



# Shire of Pingelly

## Minutes

Special Council Meeting  
27 June 2016

## SHIRE OF PINGELLY

### Minutes of the Ordinary Council Meeting of the Shire of Pingelly held in the Council Chambers, 17 Queen Street, Pingelly on 27 June 2016.

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## **MEMBERS PRESENT**

Cr SJ Lange                      President  
Cr WV Mulroney                Deputy President  
Cr R Marshall  
Cr DI Freebairn  
Cr LN Steel  
Cr M Walton-Hassell  
Cr E Hodges

## **STAFF IN ATTENDANCE**

Mr G Pollock                    Chief Executive Officer  
Mrs L Boddy                    Executive Assistant  
Ms Grace French                Director Corporate and Community Services

## **APOLOGIES**

Nil

## **OBSERVERS & VISITORS**

Nil

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

The Chairman, Cr Shirley Lange, declared the meeting open at 5.04pm.

#### **1.1 Acknowledgement of Country**

I respectfully acknowledge the past and present traditional owners of this land on which we are meeting, the Noongar people. It is a privilege to be standing on Noongar country. I also acknowledge the contributions of Aboriginal Australians and non-Aboriginal Australians to the security and wellbeing of all the people of this country where we live and that we share together – Australia.

#### **1.2 Reminder**

Agreements:

- No talking over each other
- No “side bar” conversations
- Return from breaks punctually
- Mobile phones on silent / no vibrate

As a Councillor we are required to listen:

There are people who, instead of listening to what is being said to them, are already listening to what they are going to say themselves. **Albert Guinon (1863 - 1923)**

Make sure you have finished speaking before your audience has finished listening. **Dorothy Sarnoff**

### **2. RECORD OF APOLOGIES / APPROVED LEAVE OF ABSENCE**

Nil

### **3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

Nil

### **4. PUBLIC QUESTION TIME**

No members of the public present.

**5. APPLICATIONS FOR LEAVE OF ABSENCE**

Nil

**6. DISCLOSURES OF INTEREST**

Nil

**7. ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION**

Nil

**8. PETITIONS / DEPUTATIONS / PRESENTATIONS / SUBMISSIONS**

Nil

## **9. REPORTS OF OFFICERS**

### **9.1 OFFICE OF THE CEO**

#### **9.1.1 Beverley, Brookton & Pingelly (BBP) Aged Housing – Business Case**

**File Reference:** 00106  
**Location:** Shires of Beverley, Brookton and Pingelly  
**Applicant:** Shire of Pingelly  
**Author:** Gavin Pollock – Chief Executive Officer  
**Date:** 23 June 2016  
**Disclosure of Interest:** Nil  
**Attachments:** Business Case, Appendices and Attachments Attachment 1 behind blue sheet in separate attachments book)  
Email Attachment as per note in Council Decision is included at page 12 of this document.  
**Previous Reference:** 19 February 2014 - 11.3 Beverley, Brookton, Pingelly Aged Care Letter of Agreement 19 February 2014 and 4 September 2014 - 11.3.6 Cluster Housing Master Plan

#### **Summary:**

Council is requested to accept the business case prepared by the Wheatbelt Development Commission (WDC) and the Shires of Beverley, Brookton and Pingelly Aged Support and Care Solutions Alliance (BBP) for the construction of twenty seven (27) independent living units across the Shires of Beverley, Brookton and Pingelly. It is proposed that seven (7) of these units be constructed in Pingelly with three (3) in 2017-18 and four (4) in 2018-19.

#### **Background:**

##### ***11.3 Beverley, Brookton, Pingelly Aged Care Letter of Agreement***

#### **Recommendation:**

***11557 – Moved: Cr Mulroney      Seconded: Cr Jetta  
That Council approve the Shire President and Chief Executive Officer to sign the Shire of Beverley, Brookton and Pingelly Letter of Agreement to Progress Aged Support and Care Solutions.***

***Carried: 8:0***

##### ***11.3.6 Cluster Housing Master Plan***

***11680 - Moved: Cr Morton      Seconded: Cr Packer***

#### **Recommendation:**

***That Council endorse the proposed site and support the conceptual plans provided by the Wheatbelt Development Commission, Wheatbelt South.***

#### **Council Decision:**

***That Council endorse the proposed site and support the conceptual plans provided by the Wheatbelt Development Commission, Wheatbelt South. The location of the clustered housing to be within Lot 492 Brown Street and exact placement to be presented back to council for endorsement once funding is approved.***

**Note: Amended to add: The location of the clustered housing to be within Lot 492 Brown Street and exact placement to be presented back to council for endorsement once funding is approved.**

**Carried 8:0**

**Comment:**

The Cluster Housing project is subject to funding and if successful it is proposed to construct seven (7) of these units in the Shire of Pingelly with three (3) in 2017-18 and four (4) in 2018-19 financial years.

The proposed site is located within Lot 492 Brown Street on the Pingelly sports ground adjoining and complementing the six (6) Southern Inland Health Indicatives (SIHI) units the Shire of Pingelly will be constructing in the 2016-17 financial year and completed before December 2017.

Both projects will see a total of thirteen (13) independent living units being constructed in the Shire of Pingelly over a three (3) year period.

**Consultation:**

Shirley Lange – Shire President, Gavin Pollock – Chief Executive Officer, Wheatbelt Development Commission – Wheatbelt South, Shire Councillors during Corporate Discussion Meetings, Pingelly Cottage Homes, Pingelly Somerset House and the Shire's of Beverley, Brookton and Pingelly Aged Support and Care Solutions Alliance (BBP).

**Statutory Environment:**

Local Government Act Section 3.1 (General Function)

**Policy Implications:**

The Shire Asset Management, Community Strategic Plan and long Term Financial Plans as part of the review process will need to have this project considered and factored in if deemed to proceed.

**Financial Implications:**

The project is estimated to cost \$11,921,975 for the construction of twenty seven (27) independent living units across the Shires of Beverley, Brookton and Pingelly.

The Business Case is seeking \$7,888,367 from Royalties for Regions and a contribution of \$4,033,603 from the Shires of Beverley, Brookton and Pingelly making up the \$11,921,975. Please see pages 28 to 31 of the Business Case for a more detailed breakdown of the allocations.

The construction of seven (7) independent living units requires the Shire of Pingelly to contribute up to \$1,534,962 plus \$1,524,003 coming from Royalties for Regions totalling \$3,058,965. The Shire contribution is made up of in kind and financial support. It is estimated that the in kind support will be \$1,110,000 (non cash) and financial support \$424,962 (cash) totalling \$1,534,962.

The Shire's contribution of in kind would be made up of the land being estimated at \$210,000. The remaining \$900,000 of in kind would be made up from accessing newly installed infrastructure such as electrical, sewage, water and telecommunication that will be installed for the new Recreation and Cultural Centre and six (6) Southern Inland Health Indicatives (SIHI) units.

The financial and in kind contributions from the Shire would be split equally over 2017-18 and 2018-19 financial years.

**Strategic Implications:**

Shire of Pingelly Strategic Plan

Outcome 4.4: A financially sustainable Shire

Strategy 4.4.1: Explore resource sharing opportunities with neighbouring Shires through the Region.

Outcome 1.6: Quality of life for the aged and disabled

Strategy 1.6.1: Support and advocate for services and facilities that meet the needs of the aged and disabled;

Strategy 1.6.2: Support the provision of active ageing activities for seniors;

Strategy 1.6.3: Advocate for an improved Senior Citizens Centre;

Strategy 1.6.4: Assist the expansion of Pingelly Cottage Homes with more independent living units;

Strategy 1.6.5: Support independent life-style choices and advocate for improved ageing in place services.

**Voting Requirements:**

Absolute Simple Majority

**11973 Moved Cr Steel      Seconded Cr Mulroney**

**Recommendation and Council Decision:**

**That Council:**

- 1. Supports the Business Case (2015-16) for the Beverley, Brookton and Pingelly Aged Housing Project.**
- 2. Supports the Wheatbelt Development Commission in its application for funding for the Beverley, Brookton and Pingelly Aged Housing Project.**
- 3. Will only progress once the identified leveraged funding in the Business Case is secured by the Wheatbelt Development Commission for the Beverley, Brookton and Pingelly Aged Housing Project.**

**Note: Changes received during the meeting from Dannelle Foley be added to the minutes - this is included at page 12 of this document.**

**Carried 7:0**

## **9.2 DIRECTORATE OF CORPORATE AND COMMUNITY SERVICES**

### **9.2.1 New Overdraft Facility**

<b>File Reference:</b>	<b>00121</b>
<b>Location:</b>	<b>N/A</b>
<b>Applicant:</b>	<b>Grace French, Director Corporate &amp; Community Services</b>
<b>Author:</b>	<b>Grace French, Director Corporate &amp; Community Services</b>
<b>Date:</b>	<b>23 June 2016</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachments:</b>	<b>Temporary Overdraft Application form – Bendigo Bank (Attachment 2 behind green sheet in separate attachments book)</b>
<b>Previous Reference:</b>	<b>N/A</b>

#### **Summary**

Council is required to endorse Management's actions in establishing a temporary Bank Overdraft Facility for \$300,000.00 for the Shire and to authorise the establishment of this facility for the coming years with a limit of \$500,000.00.

#### **Background:**

In early April 2016, it became apparent to management that, due to several large grant-funded projects being undertaken in the lead up to the end of the financial year, the Shire's cash flow would likely be effected to the extent that a formal overdraft facility would be required.

#### **Comments:**

Given that the first rates income for the new financial year is not usually received until late August, and that nearly all other budget income for 2015/2016 has already been received, cash projections show that an overdraft of \$300,000.00 will be sufficient to assist over the end of financial year period, including the early months of 2016/2017.

Information was sought from Bendigo Bank, the Shire banker, in relation to the required overdraft facility.

It should be noted that purpose of the proposed facility is to assist with the management of the Shire's cash flow – it is not a result of budget variations – and any drawings under the new \$300,000.00 limit are of a temporary nature only and to be repaid as soon as possible.

#### **Consultation:**

Bendigo Bank Manager - Martin Nievelstein  
Chief Executive Officer – Gavin Pollock

#### **Statutory Environment:**

A temporary overdraft application is attached and an item is now required to go to Council under section 6.20(2) of the Local Government Act 1995.

Local Government Act 1995

Part 6 – Financial Management  
Division 5 – Financial Local Government Activities



### **Subdivision 3 – Borrowings**

#### **6.20 Power to borrow**

- (1) Subject to this Act, a local government may –
- (a) borrow or re-borrow money; or
  - (b) obtain credit; or
  - (c) arrange for financial accommodation to be extended to the local government in ways additional to or other than borrowing money or obtaining credit,
- To enable the local government to perform the functions and exercise the powers conferred on it under this Act or any other written law.
- (2) Where, in any financial year, a local government proposes to exercise a power under subsection (1) ("**power to borrow**") and details of that proposal have not been included in the annual budget for that financial year –
- (a) Unless the proposal is of a prescribed kind, the local government must give one month's local public notice of the proposal; and
  - (b) The resolution to exercise that power is to be by absolute majority.
- (3) Where a local government has exercised a power to borrow a –
- (a) It does not wish to proceed with the performance of the function or the exercise of the power for which the power to borrow was exercised; or
  - (b) After having completed the performance of the function or the exercise of the power for which the power to borrow was exercised, any part of the money borrowed, credit obtained or financial accommodation arranged has not been expended or utilized,
- the local government may resolve(\*) to expend the money or utilize the credit or financial accommodation for another purpose if one month's local public notice is given of the proposed change of purpose.
- \*Absolute majority required*
- (4) A local government is not required to give local public notice under subsection (3) –
- (a) where the change of purpose has been disclosed in the annual budget of the local government for the relevant financial year; or
  - (b) in such other circumstances as are prescribed
- (5) A change of purpose referred to in subsection (3) is to be disclosed in the annual financial report for the year in which the change occurs.

### **Local Government (Financial Management) Regulations 1996**

#### **20. When local public notice not required for exercise of power to borrow (Act s. 6.20 (2)(a))**

- (1) A local government is not required to give local public notice of a proposal to exercise a power to borrow when the power is to be exercised to re-finance a loan or to continue other financial accommodation (whether with the same or another bank or financial institution) except where the re-financing or continuation is a major variation.

- (2) In this regulation –
- major variation** means a variation in the terms of a loan or other financial accommodation which is --
- (a) A capitalisation of interest accruals; or
  - (b) An increase in the term of the loan or other financial accommodation;
- re-finance** in relation to a loan or other financial accommodation (the **existing loan**), means to borrow an amount (the **new loan**) which is, at the date of the new loan --
- (a) Equal to the principal amount owing on the existing loan; or
  - (b) Not more than \$5 000 more or less than the principal amount owing on the existing loan,
- for the principal purpose of paying out the existing loan or preserving the credit originally provided by the existing loan.

**21. When a local public notice not required for change of use of borrowed money (Act s. 6.20 (4)(b))**

A local government is not required to give local public notice of a proposed change of use of money borrowed where the amount to be used for a purpose other than the purpose for which it was borrowed --

- (a) Does not exceed \$5 000 in a financial year; or
- (b) Where the money proposed to be borrowed by the local government is to be used to meet expenditure authorised by the mayor or president under section 6.8(1)(c).

**Policy Implications:**

There are no known significant policy implications.

**Financial Implications:**

Establishing a permanent overdraft facility will ensure that any future similar cash flow issues will be able to be addressed in an efficient manner.

Establishment fee: Nil

Line fine (\*): Nil

Current interest rate applicable to any drawings under this facility is 12.8%.

*\*Line Fee Frequency*

**Strategic Implications:**

There are no known significant strategic implications.

**Voting Requirements:**

Absolute Majority

11974 Moved: Cr Marshall

Seconded: Cr Hodges

**Recommendation:**

That Council, pursuant to section 6.20 of the *Local Government Act 1995*:

1. Endorse the Chief Executive Officer in establishing an interim Bank Overdraft Facility with a limit of \$300,000.00 for the Shire of Pingelly;
2. Authorise the establishment of a permanent Bank Overdraft Facility with a limit of \$500,000.00;
3. In 12 months' time review this requirement and the need for a continued Bank Overdraft Facility beyond the 2017/2018 financial year;
4. Advertise its intent to establish a permanent Bank Overdraft Facility in local papers and on the Shire noticeboards for a period of no less than one month prior to the establishment of this facility.

Carried 7:0

**9.3 DIRECTORATE OF TECHNICAL SERVICES**

Nil

**10. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

**11. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**

New business of an urgent nature introduced by decision of the meeting. Best practice provides that Council should only consider items that have been included on the Agenda (to allow ample time for Councillors to research prior to the meeting) and which have an Officer Report (to provide the background to the issue and a recommended decision).

**12. CLOSURE OF MEETING**

The Chairman declared the meeting closed at 5.59pm.

These minutes were confirmed by Council at the Ordinary Meeting held on 20 July 2016.

Signed.....  
Presiding Person at the meeting at which the minutes were confirmed.

## **Attachment – Item 9.1.1 List of Changes to the BBPA Business Case**

Since the BBPA Business Case was submitted to the individual Shires for their review a number of changes have been made – although the content is the same and the document is now 42 pages (was 44 pages). The following lists the main changes that were made:

### **Executive summary (page 2 & 3):**

The Executive Summary has been shortened from 4<sup>1/2</sup> pages to 2 pages. It now contains summary titles

- Project outputs
- Project benefits
- Background
- Project Governance
- Conclusion

The purpose of this was to make the Executive Summary more succinct and easier for the reader.

### **2.1 Project Purpose (page 4)**

The following inclusions have been made:

- Quote that was originally in the Executive Summary
- Table 1: Project Timeframe, Project Expenditure per year and SIHI investment that was originally in the Executive Summary

### **2.3 Project Description (page 6 – 8)**

The following inclusions have been made (which have also moved information down the document so their page numbers have changed):

- Figure 2 and 3 concept designs were originally in the Executive Summary

### **2.4 Background (page 12)**

- Figure 5: Map of BBA region has been included here (originally in the Executive Summary) with the other map deleted.
- Table 4: Summary of Wheatbelt Housing Demand BBP now notes that since the release of the report the Shire of Beverley have reported an increase to their wait list.

### **3.5 Supporting Documents (page 41)**

- Addition of Attachment 4: Pingelly Strategic Community Plan 2013-2023 (that also changed some of the numbered attachments)
- Addition of the Online documents and information