



MINUTES

ORDINARY COUNCIL MEETING

TIME: 6.30 PM

30 NOVEMBER 2023
TOWN OF VICTORIA PARK

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



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1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Chair declared the meeting open at 6.30 pm

2 ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

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 C Hatton (Chris)	City of Stirling
Cr J Ferrante (Joe)	City of Stirling
Cr M Dudek (Michael)	City of Stirling
Cr A Castle (Alex)	City of Vincent
Cr J Wright (Jordan)	City of Wanneroo
Cr J Cutler (Jane)	Town of Cambridge

MRC Officers

Ms A Arapovic (Acting CEO)
Mr M Hattigh (Executive Manager Operations)
Mr A Griffiths (Project and Procurement Manager)
Ms S Cherico (Human Resources Officer)
Ms D Toward (Executive Assistant)

Apologies

Cr K Vernon Town of Victoria Park

Approved leave of absence

Nil

Member Council Observers

Mr M Pennington	City of Joondalup
Mr G Taylor	City of Perth
Mr A Murphy	City of Stirling
Mr P Varris	City of Vincent
Mr J Wong	Town of Victoria Park
Mr H Singh	City of Wanneroo
Mr G Chettleburgh	City of Wanneroo
Mr K Hincks	Town of Cambridge

Visitors:

Mr K Neoh	Office of the Auditor General
Mr R Lau	Office of the Auditor General

3	DECLARATION OF INTERESTS
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Nil

4	PUBLIC QUESTION TIME
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Nil

5	ANNOUNCEMENT BY THE PRESIDING PERSON
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Nil

6	APPLICATION FOR LEAVE OF ABSENCE
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Cr Albert Jacob requested Leave of Absence from Council duties for the period 11 to 15 December 2023

Moved Cr Wright, Seconded Cr May

RESOLVED

That Council approve the request for Leave of Absence from Council duties for Cr Jacob for the period 11 to 15 December 2023.

CARRIED 11/0

For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright

Against: Nil

7	PETITIONS/DEPUTATIONS/PRESENTATIONS
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Nil

8 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

8.1 ORDINARY COUNCIL MEETING – 21 September 2023

The Minutes of the Ordinary Council Meeting held on 21 September 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 21 September 2023 be confirmed as a true record of the proceedings.

Moved Cr Gobbert, Seconded Cr Jacob

RESOLVED

That the recommendation be adopted

(CARRIED UNANIMOUSLY 11/0)

For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright

Against: Nil

8.2 SPECIAL COUNCIL MEETING – 23 November 2023

The Minutes of the Special Council Meeting held on 23 November 2023 have been printed and circulated to members of the Council.

RESPONSIBLE OFFICER RECOMMENDATION

That the Minutes of the Special Meeting of Council held on 23 November 2023 be confirmed as a true record of the proceedings.

Moved Cr Hatton, Seconded Cr Wright

RESOLVED

That the recommendation be adopted

(CARRIED UNANIMOUSLY 11/0)

For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright

Against: Nil

Procedural Motions

1. To suspend the operation of clause 5.2 – **Order of Business** - in accordance with clause 10.1(j) of the Mindarie Regional Council Meeting Procedures Local Law 2020.

Reasons:

For efficiency of the meeting to enable consideration of item 9.5 and Confidential Items 14.1 and 14.2 allowing the representatives from the Office Auditor General (OAG), Mr Neoh and Mr Lau, to participate in items 9.5 and 14.2 and then leave once these items have been completed.

Moved Cr Miles, Seconded Cr Proud

(CARRIED UNANIMOUSLY 11/0)

For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright
Against: Nil

2. In accordance with clause 10.1(h) of the Mindarie Regional Council Meeting Procedures Local Law 2020 and s5.23 of the Local Government Act 1995, I request that Council meet “**behind closed doors**” to allow the Council to consider items 14.1 and 14.2 as the items are of a confidential nature.

Moved Cr Proud, Seconded Cr Dudek

(CARRIED UNANIMOUSLY 11/0)

For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright
Against: Nil

1. The meeting closes to members of the public at 6.36 pm to consider item 14.1 and 14.2 in accordance with Section 5.23 of the *Local Government Act 1995*.
2. Permits the MRC Acting Chief Executive Officer, MRC staff and member council officers seated in the gallery to remain in the Council Chambers during the discussion.

(CARRIED UNANIMOUSLY 11/0)

For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright
Against: Nil

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

This Report is Confidential and dealt with in a Confidential Session, under section 5.23 (2)(c) of *The Local Government Act 1995* as the report deals with a matter where a contract may be entered into

14.1 Caterpillar (CAT 836K) Landfill Waste Compactor Asset Proposal

File No: GF-23-0000244

Attachment(s): Nil

Date: 6 November 2023

Responsible Officer: Executive Manager Operations

RESPONSIBLE OFFICER RECOMMENDATION

That Council:

Approve the sale of the Caterpillar 836K Landfill Compactor (CAT836K) as per the details contained within the confidential report.

Moved Cr Proud, Seconded Cr Gobbert

RESOLVED

That the recommendation be adopted

(CARRIED UNANIMOUSLY 11/0)

For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright

Against: Nil

The Chair invited Ms Arapovic, Executive Manager, Corporate Services to speak to item 14.2.

Ms Arapovic provided a brief overview of the Financial Year 2023 Audit and Final Audit Report and responded to questions from Council.

The Chair invited Mr Neoh, Director Financial Audit, Office of the Auditor General (OAG), to speak to the item.

Mr Neoh presented to Council the key points of Financial Year 2023 Audit and Final Audit Report, the Council had no questions for Mr Neoh.

On behalf of the Council, the Chair thanked Mr Neoh and Mr Reagan for attending the Council meeting and for their work on the MRC Audit.

14.2 LATE ITEM – AUDIT AND RISK COMMITTEE 23 NOVEMBER 2023 – RECOMMENDATIONS	
File No.	GF-22-0000089
Attachment(s):	Audit and Risk Committee Minutes dated 23 November 2023 – as published and circulated to Council Members
Date:	28 November 2023
Responsible Officer:	Executive Manager Corporate Services

BACKGROUND

This report presents for Council's consideration, the matters considered by the Audit and Risk Committee at its meeting on 23 November 2023. Minutes were published on the MRC website and were distributed to Council Members on 28 November 2023.

The Annual Financial Report 2022/2023 was considered by the Audit and Risk Committee as item 6.1 of the 23 November 2023 meeting. The Committee's recommendation is provided for Council's consideration at Item 9.5 of this meeting.

Moved Cr Hatton, seconded Cr Ferrante

The remaining Audit and Risk Committee recommendations are extracted below for Council's consideration:

This report is confidential and dealt with in a confidential session, under Section 5.23 (2) (f)(ii) of The Local Government Act 1995 as the report deals with matters concerning risks to the MRC.	
Audit and Risk Committee ITEM 7.1 Annual Financial Report Audit Planning 2022/2023	
File No.	GF-21-0000314
Attachment(s):	Audit and Risk Committee Minutes – 23 November 2023: <ul style="list-style-type: none"> • <u>Confidential Attachment 2</u> – Annual Financial Audit Planning Summary Year Ended 30 June 2023
Date:	13 November 2023
Responsible Officer:	Executive Manager Corporate Services

OFFICER AND COMMITTEE RECOMMENDATION

That Council note the Audit and Risk Committee's review of the scope and effectiveness of the 2022/2023 Annual Financial Audit Planning Summary issued by the Auditors.

This report is confidential and dealt with in a confidential session, under Section 5.23(2)(f)(ii) of The Local Government Act 1995 as the report deals with matters concerning risks to the MRC	
Audit and Risk Committee ITEM 7.2 Audit Completion Report	
File No.	
Attachment(s):	Audit and Risk Committee Minutes – 23 November 2023: <ul style="list-style-type: none"> • <u>Confidential Attachment 4</u> - Auditor General Independent Auditors Report 2023 • <u>Confidential Attachment 4a</u> - Annual Financial Audit Exit Brief Year ended 30 June 2023 • <u>Confidential Attachment 4b</u> - Management Representation Letter Year ended 30 June 2023
Date:	13 November 2023
Responsible Officer:	Executive Manager Corporate Services

OFFICER AND COMMITTEE RECOMMENDATION

That Council:

- 1. Note the Auditor General Independent Auditors Report for year ended 30 June 2023 issued by the Auditors.**
- 2. Note the Annual Financial Audit Exit Brief for year ended 30 June 2023 issued by the Auditors.**
- 3. Note the Representation Letter for the year ended 30 June 2023**

This report is confidential and dealt with in a confidential session, under Section 5.23(2)(f)(ii) of The Local Government Act 1995 as the report deals with matters concerning risks to the MRC.	
Audit and Risk Committee 23 November 2023 ITEM 7.3 Full Risk Register	
File No.	GF-22-0000089
Attachment(s):	Audit and Risk Committee Minutes – 23 November 2023: <ul style="list-style-type: none">• <u>Confidential Attachment 5</u> - Full Risk Register• <u>Confidential Attachment 5a</u> - Risk Assessment and Acceptance Criteria V3• <u>Confidential Attachment 6</u> - Risk Management Plan and Appetite Statement
Date:	10 November 2023
Responsible Officer:	Chief Executive officer

OFFICER AND COMMITTEE RECOMMENDATION

That Council note the full risk register as presented.

The Chair advised Council that Audit and Committee Items 7.1, 7.2, and 7.3 be put 'en bloc', and Item 7.4 would be put separately.

ITEMS APPROVED "EN BLOC":

**Moved Cr Hatton, Seconded: Cr Ferrante
Resolved**

**That the following unopposed items be adopted "En Bloc":
Audit and Risk Committee Items 7.1, 7.2 and 7.3 only**

(CARRIED UNANIMOUSLY 11/0)

*For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright
Against: Nil*

This report is confidential and dealt with in a confidential session, under Section 5.23(2)(f)(ii) of The Local Government Act 1995 as the report deals with matters concerning risks to the MRC.	
Audit and Risk Committee ITEM 7.4 External Audit Committee Member	
File No.	GF-22-0000089
Attachment(s):	Audit and Risk Committee Minutes – 23 November 2023: <ul style="list-style-type: none">• Confidential Attachment 7 - Candidate Applications
Date:	10 November 2023
Responsible Officer:	Chief Executive officer

OFFICER RECOMMENDATION

That the Audit and Risk Committee recommend to Council that _____ be appointed as an external audit committee member, subject to their acceptance of the appointment, for the period ending November 2024.

COMMITTEE RECOMMENDATION

That the Audit and Risk Committee recommend to Council that Mr Aswin Kumar be appointed as an external audit committee member, subject to their acceptance of the appointment, for the period ending November 2024.

Moved Cr Hatton, seconded Cr Ferrante

RESOLVED

That the recommendation be adopted

(CARRIED UNANIMOUSLY 11/0)

For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright
Against: Nil

Moved Cr Proud, seconded Cr Wright

Procedural Motion

1. Reopens the meeting to members of the public at 6.56 pm

(CARRIED UNANIMOUSLY 11/0)

For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright
Against: Nil

The Chair noted the resolutions passed behind closed doors.

9.5	ANNUAL REPORT 2023
	GF-21-0000035
Appendices:	Appendix 10
Date:	17 November 2023
Responsible Officer:	Chief Executive Officer

BACKGROUND

The *Local Government Act 1995* (the Act) requires every local government to prepare an Annual Report for each financial year and to accept it prior to 31 December following the end of the financial year (section 5.53 and 5.54 of the Local Government Act 1995). The Act also specifies the contents required to be included in the Annual Report. If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than two months after the auditor's report becomes available.

The annual audit of the Mindarie Regional Council (MRC) has been completed and the Financial Report for the financial year ended 30 June 2023 has been considered by the Audit and Risk Committee.

DETAIL

The Annual Financial Report for the financial year ended 30 June 2023 is now submitted to Council for adoption. The Annual Report contains the Annual Financial Report of the MRC for 2023. This includes the Statement of Financial Position, Statement of Changes in Equity, Statements of Comprehensive Income, Statement of Cash Flows and notes to and forming part of the accounts. The Auditor, in accordance with the Local Government (Audit) Regulations 1996 Sections 10.2 and 10.3 is required to issue an audit report after the completion of the annual audit that expresses an opinion on the financial position and results of the operations of the local government for each financial year. Under S7.9 of the Local Government Act 1995, the auditor must prepare and sign a report on the financial audit and present the report to the Chairperson, the CEO and the Minister.

The OAG issued an unqualified report and expressed that in their opinion, the financial report of the MRC gives a true and fair view of the financial position as at 30 June 2023 and complies with the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) and the Australian Accounting Standards.

The Auditor has not issued an interim management letter for 2023. There were no significant matters identified during the final audit.

The Audit and Risk Committee met on 23 November 2023 to consider the Financial Report for the year ended 30 June 2023 and have recommended that the Council accept the report.

A copy of the Annual Report, including the Financial Report, is included at **Appendix 10**.

The MRC, in accordance with the Local Government (Financial Management) Regulations 1996 Section 51.1, is required to include in the Annual Financial Report a signed Statement of Declaration by the Chief Executive Officer after this report has been audited in accordance with the Local Government Act 1995. This declaration is included in the Annual Report.

STATUTORY ENVIRONMENT

Relevant Extracts from the Local Government Act 1995

“5.53. Annual reports

- (1) *The local government is to prepare an annual report for each financial year.*
- (2) *The annual report is to contain —*
 - (a) *a report from the mayor or president; and*
 - (b) *a report from the CEO; and*
 - [(c), (d) deleted]*
 - (e) *an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and*
 - (f) *the financial report for the financial year; and*
 - (g) *such information as may be prescribed in relation to the payments made to employees; and*
 - (h) *the auditor’s report prepared under section 7.9(1) or s7.12AD(1) for the financial year; and*
 - (ha) *a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and*
 - (hb) *details of entries made under section 5.121 during the financial year in the register of complaints, including —*
 - (i) *the number of complaints recorded in the register of complaints; and*
 - (ii) *how the recorded complaints were dealt with; and*
 - (iii) *any other details that the regulations may require;**and*
 - (i) *such other information as may be prescribed.*

[Section 5.53 amended by No. 44 of 1999 s. 28(3); No. 49 of 2004 s. 42(4) and (5); No. 1 of 2007 s. 6.]

5.54. Acceptance of annual reports

- (1) *Subject to subsection (2), the annual report for a financial year is to be accepted* by the local government no later than 31 December after that financial year.*

** Absolute majority required.*

- (2) *If the auditor’s report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to*
-

accepted by the local government no later than 2 months after the auditor's report becomes available.

5.55. *Notice of annual reports*

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

5.55A *Publication of annual reports*

The CEO is to publish the annual report on the local government's official website within 14 days after the report has been accepted by the local government.

7.9. *Audit to be conducted*

- (1) *An auditor is required to examine the accounts and annual financial report submitted for audit and, by the 31 December next following the financial year to which the accounts and report relate or such later date as may be prescribed, to prepare a report thereon and forward a copy of that report to —*
 - (a) *the mayor or president; and*
 - (b) *the CEO of the local government; and*
 - (c) *the Minister.”*

Relevant Extracts from the Local Government (Audit) Regulations 1996

“10. *Report by auditor*

- (1) *An auditor's report is to be forwarded to the persons specified in section 7.9(1) within 30 days of completing the audit.*
- (2) *The report is to give the auditor's opinion on —*
 - (a) *the financial position of the local government; and*
 - (b) *the results of the operations of the local government.*
- (3) *The report is to include —*
 - (a) *any material matters that in the opinion of the auditor indicate significant adverse trends in the financial position or the financial management practices of the local government; and*
 - (b) *any matters indicating non-compliance with Part 6 of the Act, the Local Government (Financial Management) Regulations 1996 or applicable financial controls in any other written law; and*
 - (c) *details of whether information and explanations were obtained by the auditor; and*
 - (d) *a report on the conduct of the audit; and*
 - (e) *the opinion of the auditor as to whether or not the following financial ratios included in the annual financial report are supported by verifiable information and reasonable assumptions —*
 - (i) *the asset consumption ratio; and*
 - (ii) *the asset renewal funding ratio.*

- (4) *Where it is considered by the auditor to be appropriate to do so, the auditor is to prepare a management report to accompany the auditor's report and to forward a copy of the management report to the persons specified in section 7.9(1) with the auditor's report."*

POLICY IMPLICATIONS

Not applicable.

FINANCIAL IMPLICATIONS

The MRC's net result for the financial year ended 30 June 2023 is \$6,430,026. Having taken into account \$726,281 of net transfer to reserves, the MRC's accumulated losses reduced to \$29,893,807.

STATUTORY IMPLICATIONS

The Annual Report for the MRC has been prepared in accordance with the requirements of Local Government Act 1995 and applicable Australian Accounting Standards.

AMENDMENTS

There have been no amendments made to the Financial Statements presented to the Audit and Risk Committee.

VOTING REQUIREMENT

Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council resolve to:

1. **Notes the recommendation of the Audit and Risk Committee meeting held on 23 November 2023 to accept the Financial Report for the year ended 30 June 2023; and**
2. **Accept the Annual Report for the year ended 30 June 2023, which includes the Financial Report detailed in point 1 above.**

(Absolute Majority Required)

Moved Cr Gobbert, seconded Cr Hatton

RESOLVED

That the recommendation be adopted

(CARRIED UNANIMOUSLY 11/0)

For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright

Against: Nil

Mr Neoh and Mr Reagan from the Office of the Auditor General left the meeting at 7.03 pm.

9	CHIEF EXECUTIVE OFFICER REPORTS
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9.1	FINANCIAL STATEMENTS FOR THE PERIODS ENDED 30 SEPTEMBER 2023 AND 31 OCTOBER 2023
Reference:	GF-23-000000019
Appendix(s):	Appendix No. 1, 2 and 3
Date:	10 November 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 Reserves
- Statement of Investing Activities
- Tonnage Report

DETAIL

The attached reports provide an overview of the MRC's financial performance for the months ending 30 September 2023 and 31 October 2023 and have been prepared in accordance with the Local Government Act 1995, the Local Government (Financial Management) Regulations 1996 and the Australian Accounting Standards. The reports fairly represent, in all material respects, the results of the MRC's operations for the months being reported. As the audit of the 2022/23 financial statements has not yet been finalised, these reports represent interim results as at 31 October 2023.

The Interim Financial Statements for the months ended 30 September 2023 and 31 October 2023 are attached at **Appendix No. 1 and 2** to this Item. The Tonnage Report closing position up to 31 October 2023 is attached at **Appendix No. 3**.

Summary of results for the year to date period ended 31 October 2023

	YTD Budget	YTD Actual	Variance
	t	t	t
Tonnes – Members	59,511	59,038	(473)
Tonnes – Others	8,336	7,381	(955)
TOTAL TONNES	67,847	66,419	(1,428)
	\$	\$	\$
Revenue – Fees & Charges	10,697,367	10,432,596	(264,771)
Revenue – Other	2,307,222	2,254,860	217,638
TOTAL REVENUE	13,004,589	12,957,456	(47,133)
EXPENSES	(10,916,908)	(10,592,667)	324,241
NET SURPLUS/(DEFICIT)	2,087,681	2,364,789	277,108

Mindarie Regional Council interim financial result for the period ending 31 October 2023 reflects its performance from 1 July 2023 to 31 October 2023. These are interim results pending finalisation of end of the year reconciliation. 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 interim net result for the year to date period was a profit of \$2.4m with a favourable variance of 13% or \$277k. This positive variance is a direct result of combined effects of actual revenue of \$47k and expenditure of \$324k both being under budget.

REVENUE

Fees and Charges

This revenue resulted in an unfavourable variance of \$265k at the end of October. Explanations for major contributing factors are as follows:

Member council tonnage aligned closely to budget at 1%, 473 tonnes behind budget year to date. Tonnage of 54,604 tonnes is above the tonnage at the same time last year of 52,838 tonnes.

Casual and Trade members' fees has a negative variance of \$172k as compared to budget.

The timing of trade discount contract, which started to deliver waste mid-month in October, has affected trade tonnage variance.

Interest Earnings

Interest earning is \$217k above budget. Over 2023, there have been another four increases of the RBA cash rate, which has moved from 3.10% to 4.10%. The current investment portfolio has a weighted average expected interest rate of 4.55%.

As term deposits mature, MRC has and will continue to secure improved rates on new term deposits.

EXPENDITURE

Materials and Contracts

Materials and Contracts are \$199k below budget and predominantly affected by DWER landfill levy being \$160k 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 the levy paid is lower.

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 and 2 for the periods ended 30 September 2023 and 31 October 2023.

Moved Cr Gobbert, seconded Cr Wright

(CARRIED UNANIMOUSLY 11/0)

For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright

Against: Nil

9.2	LIST OF PAYMENTS MADE FOR THE PERIODS ENDED 30 SEPTEMBER 2023 AND 31 OCTOBER 2023
File No:	GF-23-000019
Appendix(s):	Appendix No. 4 and 5
Date:	10 November 2023
Responsible Officer:	Executive Manager Corporate Services

SUMMARY

The purpose of this report is to provide details of payments made during the periods 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.

COMMENT

The lists of payments for the months ended 30 September 2023 and 31 October 2023 is at **Appendix 4 and 5** to this Item and presented to Council for noting. Payments have been made in accordance with the delegated authority to the CEO which allows payments to be made between meetings. At the Ordinary Council Meeting held on 30 November 2022, the Council delegated to the CEO the exercise of its power to make payments from the Municipal Fund. In order to satisfy the requirements of Clause 13(2) of the Local Government (Financial Management) Regulations, a list of payments made must be submitted to the next Council meeting following such payments.

It should be noted that generally all payments are GST inclusive and the Mindarie Regional Council is able to claim this tax as an input credit when GST remittances are made each month to the Australian Tax Office.

Months Ended	Account	Vouchers	Amount
30 September 2023	General Municipal	Cheques	\$590.00
		EFT	\$798,267.68
		DP	\$406,155.86
		Inter account transfers	\$0.00
		Total	\$1,205,013.54
31 October 2023	General Municipal	Cheques	\$580.00
		EFT	\$4,018,000.65
		DP	\$396,392.56
		Inter account transfers	\$0.00
		Total	\$4,414,973.21

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council:

Note the list of payments made under delegated authority to the Chief Executive Officer, for the months ended 30 September 2023 and 31 October 2023.

Moved Cr May, seconded Cr Proud

(CARRIED UNANIMOUSLY 11/0)

For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright

Against: Nil

9.3	FURTHER REVIEW - DELEGATIONS TO THE CEO AND COUNCIL POLICIES
File No:	GF-22-0000484 GF-23-0000098
Attachment(s):	Appendix 6 – Delegation 1.2 Appendix 7 – Council Policy CP14 Appendix 8 – Council Policy CP23 Appendix 9 – Delegation 1.7
Date:	02 October 2023
Responsible Officer:	Chief Executive Officer

SUMMARY

The report seeks endorsement of the further reviews undertaken by the Chief Executive Officer (CEO) on the following:

1. Delegation 1.2 'Appoint an employee of the MRC to the position of Acting CEO',
2. Council Policy CP14 Acting Chief Executive Officer Appointment,
3. Council Policy CP23 Conducting Electronic Meetings and Attendance by Electronic Means Policy, and
4. Delegation 1.7.1 Disposing of Property

BACKGROUND

Sections 5.46 of the *Local Government Act 1995* (the Act) requires that at least once every financial year delegations are to be reviewed by the Council. The MRC also conducts an annual review of all Council policies.

The last review for Delegations and Council Policies was conducted in August 2023 and brought to Council on 21 September 2023.

At the 21 September 2023 Ordinary Council Meeting the Administration presented the reviewed Register of Delegations to the CEO, and the reviewed suite of Council Policies, the Council resolved the following:

RESPONSIBLE OFFICER RECOMMENDATION

That the Council:

1. *Endorses the changes to Council Policies as contained in Appendix 6 and 7 of this report.*
2. *Endorses the delegations made to the Chief Executive Officer as detailed in Attachment 2 of this report.*

Moved Cr May, seconded Cr Cvitan

Amendment

Moved Cr Castle, Seconded Cr Cvitan

1. Add the following words at the end of point number 1. 'Subject to a further review of CP23 Conducting electronic meetings and attendance by electronic means'.
 2. Add the following words at the end of point number 2. 'Subject to a further review of delegation 1.2.'
- (CARRIED UNANIMOUSLY 11/0)

Substantive Motion as Amended

1. Endorses the changes to Council Policies as contained in Appendix 6 and 7 of this report, subject to a further review of CP23 'Conducting electronic meetings and attendance by electronic means'
 2. Endorses the delegations made to the Chief Executive Officer as detailed in Attachment 2 of this report, subject to a further review of delegation 1.2.
- (CARRIED UNANIMOUSLY 11/0)

DETAIL

CHIEF EXECUTIVE OFFICER FURTHER REVIEW

1. **DELEGATION 1.2** - Appoint an employee of the MRC to the position of Acting Chief Executive Officer
2. **COUNCIL POLICY CP14** – Acting Chief Executive Officer Appointment

During the Ordinary Council meeting held on 21 September 2023, the MRC presented a proposal to remove delegation 1.2, which concerns the appointment of an acting CEO. This proposal was based on the following:

- s5.39 of the *Local Government Act 1995* renders the delegation unnecessary
- the MRC has an existing Council Policy for an Acting CEO

Council requested the MRC to carry out a further review of Delegation 1.2 'Appoint an employee of the MRC to the position of Acting CEO'.

The Administration conducted a further review and sought advice from the Department of Local Government, Sport and Cultural Industries and WALGA, both expressed their support for the perspective that there is no requirement for a delegation to appoint an employee to act in the position of CEO. Instead, both confirmed that in accordance with s5.39C of the *Local Government Act 1995*, a policy is required for the temporary employment or acting appointment of a CEO.

Although Council Policy CP14 was endorsed at the Ordinary Council meeting on 21 September 2023, Administration considered the advice from the Department and WALGA that such a policy should also include a provision for temporary employment of a CEO not just provision for an acting appointment of a CEO. The Administration also took into account comments made during the Council meeting regarding the need for Council to have oversight on the MRC positions designated to act as CEO. In response to the feedback, Administration has modified the policy to closely align with the WALGA template '*Council Policy for the Temporary Employment or Acting Appointment of CEO*'.

A summary of the proposed amendments to CP14 include:

- Title change to 'Council Policy 14 - Temporary Employment or Acting Appointment of Chief Executive Officer'
- Inclusion of positions that can act in the role of CEO
- Acting CEO is to be appointed in circumstances where the CEO is on leave or unplanned leave for any leave periods greater than 4 days
- Inclusion of clauses covering the employment of a Temporary CEO
- Inclusion of clause covering remuneration of an Acting or Temporary CEO

See Appendix 6 – Delegation 1.2

See Appendix 7 – CP14

3. COUNCIL POLICY CP23 - Conducting Electronic Meetings and Attendance by Electronic Means Policy

During the Ordinary Council meeting on 21 September 2023, Council moved an amendment for CP23 to be further reviewed. The discussion during the meeting concerned electronic attendance highlighting the importance of attendees being visible on the screen. This visibility would assure members of the public that councillors are fully engaged during the meeting.

The following minor amendment is proposed to Clause 3 of CP23:

To Clause 3 add a new subclause (5) that reads:

(5) Cameras - MRC requests that Members cameras are turned on for the duration of the meeting. Members must ensure that they are visible on screen at all times during the meeting. Member's visibility is crucial to assure members of the public that Council is fully engaged during the meeting. Members must indicate to the Chair if they are leaving or re-joining a meeting. The time a member leaves and re-joins a meeting will be reflected in the minutes.

Subsequent sub-clauses will be renumbered to accommodate the new sub-clause 5.

See Appendix 8 - CP23.

4. DELEGATION 1.7.1 – Disposing of Property

At the Ordinary Council meeting held on 21 September 2023, Council endorsed Delegation 1.7.1 Disposing of Property. Since that meeting, Administration has further reviewed this delegation for the purposes of disposing of MRC plant, when necessary. Administration has concluded that the current delegation, as worded, has the potential to hinder administrative efficiency by preventing timely decision-making. To enable the Administration to manage high value assets, excluding land, an amendment to Council condition (b) on this delegation is proposed to raise the limit to \$500,000. This figure is proposed following review of member councils' similar delegations.

See Appendix 9, tracked changes to Delegation 1.7.1

CONSULTATION

Nil

STATUTORY ENVIRONMENT

Local Government Act 1995

The following extracts from the Act relate to Council's obligations in the areas of policy development and delegations to the CEO.

"2.7. Role of Council

- (1) *The Council —*
 - (a) *governs the local government's affairs; and*
 - (b) *is responsible for the performance of the local government's functions.*
- (2) *Without limiting subsection (1), the Council is to —*
 - (a) *oversee the allocation of the local government's finances and resources; and*
 - (b) *determine the local government's policies.*

5.39C. Policy for temporary employment or appointment of CEO

(1) *A local government must prepare and adopt* a policy that sets out the process to be followed by the local government in relation to the following —*

- (a) *the employment of a person in the position of CEO for a term not exceeding 1 year;*
- (b) *the appointment of an employee to act in the position of CEO for a term not exceeding 1 year.*

** Absolute majority required.*

(2) *A local government may amend* the policy.*

** Absolute majority required.*

(3) *When preparing the policy or an amendment to the policy, the local government must comply with any prescribed requirements relating to the form or content of a policy under this section.*

(4) *The CEO must publish an up-to-date version of the policy on the local government's official website.*

5.42. Delegation of some powers and duties to CEO

- (1) *A local government may delegate* to the CEO the exercise of any of its powers or the discharge of any of its duties under —*
 - (a) *this Act other than those referred to in section 5.43; or*
 - (b) *the Planning and Development Act 2005 section 214(2), (3) or (5).*

** Absolute majority required.*

- (2) *A delegation under this section is to be in writing and may be general or as otherwise provided in the instrument of delegation.*

5.43. Limits on delegations to CEO

A local government cannot delegate to a CEO any of the following powers or duties —

- (a) *any power or duty that requires a decision of an absolute majority of the council;*
 - (b) *accepting a tender which exceeds an amount determined by the local government for the purpose of this paragraph;*
 - (c) *appointing an auditor;*
 - (d) *acquiring or disposing of any property valued at an amount exceeding an amount determined by the local government for the purpose of this paragraph;*
-

- (e) any of the local government's powers under section 5.98, 5.98A, 5.99, 5.99A or 5.100;
- (f) borrowing money on behalf of the local government;
- (g) hearing or determining an objection of a kind referred to in section 9.5;
- (ha) the power under section 9.49A (4) to authorise a person to sign documents on behalf of the local government;
- (h) any power or duty that requires the approval of the Minister or the Governor;
- (i) such other powers or duties as may be prescribed."

POLICY IMPLICATIONS

This report discusses the proposed changes to Council Policy CP14 and CP23, it does not impact other policies.

FINANCIAL IMPLICATIONS

Nil

STRATEGIC/COMMUNITY AND CORPORATE/BUSINESS PLAN IMPLICATIONS

Strategic Community Plan 2023 -2032	
OBJECTIVE 3	Deliver best practice governance processes and structures
Action	Ensure compliance with all legislative, probity, and regulatory requirements
This report is required by legislation to ensure that the Council has the opportunity to review its current policies and the delegations it has provided to the Chief Executive Officer thus maintaining the relevance of the documents.	

COMMENT

Nil

VOTING REQUIREMENT

Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Council:

1. Endorses the removal of the Delegation number 1.2 'Appoint an employee of the MRC to the position of Acting CEO' as detailed in Appendix 6 from the Delegation Register.
2. Endorses the changes to Council Policy CP14 'Acting Chief Executive Officer Appointment' as detailed in Appendix 7.
3. Endorses the change to Council Policy CP23 'Conducting Electronic Meetings and Attendance by Electronic means' as detailed in Appendix 8.
4. Endorses the change to Delegation 1.7.1 'Disposal of Property' as detailed in Appendix 9.

The substantive motion was moved by Cr Wright and seconded Cr May

Cr Cutler proposed an amendment to the value in Delegation 1.7.1 Disposal of Property, Council Condition 'b' from \$500,000 to \$150,000.

The Chair facilitated discussion and the meeting proposed an increased value of \$250,000, With the agreement of the mover and seconder the value included in the substantive motion, detailed in Appendix 9, was amended from \$500,000 to \$250,000.

The substantive motion, as amended, was put:

SUBSTANTIVE RECOMMENDATION AS AMENDED

1. **Endorses the removal of the Delegation number 1.2 'Appoint an employee of the MRC to the position of Acting CEO' as detailed in Appendix 6 from the Delegation Register.**
2. **Endorses the changes to Council Policy CP14 'Acting Chief Executive Officer Appointment' as detailed in Appendix 7.**
3. **Endorses the change to Council Policy CP23 'Conducting Electronic Meetings and Attendance by Electronic means' as detailed in Appendix 8.**
4. **Endorses the change to Delegation 1.7.1 'Disposal of Property' as detailed in Appendix 9 subject to the change in Council Condition 'b' limiting the value to \$250,000**

(CARRIED UNANIMOUSLY 11/0)

For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright
Against: Nil

9.4	MINDARIE REGIONAL COUNCIL ORDINARY COUNCIL MEETING AND STRATEGY WORKSHOP DATES FOR 2024
File No:	GF-23-0000047
Appendix(s):	Nil
Date:	27 October 2023
Responsible Officer:	Chief Executive Officer

SUMMARY

The purpose of this report is to provide notice of the dates, times and locations for the Mindarie Regional Council's (MRC) Ordinary Council Meetings (OCM) and to provide advice regarding Strategy Workshops (SW) and Budget Workshops (BW) for 2024.

BACKGROUND

In accordance with the *Local Government Act 1995*, the MRC is required to schedule OCMs for the forthcoming calendar year and provide public notice of their dates, times and locations. In addition, the MRC also sets at least two SW dates for the year.

DETAIL

In setting the dates for the 2024 OCMs consideration is given to the following:

- The Catalina Regional Council meeting dates for 2024
- The WALGA Metropolitan Zone meeting dates for 2024
- The Australian Local Government Association (ALGA) Annual Conference
- Relevant Waste Conferences
- Availability of Member Councils' Chambers.

Wherever possible, alternative dates to those already specified for the meetings above are proposed by the administration and assessed for suitability.

Catalina Regional Council

There are currently no meeting date clashes, in addition, no councillors participate in both CRC and MRC meetings.

WALGA North Metro Zone

North Metro WALGA Zone meeting dates are usually arranged on a Thursday, as are the MRC's. Currently there are no proposed clashes, the NMZ dates are due to be confirmed at their meeting on 23 November 2023.

Australian Local Government Association (ALGA) Annual Conference

The relevant dates for 2024 have as yet not been released. The draft proposed date options provided to the MRC are first week in June 2024 or first week in July 2024. No MRC meetings are proposed during these weeks.

Waste Conferences

There are no known meeting date clashes with the proposed dates for the 2024 waste conferences.

Financial Reporting

The MRC must arrange its council meetings to ensure that financial reports are presented to council within 2 months after the end of the month to which the statement of financial activity relates in accordance with *s.6.4 of the Local Government Act 1995* and *s.34(4) of the Local Government (Financial Management) Regulations 1996*.

Proposed Ordinary Council Meeting Schedule

29 February 2024	6.30pm	City of Joondalup	OCM
28 March 2024	6.30pm	City of Wanneroo	OCM
30 May 2024	6.30pm	City of Stirling (tbc)	OCM
27 June 2024	6.30pm	Town of Cambridge	OCM
18 July 2024	6.30pm	City of Stirling (tbc)	OCM
26 September 2024	6.30pm	City of Vincent	OCM
28 November 2024	6.30pm	Town of Victoria Park	OCM
12 December 2024	6.30 pm	City of Perth	OCM

Strategic and Budget Workshops

The MRC also propose to hold a budget workshop and 5 strategic workshops during the year ahead. These workshops are important as they provide Councillors, member council CEOs and representatives on the Strategic Working Group an opportunity to review and discuss the MRC's strategic direction and have oversight on the budget proposals.

29 February 2024	After OCM	City of Joondalup	Strategy Workshop
17 March 2024	6.30pm	tbc	Strategy Workshop
04 April 2024	6.30pm	tbc	Budget Workshop
30 May 2024	After OCM	tbc	Strategy Workshop
22 August 2024	6.30 pm	tbc	Strategy Workshop
31 October 2024	6.30pm	tbc	Strategy Workshop

STATUTORY ENVIRONMENT

Local Government Act 1995

Local Government (Administration) Act 1996

POLICY IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

COMMENT

The administration has sought, through the dates proposed, to set an OCM and Workshop schedule which provides council the opportunity to make all necessary decisions in accordance with its statutory requirements, and takes into account the effects thereafter on individual member councils' obligations under the *Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996*, whilst allowing sufficient provision for adequate briefing through workshops on matters relevant to council.

Workshops are seen as important as they provide Councillors and member council administrations an opportunity to review and discuss the MRC's strategic direction and have oversight on the administration's budget proposals.

Efforts have been made wherever possible to reduce the potential impact on councillors' already busy schedules due to their individual member council responsibilities.

The proposed meeting schedule for 2024 is submitted for approval.

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council:

1. Adopt the meeting dates as follows:

29 February 2024	6.30pm	City of Joondalup	OCM
28 March 2024	6.30pm	City of Wanneroo	OCM
30 May 2024	6.30pm	City of Stirling (tbc)	OCM
27 June 2024	6.30pm	Town of Cambridge	OCM
18 July 2024	6.30pm	City of Stirling (tbc)	OCM
26 September 2024	6.30pm	City of Vincent	OCM
28 November 2024	6.30pm	Town of Victoria Park	OCM
12 December 2024	6.30pm	City of Perth	OCM

2. Issue a Public Notice on the meeting locations, dates and times as detailed in (1) above in accordance with Part 12 (1) of the *Local Government (Administration) Regulations 1996* and the *Local Government Act 1995*.
-

3. Note the following Budget Workshop and Strategy Workshops dates planned for 2024, as follows:

29 February 2024	After OCM	City of Joondalup	Strategy Workshop
17 March 2024	6.30pm	tbc	Strategy Workshop
04 April 2024	6.30pm	tbc	Budget Workshop
30 May 2024	After OCM	tbc	Strategy Workshop
22 August 2024	6.30pm	tbc	Strategy Workshop
31 October 2024	6.30pm	tbc	Strategy Workshop

Meeting note:

The Chair advised Council that the venues for the Ordinary Council meetings in point no 2 were confirmed and that the date 17 March 2024, in point no 3 was a typographical error and should read 14 March 2024.

**Moved Cr Proud, seconded Cr Jacob
 RESOLVED**

1. Adopt the meeting dates as follows:

29 February 2024	6.30pm	City of Joondalup	OCM
28 March 2024	6.30pm	City of Wanneroo	OCM
30 May 2024	6.30pm	City of Stirling	OCM
27 June 2024	6.30pm	Town of Cambridge	OCM
18 July 2024	6.30pm	City of Stirling	OCM
26 September 2024	6.30pm	City of Vincent	OCM
28 November 2024	6.30pm	Town of Victoria Park	OCM
12 December 2024	6.30pm	City of Perth	OCM

2. Issue a Public Notice on the meeting locations, dates and times as detailed in (1) above in accordance with Part 12 (1) of the *Local Government (Administration) Regulations 1996* and the *Local Government Act 1995*.
3. Note the following Budget Workshop and Strategy Workshops dates planned for 2024, as follows:

29 February 2024	After OCM	City of Joondalup	Strategy Workshop
14 March 2024	6.30pm	tbc	Strategy Workshop
04 April 2024	6.30pm	tbc	Budget Workshop
30 May 2024	After OCM	tbc	Strategy Workshop
22 August 2024	6.30pm	tbc	Strategy Workshop
31 October 2024	6.30pm	tbc	Strategy Workshop

**Moved Cr Proud, seconded Cr Jacob
 (CARRIED UNANIMOUSLY 11/0)**

*For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, Wright
 Against: Nil*

9.6	MRC PROPOSED RECLASSIFICATION TO BAND 2
File No:	GF-23-0003162
Appendices:	Nil
Date:	05 OCTOBER 2023
Responsible Officer:	Chief Executive Officer

SUMMARY

This report provides the detail of a review by the Chief Executive Officer (CEO) on the band classification for the Mindarie Regional Council (MRC).

The MRC is seeking Council approval to lodge a submission to the Salaries and Allowances Tribunal for it to review and amend the MRC's current classification as a Band 3 Local Government to a Band 2 Local Government.

BACKGROUND

On 06 July 2017, Council received a Notice of Motion relating to the MRC's band classification from then Councillor Russ Fishwick suggesting that a review of the MRC's banding at that time may be appropriate. Council resolved that a review should be undertaken. However, this did not take place as the MRC's strategic future was unclear, and council subsequently revoked its resolution.

Council endorsed a new Strategic Community Plan on 27 April 2023 and subsequent Corporate Business Plan on 01 June 2023.

On 21 September 2023, Council received a further Notice of Motion relating to the MRC's band classification from Councillor Paul Miles, seeking a similar review of the MRC's band classification to that previously proposed. This report provides details on that review.

DETAIL

Outcome of the 2017 Notice of Motion

Between 2017 and 2022 Administration opted not to proceed with the Council's resolution for a review as the MRC's strategic direction was unclear at the time.

In 2022, during a review of pending Council resolutions, the CEO observed that the 2017 resolution had not been executed and, through consultation with councillors, it was determined that it may be more appropriate for it to be revoked rather than continue not to be fulfilled. At that time, the MRC was in the process of developing a new Strategic Community Plan in consultation with Council and member council administration stakeholders.

Subsequently, on 24 March 2022, a report was brought forth to Council seeking the revocation of the previous Notice of Motion resolution, which was supported.

MRC Strategic Direction

Between 2020 and 2021, the MRC experienced a period of change which impacted strategy setting, such as:

- The streamlining of operations at Tamala Park resulting in a complete organisational restructure
- The entry into a contract with an external provider to operate the Re-Use shop and the public recycling areas at Tamala Park
- The conclusion of a major contract for the management of the MRC's Resource Recovery Facility (RRF) at its Neerabup site
- A change of CEO in late 2021

During 2022 and 2023 strategic workshops with Council were undertaken that resulted in the development of a draft Strategic Community Plan, which Council adopted on 27 April 2023.

Notice of Motion – 21 September 2023

On 21 September 2023, Councillor Miles brought forth the following Notice of Motion:

Notice of Motion:

1. *REQUESTS the Chief Executive Officer to undertake a review of the MRC's current band classification, addressing the justification for a proposed reclassification from a band 3 to a band 2 Regional Council.*
2. *REQUESTS the Chief Executive Officer to write to the Department of Local Government to seek clarification on the procedural steps necessary to request a band reclassification.*
3. *REQUESTS that the Chief Executive Officer presents a report on this subject to Council on 30 November 2023.*

Reason for Motion

The purpose of this Notice of Motion is to formally request the CEO to present a comprehensive report to Council. The report will focus on an evaluation of the MRC's band classification to determine whether sufficient grounds exist to warrant a submission to the Salaries and Allowances Tribunal (SAT) for a reclassification of the MRC from Band 3 to Band 2.

The SAT determines annually the band classification for all local governments in Western Australia, the fees, expenses and allowances to be paid to council members and the total reward package range for CEOs.

When a number of relevant variables are considered and then compared with the other Regional Local Governments in the Perth Metropolitan Area who deliver waste management services, the MRC's current classification appears inconsistent, as does a comparison with Catalina Regional Council (previously Tamala Park Regional Council). See table 1:

Table 1: Perth Metropolitan Area Regional Local Government Comparison

<i>Council</i>	<i>Band</i>	<i>Services Delivered</i>	<i>Population Serviced (approx.)</i>	<i>Assets</i>	<i>Revenue</i>
<i>Catalina Regional Council (CRC)</i>	<i>2</i>	<i>Land Development</i>	<i>0</i>	<i>\$27M</i>	<i>\$0.9M</i>
<i>Eastern Metropolitan Regional Council (EMRC)</i>	<i>2</i>	<i>Waste Management</i>	<i>290,000</i>	<i>\$207M</i>	<i>\$45M</i>
<i>Mindarie Regional Council</i>	<i>3</i>	<i>Waste Management</i>	<i>750,000</i>	<i>\$151M</i>	<i>\$39M</i>
<i>Resource Recovery Group (RRG)</i>	<i>2</i>	<i>Waste Management</i>	<i>150,000</i>	<i>\$38M</i>	<i>\$19M</i>
<i>Rivers Regional Council (RRC)</i>	<i>3</i>	<i>Waste Management</i>	<i>440,000</i>	<i>\$0.35M</i>	<i>\$0.003M</i>
<i>Western Metropolitan Regional Council (WMRC)</i>	<i>4</i>	<i>Waste Management</i>	<i>45,000</i>	<i>\$1.5M</i>	<i>\$8M</i>

The details above highlight that the MRC provides services which cover a population that is approximately 170% of the combined total of both the current Band 2 regional councils (EMRC and RRG) combined but is classed itself as Band 3. The MRC's financial size is also comparable with EMRC and demonstrably greater than RRG.

The activities delivered by the MRC are similar to those delivered by both the EMRC and RRG, and is arguably of both greater operational and financial complexity than those undertaken by CRC, which is currently also classed as Band 2. The CRC also does not deliver frontline services to any residents and employs only four persons.

Lately, the MRC has encountered difficulties in attracting high performing people due to limitations in salary offerings. Given the imperative of recruitment, staff retention and ensuring succession planning, in conjunction with the significant ongoing projects concerning Waste to Energy, FOGO and the Post Closure Management Plan, etc. it is proposed that a review of the MRC's band classification should be undertaken, and a report presented to Council for further consideration.

Moved Cr Miles, seconded Cr Shannon

RESOLVED

That the motion be adopted

(CARRIED UNANIMOUSLY 11/0)

State Government Guidance

In response to part '2' of Council's resolution, the MRC consulted with the Department of Local Government, Sport and Cultural Industries (the Department) with regard to the application process required for any proposed reclassification.

The Department confirmed that should the MRC wish to make a submission, then it should be sent direct to the State Administrative Tribunal (SAT), and that there is no standard application form or template in place for this process. SAT make determinations once per year, in April. Applications must be made prior to this, by January each year.

Justification

MRC Description

The MRC is the State's largest waste management authority by population served, carrying out essential waste management services to the community on behalf of its members, the Cities of Joondalup, Perth, Stirling, Vincent and Wanneroo, and the Towns of Cambridge and Victoria Park.

The MRC was constituted in 1987 and work began on the development of an engineered landfill site known as "Tamala Park" located at 1700 Marmion Avenue, Tamala Park.

The site was opened to receive waste from the Cities of Perth and Wanneroo in February 1991. Community utilisation began in June 1991.

Since that time the City of Vincent and the Towns of Cambridge and Victoria Park (formed from the City of Perth restructure) commenced disposal. The City of Stirling commenced utilisation of the facility in April 1999. The City of Joondalup (formed from the City of Wanneroo restructure) commenced disposal from 1 July 1999 as a separate entity to that of the City of Wanneroo.

Tamala Park landfill accepts in the region of 200,000 tonnes of residual waste per annum. The site continues to deliver the same services to member councils as those in place when first opened.

Increased Population

In 1991, when the Tamala Park landfill opened, the MRC serviced approximately 430,000 residents. Since then the Mindarie Regional District has developed and the MRC now serves an increased population of over 750,000 residents. This figure is forecasted to rise substantially in the future according to state government estimates.

Increased Services/Activities since Formation

Upon its formation, the MRC delivered only landfill disposal services to its member councils.

Since 1991, the MRC has increased its offering to member councils to include the community recycling and drop-off services that exist on site, at Tamala Park. These services are recognised as the second-busiest services in the state, servicing the neighbouring populations of the Cities of Joondalup and Wanneroo; two of Western Australia's three most populated local governments.

A renewable energy generation plant has been developed on site at Tamala Park since opening to transform the landfill gas produced in the landfill in to electricity which is then transferred to the main South West Interconnected Network, operated by Western Power. The Tamala Park system routinely generates 5MW of power; the largest of its kind in Western Australia.

In 2009, the RRF opened in land that had been acquired by the MRC since its formation, extending its original property portfolio. The RRF provided mixed general waste recycling services for organics materials, receiving 100,000 tonnes per annum of waste. The RRF is a highly automated production facility with no other comparable plant of its kind in Western Australia, whether local government or privately owned. The RRF was closed in September 2021, but is recognised as having the potential to operate as an organics recycling facility. The MRC is currently engaged in a Request for Tender (RFT) process to identify a suitable processing opportunity for its member councils' Food Organics and Garden Organics (FOGO) materials. The RRF is envisioned through the RFT process to be repurposed to process those materials. If successful, this could substantially increase the MRC's annual turnover and asset valuation.

New Strategic Community Plan

Council adopted a new Strategic Community Plan in April 2023, including both a new Vision and Mission to align with the State Government's objectives of sustainability and the circular economy.

Our Vision: Collaborating for a regional Circular Economy

Our Mission: To deliver sustainable waste management options for members

The MRC will achieve this through the following objectives:

1. Deliver best practice services
2. Position MRC to provide world class waste management options
3. Deliver best practice governance processes and structures

In alignment with the new SCP, a number of actions have been developed within the MRC's Corporate Business Plan to deliver upon the strategic objectives listed above.

Labour and Skills

More than nine of every ten councils in Australia currently face labour and skills shortages which are acting as a handbrake on local productivity. (*Local Government Workforce Skills and Capability Survey 2022*). Alongside the general issues shared with other local governments, the MRC is in direct competition with the commercial and industrial jobs market for staff, specifically the resource recovery and mining industries, given their similar operational natures. The organisation's inability to attract the skills necessary to progress has in the past and continues to impact upon the organisation's ability to deliver upon its strategic objectives.

Other Regional Local Government Comparisons

A comparison with the Perth Metropolitan Area's other regional local governments can be found below, in Table 1:

Council	Band	Services Delivered	Population Serviced (approx.)	Assets	Revenue
Catalina Regional Council (CRC)	2	Land Development	0	\$27M	\$0.9M
Eastern Metropolitan Regional Council (EMRC)	2	Waste Management	290,000	\$207M	\$45M
Mindarie Regional Council (MRC)	3	Waste Management	750,000	\$165M	\$39M
Resource Recovery Group (RRG)	2	Waste Management	150,000	\$38M	\$19M
Rivers Regional Council (RRC)	3	Waste Management	440,000	\$0.35M	\$0.003M
Western Metropolitan Regional Council (WMRC)	4	Waste Management	45,000	\$1.5M	\$8M

Table 1: Perth Metropolitan Area Regional Local Government Comparison

The following comparative information taken from Table 1 provides a summary comparison of the MRC with other contemporary regional local governments:

- The MRC's substantial asset base of \$165 million, revenue of \$39 million and population of 750,000 far exceed that of the CRC, who operates at band 2.
- The EMRC services a substantially lesser population than the MRC (39%), but operates at band 2.
- The RRG services 150,000 residents (20% of the MRC), with a considerably lesser assets base (25%) and revenue (49%), whilst operating at band 2.
- MRC and RRC operate under the same band 3 classification. The MRC services a significantly larger population of 750,000 compared to RRC's 440,000 (70% greater). The Assets and Revenue figures illustrate a substantial disparity between the RRC's annual revenue, at \$0.03 million, and the MRC's, at \$39 million. The MRC's assets are assessed as \$165 million in contrast to RRC's \$0.35 million.

CONSULTATION

Guidance has been sought and received from the Department of Local Government, Sport and Cultural Industries on the process required to make an application for a banding reclassification.

STATUTORY ENVIRONMENT

Salaries and Allowances Act 1975
Part 5 Division 8 of the Local Government Act 1995

POLICY IMPLICATIONS

No immediate policy implications.

In 2025 Band 3 Councils will be required to Audio record council meetings and Band 2 Councils will be required to live stream Council meetings. All of the MRC member councils are either band 1 or 2 and currently live stream so MRC Councillors will be familiar with the process and the MRC does not envisage any major challenges.

FINANCIAL IMPLICATIONS

There is no financial impact relating to fees and allowances for MRC Councillors. The fees and allowances set by SAT in respect of Regional Councillors remain the same.

If successful, the MRC's upgrading to Band 2 would result in an increase in the banding available for CEO salaries. Any increase in salary would in future be considered by the CEO Recruitment and Performance Review Committee and Council will consider any committee recommendations at that time.

The 2023/24 budget has accounted for the cost of the Local Government Reform implications in terms of recording and/or live streaming of council meetings.

STRATEGIC IMPLICATIONS

STRATEGIC COMMUNITY PLAN 2023 – 2032
Strategic Objective 2 : Position MRC to provide world class waste management options
Strategic Objective 3 : Deliver best practice governance processes and structures

COMMENT

The Chief Executive Officer supports the proposal to lodge a submission to SAT to increase the classification from Band 3 to Band 2. The CEO considers that sufficient grounds exist to justify a Band 2 Local Government classification.

Summary

In 1991 the MRC was classed as a Band 3 Council; the Mindarie Regional District's population at that time was approximately 430,000. In 2023 its population is now approximately 750,000 strong; an increase of 74%. Substantial population growth is expected to continue within the district in to the future given the high number of land development projects currently ongoing and planned over the next ten to twenty-year period.

The MRC originally consisted of the City of Perth, City of Stirling and the Shire of Wanneroo. Between 1991 and 1999 the Cities of Joondalup and Vincent and the Towns of Cambridge and Victoria Park joined the MRC.

Since its formation, given the increases in population serviced by the MRC, the diversity of services it delivers, the complexity of those services, and the magnitude of the assets it controls and manages, it is arguable that the MRC's band classification could have been challenged over the years; which mirrors the Council resolution from 06 July 2017.

When this is taken in to account alongside the comparison with the Perth Metropolitan Area's other regional local governments' magnitude and services delivered, there appears to be an even greater justification for the MRC's banding to be amended which would result in equitable treatment.

Any proposed application seeks, in the first instance, to ensure consistency with other regional local governments. However, reclassification also has the potential, in the medium term, to better allow the MRC to deliver upon its strategic objectives, by providing a more solid platform to access those skills which are necessary to deliver its Strategic Community Plan. This has arguably proven to be challenging for the MRC in the past due to the recruitment market for professionals with relevant operational and technical skills and experience, and may go some way to explaining the organisation's challenges in delivering upon its previous Strategic Community Plan.

The MRC would welcome an independent review by the State Administrative Tribunal.

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council:

Authorise the Chief Executive Officer to make a submission to the Salaries and Allowances Tribunal for the 2024 Determination requesting that the Mindarie Regional Council be upgraded from a Band 3 Local Government to a Band 2 Local Government.

Moved Cr Proud, seconded Cr Miles

RESOLVED

That the recommendation be adopted

(CARRIED 8/3)

For: Crs Castle, Dudek, Hatton, May, Miles, Ferrante, Proud, Wright

Against: Crs Cutler, Gobbert, Jacob

10 MEMBERS INFORMATION BULLETIN – ISSUE NO. 79

RESPONSIBLE OFFICER RECOMMENDATION

That the Members Information Bulletin Issue No. 79 be received.

Moved Cr Wright, seconded Cr Hatton

RESOLVED

That the recommendation be adopted

(CARRIED UNANIMOUSLY 11/0)

For: Crs Castle, Cutler, Dudek, Ferrante, Gobbert, Hatton, Jacob, May, Miles, Proud, 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

15 NEXT MEETING

The next Ordinary Council meeting is to be held on Thursday 14 December 2023 at the City of Perth commencing at 6.30 pm.

16 CLOSURE

The Chair closed the meeting at 7.42 pm and thanked the Town of Victoria Park for their hospitality and use of their meeting facilities.

Signed  Chair

Dated 14th day of December 2023

