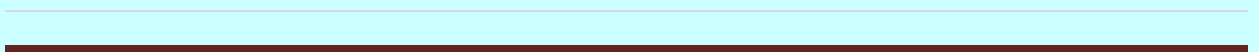




## **MINUTES**

# **ORDINARY COUNCIL MEETING**

Friday September 23rd 2011  
Commencing At 9.19am



# SHIRE OF MENZIES



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## SHIRE OF MENZIES

The meeting was unable to open at 9am due to lack of quorum.

**ORDINARY COUNCIL MEETING**  
**September 23<sup>rd</sup> 2011**  
**commencing at 9.19 am**

## **A G E N D A**

**1      DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**

The Shire President (Cr. Gregory Dwyer) declared the meeting open, welcoming the attendees, visitors, guests and proceeds with the agenda as planned.

**2      RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE PREVIOUSLY APPROVED**

*Attendance:*

Councillors	Cr G. Dwyer Cr G. Stubbs Cr J.A Dwyer Cr I.R Tucker	President Deputy President Councillor Councillor
Staff:	Mr L.P Strugnell Ms C. McAllan	Acting Chief Executive Officer Deputy Chief Executive Officer

**3      RESPONSES TO PREVIOUS PUBLIC QUESTION TIME TAKEN ON NOTICE**

Letter from Dave Grills regarding Eyes On The Street Program.

**4      PUBLIC QUESTION TIME**

Nil

**5      DECLARATIONS OF INTEREST / APPLICATIONS FOR LEAVE OF ABSENCE.**

Nil

**6      PETITIONS / DEPUTATIONS / PRESENTATIONS**

Nil

**7      CONFIRMATION OF PREVIOUS MINUTES**

7.1      Confirmation of the Previous Minutes of Council held Friday 26<sup>th</sup> August 2011 as presented, be adopted.

MOVED Cr J.A. Dwyer                      SECONDED Cr I.R. Tucker  
That the Minutes of the Ordinary Meeting of Council held on 26<sup>th</sup> August 2011 be adopted.

**Carried 4/0**

- 7.2 Confirmation of the Previous Minutes of Special Council Meeting held Friday September 16<sup>th</sup> 2011 as presented, be adopted.

MOVED: Cr J.A. Dwyer

SECONDED: Cr.I.R. Tucker

That the minutes of the Special Meeting of Council held on 16<sup>th</sup> September be adopted.

**Carried 4/0**

<b>8</b>	<b>QUESTIONS ON NOTICE.</b>
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- 8.1 Questions on Notice

Nil

<b>9</b>	<b>REPORTS OF COMMITTEES AND OFFICERS</b>
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- 9.1 Financial Statements and Reports to June 30<sup>th</sup> 2011
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- 9.3 Eradication of Cacti
- 9.4 Royalties for Regions Country Local Government Fund
- 9.5 Menzies Airstrip.
- 9.6 Recruitment of CEO
- 9.7 Payment Package – John McCarthy

At 9.25am - Moved: Cr. J.A. Dwyer

Seconded: Cr. G.W. Stubbs

That Council move behind closed doors.

**Carried 4/0**

At 11.10 - Moved: Cr. J.A. Dwyer

Seconded: Cr. I.R. Tucker

That Council adjourn the meeting.

**Carried 4/0**

At 11.29 - Moved: Cr. J.A. Dwyer

Seconded: Cr. I.R. Tucker

That Council resume the meeting behind closed doors.

**Carried 4/0**

Cr. G.W. Stubbs vacates the chambers at 11.34am

Cr. G.W. Stubbs returns to chambers at 11.35am

At 11.36am - Moved: Cr I.R. Tucker

Seconded: Cr. J.A. Dwyer

That Council come out from behind closed doors.

**Carried 4/0**



## CONFIDENTIAL ITEM

No: 9.7 PAYMENT PACKAGE – JOHN MCCARTHY

SUBMISSION TO:	Ordinary Meeting of Council
LOCATION:	Shire of Menzies
APPLICANT:	L.P. Strugnell
FILE REF:	S/4/4
DISCLOSURE OF INTEREST:	The author has no disclosure of interest in this item
DATE:	September 23 <sup>rd</sup> 2011
AUTHOR:	L.P. Strugnell, Chief Executive Officer
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	L.P. Strugnell, Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

### SUMMARY:

### BACKGROUND:

### COMMENT:

### CONSULTATION:

STATUTORY ENVIRONMENT: Section 5.50

#### 5.50. *Payments to employees in addition to contract or award*

- (1) *A local government is to prepare a policy in relation to employees whose employment with the local government is finishing, setting out —*
  - (a) *the circumstances in which the local government will pay an employee an amount in addition to any amount to which the employee is entitled under a contract of employment or award relating to the employee; and*
  - (b) *the manner of assessment of the additional amount,**and cause local public notice to be given in relation to the policy.*
- (1a) *A local government must not make any payment of the kind described in subsection (1)(a) unless the local government has adopted a policy prepared under subsection (1).*
- (2) *A local government may make a payment —*
  - (a) *to an employee whose employment with the local government is finishing; and*
  - (b) *that is more than the additional amount set out in the policy prepared under subsection (1) and adopted by the local government,**but local public notice is to be given in relation to the payment made.*
- (3) *The value of a payment or payments made to a person under this section is not to exceed such amount as is prescribed or provided for by regulations.*
- (4) *In this section a reference to a payment to a person includes a reference to the disposition of property in favour of, or the conferral of any other financial benefit on, the person.*

*[Section 5.50 amended by No. 64 of 1998 s. 29.]*

<b>POLICY IMPLICATIONS:</b>	Severance Policy.
<b>FINANCIAL IMPLICATIONS:</b>	Any payment figure will be reflected in the 2011/2012 Budget.
<b>STRATEGIC IMPLICATIONS:</b>	Not Applicable
<b>VOTING REQUIREMENTS:</b>	Simple Majority required

<b>OFFICER RECOMMENDATION / COUNCIL RESOLUTION No: 0052</b>
---

MOVED Cr J.A. Dwyer

SECONDED Cr G.W. Stubbs

That Council:

- Agree to a payout figure of up to \$50,000 to Mr. John McCarthy  
The figure of \$50,000 to be all inclusive of all other entitlements.

**Carried 4/0**

## CONFIDENTIAL ITEM

No: 9.6 RECRUITMENT OF CHIEF EXECUTIVE OFFICER

SUBMISSION TO:	Ordinary Meeting of Council
LOCATION:	Shire of Menzies
APPLICANT:	L.P. Strugnell
FILE REF:	S/4/4
DISCLOSURE OF INTEREST:	The author has no disclosure of interest in this item
DATE:	September 23 <sup>rd</sup> 2011
AUTHOR:	L.P. Strugnell, Chief Executive Officer
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	L.P. Strugnell, Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

### SUMMARY:

### BACKGROUND:

### COMMENT:

### CONSULTATION:

**STATUTORY ENVIRONMENT:** Section 5.36, 5.37, 5.39 and 5.41.

#### 5.36. *Local government employees*

- (1) *A local government is to employ —*
    - (a) *a person to be the CEO of the local government; and*
    - (b) *such other persons as the council believes are necessary to enable the functions of the local government and the functions of the council to be performed.*
  - (2) *A person is not to be employed in the position of CEO unless the council —*
    - (a) *believes that the person is suitably qualified for the position; and*
    - (b) *is satisfied\* with the provisions of the proposed employment contract.*
- \* Absolute majority required.*
- (3) *A person is not to be employed by a local government in any other position unless the CEO —*
    - (a) *believes that the person is suitably qualified for the position; and*
    - (b) *is satisfied with the proposed arrangements relating to the person's employment.*
  - (4) *Unless subsection (5A) applies, if the position of CEO of a local government becomes vacant, it is to be advertised by the local government in the manner prescribed, and the advertisement is to contain such information with respect to the position as is prescribed.*
  - (5A) *Subsection (4) does not require a position to be advertised if it is proposed that the position be filled by a person in a prescribed class.*
  - (5) *For the avoidance of doubt, subsection (4) does not impose a requirement to advertise a position before the renewal of a contract referred to in section 5.39.*

*[Section 5.36 amended by No. 49 of 2004 s. 44; No. 17 of 2009 s. 21.]*

### **5.37. Senior employees**

- (1) *A local government may designate employees or persons belonging to a class of employee to be senior employees.*
- (2) *The CEO is to inform the council of each proposal to employ or dismiss a senior employee, other than a senior employee referred to in section 5.39(1a), and the council may accept or reject the CEO's recommendation but if the council rejects a recommendation, it is to inform the CEO of the reasons for its doing so.*
- (3) *Unless subsection (4A) applies, if the position of a senior employee of a local government becomes vacant, it is to be advertised by the local government in the manner prescribed, and the advertisement is to contain such information with respect to the position as is prescribed.*
- (4A) *Subsection (3) does not require a position to be advertised if it is proposed that the position be filled by a person in a prescribed class.*
- (4) *For the avoidance of doubt, subsection (3) does not impose a requirement to advertise a position where a contract referred to in section 5.39 is renewed.*

*[Section 5.37 amended by No. 49 of 2004 s. 45 and 46(4); No. 17 of 2009 s. 22.]*

### **5.39. Contracts for CEO and senior employees**

- (1) *Subject to subsection (1a), the employment of a person who is a CEO or a senior employee is to be governed by a written contract in accordance with this section.*
- (1a) *Despite subsection (1) —*
  - (a) *an employee may act in the position of a CEO or a senior employee for a term not exceeding one year without a written contract for the position in which he or she is acting; and*
  - (b) *a person may be employed by a local government as a senior employee for a term not exceeding 3 months, during any 2 year period, without a written contract.*
- (2) *A contract under this section —*
  - (a) *in the case of an acting or temporary position, cannot be for a term exceeding one year;*
  - (b) *in every other case, cannot be for a term exceeding 5 years.*
- (3) *A contract under this section is of no effect unless —*
  - (a) *the expiry date is specified in the contract;*
  - (b) *there are specified in the contract performance criteria for the purpose of reviewing the person's performance; and*
  - (c) *any other matter that has been prescribed as a matter to be included in the contract has been included.*
- (4) *A contract under this section is to be renewable and subject to subsection (5), may be varied.*
- (5) *A provision in, or condition of, an agreement or arrangement has no effect if it purports to affect the application of any provision of this section.*
- (6) *Nothing in subsection (2) or (3)(a) prevents a contract for a period that is within the limits set out in subsection 2(a) or (b) from being terminated within that period on the happening of an event specified in the contract.*
- (7) *A report made by the Salaries and Allowances Tribunal, under section 7A of the Salaries and Allowances Act 1975, containing recommendations as to the remuneration to be paid or provided to a CEO is to be taken into account by the local government before entering into, or renewing, a contract of employment with a CEO.*

*[Section 5.39 amended by No. 49 of 2004 s. 46(1)-(3).]*

**5.41. Functions of CEO**

*The CEO's functions are to —*

- (a) advise the council in relation to the functions of a local government under this Act and other written laws;*
- (b) ensure that advice and information is available to the council so that informed decisions can be made;*
- (c) cause council decisions to be implemented;*
- (d) manage the day to day operations of the local government;*
- (e) liaise with the mayor or president on the local government's affairs and the performance of the local government's functions;*
- (f) speak on behalf of the local government if the mayor or president agrees;*
- (g) be responsible for the employment, management supervision, direction and dismissal of other employees (subject to section 5.37(2) in relation to senior employees);*
- (h) ensure that records and documents of the local government are properly kept for the purposes of this Act and any other written law; and*
- (i) perform any other function specified or delegated by the local government or imposed under this Act or any other written law as a function to be performed by the CEO.*

**POLICY IMPLICATIONS:** Nil

**FINANCIAL IMPLICATIONS:** To be addressed in the 2011/2012 budget.

**STRATEGIC IMPLICATIONS:** Nil at this stage.

**VOTING REQUIREMENTS:** Simple Majority required

<b>OFFICER RECOMMENDATION / COUNCIL RESOLUTION No: 0053</b>
---

MOVED Cr G.W. Stubbs

SECONDED Cr J.A. Dwyer

That Council complete the attached confidential spread sheet.

**Carried 4/0**

<b>No: 9.2      CHEQUES FOR PAYMENT</b>
---

<b>SUBMISSION TO:</b>	Ordinary Meeting of Council
<b>LOCATION:</b>	Shire of Menzies – Administration.
<b>APPLICANT:</b>	C.E. McAllan
<b>FILE REF:</b>	A/2/6
<b>DISCLOSURE OF INTEREST:</b>	
<b>DATE:</b>	18 <sup>th</sup> September 2011
<b>AUTHOR:</b>	C.E. McAllan Deputy Chief Executive Officer
<b>SIGNATURE OF AUTHOR:</b>	
<b>SENIOR OFFICER:</b>	L.P. Strugnell , Chief Executive Officer
<b>SIGNATURE OF SENIOR OFFICER:</b>	

**SUMMARY:**

To note cheque numbers from 001244.to 001404 .including direct debits and bank statement transfers totalling \$1,205,032.21as presented for payment in terms of the submitted lists.

**BACKGROUND:** This report is a standard mandatory requirement.

**COMMENT:** An itemised list of cheques is attached.

**CONSULTATION:** Ms. Mandy Wynne, Haines Norton.

**STATUTORY ENVIRONMENT:** Local Government (Financial Management)  
Regulations 1996 Regulation 13, 34

**13. Lists of accounts**

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

**34. Financial activity statement report — s. 6.4**

(1A) *In this regulation —*

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

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

[Regulation 34 inserted in Gazette 31 Mar 2005 p. 1049-50; amended in Gazette 20 Jun 2008 p. 2724.]

**POLICY IMPLICATIONS:**

All signing of cheques were carried out as per Policy 3.8. (All amounts over \$15,000.00 were counter signed by a Council member.

## **Policy No. 3.8 – SIGNING OF CHEQUES**

*\* Originally adopted 19<sup>th</sup> March 2004*

*The Chief Executive Officer is authorised to sign all cheques up to and including the amount of \$15,000. Cheques over this amount are to be signed by the Chief Executive Officer AND a member of Council.*

**FINANCIAL IMPLICATIONS:** Reduction to the Municipal Fund Balance.

**VOTING REQUIREMENTS:** Simple Majority required

<b>OFFICER RECOMMENDATION / COUNCIL RESOLUTION No: 0054</b>
---

MOVED Cr I.R. Tucker

SECONDED Cr J.A. Dwyer

To note the payment of Cheque numbers.001244.to 001404 including direct debits and bank statement transfers totalling \$1,205,032.21 .were paid as presented in terms of the submitted lists.

**Carried 4/0**



<b>SUBMISSION TO:</b>	<b>Ordinary Meeting of Council</b>
<b>LOCATION:</b>	<b>Shire of Menzies</b>
<b>APPLICANT:</b>	<b>Acting CEO – L.P. Strugnell</b>
<b>FILE REF:</b>	<b>L/12/1</b>
<b>DISCLOSURE OF INTEREST:</b>	<b>The author has no disclosure of interest in this item</b>
<b>DATE:</b>	<b>18<sup>th</sup> September 2011</b>
<b>AUTHOR:</b>	<b>L.P. Strugnell Chief Executive Officer</b>
<b>SIGNATURE OF AUTHOR:</b>	
<b>SENIOR OFFICER:</b>	<b>L.P. Strugnell, Chief Executive Officer</b>
<b>SIGNATURE OF SENIOR OFFICER:</b>	

**SUMMARY:**

Initiate an ongoing program for the eradication of various types of cacti in the Menzies Shire.

**BACKGROUND:**

Recently Mr Mike Chuk, Chairperson of the Australian Invasive Cacti Network visited this area to check on known areas of cacti invasion and to recommend various control measures. Within the Shire of Menzies there are two known areas of infestation – one between the Menzies airstrip and the rubbish tip and the other at the Kookynie rubbish tip. The cacti near Menzies is known as Hudson Pear and the Kookynie species as Devil's Rope Pear. Mr. Chuk has forwarded some notes on control by spraying –Email attached.

**COMMENT:**

The author of this item is aware that there are infestations in the Shires of Leonora and Coolgardie and there are probably more in the area that are not documented. As the known infestations appear to be in a manageable state it would be an appropriate time to commence an eradication program and perhaps a district survey to identify other areas.

**CONSULTATION:**

Mr. Mike Chuk – Chairperson  
Australian Invasive Cacti Network.  
President – Cr. G. Dwyer.

**STATUTORY ENVIRONMENT**

Not known  
Maybe under some noxious weed legislation.

**POLICY IMPLICATIONS:**

Nil

**FINANCIAL IMPLICATIONS:**

If approved by Council to be reflected in the 2011/2012 budget.

**STRATEGIC IMPLICATIONS:**

Endeavour to create a cacti free environment.

**VOTING REQUIREMENTS:**

Simple Majority required

<b>OFFICER RECOMMENDATION – COUNCIL RESOLUTION No: 0055</b>
---

MOVED Cr I.R. Tucker

SECONDED Cr J.A. Dwyer

That Council:

1. Consult with the Shires of Leonora and Coolgardie on the extent of the cacti infestation and the possibility of Menzies, Leonora and Coolgardie joining forces to carry out a spraying program.
2. Contact all landholders and mining companies in the Shire to carry out a survey of the cacti infestation.
3. Allocate sufficient funds in the 2011/2012 budget to allow for a spraying program at Menzies and Kookynie.

**Carried 4/0**

## Peter Strugnell

---

**From:** Mike Chuk [mike.chuk@dcq.org.au]  
**Sent:** Friday, 16 September 2011 10:38 AM  
**To:** Peter Strugnell  
**Subject:** [NEWSENDER] - Cacti weeds - Message is from an unknown sender

Hello Peter,

Thank you very much for making time to discuss cacti last week. I visited Coolgardie and inspected some cacti (probably a close relative of Hudson pear) with Mal Cullen.

The infestation of Hudson pear you have near the dump can be controlled using a mix of 3 litres Garlon 600 herbicide to 100 litres of water with an agricultural wetting agent and a red or pink spray dye. The dye is valuable in ensuring complete coverage of all parts of the plant.

I suggest budgeting \$1000 for chemicals as follows:

2x20 litres Garlon 600 (\$375 X 2) = \$750, 5 litres Reactor red dye or similar \$139, 5 litres wetter Activator or similar \$62 = \$951 (QLD prices)

I would allow for two men for a week to spray the area. The scale of the infestation would easily be covered by 4 wheel bikes with a couple of hand held bottles for difficult spots. Searching the cacti out will be helped where there is some flagging tape from past searches but the amount of other veg will make it a steady job. Better to do it slow than miss plants which can be in amongst other veg.

It could help if somebody mapped the infestation and flagged it before. The consultant Adrian Colley has done some work on cacti in your area - there may be a report/map of the Hudson pear somewhere in your office.

Adrian can be found at: [gino@highway1.com.au](mailto:gino@highway1.com.au) 0419 915 654

Assistance may be available from the Biosecurity officer from AG WA in Kalgoorlie:

John Kerr: [jkerr@agric.wa.gov.au](mailto:jkerr@agric.wa.gov.au) 0407 786 511

The same spray will kill the devil's rope pear at the Kookynie dump. 10-20 litres of the mix should do the job if burying it isn't an option.

It would be interesting to see if your community knows about other cacti infestations in the shire given the number of old mines/homesteads etc.

I hope this is of use. I am happy to discuss further.

Thanks and cheers,

Mike Chuk

Chair  
Australian Invasive Cacti Network

Planning Consultant  
Desert Channels Solutions  
PO Box 601  
Longreach QLD 4730

p 07 4658 0600 m 0427 427 695

<b>SUBMISSION TO:</b>	<b>Ordinary Meeting of Council</b>
<b>LOCATION:</b>	<b>Shire of Menzies</b>
<b>APPLICANT:</b>	<b>N/A</b>
<b>FILE REF:</b>	<b>G/6/1</b>
<b>DISCLOSURE OF INTEREST:</b>	<b>The author has no disclosure of interest in this item</b>
<b>DATE:</b>	<b>2011</b>
<b>AUTHOR:</b>	<b>L.P. Strugnell, Chief Executive Officer</b>
<b>SIGNATURE OF AUTHOR:</b>	
<b>SENIOR OFFICER:</b>	<b>L.P. Strugnell, Chief Executive Officer</b>
<b>SIGNATURE OF SENIOR OFFICER:</b>	

**SUMMARY:**

That Council make a submission for the reviewer of the Royalties For Regions Country Local Government Fund pointing out specific issues.

**BACKGROUND:**

The Minister for Regional Development has announced the conduct of a review of the Country Local Government Fund (CLGF). The purpose of the review is to determine whether there is a continuing need for the CLGF, and if so, in what form, with what budget parameters and with what purpose. – See attachment.

**COMMENT:**

It may be in Councils interest to make a submission as Menzies is one of the smaller Shires in the region and also having a remote indigenous settlement to which Council will have to provide agreed services. Not being conversant with the whole area the elected members should provide the information to cover the individual and regional components of the submission.

<b>CONSULTATION:</b>	President G. Dwyer.
<b>STATUTORY ENVIRONMENT:</b>	Not Applicable
<b>POLICY IMPLICATIONS:</b>	Not Applicable
<b>FINANCIAL IMPLICATIONS:</b>	Could lead to a grant
<b>STRATEGIC IMPLICATIONS:</b>	Not Applicable.
<b>VOTING REQUIREMENTS:</b>	Simple Majority required

<b>OFFICER RECOMMENDATION / COUNCIL RESOLUTION No: 0056</b>
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MOVED Cr

SECONDED Cr

The Councillors provide the necessary information to prepare a submission to the Minister for Regional Development on the review of the Country Local Government Fund (CLGF). The submission to cover Councils individual and regional components.

MOVED: Cr: G.W. Stubbs

SECONDED: Cr. J. A. Dwyer

That staff provide the necessary information to prepare a submission to the Minister for Regional Development on the review of the Country Local Government Fund (CLGF). The submission to cover Councils individual and regional components.

**Carried 4/0**

The reason for not accepting the Officers Recommendation is there was insufficient amount of information available for Councillors to make the submission.

**Peter Strugnell**

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**From:** Helen Westcott [hwestcott@wsquared.com.au]  
**Sent:** Wednesday, 14 September 2011 4:21 PM  
**To:** Matthew Scott; Richard Brookes; Mal Osborne; Don Burnett; Steven Deckert; Jim Epis; Peter Strugnell; Carol McAllan; Chris Paget; Pascoe Durtanovich; CEO; pm1@wiluna.wa.gov.au  
**Cc:** Chantelle Spain; larni.cox@esperance.wa.gov.au; Maureen Keegan; Mette Spencer; Bruce Wittber  
**Subject:** Review Country Local Government Fund  
**Attachments:** Country-Local-Government-Fund-Review-Issues-Paper.pdf

Good afternoon everyone

As you would be all aware, the Minister for Regional Development has announced the conduct of a review of the Country Local Government Fund (CLGF). The purpose of the review is to determine whether there is a continuing need for the CLGF, and if so, in what form, with what budget parameters, and with what purpose.

An Issues Paper has been released (copy attached) which outlines among other things key dates, terms of reference, a history and some issues. The WA Local Government Association has also distributed an Infopage seeking feedback for inclusion in its submission.

Details of the review can be found on the following website:

<http://www.rdl.wa.gov.au/aboutus/partners/RegionalDevelopmentTrust/Pages/Review-of-the-Country-Local-Government-Fund.aspx>

Whilst the matter will be listed for consideration at our next GVROC meeting in order to gauge a Zone view it is felt there will be considerable value in member Councils making a submission direct to the review secretariat (with a copy to WALGA) so that specific local issues, experiences or examples can be highlighted to the review and at the same time give WALGA the information to aggregate the individual issues into a collection of sector wide issues.

Any submission should cover both the individual component and the regional component.

Should you have any questions please call/email me.

Regards

HW

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## **Western Australian Regional Development Trust**

### **Issues Paper**

#### **Review of the Royalties for Regions Country Local Government Fund**

**August 2011**

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### **Invitation to provide submissions to the Review of the Country Local Government Fund**

The Minister for Regional Development; Lands has referred a review of the Country Local Government Fund (CLGF) to the Western Australian Regional Development Trust (Trust) pursuant to section 12(b) of the *Royalties for Regions Act 2009* (Act).

The Trust is an independent statutory body established under the Act that provides advice and recommendations on the allocation and management of funds from the Fund.

The CLGF is in its fourth year of operation and the Trust will conduct an independent, evidence-based review.

The CLGF is one of three subsidiary accounts of the Royalties for Regions Fund (Fund) established under the Act. The CLGF was originally a four-year budget program. Section 5(1)(a) of the Act went beyond this timeframe, as it gave the CLGF permanence by entrenching it as a subsidiary account of the Fund.

The Trust's own consultation over the past year has led it to believe that overall to date, the CLGF expenditure has been welcomed and valued by regional local government and regional communities, and that there has been a need for an individual local government component to the Fund, for small community grants, and for sub-regional pooled grants.

There has been debate and commentary on the CLGF policy and performance to date, including matters of quantum, design, process, governance, allocation, timelines and execution.

The purpose of the Review is to determine whether there is a continuing need for the CLGF, and if so, in what form, with what budget parameters, and with what purpose.

In undertaking this Review, the Trust will seek the views of and consult with relevant stakeholders. Submissions are particularly sought from those with a direct interest in the CLGF, but written submissions are welcome from any source.

Submissions are due by 31 October 2011, and consultation will occur thereafter. The Review report will be presented to the Minister by the end of January 2012.

I encourage you to take the time to make a submission to the Review. Your views and experiences will be important to the Trust in forming its conclusions.

Andrew Murray  
Chair  
Western Australian Regional Development Trust

## 1 Key Dates

The Trust has to report by 31 January 2012. To enable the Trust to consult with relevant stakeholders in 2011, it would be appreciated if written submissions could be sent in as early as practicable, but no later than 30 October 2011.

## 2 Extract from the Terms of Reference<sup>1</sup>

The issues for Trust consideration in the Review are:

“Overall, whether there is a continuing need for the CLGF, and if so, in what form, with what budget parameters, and with what purpose.

1. The extent to which the stated aims of the CLGF are being met, in particular, have the objectives of the CLGF been materially achieved:
  - how the CLGF is addressing local governments’ infrastructure backlogs and enhancing local governments’ capacity building
  - how the financial sustainability of country local governments is being improved through improved asset management
  - the effectiveness of funds directed to voluntary amalgamation
  - how CLGF is assisting groups of country local governments to fund larger scale infrastructure projects
  - the effect or impact of funds allocated under the CLGF
2. Whether country local government or the Department of Regional Development and Lands has experienced difficulties in applications and approvals, executing, acquitting, reporting, or managing projects under the CLGF.
3. The efficacy of the current formula in allocating funds to individual and groups of local governments, including whether this approach should be retained reformed or replaced<sup>2</sup>
4. The appropriate proportional allocation of funding between individual, group and regional components over time
5. The scope of initiatives that should be funded and in particular, whether the existing focus on infrastructure and capacity building should be retained, narrowed, broadened or otherwise changed
6. Matters that would improve the efficiency and effectiveness of the Fund’s implementation including the existing processes for forward capital works development, and business plan development.
7. Any other relevant matters.”

---

<sup>1</sup> The full Terms of Reference - Review of the Royalties for Regions CLGF is contained in Attachment A of this document.

<sup>2</sup> The current formula is outlined in Attachment B of this document.

### 3 CLGF in the context of the Act

The CLGF will be assessed by the Trust in the context of the Act.

#### Section 4 Object

The object of this Act is to promote and facilitate economic, business and social development in regional Western Australia through the operation of the Fund.

#### Section 5 Subsidiary accounts of Fund

- (1) The Fund is to consist of the following subsidiary accounts-
  - (a) the Country Local Government Fund;
  - (b) the Regional Community Services Fund;
  - (c) the Regional Infrastructure and Headworks Fund;
  - (d) any other account determined by the Treasurer, on the recommendation of the Minister, to be a subsidiary account.
- (2) The Treasurer, on the recommendation of the Minister, is to determine from time to time the way in which money standing to the credit of the Fund is to be allocated between the subsidiary accounts.

#### Section 9(1) Application of Fund

- (1) The Minister, with the Treasurer's concurrence, may authorise the expenditure of money standing to the credit of the Fund for the following purposes-
  - (a) to provide infrastructure and services in regional Western Australia;
  - (b) to develop and broaden the economic base of regional Western Australia;
  - (c) to maximise job creation and improve career opportunities in regional Western Australia.

## 4 CLGF – History and Program

The Trust is advised that a major reason for establishing the CLGF was to address an infrastructure backlog identified in a 2006 report. The report was sponsored by the Western Australian Local Government Association (WALGA), and had estimated a \$1.75 billion infrastructure backlog that existed in Western Australia.<sup>3</sup>

A recommendation of the report was that WALGA develop a campaign strategy to leverage funding, to eliminate the infrastructure backlog in conjunction with improved asset management practices, recognising that sustainable progress will not be made on reducing the backlog, unless additional annual revenues of approximately \$120 million per year are secured, based on current calculations of the infrastructure deficit.

**The CLGFs overall aims are to:**

- address infrastructure needs and support capacity building;
- improve the financial sustainability of country local governments in Western Australia through improved asset management;
- provide financial assistance to country local governments which choose to amalgamate voluntarily; and
- assist groups of country local governments to fund regionally significant infrastructure projects.

### **CLGF program delivery<sup>4</sup>**

- The Department of Regional Development and Lands (RDL) administers and monitors CLGF expenditure.
- The Department of Local Government (DLG) delivers capability building programs to individual local governments and groups of country local governments, funded through CLGF. This includes assistance towards the development of strategic plans, asset management plans, the costs of amalgamation; and scoping plans to cost the delivery of municipal services to Aboriginal communities.
- Regional Development Commissions (RDCs) facilitate the Regional Group projects that have been developed through a regional planning process. Applicants are required to include a letter of support from their local RDC, specifically commenting on the strategic and regional relevance of the application.

<sup>3</sup> See the December 2006 report "In Your Hands – Shaping the Future of Local Government in Western Australia", sponsored by the WALGA.

<sup>4</sup> Please see the RDL website for further information on the CLGF program and funding rounds <http://www.rdl.wa.gov.au/grantandfunding/country/Pages/For-Country-Local-Gov.aspx>



## Some issues

Public debate and commentary on CLGF policy and performance to date has included matters of quantum, design, process, governance, allocation, timelines and execution.

Through the current formula, CLGF funding is primarily directed to population. Western Australia's population is concentrated in the south of the State; the shires are similarly concentrated in the south of the State. Consequently the regional allocation of the CLGF has been concentrated to the south of the State, as shown by this approximate summary of allocations:

North:	Kimberley, Pilbara, Gascoyne regions – 18%
Mid:	Mid West, Goldfields regions – 23%
South:	Peel, Great Southern, South West, Wheatbelt regions – 59%

### • 2008-09

In 2008-09, over 600 projects totaling \$97.5 million were funded from the Royalties for Regions' CLGF first round allocation. Allocations for the first year of the fund ranged from a minimum of \$469,000 to \$2 million. Expenditure of CLGF allocations were directed to individual local government infrastructure asset renewal and/or infrastructure asset creation.<sup>5</sup> A total of \$98.281 million was disbursed in 2008-09.

### • 2009-10

As a result of the Global Financial Crisis in this year the Minister decided to defer expenditure. The overall allocation to Royalties for Regions dropped and funding available for CLGF was reduced. Nevertheless some expenditure was directed to forward planning. In recognition of the need for local government to adequately plan for forward capital works an amount of \$10 million was made available through the CLGF in 2009-10 as follows <sup>6</sup>:

#### Local Government Authorities

Up to \$35,000 was provided to each country local government to access expertise to develop a forward capital works plan consistent with strategic plans and asset management plans. The provision of adequate forward capital works plans, informed by strategic and asset management plans, was a pre-requisite to accessing individual local government allocations from the CLGF in 2010-11. A total of \$3.85 million was disbursed.

#### Department of Regional Development and Lands

With the transfer of the CLGF from the DLG in April 2010, RDL received an allocation for administration. A total of \$275,000 was disbursed to RDL.

<sup>5</sup> Information sourced from the Royalties Regions Progress Report December 2008 – June 2009 and further detail is available in the Progress report at <http://www.rdl.wa.gov.au/publications/Pages/Reports.aspx>

<sup>6</sup> Information sourced from the Royalties for Regions Progress report 2009-10 and further details on allocations for country local governments is available at <http://www.rdl.wa.gov.au/grantandfunding/country/Pages/For-Country-Local-Gov.aspx>

### Regional Development Commissions

Up to \$100,000 was provided through each RDC to support regional groups of country local governments in the nine regions to identify, scope and plan their regional infrastructure priorities. The provision of adequate business cases for each regional priority infrastructure project that were put forward was a pre-requisite to accessing the regional component of CLGF in 2010-11. Approximately \$900,000 was disbursed.

### Department of Local Government

The DLG was provided with \$2.47 million to deliver complementary capacity building initiatives, with a particular focus on strategic and asset management planning. In addition, up to \$2.50 million was provided to DLG to assist those local government groups who had formalised their position and wished to proceed to amalgamation by investing in, for example, common operating systems and infrastructure. A total of \$4.97 million was disbursed.

#### • **2010-11**

In 2010-11 funds were allocated 35 percent to regional groups of country local governments and 75 percent to individual local governments.

The intention of the regional groupings component was to provide financial assistance to local governments to fund larger scale infrastructure projects which clearly demonstrate wider community benefits across a region. Regional Groups may include Regional Collaborative Groups, Regional Transitional Groups, those local governments that have agreed to amalgamate, regional organisations of councils, strategic alliances or any other grouping of local governments that wishes to work together for the purpose of delivering a regionally significant infrastructure project.

Groups were required to provide RDL with a completed CLGF 2010-11 Regional Groups Application Form and attach a completed Business Case for each project for which CLGF funding is requested prior to entering into a Financial Assistance Agreement (FAA) with RDL.

For individual local governments expenditure of allocations was to be on individual local government infrastructure asset renewal and/or infrastructure asset creation. The CLGF is aimed at encouraging additional expenditure by the local government on planned infrastructure needs. The local government received its 2010-11 allocation upon RDL's receipt of a satisfactory acquittal of the 2008-09 allocation and approval of the local government's forward capital works plan, and upon entering into a FAA with RDL.

- **2011-12**

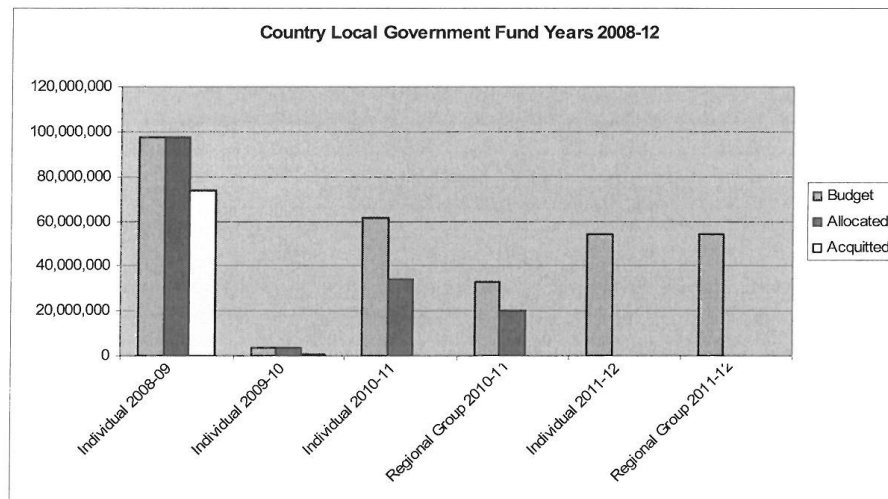
The CLGF 2011-12 funding will be provided to individual country local governments and groups of country local governments for infrastructure asset renewal and/or infrastructure asset creation.

The 2011-12 allocations have been finalised for individual local governments and groups of local governments.<sup>7</sup>

The Trust is advised by RDL that guidelines for applying for the CLGF 2011-12 funding will be available in 'the near future'.

The following graph summarises the total CLGF budget, allocations and acquitted funds for Regional Groups and Individual Components by year of funding.

**Graph 1 - Country Local Government Fund Years 2008-12<sup>8</sup>**



<sup>7</sup> CLGF allocations for 2011-12 are available at <http://www.rdl.wa.gov.au/grantandfunding/country/Pages/2011-12-Funding.aspx>

<sup>8</sup> Please see Key on following page for explanation of terms  
Review of the Royalties for Regions Country Local Government Fund – Issues Paper

## 5 CLGF Funding

The following table summarises the total CLGF budget, allocations and acquitted funds for Regional Groups and Individual Components by year of funding.

**Table 1 - Country Local Government Fund Years 2008-12<sup>9</sup>**

	Individual 2008-09 100% CLGF Allocation	Individual 2009-10 (Planning)	Individual 2010-11 (65% CLGF Allocation)	Regional Group 2010-11 (35% CLGF Allocation)	Individual 2011-12 (50% CLGF Allocation)	Regional Group 2011-12 (50% CLGF Allocation)
Budget	97,500,000	3,850,000	61,464,000	33,096,000	54,030,000	54,030,000
Allocated <sup>10</sup>	97,500,000	3,850,000	34,263,046	20,225,298		
Acquitted	73,726,814	315,000				

### Key for Graph 1 and Table 1:

- Allocated – Funds committed to the shire to be provided to a project and spent accordingly.
- Acquitted – Funds which have received audited acquittals from an independent registered auditor.
- Regional Group refers to any grouping of local governments that agrees to work together for the purpose of delivering a regionally significant infrastructure project. Examples include:
  - Regional Collaborative Groups
  - Regional Transitional Groups
  - Local governments which have amalgamated or are undergoing amalgamation
  - Regional organisations of councils
  - Strategic alliances
  - Regional local governments
  - Informal groups that sign an agreement to undertake a specific CLGF
  - Regional Group project.

Attachment C to this Issues Paper details the CLGF Budgets the 2008-09 to 2011-12 financial years and by region and shire with figures as at 26 August 2011.

<sup>9</sup> These figures are current as at 30 June 2011.

<sup>10</sup> Please note money is only allocated to local governments once they have acquitted the previous years funding and have completed their FAA



## **6 Submissions and Consultation**

### **How to provide a submission**

The Trust has not established a particular template for submissions. Your submissions should address the Issues for Consideration in the Terms of Reference (Attachment A). It is not necessary to address all the issues. If you have any other issues you would like to raise in your submission that are relevant to the CLGF you are welcome to do so.

Please note in your submissions which particular issue you are responding to and please provide an executive summary in your submission.

The Trust is interested in getting feedback from a variety of stakeholders who have been involved with the CLGF. If you represent a group or organisation please provide those details in your submission.

The Trust has been asked to consider whether there is a continuing need for the CLGF, and if so, in what form, with what budget parameters, and with what purpose – the Trust asks that you take a strategic longer-term view in addressing these issues.

Submissions and any enquiries regarding the Issues Paper should be directed to the Trust's Executive Officer Michele Howard. Submissions can be emailed, mailed or faxed. The Trust asks that submissions be submitted as early as practicable, but no later than 31 October 2011.

The email address for submissions is [clgfreview@rdl.wa.gov.au](mailto:clgfreview@rdl.wa.gov.au). Further contact details are in the last page of this document.

### **Responses to the Submissions and Consultation**

In addition to taking evidence from written submissions, the Trust will be consulting with as many stakeholders as is possible within the relatively short period of time before it has to report. This will include meetings with individual stakeholders and meetings with groups, for example regional groups of country local governments.

Apart from an acknowledgement of receipt, the Trust will not be responding directly to individual submissions. However, where necessary the Trust may contact you with questions arising from your submissions.

## Confidentiality and FOI for Submissions

Your feedback may be quoted in the final report. Please note that submissions will be made publically available at the conclusion of the Review on the Trust's website.

If you do not want your written evidence automatically made public, please mark your submission 'CONFIDENTIAL'. Please note however that even if marked confidential the requirements under the *Freedom of Information Act 1992* will apply.<sup>11</sup>

## Reporting

The Trust is due to report to the Minister by 31 January 2012.

## 7 Provision of services and facilities to the Trust

Pursuant to section 27 of the Act RDL provides the Trust with the services and facilities necessary for the Trust to perform its function. RDL will provide the Trust with assistance for the Review, which will include staff to assist with research, analysis and secretariat support.

## 8 Contact Details for Review

Contact details for the Review of the Royalties for Regions CLGF are:

**Email address for submissions:** [clqfreview@rdl.wa.gov.au](mailto:clqfreview@rdl.wa.gov.au)

**Street Address:**

Review of the Royalties for Regions Country Local Government Fund  
Western Australian Regional Development Trust  
Level 2, 140 William Street, Perth WA 6000

**Postal Address:**

Review of the Royalties for Regions Country Local Government Fund  
PO Box 1143  
West Perth WA 6872

**Support for the Review:**

Michele Howard  
Executive Officer, Western Australian Regional Development Trust  
Direct phone: (08) 6552 4498  
Fax: (08) 6552 4417  
Freecall: 1800 735 784 (Country callers only)  
Email: [michele.howard@rdl.wa.gov.au](mailto:michele.howard@rdl.wa.gov.au) (**not for submissions**)

The Trust's website is located on the RDL website at:

<http://www.rdl.wa.gov.au/aboutus/partners/RegionalDevelopmentTrust/Pages/default.aspx>

<sup>11</sup> The Western Australian Freedom of Information Act 1992 (the FOI Act) gives people the right to apply for access to documents held by State Public Sector agencies which includes: Government Departments; Local Authorities; Statutory Authorities and Ministers. The Trust is subject to FOI requirements. The FOI Act can be accessed at: [http://www.slp.wa.gov.au/legislation/agency.nsf/foi\\_menu.htmlx](http://www.slp.wa.gov.au/legislation/agency.nsf/foi_menu.htmlx)

## **Attachment A - Terms of Reference**

### **TERMS OF REFERENCE FOR THE REVIEW OF THE ROYALTIES FOR REGIONS COUNTRY LOCAL GOVERNMENT FUND**

#### **Purpose of the Review**

The Country Local Government Fund (CLGF) is in its fourth year of operation. The CLGF was originally a four-year budget program. S5(1)(a) of the *Royalties for Regions Act 2009* (Act) went beyond this timeframe, as it gave the CLGF permanence by entrenching the CLGF as a subsidiary account of the Royalties for Regions Fund.

The purpose of the Review is to determine whether there is a continuing need for the CLGF, and if so, in what form, with what budget parameters, and with what purpose.

#### **BACKGROUND**

The CLGF is one of three subsidiary accounts of the Royalties for Regions Fund (Fund) established under the Act.

On 15 December 2008, the Minister for Regional Development and Lands (Minister) launched CLGF with \$400 million over four years to assist country local governments to build and maintain their community infrastructure.

The Fund's stated aims are to:

- address infrastructure backlogs and support capacity building
- improve the financial sustainability of country local governments in WA through improved asset management
- provide financial assistance to country local governments which choose to amalgamate voluntarily
- assist groups of country local governments to fund larger scale infrastructure projects.

#### **Who is to conduct the Review**

The Western Australian Regional Development Trust (Trust) is established under the Act. The Trust is an independent statutory body that provides advice and recommendations to the Minister on the allocation and management of funds from the Fund. The Trust is the appropriate body to conduct the Review.

#### **Timing**

The Review is to be conducted in the 2011-12 financial year and presented to the Minister by the end of January 2012.

## ISSUES FOR CONSIDERATION IN THE REVIEW

Overall, whether there is a continuing need for the CLGF, and if so, in what form, with what budget parameters, and with what purpose.

1. The extent to which the stated aims of the CLGF are being met, in particular, have the objectives of the CLGF been materially achieved:
  - how the CLGF is addressing local governments' infrastructure backlogs and enhancing local governments' capacity building
  - how the financial sustainability of country local governments is being improved through improved asset management
  - the effectiveness of funds directed to voluntary amalgamation
  - how CLGF is assisting groups of country local governments to fund larger scale infrastructure projects
  - the effect or impact of funds allocated under the CLGF.
2. Whether country local government or the Department of Regional Development and Lands has experienced difficulties in applications and approvals, executing, acquitting, reporting, or managing projects under the CLGF.
3. The efficacy of the current formula in allocating funds to individual and groups of local governments, including whether this approach should be retained reformed or replaced
4. The appropriate proportional allocation of funding between individual, group and regional components over time
5. The scope of initiatives that should be funded and in particular, whether the existing focus on infrastructure and capacity building should be retained, narrowed, broadened or otherwise changed
6. Matters that would improve the efficiency and effectiveness of the Fund's implementation including the existing processes for forward capital works development, and business plan development.
7. Any other relevant matters.

## REQUIREMENTS

In conducting the Review the Trust will consult with relevant stakeholders, including but not limited to:

- Country local governments
- Western Australian Local Government Association and its zones
- Local Government Managers Australia (Western Australia)
- Department of Regional Development and Lands
- Department of Local Government
- Regional Development Commissions
- Regional Development Council
- Office of the Auditor General
- Minister for Regional Development
- Minister for Local Government
- Parliamentary Secretary to the Minister for Regional Development
- Regional Development Australia
- Appropriate industry bodies.



## Attachment B - Formula for the Country Local Government Fund

The CLGF formula uses WA Local Government Grants Commission (LGGC) factors which attend to needs components<sup>12</sup>; equalisation criteria<sup>13</sup>; and roads components<sup>14</sup>. This formula was first applied in the determination of CLGF grants in 2008-09.

Allocations will be determined on the basis of population and needs

(1) The population formula used to determine the funding allocation for each of the 110 councils was as follows:

Formula

$$1) A_i = k.p_i + R/2(g_i+r_i)$$

or

$$A_i = k.p_i + R/2.g_i + R/2.r_i$$

where

$A_i$  is the final funding allocation to a local government;  
 $p_i$  is the local government population used in the 2007 LGGC Financial Assistance Grants assessments; and  
 $i$  represents each country local government.

$$2) k = CG/Pop$$

where

CG is total allocation of funds and  
Pop is the total country local government population used in the (2007) LGGC Financial Assistance Grants assessments.  
In 2007, CG was \$97,500,000

$$3) \$400,000 < k p_i < \$900,000$$

that is

$k p_i$  is constrained to be in the range [\$400k to \$900k]

$$4) R = CG - \sum k p_i$$

that is

R is the difference (residual) between the total allocation (CG) and the sum of constrained allocations to individual local governments ( $\sum k p_i$ ).

<sup>12</sup> The total Financial Assistance Grant pool (both general purpose and roads allocation) is the surrogate measure for need.

<sup>13</sup> Where local governments have limited capacity to fund service provision needs.

<sup>14</sup> Reflecting asset preservation needs reflecting different road lengths, standards and costs.

$$5) g_i = G_i / \sum G_i$$

where

$G_i$  is the local governments FAG grants amount arising from needs assessment by the LGGC

$$6) r_i = R_i / \sum R_i$$

where

$R_i$  is the local governments Road grants amount arising from roads assessment by the LGGC

(2) The needs criteria used to determine the Country Local Government Fund allocation to the 110 councils are included within the assessments of the WA Local Government Grants Commission, which annually assesses revenue capacity and expenditure needs using key data, and approximately 20 disability factors, to determine horizontal equalisation funding requirements. It also uses detailed road inventory data and regional costings to assess asset preservation needs for each local government as a basis for allocating local road grants. A local government's share of these allocations was considered to be a suitable indicator of funding needs.

To achieve the above, the following steps were undertaken:

1. Calculate each local government share of the total Financial Assistance Grant pool (both general purpose and roads allocations) (this is the surrogate measure for need)
2. Calculate the per capita allocation, if the whole pool was allocated on population basis
 

\$97.5m for 565,000 people  
Equates to \$172.50 per capita
3. Work out the allocation to each local government if the whole pool was allocated on population basis,
 

Equates to \$172.50 times the population of each local government  
The sum of these allocations should be \$97.5m
4. A decision was made to limit the influence of population on the final allocations, such that there was a minimum population component of \$400,000 and maximum population component of \$400,000.

These limits and caps on the allocation are calculated via 'IF' statements.

Some local governments will be allocated \$400,000, and some \$900,000, with the balance receiving a floating figure between these two figures based on population.

5. Sum the allocations to each councils calculated in step 4.  
\$61.15m allocated on population basis  
Balance of \$36.35m of pool can be allocated on basis of need (step 1)
6. For each local government, work out the entitlement by summing the population component (step 4) and the needs component (step 5).  
The sum of these allocations should be \$97.5m

Any additional funds can be allocated on a basis of the existing percentage share of the \$97.5m pool.

**Attachment C - CLGF Budget**

By Regional Groups and Individual Local Governments (C.1)

and

Country Local Government Fund 2008-09 to 2011-12 (C.2)

(Attached as separate files)



CEO Vacates chambers at 12.25pm  
CEO returns to chambers at 12.26pm.

<b>No: 9.5 MENZIES AIRSTRIP</b>
---------------------------------

<b>SUBMISSION TO:</b>	<b>Ordinary Meeting of Council</b>
<b>LOCATION:</b>	<b>Shire of Menzies</b>
<b>APPLICANT:</b>	<b>Royal Flying Doctor Services</b>
<b>FILE REF:</b>	<b>A/4/1</b>
<b>DISCLOSURE OF INTEREST:</b>	<b>The author has no disclosure of interest in this item</b>
<b>DATE:</b>	<b>September 20<sup>th</sup> 2011</b>
<b>AUTHOR:</b>	<b>L.P. Strugnell, Chief Executive Officer</b>
<b>SIGNATURE OF AUTHOR:</b>	
<b>SENIOR OFFICER:</b>	<b>L.P. Strugnell, Chief Executive Officer</b>
<b>SIGNATURE OF SENIOR OFFICER:</b>	

**SUMMARY:**

The Director of Aviation for the Royal Flying Doctor Services is enquiring if Council will consider improving Menzies Runway 06/24 from length 1200, width 37, strip 53 to either 60 or 90 metres in width to increase the RFDS day/night operational capability.

**BACKGROUND:**

The RFDS – Director of Aviation submitted the attached letter which is self-explanatory.

**COMMENT:**

Prior to agreeing to the request from the RFDS it would appear prudent to obtain some facts relating to the airstrip in question.

- The strip needs to be surveyed to ensure that it is contained in Council Reserves and that there is sufficient space to carry out the requested widening. It is not completely in Landing Ground Reserve R4592.
- Is the airstrip in the right location for any further long term planning,. eg – Mining activities – FIFO
- Statistics on number of RFDS flights in and out of Menzies and other users if any. Number of ambulance trips compared to RFDS
- As the strip is close to the Goldfields Highway, is there or could there be any possibility of objections from other parties. eg. Main Roads.
- Would State or Federal Government funds be available to assist with the works required?

<b>CONSULTATION:</b>	President, Cr. G. Dwyer
<b>STATUTORY ENVIRONMENT:</b>	Nil at this stage.
<b>POLICY IMPLICATIONS:</b>	Nil
<b>FINANCIAL IMPLICATIONS:</b>	Funding would be required in first stage of engineering services.
<b>STRATEGIC IMPLICATIONS:</b>	May reduce number of patients being transported to Kalgoorlie by road.
<b>VOTING REQUIREMENTS:</b>	Simple Majority required

<b>OFFICER RECOMMENDATION / COUNCIL RESOLUTION No: 0057</b>
---

MOVED Cr G.W. Stubbs

SECONDED Cr J.A. Dwyer

That Council:

Advise the Royal Flying Doctor Service that Council will consider the proposals to widen Runway 06/24 once the following has been established:

1. Survey of runway 06/24 undertaken to establish if it is contained within reserves held by the council
2. Statistics on number of RFDS flights in and out of Menzies during 2010/2011 financial year and for period 1 July to 30 September 2011
3. Number of ambulance trips to Kalgoorlie for the corresponding period.
4. If there is any likelihood of a third party objecting to any proposals to widen the runway.
5. Alternative sites to be considered.

**Carried 4/0**

Corporate Office  
3 Eagle Drive,  
Jandakot Airport  
Jandakot WA 6164

T 08 9417 6300  
F 08 9417 6309  
E westops@rfdswa.com.au  
> www.flyingdoctor.org.au



29 August 2011

Mr P Strugnell  
Chief Executive Officer  
Menzies Shire  
124 Shenton Street  
MENZIES WA 6436

Dear Peter

**RE: MENZIES AIRSTRIP**

My name is Gavin Healy and I am the Director of Aviation for the Royal Flying Doctors Service of Australia (Western Operations) and I write to you regarding the Airstrip at Menzies.

Our records show that this airstrip is classified as D4 N4 with the RFDS due to the following:

Runway 06/24      Length 1200    Width 37      Strip53

This classification restricts our day/night operational capability due to the strip width and below is some suggested improvements:

1. Widening the strip width from 37m to 60m – would make this all day strip and night mercy flight strip.
2. Widening the strip width from 37m to 90m – would change the classification to D1 N1 affording the airstrip unlimited access.

I would appreciate Shire Council considering the above improvements and stress the benefit they would bring to the community of the Menzies Shire in the case of emergencies and for clinic opportunities. Can you please confirm the above mentioned runway length as 1200 in writing and let me know the outcome of Shire discussions.

I have also enclosed for your information, documentation regarding the airstrip requirements of the RFDS Western Operations and our classification process. Should you have any queries please don't hesitate contacting me on 08 9417 6376.

Yours truly

Gavin Healy  
Director of Aviation

Enc: RFDS Airstrip Categories & RFDS Airstrip Standards Summary

Ref: ac 1543

Derby Base 149 Loch Street, Derby WA 6728 > PO Box 52 T 9191 0200 F 9191 0209  
Jandakot Base 3 Eagle Drive, Jandakot Airport, Jandakot WA 6164 T 9417 6300 F 9417 6309  
Kalgoortlie Base Kalgoortlie-Boulder Airport, Kalgoortlie WA 6430 > PO Box 444 T 9093 7500 F 9093 7509  
Meekatharra Base Meekatharra Airport, Meekatharra WA 6642 > PO Box 103 T 9980 0550 F 9981 1601  
Port Hedland Base Waldron Road, Port Hedland WA 6721 > PO Box 2144, Sth Hedland WA 6722 T 9172 0700 F 9172 0709  
Royal Flying Doctor Service of Australia Western Operations. ABN 29 067 077 696



**Royal Flying Doctor Service**  
WESTERN OPERATIONS

## **RFDS Airstrip Standards Summary**

*Note: please refer to RFDS Airstrip Standards & Reporting Arrangement Document dated 19 March 2009 for complete information. This summary is to serve as a quick reference guide only.*

Length: (target) 1200m.

Strip Width: 60m (90m for night ops) cleared total, 18m runway.

Runway: central 18m

- > free of anthills, holes, cattle tracks, ruts
- > firm surface
- > when wet, a four tonne truck should not leave more than a half inch impression on the runway
- > no vegetation.

Runway Strip: 45M area (see diagram)

A defined rectangular area, including the runways, intended:

- a) to avoid damage to aeroplanes running off the runway;
- b) to protect aeroplanes flying over it, during take-off or landing.

Runway Checking: prior to landing, when rain has been in area, at night/dawn/ dusk for vermin;

Markers: placed at 90m intervals either side of runway

- > can be old car tyres, inverted buckets etc painted white
- > markers must be able to be run over by aircraft with no damage sustained.

Lighting: placed inboard next to markers at 90m intervals

- > can be: Dry cell or rechargeable battery powered runway lights, liquid (diesel or kerosene) fuelled wick fed flares
- > **IN AN EMERGENCY ONLY:** Cans, such as large powdered milk cans, part filled with sand and fuelled with diesel or kerosene, reflectors used in combination with 8 runway lights, or car headlights. This requires specialist instruction from RFDS prior to setting up.

RFDS Airstrip Queries:

Business hours - Aviation Data Coordinator at Jandakot; via 9417 6300 or email [AviationDataCoordinator@rfdswa.com.au](mailto:AviationDataCoordinator@rfdswa.com.au) or Chief Pilot Michael Bleus 0417 948 959 or Joanne Leary 9417 6376.

After Hours- Jandakot Operations Centre 9417 6364 or 1800 062 792.

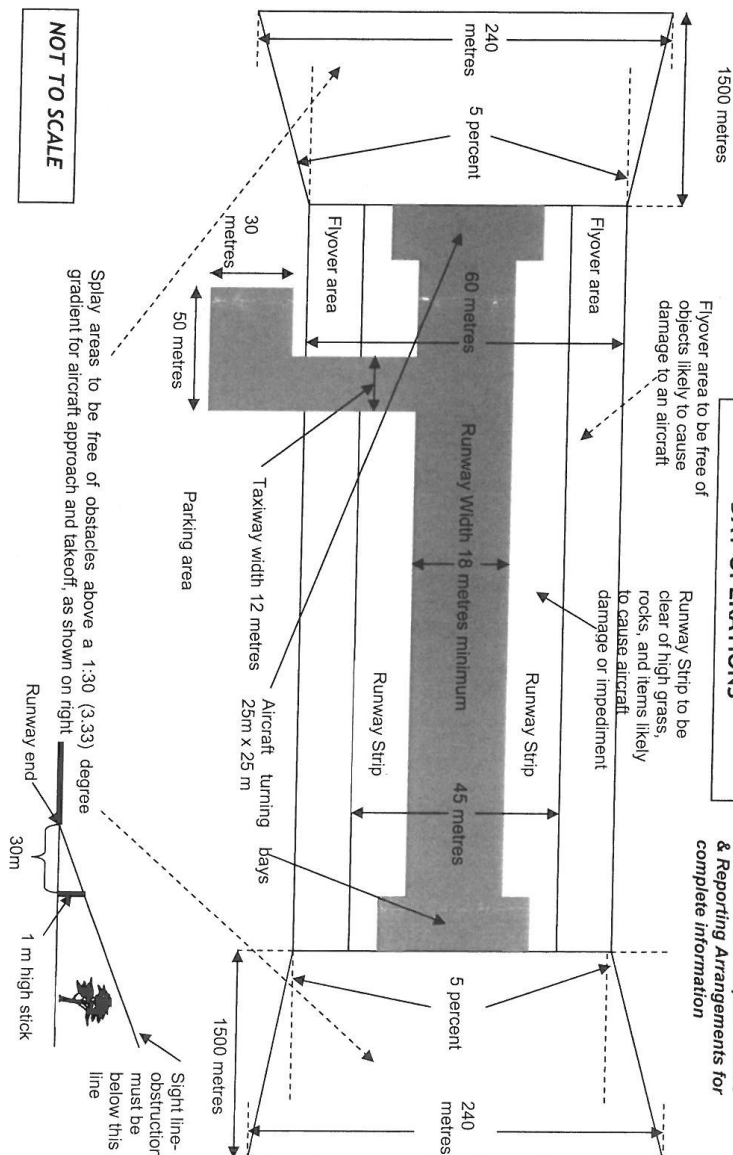
**IF YOUR AIRSTRIP CONDITION HAS CHANGED, PLEASE HELP US TO HELP YOU BY KEEPING US ADVISED OF ANY CHANGES**

'Commercial in Confidence'

October 2010

**RFDS Airstrips Standard Summary  
DAY OPERATIONS**

Please refer to RFDS Western  
Operations Airstrip Standards  
& Reporting Arrangements for  
complete information



Commercial in Confidence

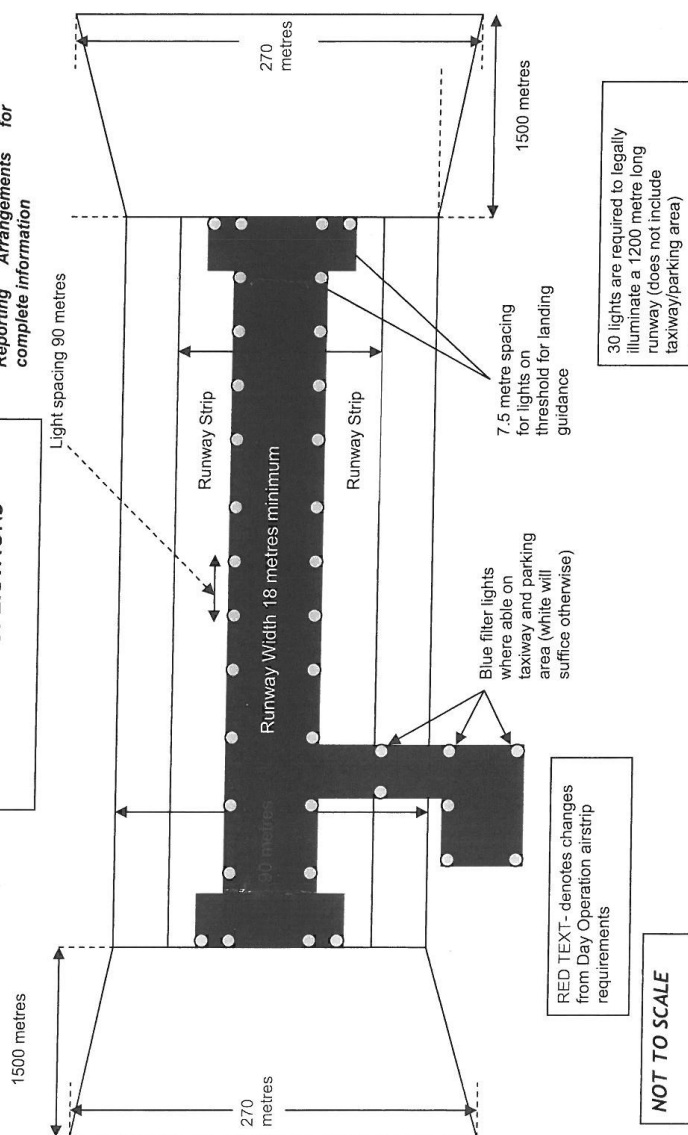
October 2010



Royal Flying Doctor Service  
WESTERN OPERATIONS

Please refer to RFDS Western  
Operations Airstrip Standards &  
Reporting Arrangements for  
complete information

RFDS Airstrips Standard Summary  
NIGHT OPERATIONS



'Commercial In Confidence'

October 2010

#### **Suggested Airstrip Equipment Suppliers**

Avlite Pty Ltd  
11 Industrial Drive  
Somerville  
VIC 3912  
PH 03 5977 6128  
FAX 03 5977 6124  
[www.avlite.com](http://www.avlite.com)

Airport Lighting Specialists  
PO Box 94  
Rosanna  
VIC 3084  
PH 03 9432 0511  
FAX 03 9432 1952  
[www.airportlighting.com.au](http://www.airportlighting.com.au)

Aero Associates  
39 Crisp St  
(PO Box 239)  
Cooma  
NSW 2630  
PH 02 6452 2000  
FAX 02 6452 6464  
[www.aeroasso.com.au](http://www.aeroasso.com.au)

Windssocks  
Taskers  
58 Sparks Rd  
Henderson  
WA 6166  
PH 08 9437 9222  
FAX 08 9427 9233  
[www.taskers.com.au](http://www.taskers.com.au)

A & B Canvas Australia  
12-14 Hodgson Way  
Kewdale  
WA 6105  
0427 600 090  
0427 600 088  
[www.canvasaustralia.com.au](http://www.canvasaustralia.com.au)

Reflector Panels  
Bowra Grafix  
55 Collingwood St  
Osborne Park  
WA 6017  
9446 9288





## **RFDS WESTERN OPERATIONS AIRSTRIP CATEGORIES**

### **Category 1**

An airfield which satisfies all of the following requirements:

1. Includes licensed, Certified, Registered or authorised landing areas with day and night operational capability
2. Runway length of 1200m or greater
3. Runway width: 18m; Strip width: Day 60m; Night 90m
4. Has PAL or manual electric lighting or battery flare path.

### **Category 2**

An airfield which does not satisfy Category 1 but meets the following requirements:

1. Day and night operational capability
2. Runway length less than 1200m but greater than 900m
3. Runway width: 18m; Strip width: Day 60m; Night 90m
4. Has PAL or manual electrical lighting or battery flare path.

### **Category 3**

An airfield that meets Category 1 or 2 standards but has an Operational Restriction or Non Standard Procedure. This can take the form of hills in the vicinity of the strip, lit by RFDS reflectors, sand, tin or kerosene flares, Towers (Telstra/Radio) or non standard Circuit direct.

**OSP operational approval is required.**

**Declaration of a mercy flight is not required.**

### **Category 4**

An airfield which does not meet Category 1 or 2 standards and requires additional considerations:

1. Day and night operational capability compromised due to runway length, runway or strip width or no runway lighting
2. Runway length less than 900m
3. Operations required to be conducted on a **Mercy Flight**. Prior approval from the **Chief Pilot** or **OSP** is required before operating into a **Category 4** airfield.



SUBMISSION TO:	Ordinary Meeting of Council
LOCATION:	Shire of Menzies - Admin
APPLICANT:	C.E. McAllan
FILE REF:	A/2/6
DISCLOSURE OF INTEREST:	The author has no disclosure of interest in this item
DATE:	18 <sup>th</sup> September 2011
AUTHOR:	C.E. McAllan Deputy Chief Executive Officer
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	L.P. Strugnell, Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

**SUMMARY:**

That the Financial Statements and Reports to the Statements to June 30<sup>th</sup> 2011 as presented be adopted.

**BACKGROUND:**

The Financial Reports (AAS27) are presented monthly, generated by our off-site Accountants, UHY Haines Norton and printed in our office.

**COMMENT:**

Included in these Financial reports, (which are equivalent of a quarterly financial report) are a rates report and a report on reserve funds.

**CONSULTATION:**

Ms Mandy Wynne, Haines Norton.

**STATUTORY ENVIRONMENT:**

Local Government (Financial Management)  
Regulations 1996 Regulation 34

**34. Financial activity statement report — s. 6.4**

(1A) *In this regulation —*

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

(1) *A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —*

- (a) *annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);*
- (b) *budget estimates to the end of the month to which the statement relates;*
- (c) *actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;*
- (d) *material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
- (e) *the net current assets at the end of the month to which the statement relates.*

(2) *Each statement of financial activity is to be accompanied by documents containing —*

- (a) *an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;*
  - (b) *an explanation of each of the material variances referred to in subregulation (1)(d); and*
  - (c) *such other supporting information as is considered relevant by the local government.*
- (3) *The information in a statement of financial activity may be shown —*
- (a) *according to nature and type classification; or*
  - (b) *by program; or*
  - (c) *by business unit.*
- (4) *A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be —*
- (a) *presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and*
  - (b) *recorded in the minutes of the meeting at which it is presented.*
- (5) *Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.*
- [(6) *deleted*]
- [Regulation 34 inserted in Gazette 31 Mar 2005 p. 1049-50; amended in Gazette 20 Jun 2008 p. 2724.]*

**POLICY IMPLICATIONS:**

Not Applicable

**FINANCIAL IMPLICATIONS:**

Reduction or Increase to Muni Bank and Reserve Accounts.

**VOTING REQUIREMENTS:**

Simple Majority required

<b>OFFICER RECOMMENDATION / COUNCIL RESOLUTION No: 0058</b>
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MOVED Cr G.W. Stubbs

SECONDED Cr I.R. Tucker

- That the presentation of the Financial Statements and Reports to the statements to June 30<sup>th</sup> 2011 be adopted.
- That the comments/points listed on pages 8 and 9 be addressed as a matter of urgency and be reported on at the October 2011 meeting with details of action taken.

**Carried 4/0**

The Chief Executive Officer  
Shire of Menzies  
Shenton Street  
Menzies WA 6436

**COMPILATION REPORT TO THE SHIRE OF MENZIES**

We have compiled the accompanying Local Government special purpose financial statements of the Shire of Menzies, which comprise the Statement of Financial Activity, a summary of significant accounting policies and other explanatory notes for the period ending 30 June 2011. The financial statements have been compiled to meet compliance with the Local Government Act 1995 and associated Regulations.

***The Responsibility of the Shire of Menzies***


The Shire of Menzies are solely responsible for the information contained in the special purpose financial statements and are responsible for the maintenance of an appropriate accounting system in accordance with the relevant legislation.

***Our Responsibility***

On the basis of information provided by the Shire of Menzies we have compiled the accompanying special purpose financial statements in accordance with the requirements of the Local Government Act 1995, associated Regulations and APES 315 *Compilation of Financial Information*.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Shire of Menzies provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The Local Government special purpose financial statements were compiled exclusively for the benefit of the Shire of Menzies. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

  
UHY Haines Norton (WA) Pty Ltd  
Chartered Accountants

  
Paul Breman  
Director

24 Parkland Road  
OSBORNE PARK WA 6017

15 September 2011

t: +61 (0)8 9444 3400  
f: +61 (0)8 9444 3430

16 Lakeside Corporate 24 Parkland Road Osborne Park Perth WA 6017  
PO Box 1707 Osborne Park WA 6916

e: perth@uhyhn.com.au  
w: www.uhyhn.com

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UHY Haines Norton (WA) Pty Ltd as trustee - ABN 99 433 544 961  
Liability limited by a scheme approved under Professional Standards Legislation

15<sup>th</sup> September 2011

Mr Peter Strugnell  
Acting Chief Executive Officer  
Shire of Menzies  
Shenton Street  
MENZIES WA 6436

Dear Mr Strugnell

**ACCOUNTING SERVICE INFORMATION REPORT FOR THE PERIOD ENDED 30 JUNE 2011.**

We advise that we have completed the compilation of your Statutory Monthly Statement of Financial Activity for the month ended 30 June 2011 and enclose our Compilation Report and Statements.

We are required under APES 315 *Compilation of Financial Information* to report certain matters in our compilation report. Other matters which arise during the course of our compilation that we wish to bring to your attention are raised in this report.

It should be appreciated that our procedures are designed primarily to enable us to compile the monthly financial statement and therefore may not bring to light all weaknesses in systems and procedures, or all financial matters of interest to management and Council, which may exist. However, we aim to use our knowledge of the Shire's financial operations gained during our work to make comments and suggestions, which, we hope, will be useful to you.

Please note our report does not include details of the material variances between the year to date information and year to date budget (as required by *Finance Regulation 34(1)(d)*). Preparation of variance explanations requires knowledge held by Council Staff.

**Comments/points**

- We have been informed that all cheques from number 1447 onwards have not been printed onto cheques with the corresponding numbers, consequently cheques in the system will have the incorrect number on them and will be difficult to identify when presented at the bank. The next cheque number must be entered when starting a payment run. We recommend in future that staff use the ABA electronic facility within the software to pay creditors and all prompt cheque numbers be entered when printed to correspond with the number on the cheque.
- Please review outstanding debtors and determine if these monies are due to Council. If they are not, please credit these debtors and if the debt is not collectable, take the debt to Council to write off.
- There are a number of stale cheques which should be reviewed and possibly re-issued. Please supply a list to be cancelled and re-issued.

t: +61 (0)8 9444 3400  
f: +61 (0)8 9444 3430

16 Lakeside Corporate 24 Parkland Road Osborne Park Perth WA 6017  
PO Box 1707 Osborne Park WA 6916

e: perth@uhyhn.com.au  
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UHY Haines Norton (WA) Pty Ltd as trustee - ABN 99 433 544 961  
Liability limited by a scheme approved under Professional Standards Legislation

- Several postings for capital purchases have been posted directly to the general ledger rather than the costing ledger and therefore are not reporting correctly in the accounts. These have been corrected to post through the cost ledger. Please ensure all transactions except payment of liabilities have cost ledger (CL) postings.
- Trust Funds of \$3,800 for housing bonds have been accrued into the trust bank account within the accounts. Please ensure these monies are transferred to the new trust account as soon as possible. Any further trust receipts must be banked directly into the trust fund and clearly identified as to whose money it is.
- Public Works Overheads were under allocated by over \$300,000. These funds are to be transferred to jobs prior to the compilation of the annual financial statements on a pro-rata basis according to where the overheads have been allocated to date.

Should you wish to discuss any matter relating to our service or any other matter, please do not hesitate to contact us.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Paul Breman', with a stylized, cursive script.

PAUL BREMAN  
Director

<b>10</b>	<b>STATUS REPORTS</b>
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<b>10.1</b>	<b>SHIRE OF MENZIES STATUS REPORT</b>
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Not Applicable

<b>10.2</b>	<b>TJUNTJUNTJARA COMMUNITY STATUS REPORT</b>
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Not Applicable

<b>11</b>	<b>ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN</b>
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<b>11.1</b>	<b>ELECTED MEMBERS MOTIONS WITH PREVIOUS NOTICE</b>
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Nil

<b>11.2</b>	<b>CONFIDENTIAL BUSINESS TO BE HELD BEHIND CLOSED DOORS</b>
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<b>11.3</b>	<b>REPORTS OF COUNCILLORS AND STAFF</b>
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*Cr Dwyer J:*  
*Nil.*

*Mr L.P. Strugnell:*  
*Comments to advise there will be changes to the agenda format.*

*Cr. G.W. Stubbs:*  
*Could the Kookynie airstrip be graded.*

*Cr Dwyer G:*  
*Attended a teleconference for Indigenous Services.*  
*Attended a meeting with D.E.C inspecting the Rubbish Tips.*

*Cr. I.R. Tucker:*  
*Was not notified of Change of Meeting Date.*

<b>12</b>	<b>INFORMATION BULLETIN</b>
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<b>12.1</b>	<b>Information Bulletin as presented for discussion and resolutions (if required).</b>
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Not Presented.

<b>13.</b>	<b>NEXT MEETING / MEETING CLOSURE</b>
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There being no further business to discuss, the President declared the meeting closed at 1pm.

**These Minutes were confirmed as a True and Accurate record of proceedings at the Ordinary meeting of Council, held on Tuesday 24<sup>th</sup> July 2012**

**Confirmed by the Shire of Menzies President,  
Cr. Gregory Dwyer**

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