). This was a difficult decision taken by Council and it is agreed that there has been significant improvements to amenity and facilities. As you are aware from the media there has also been large increases to electricity and water prices which effects Council in terms of streetlighting, parks, walkways and other public facilities. So all this had to be factored in when considering the rates for 11/12. It came down to thinking how we could maintain and continue to make Hedland better - or to cut services that we currently have. Cutting services, parks or facilities was not considered a feasible option given our growth and the needs as we grow to being a Pilbara city. I hope that this helps and anything further please do not hesitate to let me know.

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6.1.2 Organisational Development**6.1.2.1 *Adoption of Town of Port Hedland Corporate Business Plan 2011/12 (File No.: 03/01/002)***

Officer **Debra Summers**
Manager Organisational Development

Date of Report **15 July 2011**

Disclosure of Interest by Officer **Nil**

Summary

This report presents the Draft Annual Corporate Plan to the Council for its consideration. This Plan, if endorsed by Council, will become an outline of actions and tasks to be commenced during the coming year to ensure priorities and initiatives within the current Strategic Plan are delivered and financed by the Draft 2011/2012 Budget. This process is compliant with the new requirements of the Department Of Local Government for the introduction of an integrated planning and reporting framework for local governments in Western Australia.

Background

The Department of Local Government in Western Australia has introduced new guidelines for implementation of a new integrated planning and reporting framework for local governments in Western Australia.

The new framework includes the development of the following key strategic documents:

- 10 year Strategic Community Plan
- 4 year Corporate Plan
- Annual Operational Business Plan
- 4 year Workforce Plan
- 10 year Financial Plan
- 10 year Asset Management Plan

In May 2011 the Town of Port Hedland commenced a two stage process of implementing the new integrated framework required by the Department of Local Government by June 2012. Prior to commencing this process, the Department of Local Government endorsed the Town's proposed staged implementation plan and its associated timelines.

Stage one of this process included the development of an Interim Corporate Plan for 2011- 2012, aligned with the current Town of Port Hedland 2010-2015 Strategic Plan and incorporating all operational activities to support the implementation of key priorities and initiatives from the current Strategic Plan, informing strategies, capital works and partnership projects for the 12 month period. In producing this Plan, the organisation undertook a business planning process which has resulted in the development of individual Business Unit Plans, Four Directorate Plans and the Annual Corporate plan, the subject of this report.

Consultation

In preparing for this report consultation has been undertaken with:

- Officers of the Town of Port Hedland
- Councillors at Briefings and Workshops
- BHP Billiton Iron Ore
- Department of Local Government
- WALGA

Statutory Implications

The Local Government Act 1995 states that:

“5.56. Planning for the future

(1) A local government is to plan for the future of the district.

(2) A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.”

Policy Implications

Nil

Strategic Planning Implications

Key Result Area 6 – Governance

Goal 1 – Leadership

That the community acknowledges that the Town is leading the future development and management of the municipality in an effective and accountable manner.

Budget Implications

Funds have been allocated in the draft 2011/2012 Budget to deliver on the initiatives outlined in this report that are essential to delivering the requirements of an Integrated Planning and Reporting Framework by the timeframe as outlined by the Department of Local Government.

Attachments

Draft Town of Port Hedland Annual Corporate Plan 2011-2012 – attached under separate cover

Officer's Comment

The completion of this first stage of the implementation plan has resulted in the introduction of a Corporate Reporting Framework, compliant with the Departments' requirements, from 1 July 2011 which will see the Corporate Plan reporting to the Council, the Executive and the Community on a quarterly basis during 2011/2012. The first report will be due by the end of 2011 based on activities for the October first quarter ended September 2011.

If Council adopts the 2011/12 Budget and endorses the Corporate Plan, alignment with the Council's financial system will follow to integrate financial reporting information into subsequent quarterly reports as a first step in Stage 2

Stage 2 of the project will also focus on the development, integration and implementation of a Workforce Plan, Housing and Accommodation Strategy, 10 year Financial Plan, 10 year Asset Management Plan and an Information Communication Technology (ICT) Strategy by December 2011.

In conjunction with this process, Council is currently working with its Community and Stakeholders on the development of a Growth Plan to support the development of the Town and its Community into a Regional Pilbara City. This Plan will underpin the development of the new Strategic Community Plan which will be completed in December 2011.

As a final step in the implementation process, the next Corporate Plan will be extrapolated out, based on the above strategy documents to become a 4 Year Plan as per the requirements of the Department by June 2012.

201112/017 Officer's Recommendation/Council Decision

Moved: Cr A A Carter

Seconded: Cr S J Coates

That Council endorses the Draft Town of Port Hedland Annual Corporate Plan 2011-2012 as a outline of actions and tasks to be undertaken during the coming year to ensure priorities and initiatives within the current Strategic Plan are delivered, financed by the Draft 2011/2012 Budget.

CARRIED 7/0

ITEM 7 CLOSURE

7.1 Closure

There being no further business, the Chairman declared the meeting closed at 3:28pm.

NOTE: Mayor Howlett thanked the Director of Corporate Services and her team for their efforts in compiling the budget.

Declaration of Confirmation of Minutes

I certify that these Minutes were confirmed by the Council at its Ordinary Meeting of 2011.

CONFIRMATION:

MAYOR

DATE