



MINUTES

ORDINARY COUNCIL MEETING

TIME: 6.30 PM

14 DECEMBER 2023
CITY OF PERTH

*Constituent Members: Cities of Perth, Joondalup, Stirling, Vincent and Wanneroo
Towns of Cambridge and Victoria Park*



City of
Joondalup



City of
Stirling
City of Choice



TOWN OF
VICTORIA PARK



CITY OF VINCENT



City of
Wanneroo

**MINDARIE REGIONAL COUNCIL
NOTICE OF MEETING**

9 December 2023

Councillors of the Mindarie Regional Council are advised that an Ordinary Meeting of the Council will be held at the City of Perth at 6.30 pm on 14 December 2023.

The agenda pertaining to the meeting follows.

Your attendance is respectfully requested.



**SCOTT CAIRNS
CHIEF EXECUTIVE OFFICER**

MINDARIE REGIONAL COUNCIL - MEMBERSHIP

Cr P Miles (Paul) - Chair	City of Wanneroo
Cr S Proud, JP (Stephanie) - Deputy Chair	City of Stirling
Cr A Jacob, JP (Albert)	City of Joondalup
Cr C May (Christopher)	City of Joondalup
Cr L Gobbert, JP (Liam)	City of Perth
Cr A Creado (Andrea)	City of Stirling
Cr J Ferrante (Joe)	City of Stirling
Cr C Hatton (Chris)	City of Stirling
Cr A Castle (Alex)	City of Vincent
Cr J Wright (Jordan)	City of Wanneroo
Cr G Mack (Gary)	Town of Cambridge
Cr K Vernon (Karen)	Town of Victoria Park

NB: Although some Councils have nominated alternate members, it is a requirement that a Council carries a specific resolution for each occasion that the alternate member is to act.

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1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Chair declared the meeting open at 6.32 pm

2 ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

Cr S Proud, JP (Stephanie) Chair	City of Stirling
Cr C May (Christopher) <i>arrived 6.40 pm</i>	City of Joondalup
Cr L Gobbert, JP (Liam)	City of Perth
Cr C Hatton (Chris)	City of Stirling
Cr J Ferrante (Joe)	City of Stirling
Cr A Creado (Andrea)	City of Stirling
Cr A Castle (Alex)	City of Vincent
Cr J Wright (Jordan)	City of Wanneroo
Cr G Mack (Gary)	Town of Cambridge
Cr K Vernon (Karen)	Town of Victoria Park

MRC Officers

Mr S Cairns (Chief Executive Officer)
Ms A Arapovic (Executive Manager Corporate Services)
Mr A Griffiths (Project and Procurement Manager)
Ms D Toward (Executive Assistant)

Apologies

Cr P Miles (Paul) City of Wanneroo

Approved leave of absence

Cr A Jacob, JP (Albert) City of Joondalup

Member Council Observers

Mr N Claassen	City of Joondalup
Mr M Pennington	City of Joondalup
Mr G Taylor	City of Perth
Mr A Murphy	City of Stirling
Mr P Varris	City of Vincent
Ms Y Plimbley	City of Vincent
Mr H Singh	City of Wanneroo

Visitors:

Nil

3 DECLARATION OF INTERESTS

Nil

4 PUBLIC QUESTION TIME

Nil

5 ANNOUNCEMENT BY THE PRESIDING PERSON

Nil

6 APPLICATION FOR LEAVE OF ABSENCE

Nil

7 PETITIONS/DEPUTATIONS/PRESENTATIONS

Nil

8 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

8.1 ORDINARY COUNCIL MEETING – 30 November 2023

The Minutes of the Ordinary Council Meeting held on 30 November 2023 have been printed and circulated to members of the Council.

RESPONSIBLE OFFICER RECOMMENDATION

That the Minutes of the Ordinary Meeting of Council held on 30 November 2023 be confirmed as a true record of the proceedings.

Moved Cr Hatton, Seconded Cr Ferrante

RESOLVED

That the recommendation be adopted

(CARRIED UNANIMOUSLY 9/0)

For: Crs Castle, Creado, Ferrante, Gobbert, Hatton, Mack, Proud, Vernon, Wright

Against: Nil

9	CHIEF EXECUTIVE OFFICER REPORTS
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9.1	FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2023
Reference:	GF-23-000000019
Appendix(s):	Appendix No. 1
Date:	14 December 2023
Responsible Officer:	Executive Manager Corporate Services

SUMMARY

The purpose of this report is to provide Council with a set of financial reports in line with statutory requirements, which provides information on the financial performance of the Mindarie Regional Council (MRC).

BACKGROUND

Financial Management Regulations 34 of the Local Government (Financial Management) Regulations 1996 defines reporting requirements.

The financial statements presented for each month consist of:

- Statement by Comprehensive Income by Nature and Type
- Operating Income Statement by Program
- Statement of Financial Position
- Statement of Cash Flow
- Statement of Financial Activity
- Statement of Reserves
- Statement of Investing Activity
- Cash and Cash Equivalents and Schedule of Investments
- Tonnage Report

DETAIL

The attached report provide an overview of the MRC's financial performance for the period ending 30 November 2023 and has been prepared in accordance with the Local Government Act 1995, the Local Government (Financial Management) Regulations 1996 and the Australian Accounting Standards. The report fairly represents, in all material respects, the results of the MRC's operations for the month being reported.

The Financial Report for the period ended 30 November 2023 is attached at **Appendix No. 1** to this Item. The Schedule of Investments and Tonnage Report up to 30 November 2023 are also contained within the Appendix No.1.

Summary of results for the year to date period ended 30 November 2023

	YTD Budget	YTD Actual	Variance
	t	t	t
Tonnes – Members	74,841	73,936	(906)
Tonnes – Others	10,224	9,539	(685)
TOTAL TONNES	85,065	83,475	(1,591)
	\$	\$	\$
Revenue – Fees & Charges	13,424,905	13,094,872	(330,033)
Revenue – Other	2,834,582	3,155,392	320,810
TOTAL REVENUE	16,259,487	16,250,264	(9,223)
EXPENSES	(13,693,976)	(13,394,271)	299,705
NET SURPLUS	2,565,511	2,855,993	290,482

Mindarie Regional Council's financial result for the period ending 30 November 2023 reflects its performance from 1 July 2023 to 30 November 2023. Council's operations have been conducted in line with the adopted budget. As per the MRC's 2023/2024 budget approved at the OCM 13 July 2023 and in line with materiality adopted by the Council, variances below \$50k do not attract comments.

MRC's net result for the year to date period was a profit of \$2.8m with a favourable variance of 11% or \$290k. This positive variance is a direct result of combined effects of actual revenue of \$8k and expenditure of \$300k, both being under budget.

REVENUE

Fees and Charges

This revenue from Fees and Charges resulted in an unfavourable variance of \$330k at the end of November. Explanations for major contributing factors are as follows:

- Member council tonnage aligned closely to budget at (1.6%), 906 tonnes behind budget year to date. Tonnage of 73,936 tonnes is in line with the tonnage at the same time last year of 73,741 tonnes.

- Casual and Trade customers' fees show a negative variance of \$154k resulting from 685 fewer tonnes delivered to date.
- The timing of trade discount contracts has affected the casual and trade customers' variance. One of the MRC trade discount parties signed up for the trade discount at the beginning of the year, while the other party signed up only recently.

Interest Earnings

Interest earning is \$321k above budget. There has been one increase in the RBA cash rate since the start of July 2023, which occurred in November. The RBA Cash Rate has moved from 4.10% to 4.35%. The current investment portfolio has a weighted average expected interest rate of 4.70%. As term deposits mature, MRC has and will continue to secure improved rates on new term deposits, improving interest returns.

EXPENDITURE

Materials and Contracts

Materials and Contracts expenditure are \$215k below budget and predominantly affected by DWER landfill levy being \$226k below budget. DWER landfill levy is payable to the Department of Water and Environment Regulation and has a direct relationship to tonnage collected. Due to reasons mentioned under fees and charges, the tonnage is lower and therefore so is the levy paid.

STATEMENT OF FINANCIAL POSITION

- End of November the MRC's cash position is solid due to collection of fees and charges and positive earnings from the investments. Capital expenditure timing changes and increases to the RBA rate have improved both the rate of investments and the amount reinvested.
- Trade payables reduction contributed towards \$1.2m decrease in current liabilities.

Capital Expenditure

During the five-month period ended on 30 November 2023, the following significant events / activities have taken place with respect to MRC's capital expenditure.

- \$1.8m Leachate processing infrastructure project planned to be delivered next financial year
- \$3.5m installation of Piggy Back liner has had the initial design complete and processing into detailed design.
- \$3.5m capping and revegetation design is now complete. The tender phase started and will end in January 2024.
- The three building projects totalling \$310k are to commence in the first half of 2024.
- Replacement of skid steer loader \$175k and roller \$245k are both in the procurement phase with the tender due to close 20th December.

STATUTORY IMPLICATIONS

Section 6.4 of the Local Government Act 1995 and regulation 34(1) of the Local Government (Financial Management) Regulations 1996.

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council:

Receive the Financial Statements set out in Appendix No. 1 for the month ended 30 November 2023.

Moved Cr Vernon, Seconded Cr Creado

RESOLVED

That the recommendation be adopted

(CARRIED UNANIMOUSLY 9/0)

For: Crs Castle, Creado, Ferrante, Gobbert, Hatton, Mack, Proud, Vernon, Wright

Against: Nil

9.2	LIST OF ACCOUNTS PAID – 30 NOVEMBER 2023
File No:	GF-23-000019
Appendix(s):	Appendix No. 2
Date:	14 December 2023
Responsible Officer:	Executive Manager Corporate Services

SUMMARY

The purpose of this report is to provide details of payments made during the period identified above. This is in line with the requirement under the delegated authority to the Chief Executive Officer (CEO), that a list of payments made from the Municipal Fund since the last Ordinary Council meeting be presented to Council.

DETAILS

In accordance with section 13(1) of the Local Government Financial Management Regulations 1996, Council has delegated to the Chief Executive Officer (CEO) the exercise of its power to make payments from its Municipal and Trust Funds. A list of accounts paid by the CEO is to be prepared each month (Fin Reg 13(2)) and be presented to the next Ordinary Council Meeting following such payments (Fin Reg 13(3)). The lists of accounts paid for the month ended 30 November 2023 is attached at **Appendix 2** to this Item.

A new regulation 13A has been added to the Local Government Financial Management Regulations 1996 to increase transparency and accountability in local government through greater oversight of incidental spending. Regulation covers purchasing cards such as Bunnings and Fuel cards issued by local government to their employees. Under the new regulation, a transaction listing is included for the MRC's fuel cards and Bunnings Power Pass cards.

Month Ended	Account	Vouchers	Amount
30 November 2023	General Municipal	Cheques	\$1,604.01
		EFT	\$1,001,275.37
		DP	\$10,609,024.74
		Inter account transfers	-
		Total	\$11,611,904.12

STATUTORY IMPLICATIONS

Regulation 13 of the Local Government (Financial Management) Regulations 1996

FINANCIAL IMPLICATIONS

Nil

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council resolve to:

Note the list of accounts paid under delegated authority to the Chief Executive Officer for November 2023, in accordance with regulation 13(1) of the Local Government (Financial Management) Regulation 1996.

Moved Cr Vernon, Seconded Cr Creado

RESOLVED

That the recommendation be adopted

(CARRIED UNANIMOUSLY 9/0)

For: Crs Castle, Creado, Ferrante, Gobbert, Hatton, Mack, Proud, Vernon, Wright

Against: Nil

9.3	SCOPING STUDY – MINDARIE REGIONAL COUNCIL AND CATALINA REGIONAL COUNCIL COLLABORATION OPPORTUNITIES
File No:	GF-22-0000072
Appendices:	Appendix 3
Date:	08 December 2023
Responsible Officer:	Chief Executive Officer

SUMMARY

This report provides Council the opportunity to consider the outcome of an independent study undertaken by Learning Horizons on the findings of a Scoping Study into collaboration opportunities between the Mindarie Regional Council (MRC) and Catalina Regional Council (CRC) and provide direction as to any next steps required.

BACKGROUND

At its 13 July 2023 Ordinary Council Meeting, the Council considered a report on the potential to explore collaboration opportunities between the MRC and CRC (Note: At the time of the report CRC was known as the Tamala Park Regional Council, but has since been renamed the CRC). At that meeting the Council resolved to:

APPROVE the co-funding of a Scoping Study with Tamala Park Regional Council that explores options, opportunities, risks, costs and impediments for potential greater collaboration and/or resource sharing between the two entities.

At its meeting on 22 June 2023 the TPRC considered a similar report and also resolved to support undertaking the scoping study.

Subsequent to these resolutions, quotes were sought from three management consultancy firms which had experience in local government matters. Two quotes were received with the third consultancy firm electing not to quote on the project as they did not have the resources available to meet the project timelines. An assessment of the quotes was undertaken by MRC and CRC staff and Learning Horizons was selected to undertake the work on behalf of the two organisations. Learning Horizons has completed its study and provided a report to both the MRC and CRC administrations.

DETAIL

The Scoping Study brief required the consultant to consider:

- Options for future collaboration and/or resource sharing between the MRC and CRC;
 - Opportunities and Risks associated with each option; and
 - Process and timeframes that would be required (including legal, financial, etc.) to implement preferred/recommended option/s.
-

The methodology deployed by Learning Horizons included:

- Reviewing relevant documentation provided by the CRC and MRC;
- Exploring options for future collaboration between the CRC and MRC; and
- Extensive key stakeholder consultation, including interviews and discussions with:
 - Chairpersons (both);
 - Deputy Chairpersons (both);
 - Selected Councillors;
 - Selection of Mayors and CEOs of member councils;
 - MRC CEO;
 - CRC CEO; and
 - Executives of both the MRC and CRC.

The options that were explored by Learning Horizons included:

1. Merger into one regional Council.
2. Sell remaining land, except the landfill site buffer zone, and gift the buffer to the MRC.
3. Remain as is - conduct all business within a member Council utilising that Council's workforce.
4. Remain as is, with greater sharing of some resources between CRC and MRC.
5. Maintain existing organisations (status quo).

For each option, high level consideration was given to the issues of:

- Benefits;
- Risks;
- Efficiency/Effectiveness/Gains; and
- Process/Timelines.

Learning Horizons noted that:

“Whilst each member Council holds differing views, all appreciated that the current governance structures were overly complex which could not be addressed given the current legislation and structures of the regional council model”.

The consultant has advised that Option 2, member councils to sell the remaining undeveloped CRC land and gift the adjacent buffer zone to the MRC, as the preferred option. Should that option not proceed Learning Horizons has recommended that Option 1, a merger of both current organisations in to one regional council, should be explored.

CONSULTATION

Learning Horizons consulted with a number of councillors and employees across the MRC, CRC and member councils during the development, delivery and completion of the Scoping Study report.

STATUTORY ENVIRONMENT

Nil.

POLICY IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

Council previously endorsed a maximum spend of \$50k for any Scoping Study, to be shared on a 50:50 basis with Learning Horizons. Total costs for the study reached \$16K.

Any future costs associated with a potential combined workshop are covered in the 2023/24 budget.

STRATEGIC IMPLICATIONS

STRATEGIC COMMUNITY PLAN 2023 – 2032

Strategic Objective 3 : Deliver best practice governance processes and structures

COMMENT

Given that the MRC and CRC manage land that is directly adjacent to each other and owned by the same member councils, there is arguably sense in considering options for closer alignment between the LGAs, the realisation of which previously precipitated the Scoping Study that has been undertaken.

While some direction has been obtained from the Study, both the MRC and CRC administrations agree that the report is not definitive as to what steps and processes should be undertaken to progress this matter.

The impact on the MRC of CRC's operations and activities has and continues to be minimal. However, given CRC's apparent continual high number of land sales, and therefore potentially shortening operational life, member councils may wish to find a short to medium term strategy for the management of the buffer zone which impacts both organisations but which is currently managed by CRC.

Both administrations expect there to be a range of views across the two stakeholder groups, This, allied to the associated complexities that may be forthcoming from a legislative and process perspective make it difficult to identify a common way forward for both regional councils at this time.

To provide greater clarity, and in attempt to define what alignment there may be between both councils, it is recommended that the next step in this process should be to hold further discussions between the MRC and CRC Councils together in a combined workshop.

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council resolves to:

1. **Receive the Scoping Study Report (Oct 2023) prepared by Learning Horizons Pty Ltd on collaboration opportunities that may exist between the Catalina Regional Council and the Mindarie Regional Council.**
2. **HOLD a joint strategic planning session with Catalina Regional Council in January/February 2024 to explore potential collaboration opportunities/actions that are recommended in the report.**

Moved Cr Ferrante, seconded Cr Creado

Cr May entered the chambers at 6.40 pm

PROPOSED AMENDMENT

Moved Cr Ferrante, seconded Cr Creado

That the administration seek high level advice as to the legislative and legal implications and impediments to consider for merger and with the transfer of the buffer and limitations under respective establishment agreements.

Reasons:

Legal Advice will assist with future workshop discussions.

(CARRIED UNANIMOUSLY 10/0)

*For: Crs Castle, Creado, Ferrante, Gobbert, Hatton, Mack, May, Proud, Vernon, Wright
Against: Nil*

SUBSTANTIVE MOTION AS AMENDED:

That Council resolves to:

1. **Receive the Scoping Study Report (Oct 2023) prepared by Learning Horizons Pty Ltd on collaboration opportunities that may exist between the Catalina Regional Council and the Mindarie Regional Council.**
2. **Hold a joint strategic planning session with Catalina Regional Council in January/February 2024 to explore potential collaboration opportunities/actions that are recommended in the report.**
3. **That the administration seek high level advice as to the legislative and legal implications and impediments to consider for merger and with the transfer of the buffer and limitations under respective establishment agreements.**

(CARRIED UNANIMOUSLY 10/0)

*For: Crs Castle, Creado, Ferrante, Gobbert, Hatton, Mack, May, Proud, Vernon, Wright
Against: Nil*

10 MEMBERS INFORMATION BULLETIN – ISSUE NO. 80

RESPONSIBLE OFFICER RECOMMENDATION

That the Members Information Bulletin Issue No. 80 be received.

Moved Cr Wright, Seconded Cr Gobbert

RESOLVED

That the recommendation be adopted

(CARRIED UNANIMOUSLY 10/0)

For: Crs Castle, Creado, Ferrante, Gobbert, Hatton, Mack, May, Proud, Vernon, Wright

Against: Nil

11 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

12 URGENT BUSINESS

Nil

13 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

14 MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Nil

15 NEXT MEETING

The next Ordinary Council meeting is to be held on Thursday 29 February 2024 at the City of Joondalup commencing at 6.30 pm.

16 CLOSURE

The Chair closed the meeting at 7.14 pm and thanked the City of Perth for their hospitality and use of their meeting facilities.

SignedChair

Dated.....day of2024
