

# Shire of Wiluna

## **MINUTES**



**Ordinary Meeting of Council**

**Held**

**Wednesday 26 April 2017**

## Table of Contents

1.	Declaration of Opening and Announcement of Visitors.....	3
2.	Record of Attendance / Apologies and Leave of Absence Previously Approved .....	3
3.	Response to Previous Public Question Taken on Notice.....	3
4.	Public Question Time .....	3
5.	Applications for Leave of Absence.....	4
6.	Notations of Interest.....	4
7.	Petitions and Deputations .....	4
8.	Confirmation of Minutes of Previous Meeting.....	4
9.	Announcement Presiding Member without Discussion.....	4
10.	Reports of Officers and Committees.....	5
10.1.	Chief Executive Officer.....	5
10.1.1.	Donation – Wiluna TAFE .....	5
10.1.2.	GVROC Regional Record Storage Facility .....	7
10.1.3.	Policy – Developing Northern Australia Conference .....	8
10.2.	Deputy Chief Executive Officer .....	11
10.2.1.	Financial Report & Accounts Paid by Authority – March 2017.....	11
10.2.2.	Financial Investments Report.....	12
10.2.3.	Request for Rates Interest to be Waived – Northern Star Resources.....	14
10.2.4.	Write-off of Rates Debt – Inosite Limited .....	18
10.2.5.	Appointment of Members to Mid-West/Wheatbelt JDAP.....	20
10.2.6.	Tender no. 2017-02 – Authority to Determine.....	23
10.2.7.	Adoption of Amended Regional Price Preference Policy .....	26
10.2.8.	Policy on Project Planning and Delivery .....	29
10.2.9.	Purchasing Policy and Procurement Procedures Manual.....	35
10.3.	Principal Environmental Health Officer and Building Surveyor .....	37
10.4.	Executive Manager Economic and Community Development .....	38
10.4.1.	Youth Consultation Survey .....	38
10.5.	Executive Manager Engineering & Development Services .....	39
10.6.	Committee Reports .....	39
11.	Elected Members Motion of Which Previous Notice Has Been Given.....	39
12.	Urgent Business Approved by the Person Presiding or by Decision of Council.....	39
13.	Matters Behind Closed Doors .....	40
14.	Closure .....	41

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**APPENDICES**

<b>APPENDIX 10.2.1.</b>	<b>Financial Report</b>	<b>Green Pages</b>
<b>APPENDIX 10.2.2.</b>	<b>Investment Report</b>	<b>Blue Page</b>
<b>APPENDIX 10.2.5.</b>	<b>Mid-West/Wheatbelt JDAP</b>	<b>Ivory Pages</b>
<b>APPENDIX 10.2.7.</b>	<b>Regional Price Preference Policy</b>	<b>Yellow Pages</b>
<b>APPENDIX 10.2.9.</b>	<b>Review of Procurement Policies and Procedures</b>	<b>Pink Pages</b>

**MINUTES****1. Declaration of Opening and Announcement of Visitors**

The Chairperson declared the meeting open at 12.27pm and welcomed Councillors, staff and members of the public to the meeting.

**2. Record of Attendance / Apologies and Leave of Absence Previously Approved**

Cr Jim Quadrio	President
Cr Graham Harris	Deputy President
Cr Norma Ward	
Cr Stacey Petterson	
Cr Caroline Thomas	

Colin Bastow	Acting Chief Executive Officer
Warren Olsen	Acting Deputy Chief Executive Officer
Tracey Luke	Executive Manager Community & Economic Development
Katrina Boylan	Senior Administration Officer

Gill Marchant	Member of the public
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**Apologies**

Cr Chris Webb	
Louka Shopov	Executive Manager Engineering and Development Services

**3. Response to Previous Public Question Taken on Notice**

Nil

**4. Public Question Time**

Gill Marchant

Q1. Are the Shire considering putting up signage on the Wongawol Road now that the Galaxy Pit has begun operations?

A1. The CEO advised that he would consult with the Shire's Executive Manager Engineering and Development and would give Mrs Marchant then.

Q2. With the next tourist season starting very shortly is there any update on when the gallery will be re-opened?

A2. The CEO replied possibly end of May or beginning of June. The Manager Community & Economic Development explained that we are in the process of appointing the new Manager and also that the disability access works were yet to be completed.

Q3. Could the Shire advise if there would be weekend openings?

A3. The Manager Community & Economic Development stated that it would be up to Council to approve the additional funding required to employ



extra staff hours. Also, the new Manager would need to be available to work extra hours.

**5. Applications for Leave of Absence**

Cr Ward offered her apologies for the May 2017 meeting.

**6. Notations of Interest**

**6.1. Interest Affecting Impartiality Shire of Wiluna Code of Conduct**

Nil

**6.2. Financial Interest Local Government Act Section 5.60A**

Councillor/Officer	Item	Nature of Interest	Extent of Interest
Cr Norma Ward	10.2.3.	Financial	Engages in contract work for Northern Star Resources

Councillor/Officer	Item	Nature of Interest	Extent of Interest
Cr Caroline Thomas	10.2.3.	Financial	Engages in contract work for Northern Star Resources

**6.3. Proximity Interest Local Government Act Section 5.60B**

Nil

**7. Petitions and Deputations**

Nil

**8. Confirmation of Minutes of Previous Meeting**

- 8.1.** The Minutes of the Ordinary Meeting held on 22 March 2017 be accepted as a true record of the meeting.

**Council Decision**

**Item 8.1**

**MOVED CR HARRIS**

**SECONDED CR WARD**

**The Minutes of the Ordinary Meeting held on 22 March 2017 be accepted as a true record of the meeting.**

**CARRIED 5/0**

**Resolution 055/17**

**9. Announcement Presiding Member without Discussion**

The President thanked all concerned for the success of this year's Anzac Day Service, an excellent turn out again by the community and surrounding mines.

## 10. Reports of Officers and Committees

### 10.1. Chief Executive Officer

#### 10.1.1. Donation – Wiluna TAFE

File:	ADM 0108/ADM 0314
Reporting Officer:	Colin Bastow, Acting Chief Executive Officer
Date of Report:	18 April 2017
Date of Meeting:	26 April 2017
Disclosure of Interest:	Nil

#### Purpose

The purpose of this report is to seek approval to amend the Shire's 2016/17 Budget to include a \$30,000 donation towards the employment of a TAFE coordinator by the Wiluna Remote Community School.

#### Background

The Shire President had expressed the possibility of the Shire assisting the Wiluna Remote Community School with the funding of a TAFE Coordinator. This position will allow the disused TAFE building to become operational again.

Currently the Wiluna Remote Community School has a shortfall in funding of \$30,000 towards this appointment.

#### Comment

Unfortunately, the Wiluna Remote Community School's Principal is away from work due to school holidays. Therefore, this matter can only be progressed once the school holidays are over and the Principal returns to work.

However, the Shire can still set aside the required funding in its budget and progress a suitable funding agreement at a later date.

To ensure the funds are actually used for the intended purpose the Shire will need to agree to a suitable funding agreement. This agreement does not have to be a complex document but does need to set out clear objectives/outcomes. For example, that the funding must be used to employ a TAFE Coordinator and that the TAFE building must be made available to the general community.

The Shire believes an operational TAFE facility will generate a number of training and/or employment opportunities for the local community and therefore is worth supporting.

The actual position title of the TAFE Coordinator may be subject to change as the Shire has been unable to confirm the exact position title at the time of writing this report.

Funding will only be provided once a suitable funding agreement can be agreed to by the Shire and the Wiluna Remote Community School.

**Consultation**

Jim Quadrio, Shire President

**Statutory Environment**

Local Government Act 1995

s.6.8 - Expenditure from Municipal fund not included in annual budget

**Policy Implications**

Nil

**Financial Implications**

Funding can be sourced from E041010 Consultants (\$150,000 YTD Budget) as only \$37,822 has been expended as at 18 April 2017 and this account is likely to be significantly underspent at year end.

**Strategic Implications**

Go Ahead Wiluna.

**Voting Requirements SIMPLE MAJORITY*****Officer Recommendation & Council Decision******Item 10.1.1.*****MOVED CR HARRIS****SECONDED CR PETTERSON****That Council:****1. Amend the Shire's 2016/17 Budget as follows:****(a). Include a one off \$30,000 donation to the Wiluna Remote Community School, and****(b). Reduce account E041010 Consultants by \$30,000.****2. Authorise the CEO to negotiate on behalf of the Shire a suitable funding agreement with the Wiluna Remote Community School****3. Authorise the CEO and Shire President to sign the funding agreement and affix the Common Seal, as required, and****4. The \$30,000 donation will only be given once the CEO is satisfied with the Grant Agreement.****CARRIED 4/1****Resolution 056/17*****Cr Thomas voted against the recommendation.***

**10.1.2. GVROC Regional Record Storage Facility**

File:	ADM 0209
Reporting Officer:	Colin Bastow, Acting Chief Executive Officer
Date of Report:	19 April 2017
Date of Meeting:	26 April 2017
Disclosure of Interest:	Nil

**Purpose**

The purpose of this report is to give the CEO authority for the Shire to withdraw from the GVROC Regional Record Storage Facility.

**Background**

Council resolved at its 23 May 2012 ordinary meeting to agree to contribute to the operational costs of running the GVROC Regional Record Storage Facility.

The Shire has not used the facility since it was opened and it is anticipated that this situation will not change into the foreseeable future.

The City of Kalgoorlie/Boulder's CEO had advised at a recent meeting that the facility could be operated at a nil cost if the professional record manager's position was removed.

There is currently 10 members of the GVROC Regional Records Storage Facility.

**Comment**

The Shire can operate its own record storage facility for well under the cost of participating in GVROC's Regional Record Storage Facility. Therefore, the Shire should advise the City of Kalgoorlie/Boulder that it no longer intends to continue providing any financial support towards the operations of the GVROC Regional Records Storage Facility.

**Consultation**

Elected Members

**Statutory Environment**

Local Government Act 1995

**Policy Implications**

Nil

**Financial Implications**

Future saving of around \$18,000 pa

The Shire has contributed \$65,000 towards the GVROC Regional Records Storage Facility over the past five years. Unfortunately, the Shire has never used the facility.

The Shire can set up its own record storage facility for around \$16,000 with an estimated annual maintenance cost of \$2,500.

**Strategic Implications**

Nil

**Voting Requirements SIMPLE MAJORITY****Officer Recommendation & Council Decision****Item 10.1.2.****MOVED CR WARD****SECONDED CR THOMAS****That Council:****Authorise the CEO to withdraw the Shire from being a member of the GVROC Regional Record Storage Facility.****CARRIED 5/0****Resolution 057/17****10.1.3. Policy – Developing Northern Australia Conference**

File: ADM 0318/ADM 0346  
Reporting Officer: Colin Bastow, Acting CEO  
Date of Report: 19 April 2017  
Date of Meeting: 26 April 2017  
Disclosure of Interest: Nil

**Purpose**

The purpose of this report is to establish a policy for Shire attendance at the annual Developing Northern Australia Conference.

**Background**

The 2017 Conference focus will be on Initiatives for Progress, Growth and Investment

In 2017, the Developing Northern Australia Conference will be held at the Pullman Cairns International Hotel on 19 and 20 June.

Following the highly successful conferences in Townsville in 2015 and Darwin in 2016 and the implementation of the government White Paper, the focus of the 2017 conference will be on initiatives to drive progress, growth and investment in the development of Northern Australia.

Topics to be presented and discussed include land and water; food and agribusiness; forestry; resources and energy; tourism and hospitality; international education; healthcare and medical research; infrastructure; workforce opportunities;

indigenous led northern development; and developing strategic links as the Gateway to Asia.

With a Program including feature speakers discussing the key issues, session presentations from industry leaders on specialist topic areas, thought provoking forums, sector exhibitions and networking events, this is a must attend conference.

The organisers of the conference recommend the following people to attend their conference:

- Federal Government inter-agency representatives
- State Government representatives from QLD, WA and NT
- Local Government representatives including CEO, General Managers, Mayors and Elected Officials
- Economic and Community Development Managers and Groups
- Sustainability and Environment Groups
- Organisations representing indigenous affairs
- Town Planners, Architects, Builders, Project Managers and Engineers
- Chamber of Commerce, RDA and Economic Development Groups
- Banking, Finance and others interested in Economic Development
- Academics and Researchers, Education Bodies with representation in Northern Australia
- Local Business Owners and Managers
- Resource Sector, Tourism Operators and Agricultural bodies
- Northern Australia Special Interest Groups

### **Comment**

The Shire should participate in this annual conference as it will provide the ability to network with similar organisations. There are many unique challenges that the Shire of Wiluna faces on a day to day basis which may have been overcome by another Northern based Local Government.

The Shire also needs to be in a position to drive progress, growth and investment in its local community. Information that is gathered from the Northern Australia Conference will be invaluable with assisting in developing the Shire's understanding on how to achieve these outcomes.

### **Consultation**

Jim Quadrio, Shire President.

### **Statutory Environment**

Local Government Act 1995

### **Policy Implications**

Nil

**Financial Implications**

- Registration cost \$890 per person
- Flights & Accommodation \$1,330 per person

**Strategic Implications**

Go Ahead Wiluna.

**Voting Requirements SIMPLE MAJORITY*****Officer Recommendation & Council Decision******Item 10.1.3.*****MOVED CR HARRIS****SECONDED CR PETTERSON****That Council:**

**Subject to adequate budget allocation, approve the following representatives to attend the annual Developing Northern Australia Conference on behalf of the Shire:**

- 1. Shire President,**
- 2. Deputy Shire President, and**
- 3. Chief Executive Officer.**

**CARRIED 5/0****Resolution 058/17**

**10.2. Deputy Chief Executive Officer****10.2.1. Financial Report & Accounts Paid by Authority – March 2017**

File:	ADM 0071
Reporting Officer:	Warren Olsen – Acting Deputy CEO
Date of Report:	20 April 2017
Date of Meeting:	26 April 2017
Disclosure of Interest:	Nil

**Purpose**

The purpose of this report is to present the financial reports and the accounts paid by authority for the period ending 31 March 2017.

**Background**

Section 6.4 of the Local Government Act 1995 requires the CEO to prepare monthly/quarterly financial reports in accordance with the provisions of regulation 34 and 35 of the Local Government Act (Financial Management) Regulations 1996.

The financial reports, including the Statement of Financial Activity, for the period ending 28 February 2017, and the list of accounts paid in February 2017 is listed as Appendix 10.2.1.

**Comment**

The net current assets as at 31 March 2017 are \$13,717,715. The Statement of Financial Activity and Net Current Asset reports details the composition of this surplus.

A report for variances between budgeted and actual expenditure including the required material variances is included in the monthly financial statements.

**Consultation**

Nil

**Statutory Environment**

Local Government Financial Management Regulations 1996 – Regulations 34-35.

**Risk Assessment**

Nil

**Policy Implications**

Nil

**Financial Implications**

Specific financial implications are outlined in the Statement of Financial Activity.



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**Strategic Implications**

Effective governance and administration of Shire's services and prudent financial management underpin the ability of the Shire to effectively deliver services and programmes.

**Voting Requirement SIMPLE MAJORITY****Officer Recommendation & Council Decision****Item 10.2.1.****MOVED CR THOMAS****SECONDED CR WARD****That:**

- 1. The financial reports, including the Statement of Financial Activity for the period ending 31 March 2017; and**
- 2. The list of accounts paid by authority for March 2017, totalling \$599,336.69 be received and noted.**

**CARRIED 5/0****Resolution 059/17****10.2.2. Financial Investments Report**

File:	ADM 0071
Reporting Officer:	Warren Olsen – Acting Deputy CEO
Date of Report:	20 April 2017
Date of Meeting:	26 April 2017
Disclosure of Interest:	Nil

**Purpose**

The purpose of this report is to present to Council information regarding the current investments – March 2017

**Background**

The Council policy no. 2.20 - Financial Investment Policy requires that monthly report is to be presented to "Council detailing the performance of all investments". Further, it requires that investment register is to be maintained.

The current investments of both reserves and municipal funds are presented as Appendix 10.2.2.

**Comment**

**Municipal Funds:** The funds are currently deposited in "call deposit" and fixed term accounts. Both types of deposits yield higher interest than the normal checking account.

During the month of March, our call deposit earned interest of \$5,581.23.

The call account balance as at 31 March 2017 was \$6,068,522.73.

**Reserve Funds:** On 8 March a term deposit of \$1,294,307.32 with NAB matured and was repaid with interest of \$8,297.75.

The entire (principal plus interest) balance of \$1,302,605.07 was reinvested with NAB in a new 90-day term deposit paying interest at 2.45% per annum. The new term deposit will mature on 6<sup>th</sup> June 2017.

After distribution of March interest earnings, the reserve fund balances are as follows:

Asset Replacement Reserve	\$ 3,238,321.40
Leave Reserve	\$ 74,537.75
Computer Reserve	\$ 103,146.99
Airport Reserve	\$ 1,108,716.62
Wiluna Telecentre Reserve	\$ 16,203.71

The new term deposit made on 8 March comprises the Leave Reserve, Computer Reserve, Airport Reserve and Wiluna Telecentre Reserve funds. The earnings at maturity are expected to be \$7,869.16.

### **Consultation**

Nil

### **Statutory Environment**

The power to invest is derived from section 6.14 of the Local Government Act 1995. The funds can only be invested in ways approved for the investment of trust funds under Part III of the *Trustees Act 1962*.

Regulation 19 of the Local Government (Financial Management) Regulations 1996 requires the establishment of control procedures to enable the identification of –

- the nature and location of all investments; and
- the transactions related to each investment.

### **Policy Implications**

All investments are made in compliance with Policy No. 2.20 - Financial Investments Policy.

### **Financial Implications**

Interest earned from investments is an income for the Shire.

Interest attributable to the investment of Reserve Funds is credited to those reserves. Interest on investment of surplus general funds is treated as general revenue.

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**Strategic Implications**

Effective governance and administration of Shire's services and prudent financial management underpin the ability of the Shire to effectively deliver services and programmes.

**Voting Requirement SIMPLE MAJORITY****Officer Recommendation & Council Decision****Item 10.2.2.****MOVED CR HARRIS****SECONDED CR THOMAS****That the report be received and the information be noted.****CARRIED 5/0****Resolution 060/17**

*Due to declarations of interest from Cr Ward & Cr Thomas there was no quorum and Item 10.2.3. will be laid aside until next meeting.*

**10.2.3. Request for Rates Interest to be Waived – Northern Star Resources**

File:	ADM 0044 (A1873)
Reporting Officer:	Warren Olsen – Acting Deputy CEO
Date of Report:	17 April 2017
Date of Meeting:	26 April 2017
Disclosure of Interest:	Nil

**Purpose**

The purpose of this report is to consider a request from Northern Star Resources Limited to refund \$1,217.44 of interest charged in relation to overdue rates on assessment no. A1873.

**Background**

As Councillors will be aware, we have recently been following up payment of overdue rates and sundry debts. Not all debtors have been happy about the process.

Assessment no. A1873 relates to tenement no. G53/20 which has the Jundee Mine Plant and Administration facilities located on it.

Northern Star Resources Limited purchased the Jundee mine tenements in 2014 from Newmont Yandall.

A printout of overdue rates that the present writer received on 6 February 2017 showed the outstanding debt at that time to be \$101,057.60, as the rates had not been paid for either 2015-16 or 2016-17 and there was consequently also a substantial accrued interest component.

The sum of \$101,057.60 was paid on 15 March 2017; however, by that time additional interest had accrued amounting to \$1,217.44. After some discussion, that

interest was paid on 29 March 2017. However, Northern Star Resources has requested (through its Land Administrator) that that interest be waived and refunded to the company.

**Comment**

The Council has set the interest rate to be charged on overdue rates at 11% as permitted by the legislation that is set out in detail later in this report.

Our rating software is designed to apply this interest rate to overdue rates strictly in accordance with Regulation 71, which is how Northern Star Resources Limited came to have an additional rates interest liability. This is not in any way unusual where rates have not been paid by the due date – the rating software calculates and applies the interest automatically. For most rates assessments, this results in a small outstanding interest charge remaining on the rates assessment account. By way of examples, some of the currently outstanding interest charges are:

- \$4.24
- \$2.51
- \$10.20
- \$11.82

We usually don't even send out rates notices in respect of such small balances; they just remain as balances owing and usually get paid with the following year's rates (which are hopefully paid on time, which brings the accounts balances to zero).

If the interest balance relates only to current years' rates, then no further interest accrues until the new financial year. If any of the interest relates to previous financial years, then interest will accrue on that component but on small balances that will not amount to much and it is rare to have ratepayers object to paying small interest charges if their rates have been overdue. It is not worth the Shire's time or expense to send out rate notices for the usual small interest balances.

The difference, in this case, is that the interest is quite significant due to the large rate liability and the fact that a large part of the interest related to a previous financial year and consequently was attracting further interest.

So it was decided to issue a further rate notice in this case because the relatively large sum involved made it worth the time and expense to do so, and it seemed like the fair thing to do (fair to the ratepayer as well as the Shire). Otherwise the debt would have remained on the account until next year's rate notices were issued, by which time it might have grown substantially. However, in that case the ratepayer would probably have paid the interest (plus any interest on the interest) without fuss or comment, whereas issuing a rate notice to give them the option to pay before further interest accrues (which they have done) seems to have prompted this request for the interest to be waived and refunded.

The arguments put forward in support of the refund can be summarised as follows:

- They are good blokes who always pay their rates promptly (although this was obviously not the case in respect of this particular assessment); and
- They did not receive a rates notice for this assessment until March 2017; and

- There was no mention on the rates notice received of further interest being accrued.

These arguments are without much merit.

The liability for rates does not rely on receiving rates notices, and for good reason. One of the commonest excuses offered for non-payment of rates is the claim of not receiving a rates notice. While local government staff do their best to process and send out rate notices, the rates notices are sometimes incorrectly addressed (due to deficiencies in the DME database or some other reason) and sometimes they are not delivered for some other reason beyond the Shire's control.

The present writer has personally experienced non-delivery of rates notices on several occasions, but he usually contacts the local government concerned to get a copy and always pays any interest due in respect of late payment. That is how rates liabilities work.

Northern Star Resources Limited must have known that it had purchased Tenement G53/20, and if it didn't receive a rate notice it should have contacted the Shire to ensure that our records in relation to that tenement were up-to-date, and to arrange payment of its rates.

As for the last point, our rates notices state (on the back):

Penalty interest is calculated on a simple interest basis, set by the Council in a rate displayed on the front of this notice.

Penalty Interest will accrue on any rates and service charges that are:

- Carried forward from previous rating periods.
- That remain unpaid after they become due and payable.

Ultimately, the Council is under an obligation to treat all ratepayers fairly and equitably. So it really shouldn't waive the rates interest for this particular ratepayer unless it is willing to waive rates interest for all its other ratepayers who have overdue rates debts (especially those who claim not to have received a rates notice).

## **Consultation**

### **CEO**

## **Statutory Environment**

Section 6.51 of the Local Government Act 1995 deals with interest on overdue rates, and provides as follows:

### **6.51. Accrual of interest on overdue rates or service charges**

- (1) A local government may at the time of imposing a rate or service charge resolve\* to impose interest (at the rate set in its annual budget) on —
  - (a) a rate or service charge (or any instalment of a rate or service charge); and
  - (b) any costs of proceedings to recover any such charge,that remains unpaid after becoming due and payable.

\* Absolute majority required.

- (2) The rate of interest that may be set by the local government under this section is not to exceed the rate for the time being prescribed as the maximum rate of interest that may be set for the purposes of this section.
- (3) Accrued interest is, for the purpose of its recovery, taken to be a rate or service charge, as the case requires, that is due and payable.
- (4) If a person is entitled under the *Rates and Charges (Rebates and Deferments) Act 1992* or under this Act (if the local government in a particular case so resolves) to a rebate or deferment in respect of a rate or service charge —
  - (a) no interest is to accrue in respect of that rate or service charge payable by that person; and
  - (b) no additional charge is to be imposed under section 6.45(3) on that person.
- (5) Regulations may provide for the method of calculation of interest.

Regulation 70 of the Local Government (Financial Management) Regulations 1996 prescribes that the maximum rate of interest that the Council may set in respect of overdue rates is 11%pa.

Regulation 71 of the Local Government (Financial Management) Regulations 1996 sets out how interest on overdue rates is to be applied:

**71. Overdue rates and service charges, calculating interest on**

- (1) Interest on rates and service charges, and the costs of any proceedings to recover such charges, that remain unpaid after the date of becoming due and payable (*the due date*) is to be calculated on a simple interest basis for the number of days from the due date until the day before the day on which a payment is received by the local government.
- (2) The principal sum on which interest is calculated for a financial year may include interest accrued but not paid in a previous financial year but is not to include interest accrued in the current financial year.
- (3) If payment is received by the local government during the period from 1 July in a financial year until the annual budget for that financial year is adopted, interest referred to in subregulation (1) for that period is to be at the rate of interest imposed under section 6.51(1) for the previous financial year.

**Risk Assessment**

The only risk identified in relation to the recommendation in this report is that the ratepayer may appeal the Council's decision to the State Administrative Tribunal.

In the unlikely event that the ratepayer did launch such an appeal, it would be a bit of a distraction from our other work but the appeal would almost certainly fail because the interest was a legitimate charge calculated and imposed in accordance with our legislation, and the Council is under no obligation to waive or refund it.

**Policy Implications**

No policy implications of refusing the request have been identified. On the other hand, there may well be policy implications if the request was acceded to.

**Financial Implications**

The Shire has been carrying a significant burden of overdue rates debts. Our collection actions since early February have so far resulted in collecting approximately two-thirds of those debts, and we need to maintain these efforts in order to improve the Shire's cash position.

**Strategic Implications**

Nil

**Voting Requirements** **SIMPLE MAJORITY** to refuse the request (An Absolute Majority would be required to grant the request)

<b>Officer Recommendation</b>
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**That the request from Northern Star Resources Limited to waive and refund interest charged on overdue rates relating to assessment no. A1873 be refused.**

<b>10.2.4. Write-off of Rates Debt – Inosite Limited</b>
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File:	ADM 0263
Reporting Officer:	Warren Olsen – Acting Deputy CEO
Date of Report:	20 April 2017
Date of Meeting:	26 April 2017
Disclosure of Interest:	Nil

**Purpose**

The purpose of this report is to seek authority to write off outstanding rates on assessment number A2237, amounting to \$1,162.52 (plus any interest accruing since 31 March 2017).

**Background**

The present writer has been initiating action to collect some of the outstanding and overdue rates debts.

Although significant progress has been made, not all the outstanding rates will be collectable (for various reasons).

It is believed that the rates debt that is the subject of this report falls into the category of "uncollectible".

**Comment**

Assessment number A2237 relates to tenement number E36/00804, previously held by Inosite Limited (ABN 42 116 936 862).

A search of the Department of Mines and Petroleum (DMP) database has revealed that the tenement was surrendered on 4 October 2016.

Inosite Limited is currently under External Administration as part of a Court-ordered winding upon petition by the Shire of Ashburton.

Our debt collection agency advises that, for these reasons, the debt will be uncollectible and is recommended to be written-off.

**Consultation**

AMPAC Debt Recovery

**Statutory Environment**

The Shire's powers to levy and collect rates are set out in Part 6 Division 6 of the Local Government Act 1995 and in Part 5 of the Local Government (Financial Management) Regulations 1996.

**Risk Assessment**

There is no risk associated with the recommendation in this report. There appears to be no chance of the Shire ever collecting this debt.

**Policy Implications**

None presently identified. In due course, we will review the Shire's policies and practices with regard to the collection of rates and other debts.

**Financial Implications**

Our "outstanding rates" collectables will be reduced by \$1,161.52. However, as there is no prospect of ever collecting the money, this will serve to make our financial statements more realistic.

**Strategic Implications**

Nil

**Voting Requirement SIMPLE MAJORITY**

<b><i>Officer Recommendation &amp; Council Decision</i></b>	<b><i>Item 10.2.4.</i></b>
<b>MOVED CR HARRIS</b>	<b>SECONDED CR PETTERSON</b>
<b>That the rates debt amounting to \$1,161.52 (plus any interest accruing since 31 March 2017) relating to Assessment no. A2237 be written off.</b>	
<b><u>CARRIED 5/0</u></b>	<b>Resolution 061/17</b>



**10.2.5. Appointment of Members to Mid-West/Wheatbelt JDAP**

File:	ADM 0207
Reporting Officer:	Warren Olsen – Acting Deputy CEO
Date of Report:	20 April 2017
Date of Meeting:	26 April 2017
Disclosure of Interest:	Nil

**Purpose**

The purpose of this report for the Council to appoint local members and alternate local members to the Mid-West/Wheatbelt Joint Development Assessment Panel.

**Background**

We have received correspondence from the Department of Planning requesting the Council to nominate for elected members to set and is required on the Mid-West/Wheatbelt Joint Development Assessment Panel.

Although the Council would have made such appointments following the October 2015 local government elections, Development Assessment Panel (DAP) terms are not yet aligned with the terms of local governments. Consequently, the term of the current DAPs expire on 26 April 2017 and the Minister is requesting local governments to make new nominations.

It is probable that further nominations will be requested following the next local government elections.

**Comment**

Development Assessment Panels were first established in 2011. They were established right across Western Australia in an effort to overcome a perceived problem in the metropolitan area. It was thought that some metropolitan local governments were taking too long to issue development approvals.

Generally speaking, outback local governments are pro-development and issue development approvals very expeditiously. Nevertheless, the Development Assessment Panel system was imposed statewide, which is just another example of impositions being put on rural local governments to solve problems that only existed within the metropolitan area.

Nevertheless, we are obliged under Regulation 26 of the Planning and Development (Development Assessment Panels) Regulations 2011 to make nominations when the Minister requests or otherwise the Minister may appoint any random persons from our electoral roll.

If the Minister appoints the Council's nominees to the Mid-West/Wheatbelt Joint Development Assessment Panel member register (as we would expect), then members may be called upon to sit on the Joint Development Assessment Panel (JDAP). But that will only happen if the Shire of Wiluna receives a development application that it needs to refer to the JDAP – currently, that would require a

development application valued \$10 million or more, or of a warehouse development valued at \$2 million or more.

Development applications by local governments are excluded as our development applications for less than 10 group dwellings or multiple dwellings (with associated developments)

In reality, the only members of the Mid-West/Wheatbelt Joint Development Assessment Panel member register that are likely to be called upon to sit on the JDAP will be nominees from the City of Kalgoorlie and/or the City of Geraldton.

In the five or six years since DAPs first came into existence, I am not aware of any rural local member being called upon to sit on a DAP. Nevertheless, members are supposed to undergo training for a task that they are most unlikely to ever have to undertake.

When the present writer was in Halls Creek, the Department of Planning agreed that the local members could undergo “just-in-time” training if they were ever called upon to sit on the JDAP. This was quite a reasonable solution because it saved the expense and trouble of unnecessary training and reduced the likelihood that the knowledge and skills acquired from training would be lost before they were ever needed to be used.

Attached as Appendix 10.2.5. is a copy of the Mid-West/Wheatbelt Joint Development Assessment Panel member register for 2015-2017. I have highlighted the Shire of Wiluna’s members (on page 3).

As can be seen, the local members whose terms expire on 26 April are Cr Graham Harris and Cr Chris Webb. The alternate local members were Cr Jim Quadrio and Cr Norma Ward.

### **Consultation**

CEO

Department of Planning

### **Statutory Environment**

The Planning and Development (Development Assessment Panels) Regulations 2011 apply.

### **Risk Assessment**

Very low risk – the worst that can happen if elected members are not nominated is that the Minister could appoint random electors. But as the local members are unlikely ever to be called upon to sit on the JDAP during the current term of the next term, this would likely have no impact one way or the other.

That a very low risk can be mitigated by nominating elected members as the Minister has requested.

**Policy Implications**

Nil

**Financial Implications**

If the Department insists upon nominees travelling to Perth for DAP training, then travel and accommodation costs would be incurred. Hopefully, the Department will agree to provide “just-and-time” training if it is required.

One way or another, the Shire would be responsible for the costs of the JDAP (including the specialist members appointed by the Minister) if it ever has to sit on a development application within the Shire of Wiluna. However, that is considered to be so unlikely that it would not warrant a provision in the budget.

**Strategic Implications**

Nil

**Voting Requirements SIMPLE MAJORITY*****Officer Recommendation & Council Decision******Item 10.2.5.*****That:**

- 1. Cr Harris and Cr Ward be nominated as local members of the Mid-West/Wheatbelt Joint Development Assessment Panel.**
- 2. Cr Quadrio and Cr Thomas be nominated as alternate local members of the Mid-West/Wheatbelt Joint Development Assessment Panel.**
- 3. The Department of Planning be requested to provide “just-in-time” DAP training to local members if they are ever required to sit on the Mid-West/Wheatbelt Joint Development Assessment Panel.**

**CARRIED 5/0****Resolution 062/17**

**10.2.6. Tender no. 2017-02 – Authority to Determine**

File:	ADM 0426
Reporting Officer:	Warren Olsen – Acting Deputy CEO
Date of Report:	20 April 2017
Date of Meeting:	26 April 2017
Disclosure of Interest:	Nil

**Purpose**

The purpose of this report is to seek a delegation of authority to the CEO to determine tender no. 2017-02 – Reconstruction of Wongawol Road.

**Background**

Following review of the RFT documents at the Council Forum held on 12<sup>th</sup> April 2017, tender no. 2017-02 for the reconstruction of Wongawol Road was publicly notified on 15<sup>th</sup> April.

The works need to be completed for the acquittal of Regional Roads Group funding before 30<sup>th</sup> June 2017.

Tenders will close at 2pm on Monday, 8<sup>th</sup> May 2017.

To expedite the awarding of this contract, it is recommended that the Council delegates authority to the CEO to determine the outcome of the tender with power to act to award a contract.

**Comment**

The works were included in tender no. 2016-04 which has subsequently been cancelled due to, *inter alia*, protracted delays in awarding the contract that resulted in all the tenders expiring.

The problem with tender no. 2016-04 is that so many Councillors had to declare an interest that a quorum could not be obtained to award the contract. Ultimately, advice was received from the Department of Local Government and Communities that the Council could resolve the problem by delegating authority to the CEO to determine the tender.

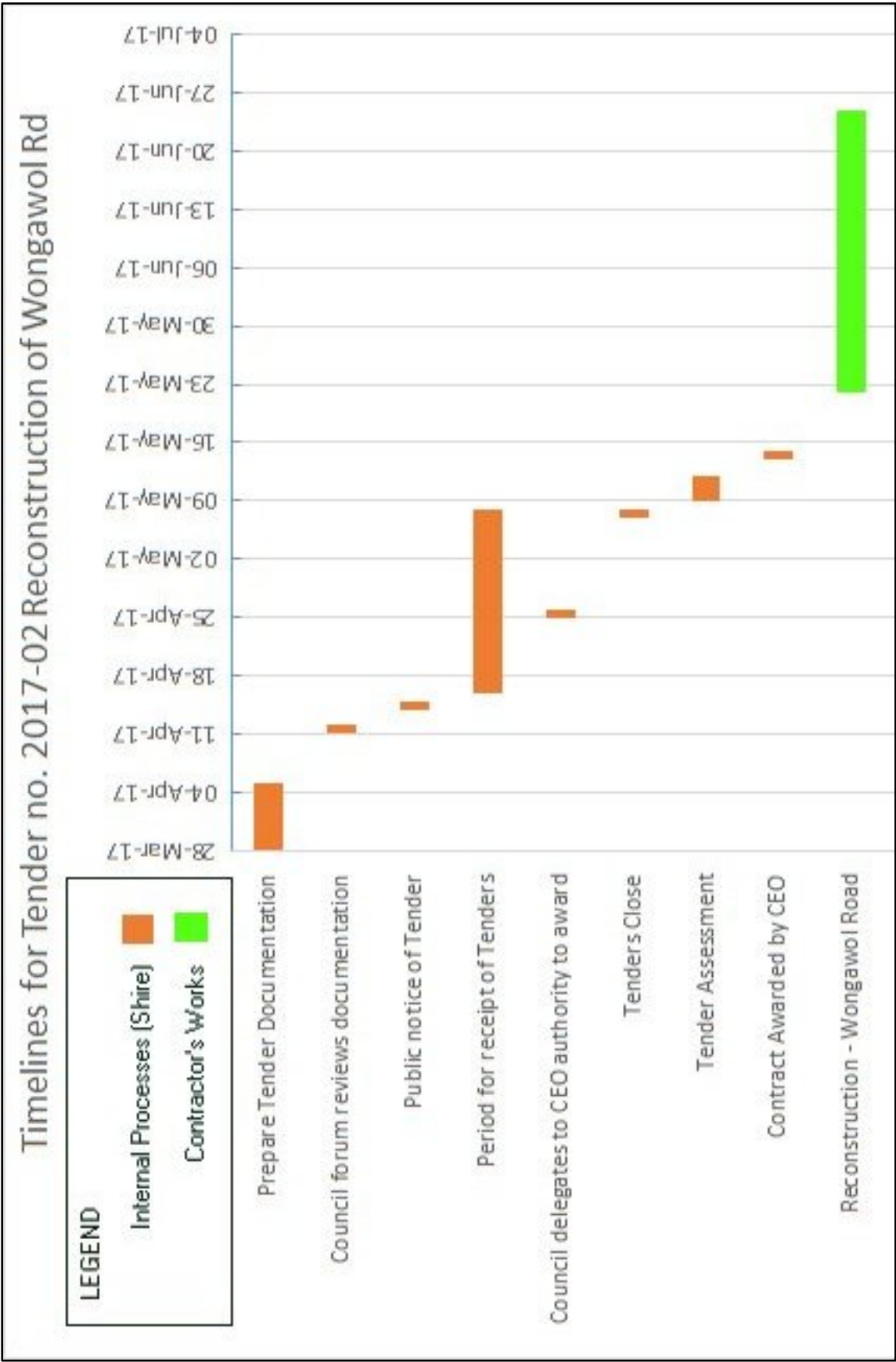
As tender no. 2017-02 is similar in many respects to tender no. 2016-04, it is anticipated that the same problems in obtaining a quorum to determine the tender may arise.

It is therefore considered expedient to seek a delegation of authority to the CEO so that the contract can be awarded on or about 15<sup>th</sup> May as shown in the Gantt chart on the immediately following page.

**Consultation**

CEO

Department of Local Government and Communities



**Statutory Environment**

Section 5.42 of the Local Government Act 1995 provides for a local government to delegate (by Absolute Majority) any of its powers or the discharge of any of its duties (other than those referred to in section 5.43).

**Risk Assessment**

The largest risk associated with this tender is that of delays in awarding a contract if the Council is unable (due to declarations of interest) to get a quorum to determine the tender. The recommendation to delegate authority to the CEO to determine the tender with power to act to award a contract is intended to mitigate this risk.

The other significant risk is that the works will not be completed in time to acquit the Regional Roads Group funding. To mitigate this risk it is intended:

- That a contract be awarded on or about 15<sup>th</sup> May by the CEO acting under the delegated authority sought by this report. This should facilitate an earlier start to the works than if we had to wait for a Council meeting (with a quorum) to determine the tender.
- Application of proper contract management techniques to ensure that the works are completed by the required completion date.

Obviously, completion by the required date cannot be absolutely guaranteed as works may be disrupted by inclement weather or other factors beyond our control. In case of that eventuality, we have been liaising closely with the Regional Roads Group and have had an agenda item regarding the project discussed at the RRG Technical Committee meeting of 21 April 2017 in case we later need to seek the RRG's forgiveness.

**Policy Implications**

Nil

**Financial Implications**

The worst case scenario is that the Regional Roads Group could withdraw its funding if the project is not completed and acquitted by the deadline.

That would be a very serious matter, as we are relying on the Regional Roads Group funding to pay for two-thirds of the cost of the project.

However, we are confident that with the recommended delegation of authority to the CEO the project can be completed on time; or alternatively that if we run into a problem such as we have already foreshadowed with the Regional Roads Group, that the Regional Roads Group will show leniency appropriate to the circumstances.

**Strategic Implications**

Nil

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**Voting Requirement ABSOLUTE MAJORITY**

<b>Officer Recommendation</b>
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**MOVED CR****SECONDED CR**

That authority be delegated to the CEO to determine the outcome of Tender no. 2017-02, with power to act to award a contract.

<b>Council Decision</b>
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**Item 10.2.6.****MOVED CR PETTERSON****SECONDED CR HARRIS**

That authority be delegated to the CEO to determine the outcome of Tender no. 2017-02, with power to act to award a contract, if a quorum of Council cannot be obtained.

**CARRIED 5/0 by Absolute Majority****Resolution 063/17**

*Reason for change: Council wanted to determine the outcome of the Tender, if possible.*

<b>10.2.7. Adoption of Amended Regional Price Preference Policy</b>
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File:	ADM 0318
Reporting Officer:	Warren Olsen – Acting Deputy CEO
Date of Report:	17 April 2017
Date of Meeting:	26 April 2017
Disclosure of Interest:	Nil

**Purpose**

The purpose of this report is to adopt an amended Regional Price Preference Policy in compliance with Part 4A of the Local Government (Functions and General) Regulations 1996.

**Background**

The Shire's current Regional Price Preference Policy was adopted in May 2015 after completion of the statutory advertising and submission process.

However, in reviewing our procurement policies and procedures we discovered a small non-compliance within the existing policy in that it provides for a 10% discount for building construction works, whereas subregulation 24D (1) (b) provides that the maximum discount is to be 5% (except as qualified by subparagraph (c)).

A couple of small amendments were drafted to rectify this non-compliance and improve the policy, and a report was presented to the Council meeting held on 22 February seeking the Council's approval to advertise the new policy and invite public

submissions in accordance with the requirements of Regulation 24E of the Local Government (Functions and General) Regulations 1996.

The period for public submissions has now closed, and the policy is now presented herewith for adoption.

**Comment**

Notice of intention to adopt the new Regional Price Preference Policy (and inviting public submissions) was published in the *West Australian* on Saturday 25<sup>th</sup> February 2017. Notices were also published on the Shire's website and on local noticeboards.

The period for public submissions closed at 4pm on Monday 27<sup>th</sup> March 2017. No submissions have been received.

Two small amendments have been made to the draft presented to the February Council meeting:

- The definite article "the" has been added to the penultimate paragraph to improve the grammar; and
- The last paragraph now states that policy 2.6 Purchase of Goods and Services applies to the purchase of all goods and services (because it does).

**Consultation**

Notwithstanding the lack of public submissions, I sought advice from Moore Stephens as to whether we needed to include a provision in the policy (similar to a provision in the State of WA Buy Local Policy) to prevent a price preference being given where a tender from an interstate tenderer was being considered in the final assessment, due to local governments being an instrument of the State and the State of Western Australia being a signatory to the *Australian and New Zealand Government Procurement Agreement* (ANZGPA).

The advice received from Moore Stephens is:

"My understanding is that there is no requirement for local government to comply with the WA State Supply Commission requirements (as an example, and which is relevant as it speaks to membership into ANZGPA). David has confirmed that local government has compliance obligations to the Local Gov't Act and to Regulations under Part 4. With respect to Regional Price Preference, it would be Regulations 24A-24G."

So the short answer is that (subject to the two small amendments noted above) it is fine to adopt the policy as presented.

**Statutory Environment**

Part 4A of the Local Government (Functions and General) Regulations 1996 applies.



Relevant parts of Regulations 24D, 24E and 24G were spelt out in the report to the February meeting, and I do not think it necessary to recite those regulations again here.

**Risk Assessment**

We have endeavoured to mitigate the risks associated with the adoption of a Regional Price Preference Policy by complying with the correct statutory procedures, and by seeking professional advice with regard to compliance.

The remaining risks relate mainly to the implementation. Having adopted a Regional Price Preference Policy, it will be important to ensure that future tender documents ask tenderers to supply sufficient information to:

- Identify Regional Suppliers
- Calculate the regionally sourced supply component; and
- Apply the policy in a robust and documented manner that will stand up to scrutiny by the Department of Local Government and Communities, the State Administrative Tribunal, the Office of the Ombudsman or any other authority having the jurisdiction to inquire into such matters.

The documents relating to Tender 2017-02 were designed to facilitate this, and it will be important that all future tender documents do likewise. The Shire could be open to significant criticism if its Regional Price Preference Policy is not rigorously applied.

**Policy Implications**

This report recommends the adoption of an amended Regional Price Preference Policy.

The proposed policy is part of a suite of policies and procedures relating to procurement that have been reviewed collectively by Moore Stephens (WA) Pty Limited, Local Government Auditors and Consultants.

The suite of policies and procedures reviewed by Moore Stephens comprised:

- Regional Price Preference Policy (as presented in this report and Appendix 10.2.7)
- Policy on Project Planning and Delivery (as presented to this meeting per report no. 10.2.8)
- Policy on Purchase of Goods and Service and Procurement Procedures Manual (as presented to this meeting per report no. 10.2.9 and Appendix 10.2.9).
- All the various templates referred to in the Procurement Procedures Manual.

**Financial Implications**

Nil

**Strategic Implications**

Nil

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**Voting Requirements SIMPLE MAJORITY****Officer Recommendation & Council Decision  
10.2.7.****Item****MOVED CR WARD****SECONDED CR HARRIS****That:**

- 1. The Regional Price Preference Policy appended to this agenda as Appendix 10.2.7 be adopted.**
- 2. This policy supersedes the Regional Price Preference Policy adopted in May 2015, which is hereby rescinded.**

**CARRIED 5/0****Resolution 064/17****10.2.8. Policy on Project Planning and Delivery**

File:	ADM 0318
Reporting Officer:	Warren Olsen – Acting Deputy CEO
Date of Report:	16 February 2017
Date of Meeting:	26 April 2017
Disclosure of Interest:	Nil

**Purpose**

The purpose of this report is to recommend (as part of the review of the Shire's procurement framework) adoption of a new policy to regulate project planning processes to reduce the risks associated with projects.

**Background**

The planning and delivery of projects often involves a number of substantial risks. The level of these risks is generally increased if the projects are subject to grant funding, not because of any increased likelihood of things going wrong but because of potentially worse consequences. Project-related risks can be minimised with proper project planning and delivery processes.

We appear to be already behind schedule in the delivery of a number of grant-funded projects, which now have to be delivered on very tight schedules in order to comply with the funding agreements (even with the time extensions previously granted).

The purpose of the proposed policy is to establish a sound process to reduce the risk of such situations recurring in the future.

**Comment**

Proper project planning and management techniques ensure high-quality delivery of projects, on time and within budget. The adoption of the recommended policy and

the associated processes and practices should be seen as an integral part of the review of the Shire's procurement framework.

The current procurement review has been substantially based (with adaptations considered appropriate to the size, location, and resources of the Shire of Wiluna) on WALGA's model procurement framework, as depicted in Figure 1 on the next page.

Although the Procurement Process is outlined as a standalone process in the WALGA Toolkit, it is important to consider the roles of procurement and project planning in relation to the broader business cycle of a Council organisation.

Council plans and strategies should inform project planning and development, which needs to be sufficiently detailed and robust to identify costs with reasonable accuracy when applying for internal funding via the budget process and/or when applying for external funding through grant funding applications.

A robust project planning process also facilitates good procurement and project management practices. Procurement is improved because more precise requirements can be communicated to suppliers, and projects can be better managed because critical tasks, important milestones, and firm timelines have been established.

**Figure 1**

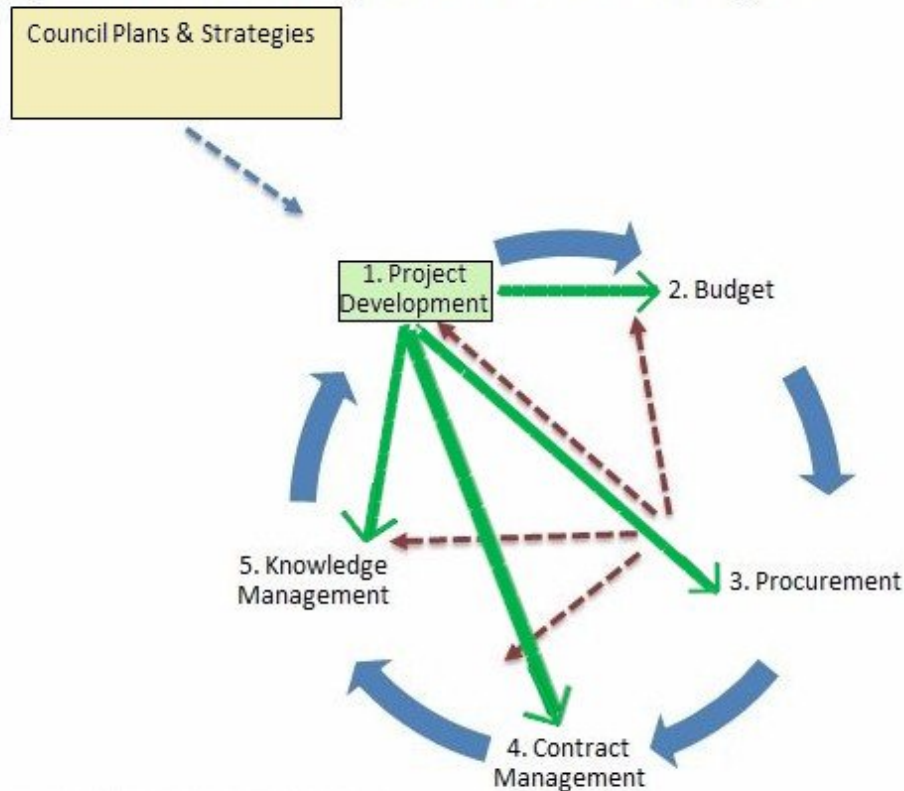


Source: WALGA Procurement Toolkit

Proper project planning and project management documentation also facilitate better monitoring of project implementation and delivery by the CEO and the Council.

The context and function of project planning in relation to procurement and the business cycle are depicted in Figure 2, which has been adapted from the WALGA Toolkit.

**Figure 2 - Procurement as part of the broader business cycle**



Source: WALGA Procurement Toolkit

I am therefore recommending that a proper process be adopted as a matter of Shire policy. The process depicted (in the process diagram that forms part of the recommendation) is the basic minimum process that ought to be followed; for complex projects the process may need to be elaborated with further steps (e.g. more consultation or more Council approvals). However, to eliminate any of the steps presented in the process diagram in this report is fraught with a number of hazards and is likely to result in poor outcomes, or blowouts in the delivery time which inevitably result in blowouts in costs.

As can be seen from the process diagram, the path to successful delivery is longer and more complex for those projects for which grant funding is required. This may be stating the obvious because of the need to prepare funding applications et cetera. But those projects are also riskier because of deadlines imposed by the funding bodies – if we fail to deliver the projects within the required period we may lose the funding.

Proper project planning should apply to every project, large or small.

**Consultation**

CEO

Moore Stephens

**Risk Analysis**

There are a number of risks commonly associated with every project. These are set out in the table below, together with the factors, actions that will mitigate those risks:

<b>Nature of Risk</b>	<b>Mitigation</b>
There is a real risk of delivering a project which isn't quite what was wanted; or more particularly of expending funds and preliminary costs on something that isn't quite what is wanted.	<ol style="list-style-type: none"><li>1. Undertaking adequate consultation at the outset; depending on the nature and complexity of the project, undertaking further consultation critical stages in a reiterative process.</li><li>2. Concept plan should be submitted to the council for approval, and if necessary revised and resubmitted until we are confident that we have it right.</li></ol>
Inadequate funding being provided in the budget, and/or applying for insufficient ground funding to complete the project.	Detailed plans and costings must be developed before funds are allocated in the budget, and especially before grant funding applications are finalised and submitted.
Delays or "slippage" occur in the delivery, consequently leading to cost blowouts and, in the case of grant-funded projects, breaches of the funding agreement. In the worst case scenario, funding is withdrawn so that the project ends up being entirely at the Shire's cost.	Timelines (i.e. Gantt charts) are prepared during the planning phase of all projects, so that progress can be monitored and timely remedial action can be taken. In the case of grant-funded projects, these are necessarily reviewed and revised once the grant funding has been approved.
Time and money are wasted preparing tender documents or scopes of work for projects that are not ready to proceed.	Tender documents and scopes of work are not prepared until all preliminary plans have been prepared/approved and all the required funding has been approved

**Policy Implications**

This report recommends making a new policy. There is currently no existing policy dealing with the subject matter.

The proposed policy is part of a suite of policies and procedures relating to procurement that have been reviewed collectively by Moore Stephens (WA) Pty Limited, Local Government Auditors and Consultants.

The suite of policies and procedures reviewed by Moore Stephens comprised:

- 
- Regional Price Preference Policy (as presented to this meeting per report no. 10.2.7 and Appendix 10.2.7)
  - Policy on Project Planning and Delivery (as presented in this report)
  - Policy on Purchase of Goods and Service and Procurement Procedures Manual (as presented to this meeting per report no. 10.2.9 and Appendix 10.2.9).
  - All the various templates referred to in the Procurement Procedures Manual.

**Financial Implications**

There are no direct financial implications. However, it is anticipated the implementation of proper project management processes will result in more effective and efficient project delivery and thereby reduce waste and other leakages.

Proper project documentation is also expected to give us an edge in a competitive grant funding environment.

**Strategic Implications**

Nil

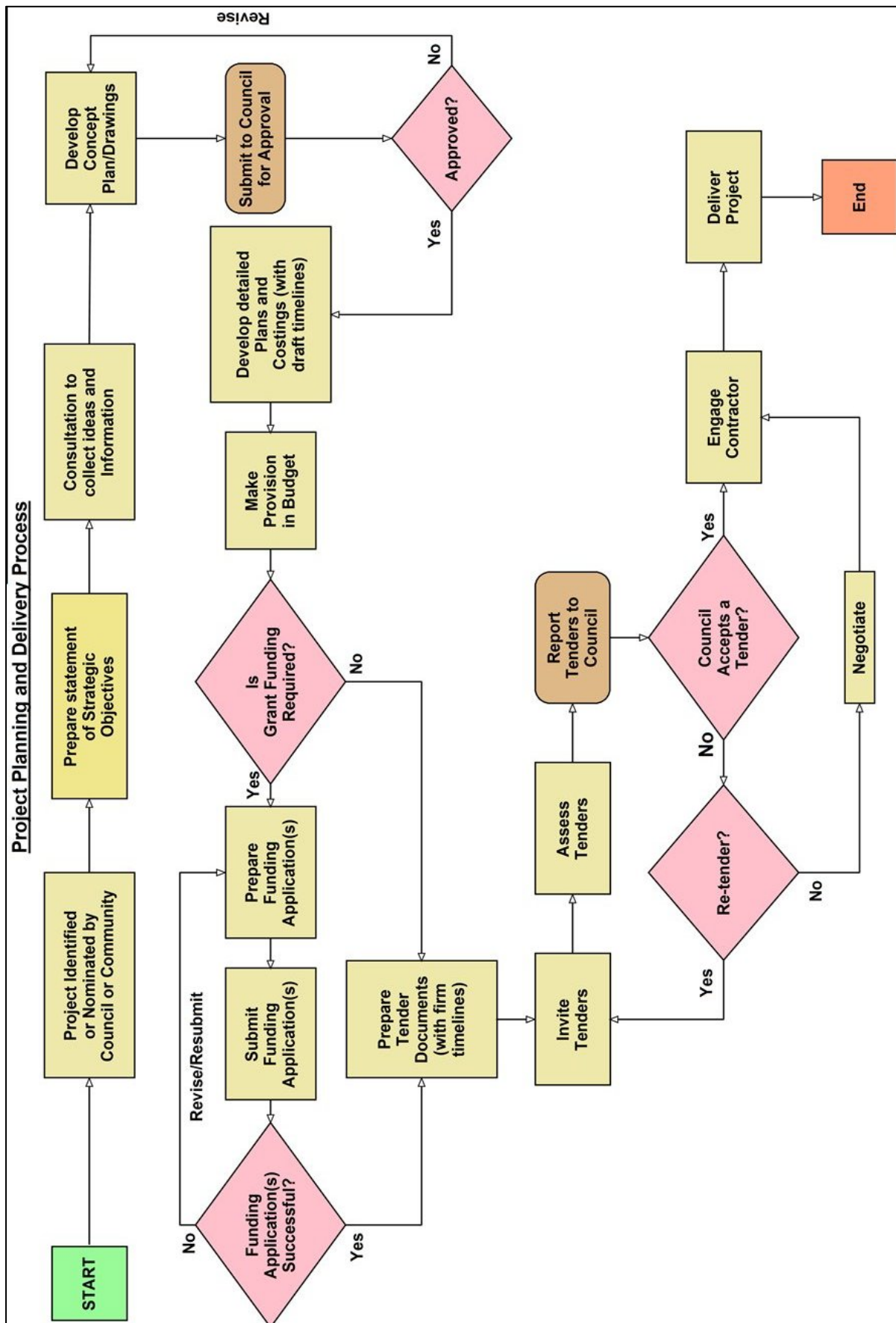
**Voting Requirements SIMPLE MAJORITY*****Officer Recommendation & Council Decision******Item 10.2.8.*****MOVED CR HARRIS****SECONDED CR PETTERSON**

**That the following policy be adopted:**

***“Policy on Project Planning and Delivery***

- 1. All projects are to be planned and delivered in accordance with the process depicted in the diagram below.**
- 2. Where considered appropriate, additional steps may be added to this process to allow for additional consultation and/or approvals; however, the process depicted in the diagram is the minimum and must not be truncated.**
- 3. For every project, a process diagram and timelines should form part of the budget submission.**
- 4. Process diagrams and timelines should also be included in funding applications, so that the funding agencies can see how and when it is intended to deliver the projects.**
- 5. Purchasing and procurement in relation to projects must comply with the Local Government Act 1995, the Local Government (Functions and General) Regulations 1996, Shire of Wiluna Policy no. 2.6 – Purchase of Goods and Services, and the Shire of Wiluna Procurement Procedures Manual.”**

**CARRIED 5/0****Resolution 065/17**



**10.2.9. Purchasing Policy and Procurement Procedures Manual**

File:	ADM 0318
Reporting Officer:	Warren Olsen – Acting Deputy CEO
Date of Report:	21 April 2017
Date of Meeting:	26 April 2017
Disclosure of Interest:	Nil

**Purpose**

The purpose of this report is to recommend (as part of the review of the Shire's procurement framework) adoption of a reviewed and amended Policy no. 2.6 – Purchase of Goods and Services and a Procurement Procedures Manual.

**Background**

In the course of completing the 2016 Compliance Audit Return, a number of non-compliances and other problems were identified with regard to procurement, particularly in regard to tenders.

Consequently, a review of the Shire of Wiluna's policies and procedures in relation to procurement has been undertaken. This is the third of three reports being presented to this Council meeting as a consequence of that review. It is intended, through the adoption of the new and amended policies and procedures, to improve not only procurement compliance but also procurement effectiveness.

**Comment**

The objectives of the review of procurement-related policies and procedures were to:

- achieve complete statutory compliance;
- achieve better outcomes in terms of effectiveness

However, given our limited resources at the Shire of Wiluna, the resulting policies and procedures also had to be kept relatively simple and fit-for-purpose.

The purchasing thresholds set out in section 5.5 of the proposed new policy are identical to those in the existing policy. We did not review the thresholds but merely transferred them to a more compliant and effective policy document.

To achieve statutory compliance and good practice, we have drawn heavily on the WALGA Procurement Toolkit which is part of the WALGA Procurement Service (to which the Shire of Wiluna is a subscriber).

However, the procedures and templates available from the WALGA Procurement Toolkit have had to be modified very significantly in order to meet our needs and our available resources. We have really only picked up what is needed from the WALGA Procurement Toolkit, as a lot of it would only be appropriate in a large, well-resourced local government with a substantial Procurement Department.

The other thing that we have done in an effort to ensure that our policies and procedures are both compliant and effective is to have them reviewed by Moore



Stephens, a pre-eminent firm of local government auditors and consultants in Western Australia.

Moore Stephens has provided very valuable input, and most of their comments and suggestions have been taken on board and incorporated into the policies and procedures presented at this meeting.

**Consultation**

CEO

Moore Stephens

**Statutory Environment**

Local Government Act 1995

Local Government (Functions and General) Regulations 1996

Competition and Consumer Act 2010 (Cwth)

**Risk Assessment**

There are many risks associated with poor procurement-related policies and practices. These include:

- Financial risks associated with getting poor value for money, and incurring unnecessary or additional costs.
- Complaints directly to the Shire or through the Department of Local Government and Communities, the State Administrative Tribunal or the Ombudsman. I understand that complaints about tenders account for approximately 70% of the complaints received by the Department of Local Government and Communities.
- Legal risks, as poor procurement practices can expose the Shire to increased risks of litigation.
- Reputational risks that arise from suppliers feeling badly treated; and reputational risks can be exacerbated by –
- Media risks of adverse publicity, particularly if the Shire suffers public criticism arising out of an Inquiry.
- Service/Performance risks associated with the impeded capacity to deliver outcomes.

It is intended to mitigate these risks through the implementation of better procurement -related policies and procedures. The policies and procedures have a very significant risk management orientation.

**Policy Implications**

This report recommends adopting an amended policy on Purchasing Goods and Services and a Procurement Procedures Manual. There is currently no existing Procurement Procedures Manual.

The proposed policy and the manual are part of a suite of policies and procedures relating to procurement that has been reviewed collectively by Moore Stephens (WA) Pty Limited, Local Government Auditors and Consultants.

The suite of policies and procedures reviewed by Moore Stephens comprised:

- Regional Price Preference Policy (as presented to this meeting per report no. 10.2.7 and Appendix 10.2.7)
- Policy on Project Planning and Delivery (as presented to this meeting per report no. 10.2.8)
- Policy on Purchase of Goods and Service and Procurement Procedures Manual (as presented to this meeting per this report and Appendix 10.2.9).
- All the various templates referred to in the Procurement Procedures Manual.

The various templates referred to in the Procurement Procedures Manual have not been reproduced for this agenda as many of them are run to too many pages (especially the tender and contract documents).

A letter from Moore Stephens is reproduced as a part of Appendix 10.2.9.

### **Financial Implications**

There are no direct financial implications. However, it is anticipated that the adoption and implementation of better policies and procedures will result in lower costs over a period of time.

### **Strategic Implications**

Nil

### **Voting Requirements SIMPLE MAJORITY**

<b><i>Officer Recommendation &amp; Council Decision</i></b>	<b><i>Item 10.2.9.</i></b>
<b>MOVED CR HARRIS</b>	<b>SECONDED CR PETTERSON</b>
<b>That:</b>	
<b>1. The amended Policy no. 2.6 – Purchase of Goods and Services as presented in Appendix 10.2.9 of this agenda be adopted.</b>	
<b>2. This amended Policy no. 2.6 supersedes all previous policies on the Purchase of Goods and Services, which are hereby rescinded.</b>	
<b>3. The Procurement Procedures Manual presented in Appendix 10.2.9 of this agenda be adopted.</b>	
<b><u>CARRIED 5/0</u></b>	<b>Resolution 066/17</b>



### **10.3. Principal Environmental Health Officer and Building Surveyor**

Nil

**10.4. Executive Manager Economic and Community Development****10.4.1. Youth Consultation Survey**

File:	ADM 0357
Reporting Officer:	Tracey Luke
Date of Report:	21/04/2017
Date of Meeting	26/04/2017
Disclosure of Interest:	Nil

**Purpose**

The purpose of this report is to request approval to prepare a Youth Consultation Survey to fully assess the needs of Wiluna's youth in regard to community events, activities and future infrastructure.

**Background**

The youth of Wiluna are limited for recreational activities. The Shire of Wiluna has a modest budget for future development of youth based events and activities. In order to assess how the Shire of Wiluna should best spend its funds, I request permission to engage the youth of Wiluna to ascertain what will best suit their needs.

**Comment**

I will prepare a Youth survey and distribute it to local children. Then once completed I will correlate the results for a report to Council.

**Consultation**

CEO

**Statutory Environment**

Nil

**Policy Implications**

Nil

**Financial Implications**

Nil

**Strategic Implications**

Proud Wiluna. A spirit of working together to address challenges and solve problems. Art, cultural and recreational activities for all ages.

Healthy, Safe and Fun Wiluna. A strong community empowered to take responsibility to realise their aspirations.

**Voting Requirements SIMPLE MAJORITY**

**Officer Recommendation & Council Decision****Item 10.4.1.****MOVED CR THOMAS****SECONDED CR WARD****For Council to:**

- 1. Endorse the preparation of a Youth Survey to gather suggestions, feedback and ideas from Wiluna's youth about their desired events, activities and future infrastructure.**
- 2. Approve the Chief Executive Officer to assess the ideas and opinions of the Youth Survey and submit a report to Council.**

**CARRIED 5/0****Resolution 067/17****10.5. Executive Manager Engineering & Development Services**

Nil

**10.6 Committee Reports**

Nil

**11. Elected Members Motion of Which Previous Notice Has Been Given**

Nil

**12. Urgent Business Approved by the Person Presiding or by Decision of Council****Officer Recommendation****MOVED CR HARRIS****SECONDED CR WARD****That the following late item be accepted by the meeting for consideration in order to adopt:-****Item 12.1 Tender 2017-01 Risk Management and Insurance****CARRIED 5/0****Resolution 068/17****12.1. Tender 2017-01 – Risk Management and Insurance**

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**13. Matters Behind Closed Doors*****Officer Recommendation*****MOVED CR PETTERSON****SECONDED CR THOMAS**

Procedural recommendation that the meeting is closed to the public, pursuant to S5.23(e)(ii), to consider Confidential Item 12.1. which contains information about the business, professional, commercial or financial affairs of a business

**CARRIED 5/0****Resolution 069/17*****Officer Recommendation & Council Decision******Item 12.1.*****MOVED CR HARRIS****SECONDED CR WARD****That:**

1. The proposal for insurance and risk management services from Marsh Pty Ltd be accepted.
2. The CEO be instructed to issue a Letter of Appointment to Marsh Pty Ltd as the Shire of Wiluna's insurance broker.
3. A Broker Service Agreement taking into account key performance indicators and other performance factors be negotiated between the Shire (with Procurement Australia's assistance if required) and Marsh Pty Ltd.
4. With Procurement Australia's assistance if required, the Shire agree with Marsh Pty Ltd to the placement of the 2017/18 insurance renewal program.
5. Procurement Australia evaluates the performance of Marsh Pty Ltd's actual placement of the 2017/18 renewal program in comparison to Marsh Pty Ltd's tender response, providing a written First Year Renewal Report outlining the achieved results to the Shire.
6. Procurement Australia monitor Marsh Pty Ltd's service for the ensuing 24 months, including marketing and renewal of the 2018/19 of insurance.

**CARRIED 5/0****Resolution 070/17*****Officer Recommendation*****MOVED CR HARRIS****SECONDED CR WARD**

Procedural recommendation that the meeting be re-opened to the public

**CARRIED 5/0****Resolution 071/17**

**14. Closure**

There being no further business the Chairperson closed the meeting at 1.30pm.

These minutes were confirmed at the Ordinary Meeting of Council on the 31 May 2017

Signed \_\_\_\_\_

(Presiding Person at the meeting of which the minutes were confirmed.)

Date: \_\_\_\_\_

**SHIRE OF WILUNA**  
**MONTHLY FINANCIAL REPORT**  
**For the Period Ended 31 March 2017**  
**LOCAL GOVERNMENT ACT 1995**  
**LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

**TABLE OF CONTENTS**

Compilation Report	1
Monthly Summary Information	2
Statement of Financial Activity by Program	5
Statement of Financial Activity By Nature or Type	6
Statement of Financial Position	<b>7</b>
Statement of Capital Acquisitions and Capital Funding	<b>8</b>
Statement of Budget Amendments	<b>9</b>
Note 1      Significant Accounting Policies	10
Note 2      Explanation of Material Variances	16
Note 3      Net Current Funding Position	17
Note 4      Cash and Investments	18
Note 5      Budget Amendments	19
Note 6      Receivables	20
Note 7      Cash Backed Reserves	21
Note 8      Capital Disposals	22
Note 9      Rating Information	23
Note 10      Information on Borrowings	24
Note 11      Grants and Contributions	25
Note 12      Trust	26
Note 13      Details of Capital Acquisitions	27
Appendix A      Detailed Schedules	29

# SHIRE OF WILUNA

## Compilation Report

For the Period Ended 31 March 2017

### Report Purpose

This report is prepared to meet the requirements of *Local Government (Financial Management) Regulations 1996*, Regulation 34 .

### Overview

Summary reports and graphical progressive graphs are provided on page 2,3, and 4.  
No matters of significance are noted.

### Statement of Financial Activity by reporting program

Is presented on page 5 and shows a surplus as at 31 March 2017 of \$9,185,086.

Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary.

### Preparation

Prepared by: K E Anderson

Reviewed by: Warren Olsen

Date prepared: 11 April 2017

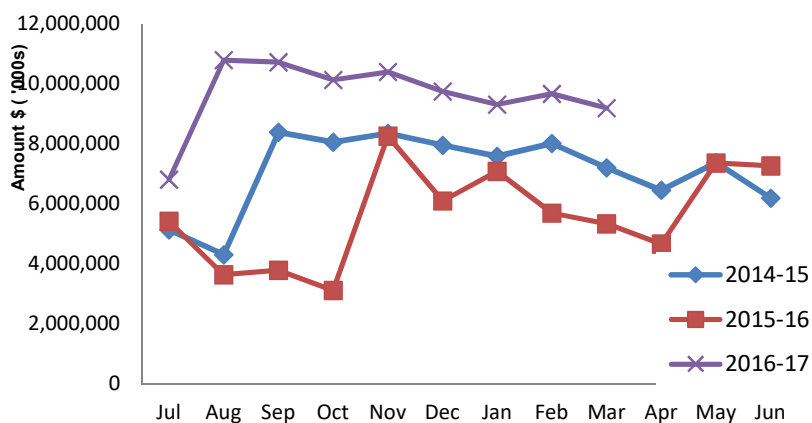


# SHIRE OF WILUNA

## Monthly Summary Information

For the Period Ended 31 March 2017

**Liquidity Over the Year (Refer Note 3)**



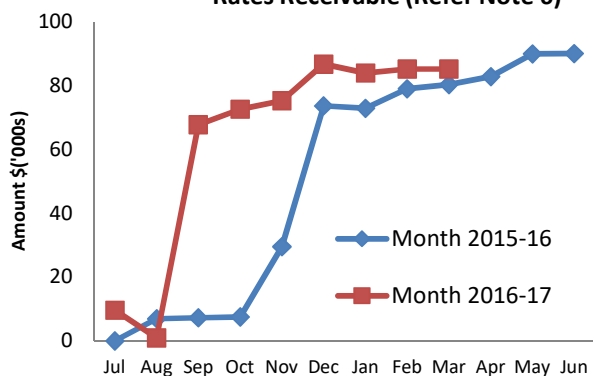
### Cash and Cash Equivalents as at period end

Unrestricted	\$ 8,745,031
Restricted	\$ 4,532,629
	<u>\$ 13,277,660</u>

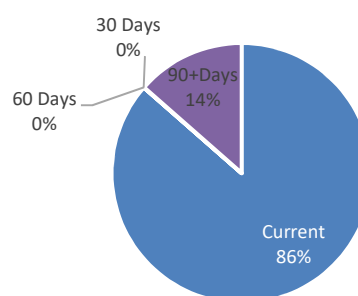
### Receivables

Rates	\$ 619,969
Other	\$ 305,808
	<u>\$ 925,778</u>

**Rates Receivable (Refer Note 6)**

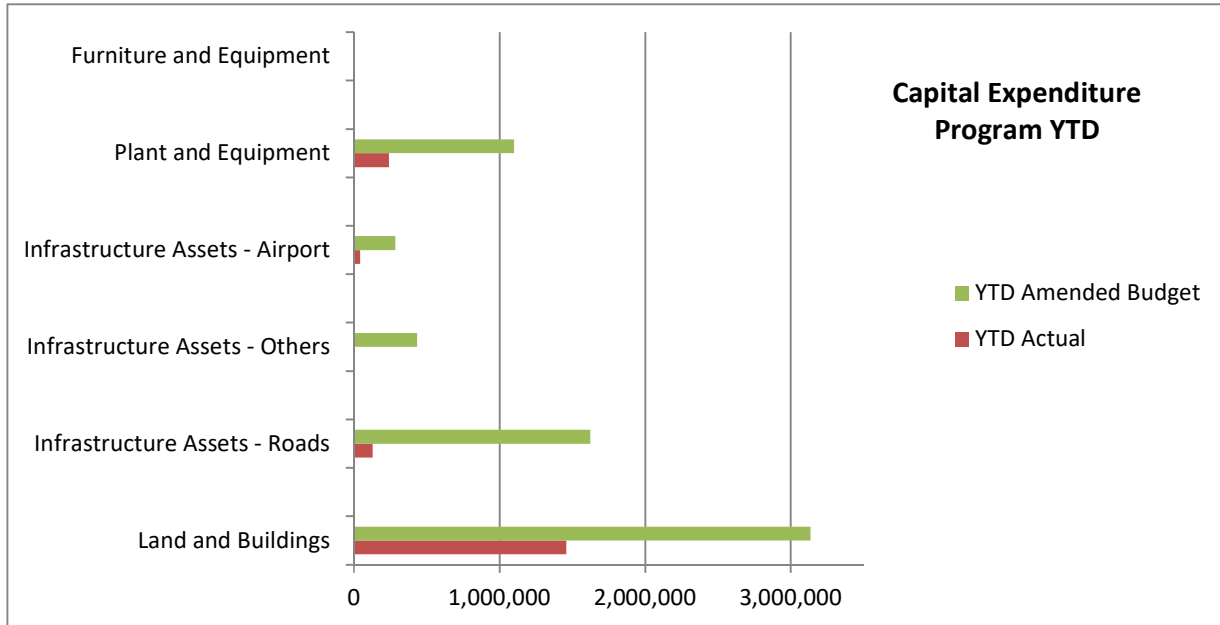


**Accounts Receivable Ageing (non-rates)  
(Refer Note 6)**

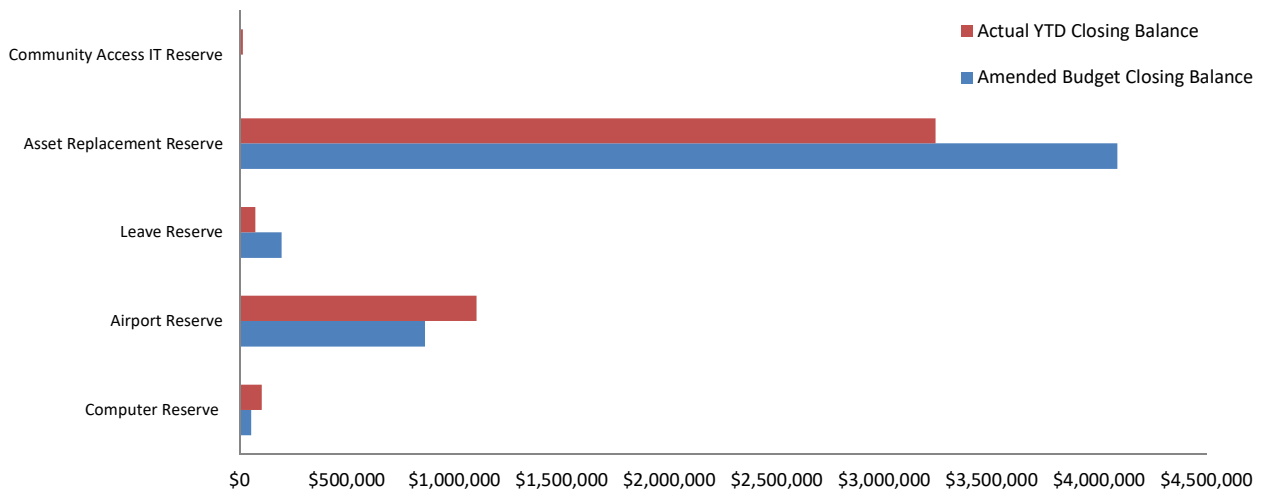


This information is to be read in conjunction with the accompanying Financial Statements and notes.

**SHIRE OF WILUNA**  
**Monthly Summary Information**  
For the Period Ended 31 March 2017



**Year To Date Reserve Balance to End of Year Estimate (Refer Note 7)**



This information is to be read in conjunction with the accompanying Financial Statements and notes.

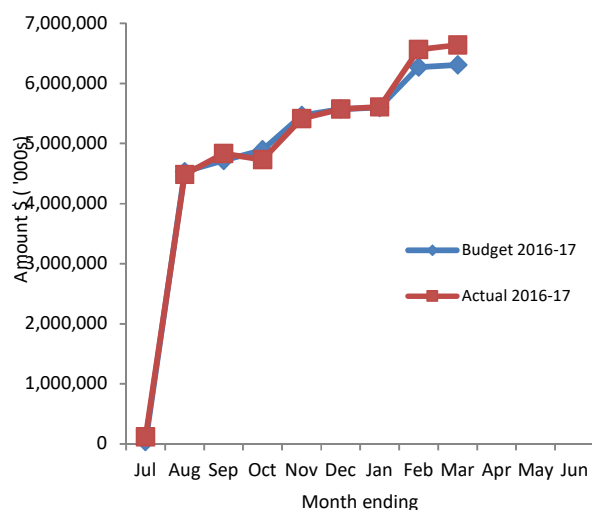
# SHIRE OF WILUNA

## Monthly Summary Information

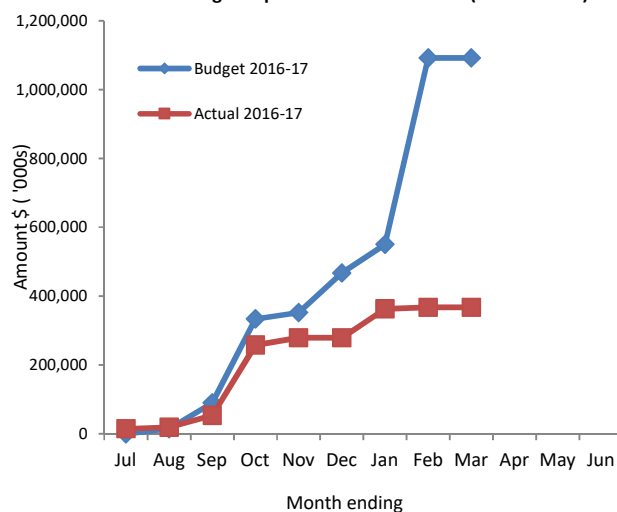
For the Period Ended 31 March 2017

### Revenues

**Budget Operating Revenues -v- Actual (Refer Note 2)**

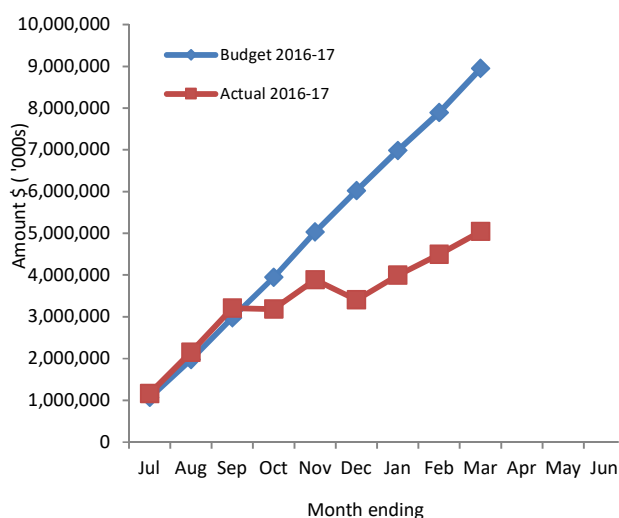


**Budget Capital Revenue -v- Actual (Refer Note 2)**

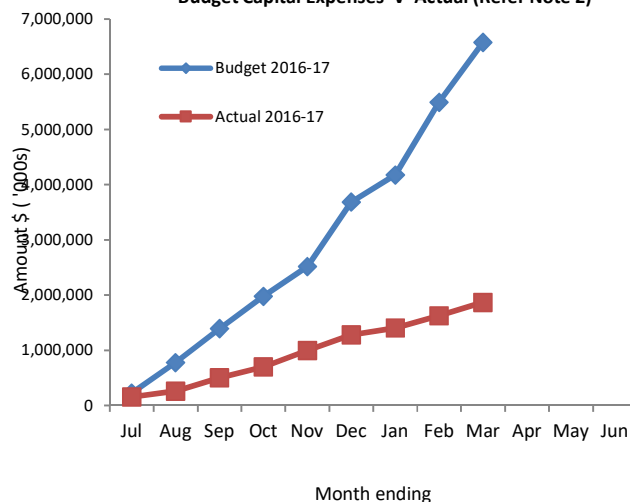


### Expenditure

**Budget Operating Expenses -v- YTD Actual (Refer Note 2)**



**Budget Capital Expenses -v- Actual (Refer Note 2)**



This information is to be read in conjunction with the accompanying Financial Statements and notes.

**SHIRE OF WILUNA**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**(Statutory Reporting Program)**  
**For the Period Ended 31 March 2017**

		Adopted/ Amended	Amended YTD	YTD	Var. \$	Var. %
	Note	Annual Budget	Budget (a)	Actual (b)	(b)-(a)	(b)-(a)/(a)
<b>Operating Revenues</b>		\$	\$	\$	\$	%
Governance		500	350	58	(292)	(1)
General Purpose Funding - Rates	9	3,702,061	3,702,061	3,706,286	4,225	0
General Purpose Funding - Other		2,659,567	1,996,163	2,026,287	30,124	0
Law, Order and Public Safety		7,122	7,122	7,911	789	0
Health		413	413	763	350	1
Education and Welfare		150	100	0	(100)	(1)
Housing		500	400	227	(173)	(0)
Community Amenities		78,930	76,020	69,961	(6,059)	(0)
Recreation and Culture		248,400	241,397	188,757	(52,640)	(0)
Transport		251,597	227,050	586,571	359,521	2
Economic Services		15,550	11,746	12,917	1,171	0
Other Property and Services		49,164	43,547	41,048	(2,499)	(0)
<b>Total Operating Revenue</b>		<b>7,013,954</b>	<b>6,306,369</b>	<b>6,640,786</b>	<b>334,417</b>	
<b>Operating Expense</b>						
Governance		(1,424,825)	(1,066,968)	(661,238)	405,730	0
General Purpose Funding		(236,334)	(170,651)	(108,440)	62,211	0
Law, Order and Public Safety		(214,867)	(162,808)	(71,349)	91,459	1
Health		(100,003)	(73,217)	(54,195)	19,022	0
Education and Welfare		(255,402)	(194,685)	(78,493)	116,192	1
Housing		0	(4,170)	(35,667)	(31,497)	(8)
Community Amenities		(510,624)	(388,252)	(394,116)	(5,864)	(0)
Recreation and Culture		(1,413,797)	(1,104,508)	(717,115)	387,393	0
Transport		(7,147,740)	(5,375,335)	(2,540,518)	2,834,817	1
Economic Services		(454,676)	(358,785)	(234,789)	123,996	0
Other Property and Services		(58,570)	(45,682)	(145,437)	(99,755)	(2)
<b>Total Operating Expenditure</b>		<b>(11,816,838)</b>	<b>(8,945,061)</b>	<b>(5,041,357)</b>	<b>3,903,704</b>	
<b>Funding Balance Adjustments</b>						
Add back Depreciation		6,487,050	4,319,904	2,031,443	(2,288,461)	(1)
Adjust (Profit)/Loss on Asset Disposal	8	(1,340)	(1,340)	(25,671)	(24,331)	18
Loss on revaluation of non-current assets		50,000	0	0	0	
Adjust provisions and accruals		0	0	0	0	
<b>Net Cash from Operations</b>		<b>1,732,826</b>	<b>1,679,872</b>	<b>3,605,201</b>	<b>1,925,329</b>	
<b>Capital Revenues</b>						
Grants, Subsidies and Contributions	11	2,150,314	973,398	249,178	(724,220)	(1)
Proceeds from Disposal of Assets	8	660,000	118,182	118,182	0	0
<b>Total Capital Revenues</b>		<b>2,810,314</b>	<b>1,091,580</b>	<b>367,360</b>	<b>(724,220)</b>	
<b>Capital Expenses</b>						
Land and Buildings	13	(8,322,800)	(3,134,800)	(1,457,651)	1,677,149	1
Infrastructure - Roads	13	(1,486,094)	(1,622,188)	(127,256)	1,494,932	1
Infrastructure - Others	13	(800,000)	(435,000)	0	435,000	1
Infrastructure - Airport	13	(385,000)	(285,000)	(43,062)	241,938	1
Plant and Equipment	13	(1,197,000)	(1,100,000)	(241,287)	858,713	1
Furniture and Equipment	13	(4,000)	(4,000)	(1,337)	2,663	1
Work in Progress	13	0	0	0	0	
<b>Total Capital Expenditure</b>		<b>(12,194,894)</b>	<b>(6,580,988)</b>	<b>(1,870,593)</b>	<b>4,710,395</b>	
<b>Net Cash from Capital Activities</b>		<b>(9,384,580)</b>	<b>(5,489,408)</b>	<b>(1,503,233)</b>	<b>3,986,175</b>	
<b>Financing</b>						
Repayment of Debentures	10	(159,277)	(159,277)	(159,277)	0	0
Proceeds from new debentures		1,300,000	0	0	0	
Transfers to cash backed reserves (restricted assets)	7	(1,325,000)	(95,167)	(95,167)	0	0
Transfers from cash backed reserves (restricted assets)		566,446	0	0	0	
<b>Net Cash from Financing Activities</b>		<b>382,169</b>	<b>(254,443)</b>	<b>(254,443)</b>	<b>0</b>	
<b>Net Operations, Capital and Financing</b>		<b>(7,269,585)</b>	<b>(4,063,978)</b>	<b>1,847,524</b>	<b>5,911,504</b>	
<b>Opening Funding Surplus(Deficit)</b>	3	<b>7,279,585</b>	<b>7,337,562</b>	<b>7,337,562</b>	<b>0</b>	0
<b>Closing Funding Surplus(Deficit)</b>	3	<b>10,000</b>	<b>3,273,583</b>	<b>9,185,086</b>	<b>5,911,504</b>	

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.  
Refer to Note 2 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and notes.

**SHIRE OF WILUNA**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**(By Nature or Type)**  
**For the Period Ended 31 March 2017**

	Note	Amended Annual Budget	Amended YTD Budget	YTD Actual	Var. \$	Var. %
<b>Operating Revenues</b>		\$	\$	\$	\$	%
Rates	9	3,702,061	3,702,061	3,705,127	3,066	0
Operating Grants, Subsidies and Contributions	11	2,773,129	2,169,669	2,190,375	20,706	0
Fees and Charges		260,308	202,691	494,766	292,075	1
Interest Earnings		187,000	132,950	162,040	29,090	0
Other Revenue		75,400	46,760	62,807	16,047	0
Profit on Disposal of Assets	8	16,056	16,056	25,671	9,615	1
<b>Total Operating Revenue</b>		<b>7,013,954</b>	<b>6,270,187</b>	<b>6,640,786</b>	<b>370,599</b>	
<b>Operating Expense</b>						
Employee Costs		(2,209,502)	(1,517,345)	(1,056,626)	460,720	0
Materials and Contracts		(2,616,333)	(1,609,460)	(1,557,417)	52,044	0
Utility Charges		(175,895)	(130,601)	(88,012)	42,589	0
Depreciation on Non-Current Assets		(6,487,050)	(4,319,904)	(2,031,443)	2,288,461	1
Interest Expenses		(36,948)	(14,716)	(42,247)	(27,531)	(2)
Insurance Expense		(214,894)	(213,682)	(202,928)	10,754	0
Other Expenditure		(11,500)	(35,051)	(62,685)	(27,633)	(1)
Loss on Disposal of Assets	8	(14,716)	(81,769)	0	81,769	
Loss on revaluation of non-current assets		(50,000)	0	0		
<b>Total Operating Expenditure</b>		<b>(11,816,838)</b>	<b>(7,922,529)</b>	<b>(5,041,357)</b>	<b>2,881,171</b>	
<b>Funding Balance Adjustments</b>						
Add back Depreciation		6,487,050	4,319,904	2,031,443	(2,288,461)	(1)
Adjust (Profit)/Loss on Asset Disposal	8	(1,340)	(1,340)	(25,671)	(24,331)	18
Loss on revaluation of non-current assets		50,000	0	0		
Adjust provisions and accruals		0		0		
<b>Net Cash from Operations</b>		<b>1,732,826</b>	<b>2,666,222</b>	<b>3,605,201</b>	<b>938,978</b>	
<b>Capital Revenues</b>						
Grants, Subsidies and Contributions	11	2,150,314	973,398	249,178	(724,220)	(1)
Proceeds from Disposal of Assets	8	660,000	118,182	118,182	0	0
<b>Total Capital Revenues</b>		<b>2,810,314</b>	<b>1,091,580</b>	<b>367,361</b>	<b>(724,219)</b>	
<b>Capital Expenses</b>						
Land and Buildings	13	(8,322,800)	(3,134,800)	(1,457,651)	1,677,149	1
Infrastructure - Roads	13	(1,486,094)	(1,622,188)	(127,256)	1,494,932	1
Infrastructure - Others	13	(800,000)	(435,000)	0	435,000	1
Infrastructure - Airport	13	(385,000)	(285,000)	(43,062)	241,938	1
Plant and Equipment	13	(1,197,000)	(1,100,000)	(241,287)	858,713	1
Furniture and Equipment	13	(4,000)	(4,000)	(1,337)	2,663	1
Work in Progress						
<b>Total Capital Expenditure</b>		<b>(12,194,894)</b>	<b>(6,580,988)</b>	<b>(1,870,593)</b>	<b>4,710,395</b>	
<b>Net Cash from Capital Activities</b>		<b>(9,384,580)</b>	<b>(5,489,408)</b>	<b>(1,503,232)</b>	<b>3,986,176</b>	
<b>Financing</b>						
Repayment of Debentures		(159,277)	(159,277)	(159,277)		
Proceeds from new debentures		1,300,000	0	0		
Transfers to cash backed reserves	7	(1,325,000)	(95,167)	(95,167)	0	0
Transfers from cash backed reserves	10	566,446	0	0	0	
<b>Net Cash from Financing Activities</b>		<b>382,169</b>	<b>(254,443)</b>	<b>(254,443)</b>	<b>0</b>	
<b>Net Operations, Capital and Financing</b>		<b>(7,269,585)</b>	<b>(3,077,629)</b>	<b>1,847,526</b>	<b>4,925,155</b>	
<b>Opening Funding Surplus(Deficit)</b>	3	<b>7,279,585</b>	<b>7,337,562</b>	<b>7,337,562</b>	<b>0</b>	0
<b>Closing Funding Surplus(Deficit)</b>	3	<b>10,000</b>	<b>4,259,932</b>	<b>9,185,086</b>	<b>4,925,155</b>	

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.  
Refer to Note 2 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and notes.

**SHIRE OF WILUNA**  
**STATEMENT OF FINANCIAL POSITION**  
**31-March-2017**

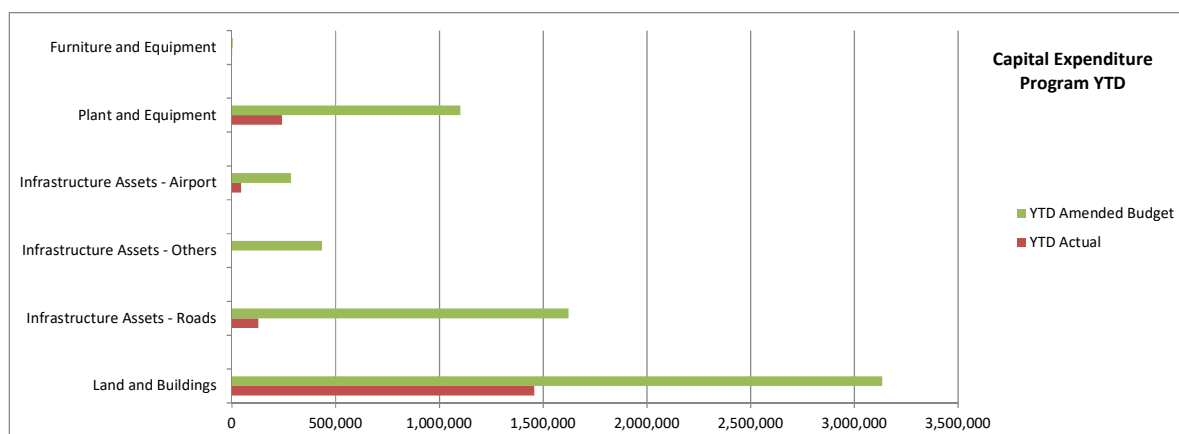
	Note	2016/2017	2015/2016
<b>CURRENT ASSETS</b>			
Cash at Bank and On Hand	4	13,277,660	11,221,277
Rates Outstanding		350,494	338,386
Sundry Debtors		334,546	1,155,392
Gst Receivable		28,386	7,722
Accrued Income/Payments In Advance		0	27,195
Stocks on Hand		38,882	42,458
<b>TOTAL CURRENT ASSETS</b>		<b>14,029,968</b>	<b>12,792,430</b>
<b>CURRENT LIABILITIES</b>			
Sundry Creditors		91,885	709,276
Accrued Interest on loans		0	15,060
Accrued Salaries & Wages		0	47,106
GST Payable		6,477	0
Accrued Expenses		0	84,215
Other current liabilities		63,234	11,092
Loan Liability (Current)		0	159,277
Provision For Annual Leave		91,968	91,968
Provision For Long Service Leave (Current)		58,690	58,690
<b>TOTAL CURRENT LIABILITIES</b>		<b>312,253</b>	<b>1,176,683</b>
<b>NET CURRENT ASSETS</b>		<b>13,717,715</b>	<b>11,615,747</b>
<b>NON-CURRENT ASSETS</b>			
Land & Buildings		15,030,584	13,572,933
Accumulated Depreciation Land & Building		(918,767)	(692,623)
Furniture & Equipment		133,182	131,845
Accumulated Depreciation Furniture&Equip		(34,928)	0
Plant & Equipment		2,162,059	2,053,250
Accumulated Depreciation Plant & Equip		(181,283)	0
Roads		219,126,814	218,999,558
Accumulated Depreciation Roads		(54,047,662)	(52,645,756)
Airport		3,621,210	3,578,148
Accumulated Depreciation Airport		(244,654)	(137,881)
Other Infrastructure		1,272,250	1,272,250
Accumulated Depreciation Other Infrastru		(93,072)	(52,630)
Work in Progress - Buildings		616,334	616,334
Work in Progress -Other Infrastructures		40,632	40,632
<b>TOTAL NON-CURRENT ASSETS</b>		<b>186,482,698</b>	<b>186,736,059</b>
<b>NON-CURRENT LIABILITIES</b>			
Loan Liability (Non Current)		1,098,709	1,098,709
Provision For Long Service Leave (Non Current)		42,900	42,900
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,141,609</b>	<b>1,141,609</b>
<b>NET ASSETS</b>		<b>199,058,804</b>	<b>197,210,198</b>
<b>EQUITY</b>			
Accumulated Surplus		24,563,535	22,810,095
Revaluation Surplus-Land & Buildings		6,347,852	6,347,852
Revaluation Surplus-Furniture & Equipment		103,228	103,228
Revaluation Surplus-Plant & Equipment		641,225	641,225
Revaluation Surplus - Infrastructure Road		160,237,455	160,237,455
Revaluation Surplus-Infrastructure Airport		2,632,881	2,632,881
Reserve - Asset Replacement		3,238,321	3,163,590
Reserve - Computer	7	102,490	100,872
Reserve - Airport	7	1,101,654	1,084,261
Reserve - Leave	7	74,063	72,894
Reserve - Wiluna Telecentre	7	16,100	15,846
<b>TOTAL EQUITY</b>		<b>199,058,804</b>	<b>197,210,198</b>

SHIRE OF WILUNA  
STATEMENT OF CAPITAL ACQUISITIONS AND CAPITAL FUNDING  
For the Period Ended 31 March 2017

Capital Acquisitions	Note	YTD 31 03 2017					
		YTD Actual New /Upgrade (a)	YTD Actual (Renewal Expenditure) (b)	YTD Actual Total (c) = (a)+(b)	YTD Budget (d)	Annual Budget	Variance (d) - (c)
		\$	\$	\$	\$	\$	\$
Land and Buildings	13	67,597	1,390,054	1,457,651	3,134,800	8,322,800	(1,677,149)
Infrastructure Assets - Roads	13	127,256	0	127,256	1,622,188	1,486,094	(1,494,932)
Infrastructure Assets - Others	13	0	0	0	435,000	800,000	(435,000)
Infrastructure Assets - Airport	13	43,062	0	43,062	285,000	385,000	(241,938)
Plant and Equipment	13	164,888	76,399	241,287	1,100,000	1,197,000	(858,713)
Furniture and Equipment	13	1,337	0	1,337	4,000	4,000	(2,663)
Date prepared: 18 July 2016		<b>404,139</b>	<b>1,466,453</b>	<b>1,870,593</b>	<b>6,580,988</b>	<b>12,194,894</b>	<b>(4,710,395)</b>

**Funded By:**

Capital Grants and Contributions	249,178	973,398	2,150,314	(724,220)
Borrowings	0	0	1,200,000	0
Other (Disposals & C/Fwd)	118,182	118,182	660,000	0
Own Source Funding - Cash Backed Reserves	0	0	0	0
Total Own Source Funding - Cash Backed Reserves	0	0	0	0
Own Source Funding - Operations	1,503,233	5,489,408	8,184,580	(3,986,175)
<b>Capital Funding Total</b>	<b>1,870,593</b>	<b>6,580,988</b>	<b>12,194,894</b>	<b>(4,710,395)</b>



**SHIRE OF WILUNA**  
**STATEMENT OF BUDGET AMENDMENTS**  
**(Statutory Reporting Program)**  
**For the Period Ended 31 March 2017**

	Adopted Budget	Adopted Budget Amendments (Note 5)	Amended Annual Budget	Amended YTD Budget (a)
<b>Operating Revenues</b>	\$	\$	\$	\$
Governance	500		500	350
General Purpose Funding - Rates	3,702,061	0	3,702,061	3,702,061
General Purpose Funding - Other	2,659,567		2,659,567	1,996,163
Law, Order and Public Safety	7,122		7,122	7,122
Health	413		413	413
Education and Welfare	150		150	100
Housing	500		500	400
Community Amenities	78,930		78,930	76,020
Recreation and Culture	248,400		248,400	241,397
Transport	251,597		251,597	227,050
Economic Services	15,550		15,550	11,746
Other Property and Services	49,164		49,164	43,547
<b>Total Operating Revenue</b>	<b>7,013,954</b>	<b>0</b>	<b>7,013,954</b>	<b>6,306,369</b>
<b>Operating Expense</b>				
Governance	(1,424,825)		(1,424,825)	(1,066,968)
General Purpose Funding	(236,334)	0	(236,334)	(170,651)
Law, Order and Public Safety	(214,867)		(214,867)	(162,808)
Health	(100,003)		(100,003)	(73,217)
Education and Welfare	(255,402)	60,000	(195,402)	(194,685)
Housing	0		0	(4,170)
Community Amenities	(510,624)		(510,624)	(388,252)
Recreation and Culture	(1,413,797)		(1,413,797)	(1,104,508)
Transport	(7,147,740)		(7,147,740)	(5,375,335)
Economic Services	(454,676)		(454,676)	(358,785)
Other Property and Services	(58,570)		(58,570)	(45,682)
<b>Total Operating Expenditure</b>	<b>(11,816,838)</b>	<b>60,000</b>	<b>(11,756,838)</b>	<b>(8,945,061)</b>
<b>Funding Balance Adjustments</b>				
Add back Depreciation	6,487,050		6,487,050	4,319,904
Adjust (Profit)/Loss on Asset Disposal	(1,340)		(1,340)	(1,340)
Loss on revaluation of non-current assets	50,000		50,000	0
<b>Net Cash from Operations</b>	<b>1,732,826</b>	<b>60,000</b>	<b>1,792,826</b>	<b>1,679,872</b>
<b>Capital Revenues</b>				
Grants, Subsidies and Contributions	2,150,314		2,150,314	973,398
Proceeds from Disposal of Assets	660,000		660,000	118,182
<b>Total Capital Revenues</b>	<b>2,810,314</b>	<b>0</b>	<b>2,810,314</b>	<b>1,091,580</b>
<b>Capital Expenses</b>				
Land and Buildings	(8,322,800)	(460,000)	(8,782,800)	(3,134,800)
Infrastructure - Roads	(1,486,094)		(1,486,094)	(1,622,188)
Infrastructure - Others	(800,000)		(800,000)	(435,000)
Infrastructure - Airport	(385,000)		(385,000)	(285,000)
Plant and Equipment	(1,197,000)		(1,197,000)	(1,100,000)
Furniture and Equipment	(4,000)		(4,000)	(4,000)
<b>Total Capital Expenditure</b>	<b>(12,194,894)</b>	<b>(460,000)</b>	<b>(12,654,894)</b>	<b>(6,580,988)</b>
<b>Net Cash from Capital Activities</b>	<b>(9,384,580)</b>	<b>(460,000)</b>	<b>(9,844,580)</b>	<b>(5,489,408)</b>
<b>Financing</b>				
Repayment of Debentures	(159,277)		(159,277)	0
Proceeds from new debentures	1,300,000	300,000	1,600,000	(159,277)
Transfers to cash backed reserves (restricted assets)	(1,325,000)		(1,325,000)	(95,167)
Transfers from cash backed reserves (restricted assets)	566,446	100,000	666,446	
<b>Net Cash from Financing Activities</b>	<b>382,169</b>	<b>400,000</b>	<b>782,169</b>	<b>(254,443)</b>
<b>Net Operations, Capital and Financing</b>	<b>(7,269,585)</b>	<b>0</b>	<b>(7,269,585)</b>	<b>(4,063,979)</b>
<b>Opening Funding Surplus(Deficit)</b>	<b>7,279,585</b>		<b>7,279,585</b>	<b>7,337,562</b>
<b>Closing Funding Surplus(Deficit)</b>	<b>10,000</b>	<b>0</b>	<b>10,000</b>	<b>3,273,582</b>

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.



**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Accounting**

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

**Critical Accounting Estimates**

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and

ly 2016 reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

**(b) The Local Government Reporting Entity**

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 12.

**(c) Rounding Off Figures**

All figures shown in this statement are rounded to the nearest dollar.

**(d) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

**(e) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable.

The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

**(f) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Trade and Other Receivables**

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

**(h) Inventories**

***General***

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

***Land Held for Resale***

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

**(i) Fixed Assets**

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

**(j) Depreciation of Non-Current Assets**

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation rates and periods are:

**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	2 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	50 years
gravel sheet	12 years
Formed roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping & drainage systems	75 years

**(k) Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

**(l) Employee Benefits**

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

**(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)**

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Shire has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Shire expects to pay and includes related on-costs.

**(ii) Annual Leave and Long Service Leave (Long-term Benefits)**

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the project unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the Shire does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

**(m) Interest-bearing Loans and Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

**Borrowing Costs**

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(n) Provisions**

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one of item included in the same class of obligations may be small.

**(o) Current and Non-Current Classification**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non current based on Council's intentions to release for sale.

**(p) Nature or Type Classifications**

**Rates**

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude administration fees, interest on instalments, interest on arrears and service charges.

**Operating Grants, Subsidies and Contributions**

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

**Non-Operating Grants, Subsidies and Contributions**

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

**Profit on Asset Disposal**

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

**Fees and Charges**

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

**Service Charges**

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations 1996 identifies the These are television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Interest Earnings**

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

**Other Revenue / Income**

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

**Employee Costs**

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

**Materials and Contracts**

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

**Utilities (Gas, Electricity, Water, etc.)**

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

**(q) Nature or Type Classifications (Continued)**

**Insurance**

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

**Loss on asset disposal**

Loss on the disposal of fixed assets.

**Depreciation on non-current assets**

Depreciation expense raised on all classes of assets.

**Interest expenses**

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

**Other expenditure**

Statutory fees, taxes, provision for bad debts, member's fees or levies including WA Fire Brigade Levy and State taxes. Donations and subsidies made to community groups.

**(r) Statement of Objectives**

Council has adopted a 'Plan for the future' comprising a Strategic Community Plan and Corporate Business Plan to provide the long term community vision, aspirations and objectives.

Based upon feedback received from the community the vision of the Shire is:  
"A proud, green, go-ahead and healthy Wiluna"

The Strategic Community Plan defines the key objectives of the Shire as:  
"Working together to enhance our furture through good governance"

**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(s) Reporting Programs**

Council operations as disclosed in this statement encompass the following service orientated activities/programs:

**GOVERNANCE**

Expenses associated with provision of services to members of council and elections and the administrative support. available to the council for the provision of governance of the district. Costs reported as administrative expenses are redistributed in accordance with the principle of activity based costing (ABC).

**GENERAL PURPOSE FUNDING**

Rates and associated revenues, general purpose government grants, interest revenue and other miscellaneous revenues. The costs associated with raising the above revenues, e.g. valuation expense debt collection and overheads.

**LAW, ORDER, PUBLIC SAFETY**

Supervision and enforcement of Local Laws, fire prevention, animal control, provision of ranger services and other aspects of public safety including emergency services.

**HEALTH**

Health inspection services, food quality control, mosquito and pest control and waste disposal compliance.

**EDUCATION AND WELFARE**

Provision and development of community service programmes, including training and disability requirements.

**HOUSING**

Provision and maintenance of housing accommodation for employees.

**COMMUNITY AMENITIES**

Sanitation, sewerage, protection of the environment, public conveniences, cemeteries, rubbish collection services, operation of rubbish disposal sites, litter control, and administration of town planning schemes.

**RECREATION AND CULTURE**

Provision and maintenance of public halls, civic centres, aquatic centre, recreation centres, and various sporting facilities. Provision and maintenance of parks, gardens, and playgrounds. Operation of library, art centre and other cultural facilities.

**TRANSPORT**

Construction and maintenance of roads, footpaths, depots, traffic control, cleaning of streets, and maintenance of street trees, street lighting and etc.

**ECONOMIC SERVICES**

Tourism and area promotion, provision of rural services including weed control and vermin control. Building control and economic development facilities.

**OTHER PROPERTY & SERVICES**

Plant works, plant overheads and stock of materials, private works operations

**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

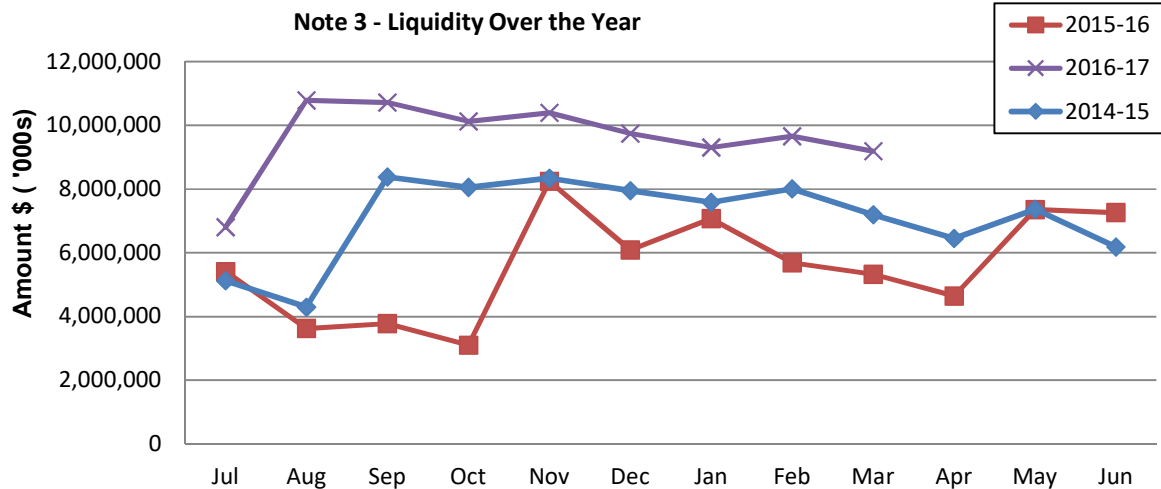
**Note 2: EXPLANATION OF MATERIAL VARIANCES**

Reporting Program	Var. \$	Var. %	Timing/ Permanent	Explanation of Variance
<b>Operating Revenues</b>	\$	%		
General Purpose Funding	34,349	0	Timing	Increase in interest earnings in rates and funds invested in higher rates, and interim rates due to changes in valuation
Governance	(292)	(1)	Timing	
Law, Order and Public Safety	789	0	Permanent	ESL Grant was set at lower budget, and less fees received from animal control
Health	350	1	Timing	Fees from Septic tanks/water waste treatment
Education and Welfare	(100)	(1)	Timing	No hire charges as Training Room not available
Housing	(173)	(0)	Timing	No material variance
Community Amenities	(6,059)	(0)	Timing	No material variance
Recreation and Culture	(52,640)	(0)	Permanent	Prior year adjustment - Pool admission/Hire charges, and lower art sales
Transport	359,521	2	Permanent	Increase in airport fees and charges
Economic Services	1,171	0	Timing	increased sales of tourist items and community bus hire
Other Property and Services	(2,499)	(0)		Insurance rebate 14/15 and 15/16 actual wages (Permanent)
<b>Operating Expense</b>				
General Purpose Funding	62,211	0	Timing	Administration/operation cost is less than expected
Governance	405,730	0	Timing	Administration/operation cost is less than expected
Law, Order and Public Safety	91,459	1	Timing	Administration/operation cost is less than expected
Health	19,022	0	Timing	Administration/operation cost is less than expected
Education and Welfare	116,192	1	Timing	Administration/operation cost is less than expected
Housing	(35,667)	0		
Community Amenities	(5,864)	(0)	Permanent	Operation cost is more than expected - Site Disposal Maintenance, Public Convenience, Grave Digging
Recreation and Culture	387,393	0	Permanent	Savings: Vacant positions to date - Sports and Recreation
Transport	2,834,817	1	Permanent	Adjustment on roads depreciation - budget overstated
Economic Services	123,996	0	Timing	Savings: Vacant positions to date -Economic Development
Other Property and Services	(99,755)	(2)	Timing	
<b>Capital Revenues</b>				
Grants, Subsidies and Contributions	(724,220)	(1)	Timing	Grants delayed
Proceeds from Disposal of Assets	0	0	Timing	
<b>Capital Expenses</b>				
Land and Buildings	1,677,149	1	Timing	Construction of new admin buildings delayed
Infrastructure - Roads	1,494,932	1	Timing	Roads construction delayed
Infrastructure - Others	435,000	1	Timing	Projects under economic development area delayed/deferred - Cemetery, Caravan site, RedHill/North Pool, Town water supply
Infrastructure - Airport	241,938	1		
Plant and Equipment	858,713	1	Timing	Purchases of plant and vehicles delayed/cancelled
Furniture and Equipment	2,663	1	Timing	
<b>Financing</b>				
Loan Principal	0	0		

**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**Note 3: NET CURRENT FUNDING POSITION**

		Positive=Surplus (Negative=Deficit)		
		YTD 31 Mar 2017	30th June 2016	YTD 30 Mar 2016
		\$	\$	\$
<b>Current Assets</b>				
Cash Unrestricted	4	8,745,031	6,783,815	5,322,784
Cash Restricted	4	4,532,629	4,437,462	3,402,481
Receivables - Rates	6	350,494	338,386	758,657
Receivables -Other	6	334,546	1,155,392	65,139
Interest / ATO Receivable/Accrual		28,386	34,917	152,231
Inventories		38,882	42,458	26,827
		14,029,968	12,792,430	9,728,119
<b>Less: Current Liabilities</b>				
Payables		(161,596)	(1,026,026)	(515,819)
Provisions		(150,658)	(150,658)	(127,574)
		(312,253)	(1,176,683)	(643,393)
Less: Cash Reserves	7	(4,532,629)	(4,437,462)	(3,402,481)
Secured by floating charge		0	159,277	0
<b>Net Current Funding Position</b>		<b>9,185,086</b>	<b>7,337,562</b>	<b>5,682,245</b>



**Comments - Net Current Funding Position**



**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**Note 4: CASH AND INVESTMENTS**

(a) **Cash Deposits**

Municipal Bank Account  
 Call Deposit  
 Trust Bank Account  
 Cash On Hand - Petty Cash

(b) **Term Deposits**

Curve Securities-NAB 2  
 Curve Securities - AMP

**Total**

Interest Rate	Unrestricted \$	Restricted \$	Trust \$	Total Amount \$	Institution	Maturity Date
Vary	1,566,121			1,566,121	ANZ	At Call
Vary	6,068,523			6,068,523	ANZ	At Call
Vary			10,845	10,845	ANZ	At Call
Nil	900			900	N/A	N/A
2.60%		1,294,307		1,294,307	NAB	08-Mar-16
2.65%	1,109,488	3,238,321		4,347,809	AMP	28-Aug-16
	8,745,031	4,532,629	10,845	13,288,505		

**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**Note 5: BUDGET AMENDMENTS**

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Account Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running
	<b>Budget Adoption</b>		Opening Surplus	\$	\$	\$	\$
	<b>Permanent Changes</b>						0
C091186	60A Scotia St - Furnishings	OCM Res #037/17	Capital Expenses		5,500		5,500
C091187	60B Scotia St - Furnishings	OCM Res #037/17	Capital Expenses		5,500		11,000
C091166	7/30 Scotia St - purchase of new aircondition	OCM Res #037/17	Capital Expenses			(11,000)	0
C091185	5/30 Scotia Street - Roofing	OCM Res #034/17	Capital Expenses		7,000		7,000
C091159	1/30 Scotia St - Upgrade	OCM Res #034/17	Capital Expenses			(13,000)	(6,000)
C091183	2/30 Scotia Street - Furnishings	OCM Res #034/17	Capital Expenses		3,000		(3,000)
C091184	3/30 Scotia St- Furnishings	OCM Res #034/17	Capital Expenses		3,000		0
C091203	Single Person's Accommodation construction	OCM Res #003/17	Capital Expenses			(300,000)	(300,000)
L060100	Loan	OCM Res #003/17	Capital Revenue		300,000		0
C122001	Depot Shed renovation	OCM Res #022/17	Capital Expenses			(100,000)	(100,000)
C123236	Grader	OCM Res #022/17	Capital Expenses		100,000		0
L072100	Transfer to Reserve - Asset Replacement	OCM Res #022/17	Capital Revenue			(100,000)	(100,000)
C123236	Grader	OCM Res #022/17	Capital Expenses		100,000		0
C142109	Genset	OCM Res #022/17	Capital Expenses			(35,000)	(35,000)
C123236	Grader	Budget Review	Capital Expenses		35,000		0
C142108	Temporary Administration Office	OCM Res #001/17	Capital Expenses			(60,000)	(60,000)
E114103	Economic Development Officer salaries	OCM Res #001/17	Operating Expenses		60,000		0
				0	619,000	(619,000)	

**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**Note 6: RECEIVABLES**

**Receivables - Rates Receivable**

Opening Arrears Previous Years  
 Levied this year and adjustments  
Less Collections to date  
 Equals Current Outstanding

**Net Rates Collectable**

% Collected

YTD 31 Mar 2017	42,551
\$ 358,497	\$ 145,488
3,844,047	3,486,575
(3,582,575)	(3,273,565)
<b>619,969</b>	<b>358,497</b>
<b>370,531</b>	<b>358,497</b>
1	1

**Receivables - General**

Receivables - General

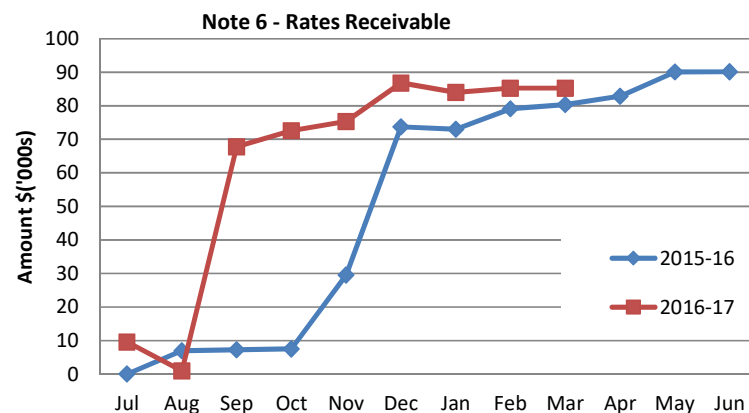
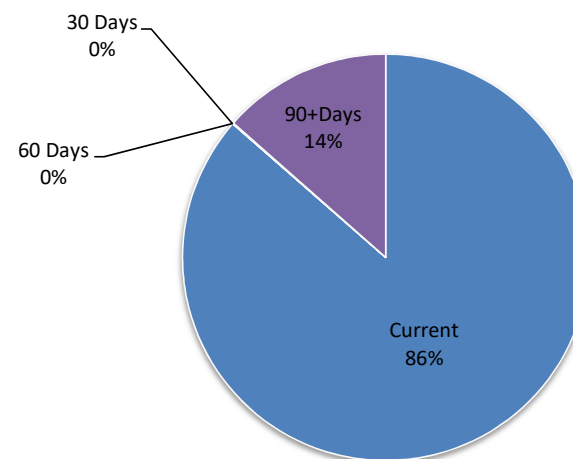
Current	30 Days	60 Days	90+Days
\$ 264,270	\$ 0	\$ 236	\$ 41,303

**Total Receivables General Outstanding**

**305,808**

Amounts shown above include GST (where applicable)

**Note 6 - Accounts Receivable (non-rates)**



Comments/Notes - Receivables Rates

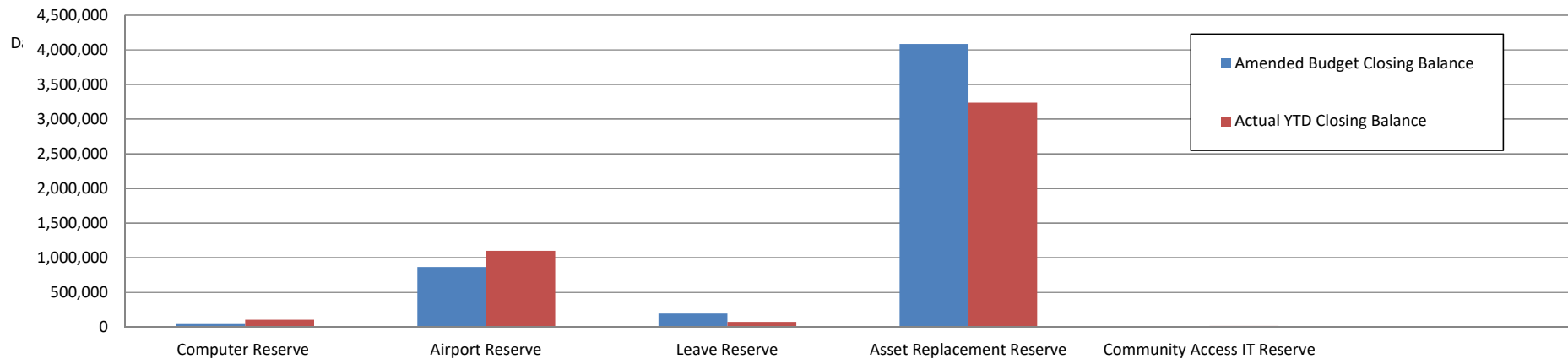
Comments/Notes - Receivables General

**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**Note 7: Cash Backed Reserve**

2016-17		Amended Budget Interest Earned	Actual Interest Earned	Amended Budget Transfers In (+)	Actual Transfers In (+)	Amended Budget Transfers Out (-)	Actual Transfers Out (-)	Transfer out Reference	Amended Budget Closing Balance	Actual YTD Closing Balance
Name	Opening Balance									
Computer Reserve	\$ 100,872	\$ 2,500	\$ 1,618	\$	\$	\$ (50,000)	\$ -		\$ 53,372	\$ 102,490
Airport Reserve	1,084,261	29,000	17,393			(250,000)	-		863,261	1,101,654
Leave Reserve	72,894	2,900	1,169	120,000	-	0	-		195,794	74,063
Asset Replacement Reserve	3,163,590	70,000	74,731	1,100,000		(250,000)	-		4,083,590	3,238,321
Community Access IT Reserve	15,846	600	254	-	-	(16,446)	-		0	16,100
	<b>4,437,462</b>	<b>105,000</b>	<b>95,167</b>	<b>1,220,000</b>	<b>0</b>	<b>(566,446)</b>	<b>0</b>		<b>5,196,016</b>	<b>4,532,629</b>

**Note 7 - Year To Date Reserve Balance to End of Year Estimate**



**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**Note 8 CAPITAL DISPOSALS**

Actual YTD Profit/(Loss) of Asset Disposal				Disposals	Amended Current Budget			Comments
					YTD 31 03 2017			
					Amended Annual Budget Profit/(Loss)	Actual Profit/(Loss)	Variance	
Cost	Accum Depr	Proceeds	Profit (Loss)					
\$	\$	\$	\$	Plant and Equipment	\$	\$	\$	
			0	5067 Bobcat 2200 (Utility-Gardens) WU-27	(3,173)	0	3,173	
			0	Cat 950G Loader 1BOC325 P36	2,237	0	(2,237)	
				Grader John Deere 2004 P19	(11,543)		11,543	
57,478	(29,920)	34,545	6,988	Nissan Patrol 2014 manual (EMTS Vehicle)	3,819	6,988	3,169	
75,000	(10,047)	83,636	18,683	CEO's Vehicle	10,000	18,683	8,683	
132,478	(39,967)	118,182	25,671		1,340	25,671	24,331	

Comments - Capital Disposal/Replacements

**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**Note 9: RATING INFORMATION**

	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Amended Budget Rate Revenue \$	Amended Budget Interim Rate \$	Amended Budget Back Rate \$	Amended Budget Total Revenue \$
<b>RATE TYPE</b>											
<b>Differential General Rate</b>											
GRV Wiluna Townsite	8.6700	69	1,078,928	135,768	0	0	135,768	93,543	0	0	93,543
GRV Mining	17.1430	6	6,380,000	1,093,723	0	0	1,093,723	1,093,723	0	0	1,093,723
UV Rural/Pastoral	11.6950	27	1,209,951	141,504	0	0	141,504	141,504	0	0	141,504
UV Mining	15.3490	202	11,726,761	1,799,941	0	0	1,799,941	1,799,941	38,000	0	1,837,941
UV Exploration & Prospecting Pastoral	22.6820	205	1,999,252	453,470	0	0	453,470	453,470	0	0	453,470
<b>Sub-Totals</b>		509	22,394,892	3,624,406	0	0	3,624,406	3,582,181	38,000	0	3,620,181
<b>Minimum Payment</b>	<b>Minimum \$</b>										
GRV Wiluna Townsite	410.00	19	8,018	7,790	0	0	7,790	7,790	0	0	7,790
GRV Mining	310.00	3	60	930	0	0	930	930	0	0	930
UV Rural/Pastoral	310.00	2	1,695	620	0	0	620	620	0	0	620
UV Mining	310.00	192	73,247	59,520	0	0	59,520	59,520	0	0	59,520
UV Exploration & Prospecting Pastoral	310.00	42	30,270	13,020	0	0	13,020	13,020	0	0	13,020
<b>Sub-Totals</b>		258	113,290	81,880	0	0	81,880	81,880	0	0	81,880
<b>Amount from General Rates</b>							3,706,286				3,702,061
Ex-Gratia Rates							3,706,286 0				3,702,061 0
<b>Totals</b>							<b>3,706,286</b>				<b>3,702,061</b>

**Comments - Rating Information**

All land except exempt land in the Shire of Wiluna is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire. The General Rates detailed above for the above 2016/17 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year. The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of the Local Government services/facilities. The intention to impose differential rating was advertised on 25 May 2016. Three submissions were received. Council resolved to proceed with differential rates and minimums as advertised (and as per above table).

**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**10. INFORMATION ON BORROWINGS**

(a) Debenture Repayments

Particulars	Principal 01-Jul-16	New Loans	Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual \$	Amended Budget \$	Actual \$	Amended Budget \$	Actual \$	Amended Budget \$
<b>Recreation &amp; Culture</b> Wiluna Recreation Ground Changerooms, Toilets & Kiosk	369,996		46,846	46,846	323,150	323,150	15,123	9,918
<b>Economic Services</b> Gunbarrel Hwy/Canning Stock Route Heritage Interpretive Centre	887,990		112,431	112,431	775,559	775,559	26,456	23,800
	1,257,985	0	159,277	159,277	1,098,708	1,098,708	41,579	33,718

All debenture repayments were financed by general purpose revenue.

No new debentures were raised during the reporting period.

**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**Note 11: GRANTS AND CONTRIBUTIONS**

Program/Details GL	Grant Provider	Approval	2016-17 Amended Budget	Variations Additions (Deletions)	Operating	Capital	Recoup Status		Comment
							Received	Not Received	
<b>GENERAL PURPOSE FUNDING</b>		(Y/N)	\$	\$	\$	\$	\$	\$	
Grants Commission - General	WALGGC	Y	1,667,376	0	1,667,376	0	1,244,968	422,408	Operating
Grants Commission - Roads	WALGGC	Y	796,041	0	796,041	0	597,470	198,571	Operating
<b>LAW, ORDER, PUBLIC SAFETY</b>									
FESA Grant - Operating Bush Fire Brigade	Dept. of Fire & Emergency Serv.	Y	6,212	0	6,212	0	7,701	(1,489)	Operating
<b>EDUCATION AND WELFARE</b>									
Community Resource Centre			40,000	0		40,000	0	40,000	Non-Operating
<b>RECREATION AND CULTURE</b>									
Art Gallery Operation Grant	Dept of Reg. Australia, LG, Arts & Sport	Y	135,000	0	135,000	0	135,000	0	Operating
Sports Courts & Cricket Practice Wickets	Dept of Sports and Recreation	Y	14,700	0	0	14,700	14,700	0	Non-Operating
Pool Revitalisation Programme	Dept of Sports and Recreation	Y	32,000	0	15,000	17,000	32,000	0	Operating/Non-Operating
<b>TRANSPORT</b>									
Regional Road Group Grant	Regional Road Group	Y	300,000	0	0	300,000	120,000	180,000	Non-Operating
Federal Government Roads to Recovery	Roads to Recovery	Y	886,094	0	0	886,094	0	886,094	Non-Operating
Remote Communities- FAGS	WALGGC	Y	18,604	0	0	18,604	13,953	4,651	Non-Operating
Remote Aboriginal Communities	Mainroads	Y	9,000	0	0	9,000	3,698	5,302	Non-Operating
Direct Regional Grant	Mainroads	Y	150,000	0	150,000	0	190,236	(40,236)	Operating
Airport Sealing	Regional Airport Development Scheme	Y	192,500	0	0	192,500	0	192,500	Non-Operating
Airport Terminal	Regional Airport Development Scheme	Y	250,000	0	0	250,000	0	250,000	Non-Operating
<b>ECONOMIC SERVICES</b>									
RV Dump Point			5,000			5,000	0	5,000	Non-Operating
Art Gallery Fit Out	Dept of Reg. Australia, LG, Arts & Sport	Y				79,827	79,827	0	Non-Operating
<b>OTHER PROPERTY AND SERVICES</b>									
New Admin Bldg	Country Local Government Fund	Y	417,416	0	0	417,416	0	417,416	Non-Operating
<b>TOTALS</b>			<b>4,919,943</b>	<b>0</b>	<b>2,769,629</b>	<b>2,230,141</b>	<b>2,439,553</b>	<b>2,560,217</b>	
Operating	Operating		2,784,329				2,207,375		
Non-Operating	Non-operating		2,150,314				249,178		
			<u>4,934,643</u>				<u>2,456,553</u>		



**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**Note 12: TRUST FUND**

Funds held at balance date over which the Shire has no control and which are not included in this statement are as follows:

Description	Opening Balance 1 Jul 16	Amount Received	Amount Paid	Closing Balance 31-Mar-17
Gym Keys Deposit/Housing Bond	\$ 11,817	\$ 2,901	\$ (3,873)	\$ <b>10,845</b>
	<b>11,817</b>	<b>2,901</b>	<b>(3,873)</b>	<b>10,845</b>

**SHIRE OF WILUNA**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**For the Period Ended 31 March 2017**

**Note 13: CAPITAL ACQUISITIONS**

		Budget by Asset Class										
Account Number	Description	Land & Buildings	Plant and Equipment	Furniture and Equipment	Roads	Airport	Other Infrastructures	Adopted Annual Budget	Amended Annual Budget	Amended YTD Budget	YTD Actual	Variance (Under)/Over
LAW ORDER AND PUBLIC SAFETY												
C052521	Ranger's Vehicle		45,000					45,000	45,000	45,000	34,310	10,690
C052522	Pound Upgrade	10,000						10,000	10,000	10,000	-	10,000
	Total Law Order and Public Safety	10,000	45,000	-	-	-	-	55,000	55,000	55,000	34,310	20,690
EDUCATION AND WELFARE												
C086100	Community Resource Centre	50,000						50,000	50,000	50,000	-	50,000
	Total Education and Welfare	50,000	-	-	-	-	-	50,000	50,000	50,000	-	50,000
HOUSING												
C091186	60A Scotia St - Furnishings			5,500				5,500	-	-	-	-
C091187	60B Scotia St - Furnishings			5,500				5,500	-	-	-	-
C091185	5/30 Scotia Street	12,000						12,000	5,000	-	-	-
C091167	6/30 Scotia St	3,500						3,500	3,500	3,500	2,522	978
C091166	7/30 Scotia St	8,500						8,500	19,500	19,500	-	19,500
C091151	U8/ 1487 Scotia St	4,800						4,800	4,800	4,800	-	4,800
C091155	21 Lennon St	12,000						12,000	12,000	12,000	-	12,000
C091159	1/30 Scotia St - Upgrade								13,000	-	-	-
C091178	38 Lennon St	3,000						3,000	3,000	3,000	-	3,000
C091116	44 Lennon St	7,000						7,000	7,000	7,000	-	7,000
C091183	2/30 Scotia Street - Furnishings			3,000				3,000	-	-	332 -	332
C091184	3/30 Scotia St- Furnishings			3,000				3,000	-	-	332 -	332
C091119	67/69 Scotia St - Furnishings			4,000				4,000	4,000	4,000	-	4,000
C091200	Staff Housing 1	300,000						300,000	300,000	300,000	-	300,000
C091201	Staff Housing 2	300,000						300,000	300,000	300,000	-	300,000
C091202	Staff Housing 3	400,000						400,000	400,000	400,000	-	400,000
C091203	Single Person's accommodation								300,000	-	-	-
C091204	Depot - Single Person's Quarter								-	-	-	-
	Total Housing	1,050,800	-	21,000	-	-	-	1,071,800	1,371,800	1,053,800	3,186	1,050,614
COMMUNITY AMENITIES												
C107054	Cemetery Improvement						40,000	40,000	40,000	40,000	-	40,000
	Total Community Amenities	-	-	-	-	-	40,000	40,000	40,000	40,000	-	40,000
RECREATION AND CULTURE												
C111104	Recreation Centre Upgrade	30,000						30,000	30,000	-	-	-
C112101	Pool Equipment		22,000					22,000	22,000	-	2,359 -	2,359
C112102	Swimming Pool repairs	5,000						5,000	5,000	-	-	-
	Total Recreation and Culture	35,000	22,000	-	-	-	-	57,000	57,000	-	2,359 -	2,359

List of Accounts Paid by Authority 01/03/2017 to 31/03/2017				
Chq/EFT	Date	Name	Description	Amount
54	01/03/2017	ANZMerchan - ANZ BANK MERCHANT FEE	ANZ bank Merchant Fee	-205.06
54	01/03/2017	BWAMS - BWAMS FEE	BWAMS fee	-82.00
54	01/03/2017	ANZMerchan - ANZ BANK MERCHANT FEE	ANZ bank merchant fee	-63.95
54	07/03/2017	ANZTrans - ANZ TRANSACTIVE FEE	ANZ transactive fee	-48.60
54	10/03/2017	ANZMerchan - ANZ BANK MERCHANT FEE	ANZ bank Merchant Fee	-0.20
54	27/03/2017	ServFee - ACCOUNT SERVICE FEE	Account service fee	-22.00
1055	02/03/2017	Shire of Wiluna - Trust	Interest earned - Trust account - as Admin fee	-101.00
1056	07/03/2017	Shire of Wiluna - Trust	Gym deposit refund - Darren Christopher	-400.00
1057	14/03/2017	Julianne Williams	Artist payment - 10-476-712	-62.28
DD2851.1	03/03/2017	Colonial First State-First Choice Superannuation Trust	Salary Sacrifice 5% Incorrect Upload	125.00
DD2851.2	03/03/2017	Cbus	Super. for John R Forbes PE17.02.17 Incorrectly Posted	796.34
DD2867.1	28/03/2017	BOQ Asset Finance & Leasing Pty Ltd	Printing managed services - November 2016	-7409.39
DD2869.1	28/03/2017	3E Advantage Pty Limited	Printing managed services - March 2017	-5349.81
DD2871.1	17/03/2017	WA Local Government Superannuation Plan	Payroll deductions	-6346.40
DD2871.2	17/03/2017	Colonial First State-First Choice Superannuation Trust	Superannuation contributions	-2695.90
DD2871.3	17/03/2017	Australian Super	Superannuation contributions	-439.04
DD2871.4	17/03/2017	Sunsuper Fund	Superannuation contributions	-171.58
DD2871.5	17/03/2017	Host Plus	Superannuation contributions	-180.90
DD2871.6	17/03/2017	Commonwealth Essential Super	Superannuation contributions	-725.34
DD2871.7	17/03/2017	Concept One	Superannuation contributions	-388.66
DD2871.8	17/03/2017	Cbus	Superannuation contributions	-538.71
DD2879.1	02/03/2017	ANZ Bank	BP charges - Feb-17	-448.90
DD2885.1	31/03/2017	ANZ Bank	BP charges Mar-17	-261.12
DD2858.1	27/03/2017	ANZ Bank	February 2017 Credit card statement	-16200.26
		<i>T Luke</i>	<i>Web site hosting and maintenance</i>	<i>360.00</i>
			<i>Accommodation WALGA training</i>	<i>106.00</i>
			<i>Supplies house #1 gallery</i>	<i>17.17</i>
			<i>Meals WALGA training</i>	<i>32.28</i>
			<i>Accommodation WALGA training</i>	<i>424.00</i>

	<i>Taxi skippers to hotel WALGA training</i>	35.82
	<i>Meals WALAGA training</i>	22.30
	<i>Taxi WALGA training</i>	14.20
	<i>Accommodation WALGA training</i>	16.85
	<i>Meals WALGA training</i>	68.40
	<i>Meals WALGA training</i>	16.24
	<i>Taxi WALGa training</i>	10.61
	<i>Meals WALGA training</i>	16.60
	<i>Taxi hotel to skippers WALGA training</i>	37.49
<i>G Deocampo</i>	<i>S Rogoiruwai - skippers airfares (WALGA training)</i>	715.75
	<i>Skippers airfares</i>	920.25
	<i>T Luke - skippers airfares (WALGA training)</i>	715.75
	<i>Prepaid credits</i>	30.00
	<i>Accommodation - C Bastow</i>	615.00
	<i>Staff uniform - G Deocampo</i>	494.35
<i>L Shopov</i>	<i>Building materials - Heritage centre</i>	782.14
	<i>Diesel fuel - P109</i>	75.80
	<i>Diesel fuel - P109</i>	31.06
	<i>Hydraulic cylinder</i>	871.20
	<i>Diesel fuel - P109</i>	67.95
	<i>Husqvarna 19 AL Lawnmower"</i>	299.00
	<i>Husky 19 AL Lawnmower"</i>	849.00
	<i>Flanders poppy seed flower - Mr Fothergiles packets</i>	25.11
	<i>Car mat rubber all season 4 - Black</i>	35.98
<i>C Bastow</i>	<i>Nitro PDF software programme</i>	204.99
	<i>Microsoft office home &amp; business 2013</i>	143.50
	<i>Flight - John Quicke (Radio man)</i>	920.25
	<i>Fuel - Diesel</i>	51.00
	<i>Cab charge</i>	11.34
	<i>Cab charge</i>	13.45
	<i>Flight - Marilyn Betteridge/Training</i>	562.38
	<i>Accommodation Marilyn Betteridge/Training</i>	236.47
	<i>Accommodation - Samuel Rogoiruwai - WALGA training</i>	189.73
	<i>Galv sheeting - Heritage centre</i>	3301.17

			<i>TP - Link</i>	255.12
			<i>Tender boxes</i>	608.00
			<i>Flights - Jim Quadrio</i>	468.24
			<i>Flights - Jim Quadrio</i>	357.88
			<i>BCITF &amp; Building commission</i>	125.65
			<i>Flights - Michael Gooch</i>	393.66
			<i>Digital subscription to west Australian</i>	288.08
			<i>Dragon software programme</i>	249.95
		<i>Interest</i>	<i>Interest</i>	113.10
EFT4772	02/03/2017	Shire of Wiluna	Avdata admin & billing charges Feb-2017	-5593.11
EFT4773	02/03/2017	WesTrac Pty Ltd	Coupling (connector, seal o ring & seal) - P102	-103.79
EFT4774	02/03/2017	Wiluna Traders	Batteries for fogger - P105	-127.40
EFT4775	02/03/2017	McMahon Burnett Transport	Freight charges	-278.05
EFT4776	02/03/2017	Toll Ipec	Freight charges	-64.41
EFT4777	02/03/2017	WALGA	Local Government Industry award 2010 Training - S Rogoiruwai	-566.50
EFT4778	02/03/2017	Mark Smith Pty Ltd	Pump out Depot septic tank - Works Depot	-1105.50
EFT4779	02/03/2017	Gibson Soak Water Co	19 litre spring water bottles - 3 x crates	-2334.00
EFT4780	02/03/2017	Ngangganawili Aboriginal Health Services	WorkCover - S Latukefu	-75.05
EFT4781	02/03/2017	Johns Building Supplies Pty Ltd	Septone hardener polyester 20gm - Heritage centre	-67.74
EFT4782	02/03/2017	Goodwork Holdings Pty Ltd	Maintenance grading on Granite Peak - Lake Violet Rd	-10406.00
EFT4783	02/03/2017	Shenton Enterprises Pty Ltd	Repairs and service to vacuum cleaner at pool	-1096.98
EFT4784	02/03/2017	Elite Electrical Contracting Pty Ltd	Electrical restoration for Heritage/Interpretative Centre	-61606.12
EFT4785	02/03/2017	Marketforce	Local Govt Notices - 1x42Lines. Intention to Adopt Regional Prices Pref	-396.69
EFT4786	02/03/2017	Michael Gooch Contracting	Supply and distribution of backbone wiring for communication (Telstra). Wiring for new security camera system. General building works as directed by the major contractor that include the following: Painting Concreting cutting Verandah post reconstruction Sash window repairing Reconfiguration and management of the radio transmitters.	-2080.00
EFT4787	02/03/2017	The Trustee for Lockhart Family Trust t/a Mini Projects	Building materials - Heritage centre	-3226.56
EFT4788	03/03/2017	BlueScope Steel Ltd t/a Fielders	Building materials - Heritage centre	-9960.51
EFT4789	10/03/2017	Wiluna Traders	Diesel Jerry Can 20Ltrs Container	-131.15
EFT4790	10/03/2017	Landgate	Rates - Mining Tenments	-133.10
EFT4791	10/03/2017	Toll Ipec	Freight charges	-1395.44

EFT4792	10/03/2017	Ixom	Swimming pool chemicals and gas	-152.77
EFT4793	10/03/2017	Annette Williams	Artist payment - 10-468-5/10	-83.04
EFT4794	10/03/2017	Charla Downs Pty Ltd	Carnegie Sation-Fuel, Meals & Accommodation - L Shopov	-240.00
EFT4795	10/03/2017	Mark Smith Pty Ltd	Pump out Swimming Pool septic tank	-6585.92
EFT4796	10/03/2017	Andrew Harris	Artist payment - 11-170-6/8	-62.28
EFT4797	10/03/2017	BOC Gases Australia Limited	Swimming pool equipments	-126.99
EFT4798	10/03/2017	Westland Autos Pty Ltd	Element, air cleaner - Oil filter P112	-96.05
EFT4799	10/03/2017	Tracey Latu Kuli Kefu	Artist payment - 10-477-8/8	-62.28
EFT4800	10/03/2017	Sigma Chemicals	Swimming pool - 10kg Chlorine	-1606.00
EFT4801	10/03/2017	Johns Building Supplies Pty Ltd	Building materials - Heritage centre	-1082.04
EFT4802	10/03/2017	Cabcharge	Taxi Fares	-102.18
EFT4803	10/03/2017	Elite Electrical Contracting Pty Ltd	Inspect & repair town pipe&pump - Cnr of Jones and Trenton St	-982.65
EFT4804	10/03/2017	The Australian Local Government Job Directory	2017 Subscription fee	-979.00
EFT4805	10/03/2017	Colin Lockhart	Travel Expenses	-900.00
EFT4806	10/03/2017	Gary Julius	Travel Expenses	-600.00
EFT4807	10/03/2017	Ryan Julius	Travel Expenses	-600.00
EFT4808	10/03/2017	Danny Luke Whiteaker	Travel Expenses	-600.00
EFT4809	10/03/2017	Solomon Kells	Travel Expenses	-600.00
EFT4810	10/03/2017	Muhammad Hassan Zakaria	Travel Expenses	-600.00
EFT4811	10/03/2017	Brendan Julius	Travel Expenses	-300.00
EFT4812	10/03/2017	Tyler Forbes	Travel Expenses	-600.00
EFT4813	10/03/2017	RSEA Pty Ltd	Staff uniform	-211.01
EFT4814	10/03/2017	John Forbes	Travel Expenses	-600.00
EFT4815	10/03/2017	Fine Line Painting & Decorating	Heritage/Interpretive Centre - Full internal painting of 4 buildings, Art Gallery and some external painting. (Inc meals & allowances)	-20644.80
EFT4816	10/03/2017	Sun City Plumbing	Remove 2 x 180L solar units Cap off water lines above roof Remove 300L solar, capped lines Reinststate water and test Pack up solar units in safe area	-1522.62
EFT4817	10/03/2017	Nicholas Newman	Travel Expenses	-300.00
EFT4818	10/03/2017	BlueScope Steel Ltd t/a Fielders	Roof sheeting materials - U1/30 Scotia St	-6937.08

EFT4819	10/03/2017	G.A Julius & Co Pty Ltd t/a The Julius Trading Trust	Carry out demolition works, straighten columns,replace timber roof beams, battens and roof sheeting. Inclusions : labour,materials, accommodation and travel. 28th Nov 2016 by Gary Julius for the amount of \$34455.00 + GST Sports & Recreation Centre - 133 Scotia St, Wiluna.	-18095.00
EFT4820	10/03/2017	Katanning Furnishings	Kitchen and bedroom venetian blinds - U2/30 Scotia St	-664.00
EFT4821	10/03/2017	The Trustee for Lockhart Family Trust t/a Mini Projects	Labour on Heritage/Interpretive Centre 22-28/02/17 & 01- 03/03/17	-6446.60
EFT4822	10/03/2017	The Trustee For Hegney Consulting Trust t/a Michael Hegney Consulting Engineers	Electrical services enginerring design, documentaion and Certification Consultancy.	-3564.00
EFT4823	10/03/2017	Ables Sales	Generator diesel silent cummins 55KVA	-15900.00
EFT4824	10/03/2017	Essential Labour Solutions Pty Ltd	Supply and install new hose as required. Including all materials - Heritage centre	-110.00
EFT4825	10/03/2017	Employment Office Australia PTY LTD	Recruitment campaign Accountant/Finance Manager	-4445.06
EFT4826	13/03/2017	Australian Taxation Office	Business Activity Statement for February 2017	-45790.00
EFT4827	17/03/2017	WesTrac Pty Ltd	Spare keys - P036/P062/P102/P093	-76.89
EFT4828	17/03/2017	McMahon Burnett Transport	Freight / Direct Trades - Heritage centre	-4845.16
EFT4829	17/03/2017	Toll Ipec	Freight charges	-1128.03
EFT4830	17/03/2017	Snap Burswood	Business cards - CEO Colin Bastow	-222.31
EFT4831	17/03/2017	Urbis Pty Ltd	Preparation of scheme amendment report Stage 6	-1837.72
EFT4832	17/03/2017	Bunnings Building Supplies Kalgoorlie	Potting mix, Black Mulch & seeds - Gardner	-771.11
EFT4833	17/03/2017	Stewart & Heaton Clothing Co. Pty Ltd	GLD Jacket FR Gold (inc BFB shoulder patches and Fire Services panel).	-2923.60
EFT4834	17/03/2017	Vault 21 Pty Ltd	Asus VivoBook Display No Touch" - Admin computer screens&laptop	-6653.90
EFT4835	17/03/2017	LIWA Aquatics	Accreditation for Pool Manager	-360.00
EFT4836	17/03/2017	James Peter Quadrio	Reimbursement expenses	-762.75
EFT4837	17/03/2017	Goodwork Holdings Pty Ltd	Maintenance Grading Carnegie-Glenayle Road	-18730.80
EFT4838	17/03/2017	Havilah Legal Lawyers	Professional Fees	-88.00
EFT4839	17/03/2017	Griffin Valuation Advisory	Fees for Valuation of Land and Buildings	-3960.00
EFT4840	17/03/2017	Patience Sandland Pty Ltd	Cream sand (plaster/brickies) - Heriatge/Interpretive Centre	-5247.00
EFT4841	17/03/2017	Elite Electrical Contracting Pty Ltd	Installation - Fujitsu split system air conditioner l electrical/refrigeration.	-24472.80
EFT4842	17/03/2017	Skippers Aviation Pty Ltd	Flight-Michael Gooch	-385.00
EFT4843	17/03/2017	RSEA Pty Ltd	Staff uniform	-294.85
EFT4844	17/03/2017	Austral Pool Solutions	Swimming pool equipment	-1129.16

EFT4845	17/03/2017	Horizon Power (Regional Power Corporation )	Electricity charges	-6000.00
EFT4846	22/03/2017	Harris Graham	Councillor's fees - January/February/March 2017 (OCM 22.03.2017)	-3665.01
EFT4847	22/03/2017	Chris Webb	Councillor's fees - January/February/March 2017 (OCM22.03.2017)	-2665.02
EFT4848	22/03/2017	Stacey Petterson 1	Councillor's fees - January/February/March 2017 (OCM 22.03.2017)	-2665.02
EFT4849	22/03/2017	Glenn Deocampo	Annual airfares anniversary 17/03/2017	-1300.00
EFT4850	22/03/2017	James Peter Quadrio	Councillor's fees - January/February/March 2017 (OCM22.03.2017)	-9540.75
EFT4851	22/03/2017	Norma Ward	Councillor's fees - January/February/March 2017 (OCM22.03.2017)	-2833.33
EFT4852	22/03/2017	Caroline Elisabeth Thomas	Councillor's fees - January/February/March 2017 (OCM 22.03.2017)	-2665.02
EFT4853	24/03/2017	Wiluna Traders	Unleaded fuel for fire tanker pumps	-89.08
EFT4854	24/03/2017	Great Northern Rural Services	20kg Baileys 3-1-1granulated - Oval	-1650.22
EFT4855	24/03/2017	Bunnings Building Supplies Kalgoorlie	Sceptre 20L Yellow Diesel Jerry Can - P113	-91.02
EFT4856	24/03/2017	Australia Post	Post box/postage - fees	-484.51
EFT4857	24/03/2017	Covs Parts Pty Ltd	01litre stroke pump	-4432.42
EFT4858	24/03/2017	Jason Signmakers	Boxed Edge/Metal - 1800x300 Road Closed sign	-2285.25
EFT4859	24/03/2017	Direct Couriers (Perth) Pty Ltd	Samples for swimming pool	-198.86
EFT4860	24/03/2017	Hesperian Press	Books - Tourist souvenir items	-1300.60
EFT4861	24/03/2017	Goodwork Holdings Pty Ltd	Hire of water cart, motor grader, loader and tipper truck to extend airport apron	-7220.40
EFT4862	24/03/2017	Environmental Health & Building Services	Health Consultant 13/03/2017-14/03/2017	-3267.00
EFT4863	24/03/2017	Michael Gooch Contracting	Installation, testing and commissioning of fort radio station including accommodation and travel.	-2680.70
EFT4864	24/03/2017	The Australian Local Government Job Directory	Advertisement position for Accountant/ Finance Manager	-489.50
EFT4865	24/03/2017	Fine Line Painting & Decorating	Works to be carried out at the Heritage/Interpretive Centre- Full internal painting of 4 buildings, Art Gallery and some external painting.	-13576.20
EFT4866	24/03/2017	Fire Rescue Safety Australia Pty Ltd	Bush fire helmet - White (Fire control officers)	-3475.78
EFT4867	24/03/2017	Knight Frank Australia Pty Ltd	Valuation of the Club Hotel, Caravan Park & Vacant Holding as per quote. Valuation must be completed before the closure of the sale of these properties by the Liquidator.	-8781.31
EFT4868	24/03/2017	Somerville Pest & Weed Control	Pre - purchase timber pest inspection to Club Hotel Wiluna	-3901.00
EFT4869	24/03/2017	Dun & Bradstreet (Australia) Pty Ltd ( Tenderlink )	RFP 2017-01 Insurance	-165.00
22145	01/03/2017	FMG Resources Pty Ltd	Rates refund for assessment A2246 LOT E69/03237 MINING WILUNA WA 6646	-1117.97



22146	01/03/2017	FMG Pilbara Pty Ltd	Rates refund for assessment A2199 LOT E69/03125 MINING WILUNA WA 6646	-696.41
22147	01/03/2017	Falcon Minerals	Rates refund for assessment A1006 LOT E38/01986 MINING WILUNA WA 6646	-507.09
22148	02/03/2017	Horizon Power	Electricity charges	-5371.62
22149	02/03/2017	Staples Australia Pty Ltd	Stationary	-302.37
22150	02/03/2017	Knight Frank Australia Pty Ltd	Valuation of the Club Hotel, Caravan Park & Vacant Holding as per quote. Valuation must be completed before the closure of the sale of these properties by the Liquidator.	-7700.00
22151	10/03/2017	Horizon Power	Electricity charges	-956.69
22152	10/03/2017	Staples Australia Pty Ltd	Office Stationary	-84.64
22153	13/03/2017	Shire of Wiluna 1	Artist Payments Cancelled Cheques transferred to Trust Account	-498.24
22154	17/03/2017	Telstra Corporation	Phone charges	-1613.30
22155	17/03/2017	Horizon Power	Electricity charges	-8154.51
22156	17/03/2017	Staples Australia Pty Ltd	Office Stationary	-949.69
22158	24/03/2017	Telstra Corporation	Satellite phones	-243.62
PE03/03/2017	03/03/2017	PE03/03/2017	Payroll Ending 03 Mar-2017	-68544.52
PE17/03/2017	17/03/2017	PE17/03/2017	Payroll Ending 17 Mar-2017	-59124.71

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**Total List of Accounts Paid by Authority: -\$ 599,336.69**

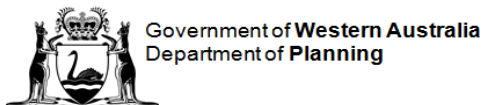
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## Appendix 10.2.2

Shire of Wiluna  
INVESTMENT REGISTER  
31-Mar-17

						Investments Movement				
Account	Type	Institution	Term Days	Yield	Maturity	Balance B/fwd	Transfer In	Actual Interest	Transfer (out)	Closing Balance
416037	Fixed Term Deposit	AMP Bank	182	2.75%	28-Aug-17	4,347,809.42				4,347,809.42
016307-33773	Call Deposit	ANZ	n/a	Varies	n/a	6,062,941.50		5,581.23		6,068,522.73
999 999 947	Fixed Term Deposit	NAB	90	2.45%	06-Jun-17	1,294,307.32		8,297.75		1,302,605.07
<b>Total Investments</b>						<b>11,705,058.24</b>	<b>0.00</b>	<b>13,878.98</b>	<b>0.00</b>	<b>11,718,937.22</b>
Represented By:										
L072300	Reserve Airport	NAB	90	2.45%	06-Jun-17	1,101,653.97		7,062.65		1,108,716.62
L072100	Reserve - Asset Replaceme	NAB	90	2.75%	28-Aug-17	3,238,321.40		0.00		3,238,321.40
L072200	Reserve - Computer	NAB	90	2.45%	06-Jun-17	102,489.93		657.06		103,146.99
L072400	Reserve - Leave	NAB	90	2.45%	06-Jun-17	74,062.93		474.82		74,537.75
L072500	Reserve - Wiluna Telecentr	NAB	90	2.45%	06-Jun-17	16,100.49		103.22		16,203.71
<b>Sub Total Reserves</b>						<b>4,532,628.72</b>	<b>0.00</b>	<b>8,297.75</b>	<b>0.00</b>	<b>4,540,926.47</b>
Restricted - Loan						1,109,488.02		0.00	0.00	1,109,488.02
Call Deposit Account						6,062,941.50	0.00	5,581.23		6,068,522.73
<b>Sub Total Reserves</b>						<b>7,172,429.52</b>	<b>0.00</b>	<b>5,581.23</b>	<b>0.00</b>	<b>7,178,010.75</b>
Total Funds Invested						<b>11,705,058.24</b>	<b>0.00</b>	<b>13,878.98</b>	<b>0.00</b>	<b>11,718,937.22</b>

## Appendix 10.2.5



### Mid-West/Wheatbelt Joint Development Assessment Panel - Local Government Members

Mid-West/Wheatbelt JDAP (Central)	Local Member 1	Local Member 2	Alternate Local Member 1	Alternate Local Member 2
Shire of Beverley	Cr Lewis Shaw	Cr Keith Murray	Cr Thomas Buckland	
Shire of Boddington	Cr Neville Crilly	Cr David Smart	Cr John Allert	Cr Martin Glynn
Shire of Brookton	Cr Neil Walker	Cr Theresa Fancote	Cr Kym Wilkinson	Cr Katrina Crute
Shire of Bruce Rock	Cr Stephen Strange	Cr Ian Dolton	Cr Donald Heasman	Cr Nathan Buegge
Shire of Carnamah	Cr Merle Isbister	Cr Ian Stirling	Cr Con Kikeros	Cr Dwayne Woohorton
Shire of Chapman Valley	Cr John Collingwood	Cr Pauline Forrester	Cr Kirrilee Warr	Cr Anthony Farrell
Shire of Chittering	Cr Steve Vallance	Cr Gordon Houston	Cr Don Gibson	Cr Peter Osborn
Shire of Coolgardie	Cr Tracey Rathbone	Cr Sherryl Botting		
Shire of Coorow	Cr Bruce Jack	Cr Michael Bothe	Cr Robert Clement	Cr Guy Sims
Shire of Corrigin	Cr Desmond Hickey	Cr Lynette Baker	Cr Janeane Mason	Cr Matthew Dickinson
Shire of Cuballing	Cr Mark Conley	Cr Dawson Bradford	Cr Scott Ballantyne	Cr Roger Newman
Shire of Cue				
Shire of Cunderdin	Cr Clive Gibsone	Cr Alison Harris	Cr Dennis Whisson	Cr Bernard Daly
Shire of Dalwallinu	Cr Robert Nixon	Cr Steven Carter	Cr Anita Dickens	Cr Ian Hyde
Shire of Dandaragan	Cr Judy Kulisa	Cr Darren Slyn	Cr Kaye McGlew	Cr Wayne Gibson
Shire of Dowerin				
Shire of Dumbelyung	Cr Carly Smith	Cr Patrick O'Neill	Cr Jacqueline Ball	Cr Marilyn Hasleby
Shire of Dundas	Cr Jacquie Best	Cr Laurene Bonza	Cr Lynn Webb	Cr Bonnie Vicensoni
Shire of Esperance	Cr Beverley Stewart	Cr Natalie Bowman	Cr Victoria Brown	Cr Kevin Hall
City of Greater Geraldton	Mayor Shane Van Styn	Cr Neil McIlwaine	Cr Laurie Graham	Cr Steven Douglas
Shire of Gingin	Cr Michael Aspinall	Cr Val Ammon	Cr Janice Court	Cr Sandra Smiles
Shire of Goomalling	Cr Barry Haywood	Cr Roland Van Gelderen	Cr Julie Chester	Cr Raymond Bowen
Shire of Irwin	Cr Ian West	Cr Mark Leonard	Cr Barrye Thompson	Cr David Kennedy
City of Kalgoorlie-Boulder	Cr John Bowler	Cr Allan Pandal	Cr Lisa Malicky	Cr Suzanne Williams
Shire of Kellerberrin	Cr Rodney Forsyth	Cr David Leake		
Shire of Kondinin	Cr Allen Smoker	Cr Sue Meeking		

<b>Shire of Koorda</b>	Cr Frederick Storer	Cr Gary Greaves	Cr Shane Boyd	Cr Anthony Clarke
<b>Shire of Kulin</b>	Cr Barry West	Cr Rodney Duckworth	Cr Grant Robins	Cr Bradley Taylor
<b>Shire of Lake Grace</b>	Cr Len Armstrong	Cr Ross Chappell	Cr Andrew Walker	Cr Debrah Clarke
<b>Shire of Laverton</b>	Cr Rex Ryles	Cr Robin Prentice	Cr Geoffry Walder	Cr Shaneane Weldon
<b>Shire of Leonora</b>	Cr Ross Norrie	Cr Larnie Petersen	Cr Peter Craig	
<b>Shire of Merredin</b>	Cr Ken Hooper	Cr Mark Crees	Cr Maria Young	
<b>Shire of Meekatharra</b>	Cr Peter Clancy	Cr Harvey Nichols	Cr Norman Trenfield	
<b>Shire of Menzies</b>	Cr Justin Lee	Cr Jillian Dwyer		
<b>Shire of Mingenew</b>	Cr Michelle Bagley	Cr Gary Cosgrove		
<b>Shire of Moora</b>	Cr Tracy Humphry	Cr Denise Clydesdale-Gebert	Cr Merrel Pond	Cr Colin Gardiner
<b>Shire of Morawa</b>	Cr Karen Chappell	Cr Dean Carslake	Cr Kenneth Stokes	Cr Debra Collins
<b>Shire of Mount Magnet</b>	Cr Maria Morris	Cr Carole Minney	Cr Jorgan Jensen	Cr Mary Ford
<b>Shire of Mount Marshall</b>	Cr Rachel Kirby	Cr Stuart Faulkner	Cr Calum Lumsden	Cr John Beagley
<b>Shire of Mukinbudin</b>	Cr Gary Shadbolt	Cr John O'Neil	Cr Sandie Ventris	Cr Murray Junk
<b>Shire of Murchison</b>	Cr Mark Halleen	Cr Ross Foulkes-Taylor	Cr Simon Broad	Cr Andrew Whitmarsh
<b>Shire of Narembeen</b>	Cr Regina DeLuis	Cr Stephen Padfield	Cr Syd Parsons	Cr Rhonda Cole
<b>Shire of Narrogin</b>	Cr Geoff Ballard	Cr Richard Chadwick	Cr Janice Sieber	Cr Barry Hardie
<b>Town of Narrogin</b>	Mayor Leigh Ballard	Cr Arthur Paternoster	Cr Paul Schultz	Cr Colin Ward
<b>Shire of Ngaanyatjaraku</b>				
<b>Shire of Northam</b>	Cr Ulo Rumjantsev	Cr Des Hughes	Cr Denis Beresford	
<b>Shire of Northampton</b>				
<b>Shire of Nungarin</b>	Cr Renira O'Connell	Cr Gary Coumbe	Cr Kerry Dayman	Cr Pippa de Lacy
<b>Shire of Pingelly</b>	Cr Shirley Lange	Cr William Mulroney	Cr David Freebairn	Cr Aaron Morton
<b>Shire of Quairading</b>	Cr Brett McGuinness	Cr Jo Haythornthwaite	Cr Gillian McRae	Cr William Shenton
<b>Shire of Ravensthorpe</b>	Cr Kerry Dickinson	Cr Angela Kelton	Cr Sharyn Gairen	Cr Peter Smith
<b>Shire of Sandstone</b>	Cr Bethel Walton	Cr Carol Hodshon	Cr Freda May	Cr Donna Bennett
<b>Shire of Tammin</b>	Cr Michael Greenwood	Cr Carol Crane	Cr Scott Uppill	Cr Patricia Bell
<b>Shire of Three Springs</b>	Cr Neil Hebiton	Cr Richard Thorpe	Cr Robert Hunt	Cr Christine Lane
<b>Shire of Toodyay</b>	Cr Therese Chitty	Cr Brian Rayner	Cr Paula Greenway	Cr Kate Wood
<b>Shire of Trayning</b>	Cr Freda Tarr	Cr Wallace Knott		
<b>Shire of Victoria Plains</b>	Cr James Kelly	Cr Stephanie Penn	Cr Neville Clarke	Cr Pauline Carr
<b>Shire of Wagin</b>	Cr Gregory Ball	Cr Geoffrey West	Cr Ronald Walker	Cr Amanda Howell
<b>Shire of Wandering</b>	Cr Brendan Whitely	Cr Judith Price	Cr Wade Gowland	Cr Chad Ferguson
<b>Shire of Waroona</b>	Cr Noel Dew	Cr Larry Scott	Cr Christine Germain	Cr John Mason

<b>Shire of West Arthur</b>	Cr Michael Meredith	Cr Andrew Clarke	Cr Raymond Harrington	Cr Kevin King
<b>Shire of Westonia</b>	Cr Louis Geier	Cr Bill Huxtable	Cr Karin Day	Cr John Jefferys
<b>Shire of Wickepin</b>	Cr Allan Lansdell	Cr Ross Easton	Cr Gerri Hinkley	Cr Julie Russell
<b>Shire of Williams</b>	Cr Greg Cavanach	Cr Moya Carne	Cr Natalie Major	Cr John Cowcher
<b>Shire of Wiluna</b>	<b>Cr Graham Harris</b>	<b>Cr Chris Webb</b>	<b>Cr Jim Quadrio</b>	<b>Cr Norma Ward</b>
<b>Shire of Wongan-Ballidu</b>	Cr Alfreda Lyon	Cr Norma Walton	Cr Jon Hasson	
<b>Shire of Wyalkatchem</b>	Cr Emma Holdsworth	Cr Quentin Davies	Cr Campbell Jones	Cr Stephen Gamble
<b>Shire of Yalgoo</b>	Cr Raul Valenzuela	Cr Neil Grinham	Cr Joanne Kanny	Cr Percy Lawson
<b>Shire of Yilgarn</b>	Cr David Pasini	Cr Onida Truran	Cr Wayne Della Bosca	Phil Nolan
<b>Shire of York</b>	Cr Denese Smythe	Cr Jane Ferro	Cr Trevor Randell	Cr Heather Saint

## Shire of Wiluna Policy Manual

<b>POLICY:</b>	<b>REGIONAL PRICE PREFERENCE</b>
<b>POLICY NO:</b>	<b>2.7</b>
<b>SECTION:</b>	<b>ADMINISTRATION AND FINANCE</b>
<b>COUNCIL MEETING HELD &amp; ADOPTED:</b>	<b>26<sup>th</sup> May 2017</b>
<b>DATE TO BE REVIEWED:</b>	

---

### 1 OBJECTIVE

To promote, support and develop local industry within the Shire of Wiluna by giving preferential consideration to regional suppliers in the procurement of goods and/or services through the tender process.

#### 1.1 Definitions

In this policy the following words have the following meanings:

**Local Industry** is a business within the Shire of Wiluna which conforms to the definition of a 'regional tenderer' under the Local Government (Functions and General) Regulations 1996.

**Price Preference** is defined as the willingness to pay a higher price for the procurement of goods and/or services that are supplied by a 'regional tenderer'.

**Regional Tenderer** is a supplier that has been operating a business continuously out of premises within the Shire of Wiluna for at least six (6) months and submits a tender for the supply of goods and/or services.

**Region** is the area/district within the Shire of Wiluna municipal boundary.

### 2 PRINCIPLES

The Shire of Wiluna will encourage local industry to do business with the Shire of Wiluna through the adoption of a regional price preference advantage, in conjunction with standard tender considerations. The price preference will apply to the provision of all goods and/or services via tender, with a regional component, unless the local government decides pursuant to Regulation 24G that the policy will not apply to a particular tender.

#### 2.1 Local Preference

A preference will be given to a regional tenderer by assessing the tender submission as if the price bids were as prescribed below:

- a) Goods and/or services reduced by 10%, up to a maximum price reduction of \$50,000;
- b) Construction (building) reduced by 5%, up to a maximum price reduction \$50,000; or
- c) Goods and/or services (including construction (building) services) up to 10% — where the contract is for goods or services, up to a maximum price reduction of \$500 000, if the local government is seeking tenders for the provision of those goods or services for the first time, due to those goods or services having been, until then, undertaken by the local government.

## **Shire of Wiluna Policy Manual**

### **2.2 Local Regional Content**

The goods and/or services identified in a tender submitted by a regional tenderer may be:

- a) wholly supplied from regional sources; or
- b) partly supplied from regional sources and partly from non-regional sources,

however, only those goods and/or services identified in the tender as being from regional sources can be included in the discounted calculations.

### **2.3 Competitive Purchasing**

Whilst price is a competitive consideration in the provision of goods and/or services via tender, it is only one aspect of the tender evaluation process. Value for money principles and the best allocation of resources as discussed within Shire of Wiluna Policy 2.6 Purchase of Goods and Services will be employed by assessing the price component in conjunction with the tender selection criteria and requirements.

The tender that is determined to be overall both cost effective and advantageous to the Shire of Wiluna will be the most likely to be accepted. However, the lowest or any tender is not will not necessarily be accepted.

Shire of Wiluna Policy 2.6 Purchase of Good and Services applies for the procurement of all goods and/or services.

## Shire of Wiluna Policy Manual

Category of Goods, Services or Infrastructure works	Performance criteria and standards to be assessed	Local Content percentage required	Percentage by which local procurement cannot exceed total cost of procurement from outside the Shire	Comments
Perishable purchases including but not limited to catering, food, milk and such items	Nil – although suitable/appropriate items that represent value for money are to be acquired	N/A	Nil	LPP does not apply as these goods will generally be purchased locally.  In the event that more than one local supplier can supply and prices are comparable, the Shire will ensure purchases are made through all suppliers where possible
Bulk fuel purchases over 5000 litres	Available to supply both the required quantity and quality, but the required time, all as specified by the Shire	N/A	0.5%	Nil
General minor purchases – including but not limited to non-perishable food stuffs, office paper, stationery, cleaning chemicals, printing requirements, minor household items, general office supplies and so on.	Available to supply both the required quantity and quality, but the required time, all as specified by the Shire.  Historical performance on past contracts/purchase arrangements	N/A	10%	Nil



## Shire of Wiluna Policy Manual

<b>Office equipment(major), IT hardware and furniture/fittings</b>	<p>Available to supply both the required quantity and quality, but the required time, all as specified by the Shire.</p> <p>Servicing and/or support for items purchased locally</p> <p>Historical performance on past contracts/purchase arrangements</p>	MUST be able to be supplied, serviced and supported locally	10%	If equipment that can be procured locally CANNOT be supported and/or serviced locally, then the LPP will not be applied
<b>Infrastructure works including construction (building)</b>	<p>Available to supply both the required quantity and quality, but the required time, all as specified by the Shire.</p> <p>Historical performance on past contracts/purchase arrangements</p>	50%	<p><u>Value of works (exc. GST):</u></p> <p><b>Up to \$100,000 = 5% or \$10,000, whichever is the lesser.</b></p> <p><b>\$100,001 to \$760,000 = 5% or \$38,000, whichever is the lesser. *</b></p> <p><b>\$760,001 upwards = 5% or \$50,000, whichever is the lesser. *</b></p>	

21 April 2017

Mr C Bastow  
Acting Chief Executive Officer  
Shire of Wiluna  
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WILUNA WA 6646

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Dear Colin

## REVIEW OF PROCUREMENT POLICIES AND PROCEDURES

We confirm we have completed our desktop review of the Shire's draft Procurement Policies and Procedures in accordance with the scope outlined in our engagement letter dated 11 April 2017.

The documents subject to our review were as follows:

- Regional Price Preference Policy;
- Policy on Project Planning and Delivery;
- Policy on Purchase of Goods and Services;
- Procurement Procedures Manual; and
- The various document templates that are referred to in the Procurement Procedures Manual.

In performing our review we had consideration for the following:

- Compliance with the Local Government Act and Local Government (Functions and General) Regulations 1996, Part 4, Provision of Goods & Services;
- Adequacy of documentation for clarity, staff accountability and key internal controls; and
- Articulation of risk management associated with purchasing activity within the Shire of Wiluna environment.

Our approach was an interactive one which included direct discussions with Warren Olsen, Acting Deputy CEO and written advisory support.

Based on our scope and approach, we believe the Procurement Policies and Procedures document reviewed are appropriate for adoption by the Shire of Wiluna.

Should you have any queries, please contact me.

Yours sincerely



David Tomasi  
Partner  
Moore Stephens

# Policy no. 2.6 – Purchase of Goods and Services

## 1 POLICY

The Shire of Wiluna (the “**Shire**”) is committed to achieving good practice in the purchasing of goods, services and works that align with the principles of transparency, probity and good governance and complies with the *Local Government Act 1995* (the “**Act**”) and Part 4 of the *Local Government (Functions and General) Regulations 1996*, (the “**Regulations**”) Procurement processes and practices to be complied with are defined within this Policy and the Shire’s prescribed procurement procedures.

## 2 OBJECTIVES

The objectives of this Policy are to ensure that all purchasing activities:

- demonstrate that best value for money is attained for the Shire;
- are compliant with relevant legislations, including the Act and Regulations;
- are recorded in compliance with the *State Records Act 2000* and associated records management practices and procedures of the Shire;
- ensure performance with regard to quality timeliness of supply and delivery;
- mitigate risks to the Shire related to late performance and other breaches of contract;
- mitigate probity risk, by establishing consistent and demonstrated processes that promote openness, transparency, fairness and equity to all potential suppliers;
- ensure that the sustainable benefits, such as environmental, social and local economic factors are considered in the overall value for money assessment; and
- are conducted in a consistent and efficient manner across the Shire and that ethical decision making is demonstrated.

## 3 ETHICS & INTEGRITY

### 3.1 Code of Conduct

All officers and employees of the Shire must have regard for the Code of Conduct (refer Code of Conduct Policy, March 2017) requirements and shall observe the highest standards of ethics and integrity. All officers and employees of the Shire must act in an honest and professional manner at all times which supports the standing of the Shire.

### 3.2 Purchasing Principles

The following principles, standards and behaviours must be observed and enforced through all stages of the purchasing process to ensure the fair and equitable treatment of all parties:

- full accountability shall be taken for all purchasing decisions and the efficient, effective and proper expenditure of public monies based on achieving value for money;
- time and delivery are of the essence of every contract for the supply of goods and services – consequently all quotations, purchase orders, invitations to quote, requests for tenders, requests for proposals, expressions of interests, supply contracts etc must include delivery dates and/or completion dates (as the case requires);
- The ability of tenderers and other potential suppliers to deliver or to complete the contract (as the case requires) within the required time must form part of the assessment of every quotation, tender, expression of interest, etc.
- all purchasing practices shall comply with relevant legislation, regulations, and requirements consistent with the Shire's policies and Code of Conduct;
- purchasing is to be undertaken on a competitive basis where all potential suppliers are treated impartially, honestly and consistently (but this does not preclude making adjustments for risk in relation to potential suppliers who have performed poorly in the past);
- all processes, evaluations and decisions shall be transparent, free from bias and fully documented in accordance with applicable policies, audit requirements and relevant legislation;
- any actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed; and
- any information provided to the Shire by a supplier shall be treated as commercial-in-confidence and should not be released unless authorised by the supplier or relevant legislation.

## 4 VALUE FOR MONEY

### 4.1 Policy

Value for money is determined when the consideration of price, risk and qualitative factors that are assessed to determine the most advantageous outcome to be achieved for the Shire.

As such, purchasing decisions must be made with greater consideration than obtaining lowest price, but also to incorporate qualitative and risk factors into the decision.

### 4.2 Application

An assessment of the best value for money outcome for any purchasing process should consider:

- all relevant Total Costs of Ownership (TCO) and benefits including transaction costs associated with acquisition, delivery, distribution, as well as other costs such as but not limited to holding costs, consumables, deployment, maintenance and disposal;
- the technical merits of the goods or services being offered in terms of compliance with specifications, contractual terms and conditions and any relevant methods of assuring quality, including but not limited to an assessment of levels and currency of compliances, value adds offered,

warranties, guarantees, repair and replacement policies, ability to inspect within reasonable timeframe, terms of after sales service, commitment to respond to issues within reasonable timeframe.

- the costs and consequences of potential delays in delivery.
- financial viability and capacity to supply without risk of default (competency of the prospective suppliers in terms of managerial and technical capabilities and compliance history);
- a strong element of competition in the allocation of orders or the awarding of contracts. This is achieved by obtaining a sufficient number of competitive quotations wherever practicable;
- the safety requirements associated with both the product design and specification offered by suppliers and the evaluation of risk when considering purchasing goods and services from suppliers;
- purchasing of goods and services from suppliers that demonstrate sustainable benefits and good corporate social responsibility; and
- providing opportunities for businesses within the Shire's boundaries to quote for the provision of goods and services wherever possible.

## 5 PURCHASING REQUIREMENTS

### 5.1 *Legislative / Regulatory Requirements*

The requirements that must be complied with by the Shire, including purchasing thresholds and processes, are prescribed by the Regulations, this Policy and associated purchasing procedures in effect at the Shire.

### 5.2 *Policy*

Purchasing that is **\$150,000 or below in total value** (excluding GST) must be in accordance with the purchasing requirements under the relevant threshold as defined under section 5.5 of this Purchasing Policy.

Purchasing that **exceeds \$150,000 in total value** (excluding GST) must be put to public Tender when it is determined that a regulatory Tender exemption, as stated under 0 of this Policy is not deemed to be suitable.

### 5.3 *Purchasing Value Definition*

Determining purchasing value is to be based on the following considerations:

1. Exclusive of Goods and Services Tax (GST);
2. The actual or expected value of a contract over the full contract period, including all options to extend; or the extent to which it could be reasonably expected that the Shire will continue to purchase a particular category of goods, services or works and what total value is or could be reasonably expected to be purchased. A best practice suggestion is that if a purchasing threshold is reached within three years for a particular category of goods, services or works, then the purchasing requirement under the relevant threshold (including the tender threshold) must apply.

3. Must incorporate any variation to the scope of the purchase and be limited to a 10% tolerance of the original purchasing value.

#### 5.4 *Purchasing from Existing Contracts*

Where the Shire has an existing contract in place, it must ensure that goods and services required are purchased under these contracts to the extent that the scope of the contract requires.

#### 5.5 *Purchasing Thresholds*

The table below prescribes the purchasing process that the Shire must follow, based on the purchase value. These requirements are the minima, and officers should endeavour to exceed these minima where risk will be reduced or better outcomes will be achieved by doing so:

Purchase Value Threshold	Purchasing Requirement
Up to \$5,000	<p>Purchase directly from a supplier using a Purchase Order or Corporate Credit Card issued by the Shire, or obtain at least one oral or written quotation from a suitable supplier. In the case of verbal quotations, detailed note of the full details of the verbal quotations received must be attached to the office copy of the purchase order and in the minimum must include: name of person providing quotation, name of firm, contact details, pricing including GST, brief scope of works/details of item for which quotation is sought.</p> <p>Purchasing Officers must still satisfy themselves that they have obtained a competitive price for the goods, service and/or infrastructure works (e.g. by telephone quotes, internet pricing etc)</p>
Over \$5,000 and up to \$20,000	<p>At least two verbal or written quotations from suitable suppliers. In the case of verbal quotations, detailed note of the full details of the verbal quotations received must be attached to the office copy of the purchase order and in the minimum must include: name of person providing quotation, name of firm, contact details, pricing including GST, brief scope of works/details of item for which quotation sought</p>
Over \$20,000 and up to \$50,000	<p>Obtain at least three written quotations from suppliers following a brief outlining the specified requirement.</p>

Purchase Value Threshold	Purchasing Requirement
Over \$50,000 and up to \$150,000	<p>Obtain at least three written quotations from suppliers by formal invitation under a <i>Request for Quotation</i>, containing price and detailed specification of goods and services required (including required delivery or completion date). The procurement decision is to be based on pre-determined evaluation criteria that assess all compliance (including delivery/completion date) and value for money considerations in accordance with the definition stated in this Policy.</p> <p>Requests for quotations from a pre-qualified panel of suppliers (whether administered by the Shire through the WALGA preferred supply program or State Government CUA) are not required to be invited using a <i>Request for Quotation</i> form; however, at least three written quotes are still required to be obtained.</p>
Over \$150,000	<p>Where the purchasing requirement is not suitable to be met through a panel of pre-qualified suppliers, or any other tender-exempt arrangement as listed under section 0 of this Policy, conduct a public Request for Tender process in accordance with Part 4 of the <i>Local Government (Functions and General) Regulations 1996</i>, this policy and the Shire's tender procedures. The procurement decision is to be based on pre-determined evaluation criteria that assess all compliance, risk, and value for money considerations in accordance with the definition stated in this Policy.</p>

In each case where quotations are required (taking into account 3.2 Purchasing Principles and 4.0 Value for Money), quotations can be sought from:

- an existing panel of pre-qualified suppliers administered by the Shire; or
- a pre-qualified supplier on the WALGA Preferred Supply Program or State Government Common Use Arrangement (CUA); or
- on the open market; or
- any combination of the above.

## 5.6 Tendering Exemptions

An exemption to publicly invite tenders may apply in the following instances:

- the purchase is obtained from a pre-qualified supplier under the WALGA Preferred Supply Program or State Government Common Use Arrangement.
- the purchase is from a Regional Local Government or another Local Government;
- the goods or services are to be supplied by or obtained from the governments of the State or the Commonwealth or any of their agencies;



- the goods to be supplied are petrol or oil or any other gas or liquid automotive fuel;
- the purchase is acquired from a person registered on the WA Aboriginal Business Directory, as published by the Small Business Development Corporation, where the consideration under contract is worth \$250,000 or less and represents value for money;
- the purchase is acquired from an Australian Disability Enterprise and represents value for money;
- the purchase is from a pre-qualified supplier under a Panel established by the Shire; or
- any of the other exclusions under Regulation 11 of the Regulations apply.

When making a decision about whether to conduct a public Tender or utilise a Tender exempt arrangement, the cost and benefits of both processes should be compared.

The compliance requirements, time constraints, costs and risks associated with a public Tender should be evaluated against the value delivered by such a process. This should then be compared with the costs and benefits of using a Tender exempt arrangement. Where market testing is warranted to ensure 4.0 Value for Money, a public Tender is advisable even when using pre-qualified Suppliers.

### ***5.7 Inviting Tenders Under the Tender Threshold***

Where considered appropriate and beneficial, the Shire may consider publicly advertising Tenders in lieu of undertaking a *Request for Quotation* for purchases under the tender threshold. This decision should be made after considering the benefits of this approach in comparison with the costs, risks, timeliness and compliance requirements and also whether the purchasing requirement can be met through the WALGA Preferred Supply Program or State Government CUA.

If a decision is made to undertake a public Tender for contracts expected to be \$150,000 or less in value, the Shire's tendering procedures must be followed in full.

### ***5.8 Sole Source of Supply***

Where the purchasing requirement is over the value of \$5,000 and of a unique nature that can only be supplied from one supplier, the purchase is permitted without undertaking a tender or quotation process. This is only permitted in circumstances where the Shire has written justification to support that there is only one source of supply for those goods, services or works. The Shire must use its best endeavours to determine if the sole source of supply is genuine by exploring if there are any alternative sources of supply. Once determined, the written justification must be endorsed by the Chief Executive Officer or by the Council prior to a contract being entered into.

From time to time, the Shire may publicly invite an expression of interest to effectively determine that one sole source of supply still genuinely exists.



## 5.9 Anti-Avoidance

The Shire shall not enter two or more contracts or create multiple purchase order transactions of a similar nature for the purpose of "splitting" the value of the purchase or contract to take the value of the consideration of the purchase below a particular purchasing threshold, particularly in relation to Tenders and to avoid the need to call a public Tender.

## 5.10 Emergency Purchases

An emergency purchase is defined as an unanticipated and unbudgeted purchase which is required in response to an emergency situation as provided for in the *Local Government Act 1995*. In such instances, quotes and tenders are not required to be obtained prior to the purchase being undertaken.

An emergency purchase does not relate to purchases not planned for due to time constraints. Every effort must be made to anticipate purchases required by the Shire in advance and to allow sufficient time to obtain quotes and tenders, whichever may apply

# 6 RECORDS MANAGEMENT

Records of all purchasing activity must be retained in compliance with the *State Records Act 2000 (WA)*, the Shire's Records Management Policy and associated procurement procedures.

For each procurement activity, such documents may include:

- The Procurement initiation document such as a procurement business case which justifies the need for a contract to be created (where applicable);
- Procurement Planning and approval documentation which describes how the procurement is to be undertaken to create and manage the contract;
- Request for Quotation/Tender documentation;
- Copy of public advertisement inviting tenders, or the notice of private invitation (whichever is applicable);
- Copies of quotes/tenders received;
- Evaluation documentation, including individual evaluator's notes and clarifications sought;
- Negotiation documents such as negotiation plans and negotiation logs;
- Approval of award documentation;
- All correspondence to respondents notifying of the outcome to award a contract;
- Contract Management Plans which describes how the contract will be managed; and
- Copies of purchase orders and/or contract(s) with supplier(s) formed from the procurement process.

## 7 BUY LOCAL POLICY

As much as practicable, the Shire must adopt 'buy local first' philosophy:

- where appropriate, consider buying practices, procedures and specifications that do not unfairly disadvantage local businesses;
- consider indirect benefits that have flow on benefits for local suppliers (i.e. servicing and support);
- ensure that procurement plans address local business capability and local content;
- explore the capability of local businesses to meet requirements and ensure (where practicable) that Requests for Quotation and Tenders are designed to accommodate the capabilities of local businesses;
- avoid bias in the design and specifications for Requests for Quotation and Tenders – all Requests must be structured to encourage local businesses to bid; and
- provide adequate and consistent information to potential suppliers.

To this extent, a qualitative weighting may be afforded in the evaluation of quotes and tenders where suppliers are located within the boundaries of the Shire, or substantially demonstrate a benefit or contribution to the local economy.

A regional price preference may be afforded to locally based businesses for the purposes of assessment. Provisions are detailed within the Shire's Regional Price Preference Policy (Policy 2.7).

## 8 PURCHASING FROM DISABILITY ENTERPRISES

Pursuant to Part 4 of the *Local Government (Functions and General) Regulations 1996*, the Shire is not required to publicly invite tenders if the goods or services are to be supplied from an Australian Disability Enterprise, as registered on [www.ade.org.au](http://www.ade.org.au). This is contingent on the demonstration of value for money.

Where possible, Australian Disability Enterprises are to be invited to quote for supplying goods and services under the tender threshold. A qualitative weighting may be afforded in the evaluation of quotes and tenders to provide advantages to Australian Disability Enterprises.

## 9 PURCHASING FROM ABORIGINAL BUSINESSES

Pursuant to Part 4 of the *Local Government (Functions and General) Regulations 1996*, the Shire is not required to publicly invite tenders if the goods or services are to be supplied by a person registered on the Aboriginal Business Directory published by the Small Business Development Corporation on [www.abdwa.com.au](http://www.abdwa.com.au), where the expected consideration under contract is worth \$250,000 or less. This is contingent on the demonstration of value for money.

Where possible, Aboriginal businesses are to be invited to quote for supplying goods and services under the tender threshold. A qualitative weighting may be

afforded in the evaluation of quotes and tenders to provide advantages to Aboriginal owned businesses, or businesses that demonstrate a high level of aboriginal employment.

## **10 PANELS OF PRE-QUALIFIED SUPPLIERS**

### ***10.1 Policy Objectives***

In accordance with Regulation 24AC of the *Local Government (Functions and General) Regulations 1996*, a Panel of Pre-qualified Suppliers ("Panel") may be created where most of the following factors apply:

- the Shire determines that a range of similar goods and services are required to be purchased on a continuing and regular basis;
- the purchasing activity under the intended Panel is assessed as being of a low to medium risk;
- the Panel will streamline and will improve procurement processes; and
- the Shire has the capability to establish, manage the risks and achieve the benefits expected of the proposed Panel.

The Shire will endeavour to ensure that Panels will not be created unless most of the above factors are firmly and quantifiably established.

### ***10.2 Establishing a Panel***

Should the Shire determine that a Panel is beneficial to be created, it must do so in accordance with Part 4, Division 3 the *Local Government (Functions and General) Regulations 1996*.

Panels may be established for one supply requirement or a number of similar supply requirements under defined categories within the Panel.

Panels may be established for a minimum of two (2) years and for a maximum length of time deemed appropriate by the Shire.

Evaluation criteria must be determined and communicated in the application process by which applications will be assessed and accepted.

In each invitation to apply to become a pre-qualified supplier (through a procurement process advertised through a state-wide notice), the Shire must state the expected number of suppliers it intends to put on the panel.

Should a Panel member leave the Panel, they may be replaced by the next ranked Panel member determined in the value for money assessment should the supplier agree to do so, with this intention to be disclosed in the detailed information set out under Regulation 24AD(5)(d) and (e) when establishing the Panel.

### ***10.3 Distributing Work Amongst Panel Members***

To satisfy Regulation 24AD (5) of the Regulations, when establishing a Panel of pre-qualified suppliers, the detailed information associated with each invitation to apply to join the Panel must either prescribe whether the Shire intends to:

- i. Obtain quotations from each pre-qualified supplier on the Panel with respect to all purchases, in accordance with Clause 10.4; or
- ii. Purchase goods and services exclusively from any pre-qualified supplier appointed to that Panel, and under what circumstances; or
- iii. Develop a ranking system for selection to the Panel, with work awarded in accordance with Clause 10.3(b).

In considering the distribution of work among Panel members, the detailed information must also prescribe whether:

- a) each Panel member will have the opportunity to bid for each item of work under the Panel, with pre-determined evaluation criteria forming part of the invitation to quote to assess the suitability of the supplier for particular items of work. Contracts under the pre-qualified panel will be awarded on the basis of value for money in every instance; or
- b) work will be awarded on a ranked basis, which is to be stipulated in the detailed information set out under Regulation 24AD(5)(f) when establishing the Panel. The Shire to invite the highest ranked Panel member, who is to give written notice as to whether to accept the offer for the work to be undertaken. Should the offer be declined, an invitation to the next ranked Panel member is to be made and so forth until a Panel member accepts a Contract. Should the list of Panel members invited be exhausted with no Panel member accepting the offer to provide goods/services under the Panel, the Shire may then invite suppliers that are not pre-qualified under the Panel, in accordance with the Purchasing Thresholds stated in section 5.5 of this Policy. When a ranking system is established, the Panel must not operate for a period exceeding 12 months.

In every instance, a contract must not be formed with a pre-qualified supplier for an item of work beyond 12 months, which includes options to extend the contract.

### ***10.4 Purchasing from the Panel***

The invitation to apply to be considered to join a panel of pre-qualified suppliers must state whether quotations are either to be invited to every member (within each category, if applicable) of the Panel for each purchasing requirement, whether a ranking system is to be established, or otherwise.

Each quotation process, including the invitation to quote, communications with panel members, quotations received, evaluation of quotes and notification of award communications must all be captured on the Shire's records system. A separate

file is to be maintained for each quotation process made under each Panel that captures all communications between the Shire and Panel members.

### 10.5 Recordkeeping

Records of all communications with Panel members, with respect to the quotation process and all subsequent purchases made through the Panel, must be kept.

For the creation of a Panel, this includes:

- The Procurement initiation document such as a procurement business case which justifies the need for a Panel to be created;
- Procurement Planning and approval documentation which describes how the procurement is to be undertaken to create and manage the Panel;
- Request for Applications documentation;
- Copy of public advertisement inviting applications;
- Copies of applications received;
- Evaluation documentation, including clarifications sought;
- Negotiation documents such as negotiation plans and negotiation logs;
- Approval of award documentation;
- All correspondence to applicants notifying of the establishment and composition of the Panel such as award letters;
- Contract Management Plans which describes how the contract will be managed; and
- Copies of framework agreements entered into with pre-qualified suppliers.

The Shire is also to retain itemised records of all requests for quotation, including quotations received from pre-qualified suppliers and contracts awarded to Panel members. A unique reference number shall be applied to all records relating to each quotation process, which is to also be quoted on each purchase order issued under the Contract.

Information with regards to the Panel offerings, including details of suppliers appointed to the Panel, must be kept up to date, consistent and made available for access by all officers and employees of the Shire.

## 11 ADOPTION

Adoption of this Purchasing Policy was endorsed by the Shire by:

	Date	Signature
CEO		
Mayor/President		

## **PROCUREMENT PROCEDURES MANUAL**

### **PROCUREMENT GUIDELINES**

#### **1. General Principles**

- Fairness – Suppliers must be treated fairly (this includes confidentiality in respect of suppliers' quotes and tenders).
- Compliance – with the requirements of our legislation (particularly the Local Government (Functions and General) Regulations 1996), with the requirements of trade practices legislation, and with the Shire's Code of Conduct, policies and procedures. [References to Regulations are denoted as Reg xx](#)
- Probity – Officers are not to accept gifts or favours from suppliers, and must declare all conflicts of interest.
- Accountability – Officers must be accountable for their actions in relation to procurement, and particularly only act within their areas of authority.
- Value for money – Officers must always ensure that they are getting a good deal for the Shire and the community. This requires open and fair competition.
- Protecting the Shire's position and performance – we are trying to achieve outcomes, so it is essential that all purchasing contracts are well thought out, properly documented, and effectively managed. This is fashionably known as "risk management".

#### **2. Every purchase involves a contract**

Every single purchase involves a contractual agreement (ie. Purchase order, Offer and acceptance, contract ) that is ultimately subject to contract law. Part of the purpose of these procedures is to ensure that the Shire's position is protected at all times.

#### **3. Documentation is essential**

We can neither make sound procurement decisions nor demonstrate appropriate procurement practices without good documentation. All documents associated with either a direct purchase or via quotation/tender must be recorded and retained.

For direct purchases this includes:

- quotation documentation;
- supporting internal documentation i.e. approvals for spend, and
- credit card vouchers, order forms and requisitions.

For purchases by tender, the documentation includes:

- tender documentation (including tender notices, and addenda issued during the tender period, notices to respondents);
- supporting internal documentation i.e. business requirements, technical specifications;
- evaluation documentation i.e. justification/rationale used in the assessment of supplier, calculations to support decision re price
- enquiry and response documentation;
- any report to the Council or the CEO recommending the award of a contract; and
- notification and award documentation.

Documents must be managed in accordance with the minimum requirements of the State Records Act 2000 (WA) and with the Shire's approved Record Keeping Plan and with the requirements set out in these purchasing procedures.

#### **4. Tendering v. Direct Purchasing**

Procurement can be broadly categorised into two types of processes:

- Direct purchasing; and
- Tendering

The general principles and documentation requirements set out above apply to both direct purchasing and to tendering. However, due to the different processes and details, each will be separately dealt with.

#### **5. Exemptions to Tender (Reg 11)**

As a general rule, procurement is required to be done by tender where the value of the contract exceeds \$150,000. But this is subject to certain exceptions. Tenders are not required where:

- The purchase is made in an emergency situation as defined by the Local Government Act 1995;
- Purchasing from a tender-exempt organisation such as WALGA (Preferred Supplier Arrangements or Business Services) or the Department of Finance (permitted Common Use Arrangements);
- Purchasing from a state or federal government agency, or from a Regional Local Government or another Local Government;
- The purchase is under auction authorised by Council;
- Within the last 6 months –
  - Tenders were invited for supply of the particular goods or services but no tender was received that met the tender specifications or the value for money assessment; *Reg 11(2)(c)* or
  - Expressions of interest were sought pursuant to *Reg 21 (1)* of the Local Government (Functions and General) Regulation 1996 but no supplier was, as a result, listed as an acceptable tenderer.
- There is good reason for the local government to believe that, because of the unique nature of the goods and services required or for any other reason, it is unlikely that there is more than one potential supplier;<sup>1</sup>
- The contract is for petrol, oil, or other liquid or gas used for internal combustion engines;
- The purchase is for goods or services \$250,000 or less and to be supplied by a person registered on the Aboriginal Business Directory WA (published by the Small Business Development Corporation) but also represents value for money;
- For goods or services to be supplied by an Australian Disability Enterprise; or
- The contract is a renewal or extension of a term of a contract where –
  - The original contract was awarded as a result of a complying public tender; and
  - The original RFT contained a provision for renewal or extension; and
  - The original contract contains an option to renew or extend its term; and
  - The supplier's tender required such an option and specified the consideration payable, or the method by which consideration is to be calculated, if the option is exercised.

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<sup>1</sup> To establish that such a belief is actually held, the Council should so resolve or (if authority is delegated to the CEO) the CEO should make a written statement to that effect.

- The goods or services are to be supplied by a pre-qualified supplier appointed to a panel of such pre-qualified suppliers established pursuant to Division 3 of the Local Government (Functions and General) regulations 1996.

It should be noted that (subject to the exemptions listed above), procurement must be subject to tendering if the value of the contract will exceed \$150,000, but it may be considered desirable in the interest of fair and open competition and/or obtaining best value for money to tender supply contracts of lesser value. Similarly, it may be considered desirable to conduct a tender even if one of the exemptions listed above might apply.

Wherever procurement is done by tender (even if not required by legislation) the requirements of the Local Government (Functions and General) Regulations and of the Shire's tender procedures must be complied with.

#### 6. Determination of Contract Value

For the purpose of establishing the value of contracts for the purposes of the Shire of Wiluna's purchasing policy, Goods and Services Tax (GST) should be excluded.

For a one-off supply of a particular good (eg. A refuse collection truck) or service (eg. A survey of a particular lot of land) the value can be determined with some certainty. However, for contracts of ongoing supply, it is not so clear due to the failure of the Local Government (Functions and General) Regulations 1996 to address the issue of periodicity. That is, even the supply of paper clips can be expected to exceed \$150,000 over an infinite period of time.

There is currently no law on this matter because neither the Act nor the Regulations deal with the issue, and no Court has yet determined such a matter. Various people have their opinions (including the Director-General of the Department of Local Government and Communities), but those opinions are not the law.

And in the absence of any law, common sense will have to prevail.

Consequently, for the purpose of the Shire of Wiluna's purchasing policy and the purpose of these procedures, it will be acceptable to treat each purchase of paper clips as a "one-off" contract and to value it accordingly.

Contracts for ongoing supply should be valued as for the whole term of the contract if the contract is for a specified term, unless the term is for less than 12 months and is for a good or service for which the Shire will have an ongoing requirement. In the latter case, the value of supply over a period of at least 12 months should be estimated in order to establish how the Shire of Wiluna's purchasing policy and procedures should be applied.

If the value of the contract (or the estimated 12-month value of supply where the contract is for less than 12 months) exceeds \$150K then the procurement must be by way of tender unless one of the exemptions in the preceding section applies. This 12-month estimate technique can also be used for contracts of less than \$150K to determine how many (and what type of) quotes Policy 2.6 requires.

#### 7. Delegations of Authority

The Council delegates authority to the CEO to commit expenditure up to a certain expenditure threshold. The CEO can then further delegate the ability to commit expenditure to local government officers. This results in a hierarchy of delegations that are designed to enable low-risk high-frequency purchasing while managing high-value, high-risk procurement appropriately.



The ability to enter into a contract is also governed by a system of delegations. Entering into a contract is essentially creating a legal and binding relationship between the Shire and a supplier. Contract delegations usually align with the level of financial delegation given to a local government officer.

Reference should be made to the Shire's *Register of Delegations* which is kept and maintained pursuant to the requirements of section 5.46 of the Local Government Act 1995.

i) Purchases must be within the Officer's budget

Before a purchase is made, there must be a provision within that section of the budget for which the purchasing Officer is responsible. Officers can only make a decision to commit council funds where a budget for the activity exists, otherwise it will be "unauthorised expenditure".

Furthermore, **officers must not sign purchase orders on behalf of other managers** (even if the other manager is absent, and staff or suppliers are claiming urgency!) or expend funds from an area of the Shire's budget that is not under their control. That would be a breach of the accountability and separation of duties which enables the Shire to mitigate the risk of fraud and misappropriation.

ii) Value for Money

Obtaining a value for money involves price sensitivity, but it doesn't mean always selecting the cheapest price. The value for money assessment needs to include the cost of delivery (which can be very substantial to have goods and services ~~are~~ delivered in Wiluna), whole-of-life-cycle cost, quality, availability (particularly with regard to delivery by the required date), and functionality.

There may also be some local economic values involved, such as encouraging local business and employment and stopping leakages from the local economy.

## 8. Direct Purchasing Procedures

All direct purchases must be subject to obtaining the required number of quotations or estimates to ensure that the Shire is obtaining a good deal. These are set out in the Shire of Wiluna Policy no. 2.6 "Purchase of Goods and Services", and are briefly summarised in the table below (*Reg 11A*):

Purchase Value Threshold	Number of Quotations/Estimates Required
Up to \$5,000	1 Written (or verbal with written notes)
Over \$5,000 and up to \$20,000	2 written
Over \$20,000 and up to \$50,000	3 written
Over \$50,000 and up to \$150,000	3 quotes using formal <i>Request for Quotation</i>
Over \$150,000	<b>Tenders generally required – refer above for tender exemptions</b>

The template for a formal Request for Quotation is:

- [SoW Request-for-Quotation.dotx](#)

## 9. Use of Corporate Credit Cards





In order to achieve the cost benefits and efficiencies of purchasing by credit card, an officer with access to a corporate credit card should give favourable consideration to using this method whenever appropriate and available.

As a guide, the method is generally appropriate when the good or service has already been obtained or it is possible to verify that purchase is of the appropriate quality for the price.

Examples include when uplifting the goods or receiving a service directly from the supplier, when purchasing travel tickets, when paying for subscriptions, when purchasing fuel for Council vehicles, when settling a hotel bill, or when paying for services such as utilities or Internet connections.

Credit cards are increasingly becoming the preferred and sometimes the only means of payment available, particularly in relation to Internet-based suppliers who are often able to meet the Shire's supply requirements at very favourable prices.

The CEO has introduced the following form which is to be completed in respect of credit card purchases.

			
<p><b>Shire of Wiluna</b> <b>Corporate Credit Card</b> <b>Approval to Use</b></p>			
<b>Suppliers Name:</b> _____			
<b>Details of Proposed Purchases:</b> _____ _____ _____ _____			
<b>Amount:</b> _____			
<b>Account Allocation:</b> _____			
<p>I acknowledge that the Credit Card will only be used in accordance with the Shire's Corporate Credit Card Agreement (see reverse of this form) which includes no recording of the Corporate Credit Card Details and all purchase must be business related.</p>			
_____ Signature		_____ Date	
_____ Print Name			
<i>Note: You may only use your departments Corporate Credit Card.</i>			
<b>CARDHOLDERS APPROVAL</b>			
<p>I approve the use of my allocated Corporate Credit Card subject to it being used only for the purposes described above and in accordance with the Shire's Corporate Credit Card Agreement. Any changes to the intended use and/or purchasing amount must be endorsed by me in advance of the purchase.</p>			
_____ Signature		_____ Date	
_____ Print Name			

This form is hereinafter referred to a “Credit Card Voucher”.

The reverse of the Credit Card Voucher sets out the terms and conditions of use of a corporate credit card, and is reproduced below –

### Corporate Credit Card Agreement

Terms and conditions of usage of a Corporate Credit card:

#### Purchasing

1. To only purchase goods and services that have been included in the Shires current annual budget.
2. To only purchase goods and services that are within my department/area of authority.
3. To only use the Corporate Credit Card for Shire business and not for any private purposes. The use of the Corporate Credit Card for sustenance purposes is not considered private usage.
4. To only purchase fuel for Shire owned vehicles.
5. The Chief Executive Officer must approve the use of the Corporate Credit Card for entertainment purposes.
6. Not to use the Corporate Credit Card to obtain cash.
7. To not exceed the credit limit of the Corporate Credit Card.
8. To ensure the Shire purchasing and tender policies are complied with.
9. To obtain a valid Tax Invoice and transaction slip after every transaction.
10. Individual purchases are limited to the delegated authority purchase limits e.g. \$5,000.

#### Record Keeping

1. To attach all receipts, transaction slips and purchase orders (if relevant) to the monthly cardholder statement.
2. Sign the monthly card holder statement acknowledging that the transactions are valid.
3. Ensure the transactions are correctly costed.

#### Authority to Pay

1. The Chief Executive Officer is to authorise the payment of all credit cards except his/her own.
2. The Chief Executive Officer may authorise another Senior Employee to approve the payment of a Corporate Credit Card.
3. The Chief Executive Officer is to approve one of the Executive Managers and the Deputy Chief Executive Officer is to authorise the Chief Executive Officers Credit Card, this is to ensure no one officer is authorising their own credit card transactions.
4. No officer is to authorise for payment their own Corporate Credit Card.

#### Misuse of Corporate Credit Card

1. Failure to comply with the Shire's Credit Card policy or procedures (Corporate Credit Card Agreement) may result in the removal of the Corporate Credit Card and/or other actions as deemed to be appropriate which includes civil and criminal.

#### Other

1. The Corporate Credit Card is not to be linked to any rewards or loyalty scheme/program.
2. Corporate Credit Cards are to be kept safe and secure.
3. The Corporate Credit Card may be used by other members of your department on the condition that the cardholder gives prior permission for its use and that no recording of the card details including card number, takes place.
4. Lost or Stolen Corporate Credit Cards must be reported to the Finance Team and ANZ Bank immediately.
5. Corporate Credit cards must be returned to your supervisor during periods of extended leave (greater than 1 month), have been requested to be returned or you no longer work for the Shire.

Tax invoices (or similar substantiating documents) should be obtained for all credit card transactions (except for regular subscriptions such as FTP sites used for large file transfers).

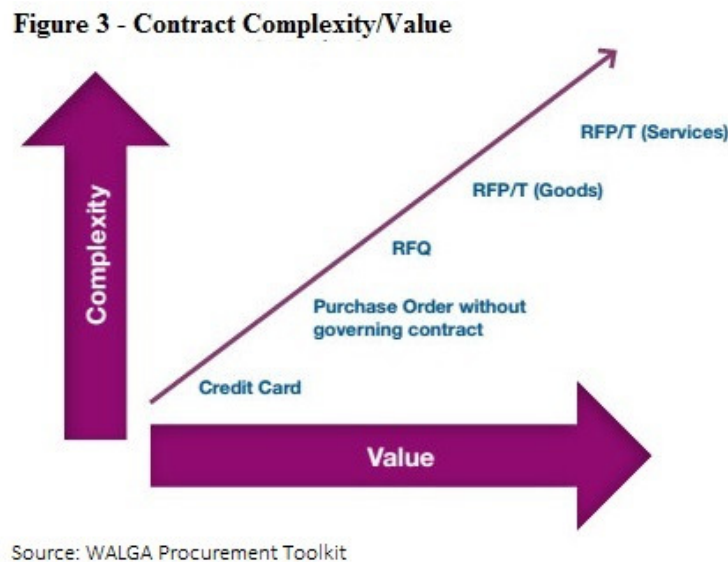
Tax invoices, quotes and other documents relating to credit card purchases should be attached (stapled) to the credit card voucher, from where they will eventually be appended to the monthly cardholder statement.

## OPERATING PROCEDURES

### 10. Use of Shire Purchase Orders

In terms of risk management, the amount of time, effort and expense that goes into documenting supply contracts should be related to the value and the risks of the particular procurement. This is recognised both in our regulations and in our policies – the requirement to go to tender (which requires the most time and effort and expense in relation to documentation) is only imposed on the most valuable contracts (ie. Those valued at over \$150,000).

Figure 3 (below) represents how the complexity and rigour of the procurement process and documentation increase with the complexity and value of the goods or services sought:



Purchase orders are “short-form supply contracts” that are useful for documenting the numerous small supply contracts that the Shire awards where it would not be worth the time, effort or expense of purpose-drafting a bespoke contract document.

When viewed as “short-form supply contracts”, the importance of properly completing and issuing purchase orders can be appreciated in the proper context.

#### **Purchase orders must be issued in respect of all purchases except the following:**

- Credit card purchases and petty cash purchases
- Purchase of services from utilities such as Telstra, Water Corporation, Horizon Power, et cetera
- Rating valuation reports and monthly interim rating valuations provided by the Valuer General’s Office and the Department of Minerals and Energy.
- Land information provided on account by Landgate or the Department of Lands.
- Purchases otherwise documented by a formal supply contract, such as debt collection services.
- Purchases otherwise documented by a formal supply contract subsequent to the determination of the tender.

As purchase orders are a supply contract, **all purchase orders must include the following:**

- The date that the purchase order is issued (which must be the date that the supplier is given the “go ahead” – issuing purchase orders after the goods have been supplied is a breach of our policies and procedures).
- A sufficiently detailed description of the goods and/or services to be supplied so as to eliminate so far as possible any causes of confusion, or grounds for later disputes. Where a detailed quotation has been provided, the quotation should be referred to on the purchase order.
- The quantity or quantities to be supplied.
- The price(s). This is essential, as issuing an order without price information is like writing a blank cheque. If the price is based on an estimate rather than a firm quotation, this should be indicated on the purchase order (at least on the office copy).
- **The required delivery date.** This is absolutely essential in terms of managing supplier performance and risks arising to the Shire as a consequence of late delivery. No supply contract should ever be entered into without specifying a required delivery date.
- Other delivery instructions, as required.
- The following general supply conditions which are aimed at protecting the Shire’ position:
  1. **Compliance with Order and Specifications.** Supplier warrants that all articles, material and work covered by this order will conform to the specifications, drawings, samples, or other description furnished by the buyer and will be fit and sufficient for the purpose intended, merchantable, of good material and workmanship free of defects. The foregoing warranties shall constitute conditions and are in addition to all other warranties, whether expressed or implied, and shall survive any delivery, inspection, acceptance, or payment to Supplier.
  2. **Delivery by required date.** Supplier agrees to notify the Shire of Wiluna immediately of any delay in shipment, time and delivery being of the essence of this Order. In the event of any such delay, the Shire of Wiluna may cancel all or any part of this Order. No extension to the delivery schedule will be recognised unless given in writing. Failure to notify the Shire of Wiluna of any delay in delivery will render this Order null and void.
  3. **Non-assignment.** Assignment of this order or any interest therein or any payment due or to become due without the written consent of buyer shall be void.
  4. **Change in Terms.** The Shire of Wiluna is not bound by any printed matter on supplier’s acknowledgement forms or invoices that impose conditions not agreeable to the terms on this order.
  5. **Governing Law.** The Contract resulting from the acceptance of this order is subject to the laws of the State of Western Australia; by accepting this order, the supplier waives the right to initiate legal action in respect of the contract in the courts of any other jurisdiction.

These general supply conditions are printed on system purchase order forms, but they (or more elaborate versions) should also be written into all other supply contracts.

- The position and signature of the Officer who issues the purchase order.

In addition, the “Office Copy” should:

- Show the general ledger or job costing ledger number(s) to which the purchase is to be charged. This need not be included on the “Supplier’s Copy” of the purchase order.
- Include the issuing officer’s completed certificate of compliance with the purchasing policy.

All quotations and other documents related to the particular purchase must be attached (stapled) to the “Office Copy” of the purchase order.

## **11. Tendering Procedures**

These procedures apply to all procurements by tender, whether or not a tender is actually required by the provisions of the Local Government (Functions and General) Regulations 1996 or by the Shire of Wiluna’s Purchasing Policy.

With appropriate adaptations, these procedures also apply to:

- Expressions of Interest invited as part of a two-stage (or “restricted”) tender process pursuant to *Regulations 21 to 24* of the Local Government (Functions and General) Regulations 1996; and
- The process for establishing panels of pre-qualified suppliers pursuant to Division three of the Local Government (Functions and General) Regulations 1996.

## **12. Definitions**

For the purpose of these tendering procedures:

- *Addendum* means a variation, additional document, or additional information issued during the tender period to all tenderers.
- *Tender Documents* means (as appropriate) the Request for Tender (RFT), Request for Proposal (RFP) or such-like documents and includes any addenda issued during the tender period.
- *Tender file* means the file created at the commencement of each tender process, where all documents relating to the tender will be registered and retained.
- *Tender notice* means the public notice published in the *West Australian* and on the Shire’s public notice boards announcing a tender and advising where tender documents can be obtained and to whom enquiries should be directed.
- *Tender Period* means the time between state-wide publication of the tender notice and the deadline for lodging tender submissions (ie. Closing Time).
- *Tender portal* means the Shire of Wiluna’s tender portal hosted by Tenderlink at <https://www.tenderlink.com/wiluna/>
- *Tender submission* means the submission made by a potential supplier in response to the Request for Tender (RFT) or Request for Proposal (RFP).
- *Tenderer* means a supplier who has made a tender submission, or (before the close of tenders) a supplier who has obtained the tender documents and who may make a tender submission.
- *Tenders Register* means the register required to be kept pursuant to Regulation 17 of the Local Government (Functions and General) Regulations 1996, which records the details which that Regulation requires to be recorded in the Tenders Register.
- *Tender Report* means a post-evaluation confidential report to the Council or the CEO (in respect of a tender that the CEO has delegated authority to determine) making a recommendation as to the outcome of the tender.
- *User Department* means the Department of the Shire of Wiluna (other than the Administration Department) whose procurement requirements are to be addressed by a particular tender.

## **13. Tender Administration**

To ensure the highest levels of probity and statutory compliance, all tenders are to be administered by the Deputy Chief Executive Officer (or such other officer as the CEO may from time to time delegate this function to).

It is expected that tenders will be administered in close liaison with the User Department, but that the roles shall be separated as follows:

The User Department will provide all the technical requirements for the procurement, including specifications and quantities for the goods and/or services to be supplied, scopes of work, required delivery dates, etc.

The Deputy CEO shall cause a tender file to be created for each individual tender procurement process. The tender file shall be created at the commencement of the process, and the Deputy CEO shall be responsible for ensuring that all documents are registered and retained on the tender file. These documents include but are not limited to:

- Copies of all tender notices and documents relating to the publication of such tender notices (a copy of the tender notice published in the *West Australian* must also be placed in the Tenders Register) *Reg 11*
- Copies of all documents comprising the Tender Documents.
- Copies of any and all Addenda issued in relation to the tender, and documents relating to the publication of such Addenda.
- Copies of any records or other documents relating to site inspections and/or tender briefings (to be provided by the User Department).
- Copies (after the opening of tenders) of all tender submissions received and written in Tenders Register. *Reg 16, 17.*
- Copies of all correspondence (if any) with tenderers.
- Copies of tender evaluation documentation (to be provided by the User Department).
- Copies of any report to the Council or to the CEO making a recommendation as to the determination of the tender.
- Copies of correspondence with tenderers advising the outcome. *Reg 19*
- Copies of any contract(s) awarded as a result of the tender.

The Deputy CEO will (in liaison with the User Department) produce compliant tender documentation by adapting one of the approved tender templates and incorporating the technical requirements as provided by the user Department. It will not be the Deputy CEO's role to review the scope of works or technical requirements, except to clarify any matters that might impact upon a compliance issue; the Deputy CEO's role is to ensure that the documentation and process are compliant with the legislation and with Shire policies and process requirements.

The approved tender templates are:

- [SoW Request-for-Tender\\_General-Goods-and-Services.dotx](#)
- [SOW Request-for-Tender\\_Building-and-Construction-Services.dotx](#)
- [SoW Expressions\\_of\\_Interest.dotx](#) (for Expressions of Interest only)

The Deputy CEO will also produce a compliant tender notice, arrange for the publication of the tender notice and the uploading of the tender documents onto the Shire's tender portal.

The User Department will provide such additional information as the Deputy CEO may require in order to finalise the tender documents, and will review the draft tender documents and provide comments thereupon to the Deputy CEO.

The User Department will nominate a person to be the contact person during the tender period in respect of queries that any tenderers may have. If there are any queries, the User Department will provide the response to the Deputy CEO and the Deputy CEO will be responsible for publishing the response as an Addendum. (It is essential that the answer to a query from ANY tenderer be provided to ALL tenderers).

The User Department will be responsible for conducting and documenting any site inspections or tender briefings (if applicable). At the very minimum, documentation of such



events will comprise a record of attendance and, in the case of a tender briefing, minutes recording what was discussed. The following templates are available for this purpose:

- [Tender-Briefing-Site-Inspection-Register.doc](#)
- [Tender-Briefing-Site-Inspection-Minutes.doc](#)

All documentation from site inspections and/or tender briefings must be provided to the Deputy CEO for registration and retention on the Tender File.

The Deputy CEO will be responsible for the opening of tenders after the close of the tender period, and ensuring that:

- The required details of all tenders received by the closing time are entered into the Tenders Register
- Copies of all tender submissions received by the closing time are immediately registered and retained on the Tender File.
- Copies of all tender submissions received by the closing time are promptly delivered to the User Department for evaluation.

The User Department will be responsible for the evaluation of tenders, and for preparing a report to the Council or to the CEO (as the case may require) with a recommendation as to the determination of the tender. A copy of the evaluation documents and of the report to the Council or the CEO must be provided to the Deputy CEO for registration and retention on the Tender File.

The Deputy CEO will be responsible for ensuring that all tenderers are advised of the outcome of the tender.

In the event that a contract is awarded as a consequence of the tender, the User Department shall be responsible for management of the contract.

#### 14. Informing the Council

The Council has requested that all tender documents be presented to a Council “Information Briefing” prior to the publication of the relevant tender notices.

Given the problems previously experienced in relation to tenders, Councillors wish to monitor the quality of the tender documentation being published. Consequently, once the management team is happy with the documentation for any particular tender, it is to be presented to a Councillor “Information Briefing” before the tender notice is published.

#### 15. Requirements for Lodgement of Tenders

To ensure statutory compliance and given the Shire of Wiluna’s remote location and unreliable mail and courier services, ALL tenders are to be posted on the Shire’s Tender Portal, and uploading tender submissions to the tender portal is to be the principal method of lodging tender submissions.

ALL persons requesting the tender documents are to be registered as tenderers in the tender portal. This will ensure that all tenderers will receive any Addenda issued (and that we have a record of receipt).

In respect of tenders where it is believed that there may be local (i.e. Wiluna-based) tenderers, a physical tender box may be provided at the Shire’s office for hand-delivery of tender submissions as a secondary way of lodging tenders. Tenderers are to be discouraged from using mail or couriers to deliver tenders to the tender box as the unreliable mail and courier services will most likely result in their tender submissions being rejected as late tenders.



Tender submissions by fax or email are not to be accepted (and all tender documents must say so).

#### 16. Opening of Tenders

Tenderers should be opened promptly after the closing time for the receipt of tender submissions, in the presence of the CEO or his nominee and at least one other staff member from the Shire's administration. As a general principle, the Shire officers present at the opening of tenders would not include an officer from the User Department (unless the User Department is the Administration Department).

Members of the public are entitled to be present at the opening of the tenders.

As each tender is opened, the required details are to be entered into the Tenders Register and the name of the tenderer can be read aloud for the benefit of any members of the public present. However, details of the tender such as price should be kept confidential as being "commercial in confidence".

**ANY TENDERS RECEIVED AFTER THE CLOSING TIME OR IN A PLACE OR MANNER OTHER THAN THAT PRESCRIBED FOR THE LODGEMENT OF TENDERS MUST BE REJECTED WITHOUT CONSIDERATION OF THEIR MERITS.**

A letter should be sent to anybody whose tender is rejected for being late or lodged in a place or manner other than that prescribed for the lodgement of tenders advising that their tender has been rejected and explaining the reason therefor. Copies of such letters should be registered and retained on the Tender File.

Once all the tenders that have not been rejected have been opened and the details have been recorded in the Tenders Register, the two staff involved in the opening of tenders should sign the Tender Register entry.

A copy of each tender submission that has not been rejected must be registered immediately on the Tender File.

Copies of all tenders that have not been rejected should then be promptly provided to the User Department for evaluation.

#### 17. Evaluation of Tenders

The User Department is responsible for evaluation of the tender submissions received.

The User Department should establish an Evaluation Panel (which might include Council Officers from other Departments, or non-staff members having the required expertise to evaluate the tenders). The evaluation may also be contracted out to an expert (obviously one that doesn't have a conflict of interest). The main requirements for assessment panels are:

- No conflicts of interest; and
- Some expertise or knowledge relevant to the particular evaluation task.

The tenders must be evaluated against the evaluation criteria that are published in the tender documents, and evaluation documents should be utilised that demonstrate how each tender submission was evaluated against the published evaluation criteria.

Tenders should first be evaluated against the compliance criteria, and any tender submissions that are non-compliant can then be eliminated from further consideration.

The remaining tenderers submissions (i.e. those that satisfy the compliance criteria) can then be evaluated against the qualitative criteria and finally against the price criteria.

After the evaluation of tenders has been completed, the user Department is to prepare a report for the Council agenda or for the CEO (as the case may require) making a recommendation as to the determination of the tender. To maintain the confidentiality of the tenders, such report should be clearly labelled “CONFIDENTIAL” and, if it is a report for the Council agenda, it should be listed for consideration in the “Closed Session” pursuant to subparagraphs (c) and (e) of subsection 5.23 (2) of the Local Government Act 1995.

The recommendations in a tender report may be:

- That one tender be accepted (and the contract be awarded to the successful tenderer)
- That more than one tender be accepted (and that multiple contracts be awarded). This should only be the case where the RFT document provided for the possibility of such an outcome.
- That no tenders be accepted (and the reason(s) why not).

If it is intended that the contract awarded will be executed under the Shire’s Common Seal, then the recommendation should also include authorisation of the use of the Common Seal pursuant to Part 19 of the Shire of Wiluna Local Law (Standing Orders) 1999. Otherwise, execution of the contract will be delayed for a further month and an additional report will have to be submitted to the next Council meeting seeking a motion to authorise the use of the Common Seal.

A copy of the evaluation documentation and of the report to the Council or the CEO is to be provided to the Deputy CEO for registration and retention on the Tender File.

#### Post-Tender Processes

Depending on the complexity of the matter, contract documentation is to be prepared to the satisfaction of the CEO. This might range from a Purchase Order to one of the (suitably customised) approved contract templates. Or it might be a contract provided by the supplier (in which case it will need to be thoroughly and critically read to ensure that it will be acceptable to the Shire).

Contract templates available include:

- [Supplyof Minor\\_Works\\_Contract\\_2017.04.docx](#)
- [Supply\\_of\\_Goods\\_and\\_Services\\_Contract\\_2017.04.docx](#)
- [Supply\\_of\\_Goods\\_Contract\\_2017.04.docx](#)

All tenderers are to be advised of the outcome of each tender.

#### Contract Management and Monitoring Contractor Performance

Contracts must be actively managed to ensure that the Shire’s needs are being met by the supplier, particularly in respect of quality and timeliness of delivery. This is the responsibility of the User Department.

Managing the contract is actually the major part of many procurements, as depicted in Figure 4 (below) which represents the Procurement Lifecycle:

Figure 4 - Procurement Lifecycle



Source: WALGA Procurement Toolkit

The purpose of procurement is to meet the Shire's needs, and the most important aspect of ensuring that the Shire's needs are adequately met is to manage the contract. This not only means follow-up with suppliers but also monitoring and documentation of supplier performance.

Depending on the nature of the contract, contract management might involve:

- A “Kick-off Meeting” with the contractor to discuss and document OS&H, Industrial Relations, Project Controls, Document Control requirements, Quality Assurance etc. Most importantly, this meeting should confirm performance expectations.
- Negotiation of contract variations – **All contract variations must be in writing.** Ideally, projects/acquisitions will be so well planned that variations are not required, because project variations almost invariably result in cost escalations in circumstances in which the contractor, having already secured the contract, is in a stronger bargaining position than before the contract is awarded. For this reason, it is essential that any contract variations are very carefully and thoroughly documented (including variations in the contract price).
- Regular performance monitoring, with formal performance review meetings for more complex contracts (such as services and works). Such meetings should:
  - Encourage positive communication and schedule meetings to meet Contract Performance Review (CPR) reporting requirements; and
  - Discuss each CPR criterion and follow the agreed process for resolving any differing views on performance should they occur;
  - Attempt to reach agreement on the rating of each criterion in a manner that accurately reflects the contract performance; and
  - Clearly and objectively describe aspects of Unsatisfactory, Marginal and Superior performance. Good and Acceptable performance are also to be noted.
- Most importantly, a written report should be made on Contractor performance.

Reporting on contractor performance is very important because past contractor performance is a legitimate consideration to be taken into account when awarding future contracts. So contractor performance reports will be an important part of the Shire's knowledge base, and should inform future decisions.

The following resources are available to assist with Contract Management and Contractor Performance Reporting:

- [Kick-Off Meeting Agenda.doc](#)
- [Contract-Variation-Form.doc](#)
- [Performance-Review-Meeting-Agenda.xls](#)
- [Contractor-Performance-Report.docx](#)

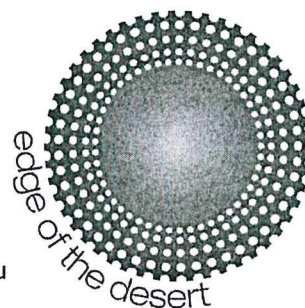
# PURCHASE ORDER

Order Number must be quoted on all packing slips and invoices

**ANY INVOICE WITHOUT AN ORDER NUMBER  
WILL NOT BE PAID**

**Shire OF  
Wiluna**

Scotia Street  
PO Box 38, Wiluna 6646  
T **08 9981 8000**  
F 08 9981 7110  
reception@wiluna.wa.gov.au  
ABN 48 828 074 872



**Purchase Order No: 2715**

**SUPPLIER COPY**

CR NO. 103

To: Vault 21 Pty Ltd  
PO Box 1940  
MALAGA WA 6944

**A required date is mandatory >**

Date 19/04/2017

Date Reqd **25/04/2017**

Page 1 of 1

Fax To:

Please supply the following in accordance with instructions

Quantity	Description	Reference	Unit Value	Line Value
1.00	Test 1 - staff uniforms - Admin Gen - Test 1		\$10.0000	\$10.00
1.00	Test 2 - depot staff uniforms - Admin Gen - Test 2		\$5.0000	\$5.00
1.00	Test 3 - admin staff uniforms - Administration grounds Maintenance - Test 3		\$5.0000	\$5.00

Deliver To: **Delivery instruction should be completed here**

Purchasing Officer Signature

**Authorised Officer signs here**

Deputy CEO

## GENERAL SUPPLY CONDITIONS

1. Compliance with Order and Specifications. Supplier warrants that all articles, material and work covered by this order will conform to the specifications, drawings, samples, or other description furnished by the buyer and will be fit and sufficient for the purpose intended, merchantable, of good material and workmanship free of defects. The foregoing warranties shall constitute conditions and are in addition to all other warranties, whether expressed or implied, and shall survive any delivery, inspection, acceptance, or payment to Supplier.
2. Delivery by required date. Supplier agrees to notify the Shire of Wiluna immediately of any delay in shipment, time and delivery being of the essence of this Order. In the event of any such delay, the Shire of Wiluna may cancel all or any part of this Order. No extension to the delivery schedule will be recognised unless given in writing. Failure to notify the Shire of Wiluna of any delay in delivery will render this Order null and void.
3. Non-assignment. Assignment of this order or any interest therein or any payment due or to become due without the written consent of buyer shall be void.
4. Change in Terms. The Shire of Wiluna is not bound by any printed matter on supplier's acknowledgement forms or invoices that impose conditions not agreeable to the terms on this order.
5. Governing Law. The Contract resulting from the acceptance of this order is subject to the laws of the State of Western Australia; by accepting this order, the supplier waives the right to initiate legal action in respect of the contract in the courts of any other jurisdiction.

## PURCHASE ORDER

Order Number must be quoted on all packing slips and invoices

**ANY INVOICE WITHOUT AN ORDER NUMBER  
WILL NOT BE PAID**

**Shire OF  
Wiluna**

Scotia Street  
PO Box 38, Wiluna 6646  
T **08 9981 8000**  
F 08 9981 7110  
reception@wiluna.wa.gov.au  
ABN 48 828 074 872



**Purchase Order No: 2715**

OFFICE COPY

CR NO. 103

To: Vault 21 Pty Ltd  
PO Box 1940  
MALAGA WA 6944

*required date is mandatory >>*

Date 19/04/2017

Date Reqd **25/04/2017**

Page 1 of 1

Fax To:

Please supply the following in accordance with instructions

Quantity	Description	Reference	Unit Value	Line Value
1.00	Test 1 - staff uniforms - Admin Gen - Test 1		\$10.0000	\$10.00
1.00	Test 2 - depot staff uniforms - Admin Gen - Test 2		\$5.0000	\$5.00
1.00	Test 3 - admin staff uniforms - Administration grounds Maintenance - Test 3		\$5.0000	\$5.00
<b>TOTAL INCLUDING GST</b>				<b>\$20.00</b>

Deliver To :

Purchasing Officer Signature

*Authorised Officer signs here*

Deputy CEO



**These are the job cost or general ledger allocation numbers/accounts (below)**

Account	Description	CC	ET	Invoice No.	Invoice Amount
1E1424060.52	Staff Uniform - Admin GEN				
1E1424120.50	Superannuation - Admin GEN				
1E1424230.52	Administration grounds maintenance GEN				

**GENERAL SUPPLY CONDITIONS**

1. Compliance with Order and Specifications. Supplier warrants that all articles, material and work covered by this order will conform to the specifications, drawings, samples, or other description furnished by the buyer and will be fit and sufficient for the purpose intended, merchantable, of good material and workmanship free of defects. The foregoing warranties shall constitute conditions and are in addition to all other warranties, whether expressed or implied, and shall survive any delivery, inspection, acceptance, or payment to Supplier.
2. Delivery by required date. Supplier agrees to notify the Shire of Wiluna immediately of any delay in shipment, time and delivery being of the essence of this Order. In the event of any such delay, the Shire of Wiluna may cancel all or any part of this Order. No extension to the delivery schedule will be recognised unless given in writing. Failure to notify the Shire of Wiluna of any delay in delivery will render this Order null and void.
3. Non-assignment. Assignment of this order or any interest therein or any payment due or to become due without the written consent of buyer shall be void.
4. Change in Terms. The Shire of Wiluna is not bound by any printed matter on supplier's acknowledgement forms or invoices that impose conditions not agreeable to the terms on this order.
5. Governing Law. The Contract resulting from the acceptance of this order is subject to the laws of the State of Western Australia; by accepting this order, the supplier waives the right to initiate legal action in respect of the contract in the courts of any other jurisdiction.

**Purchasing Officer is to complete the compliance certificate (below) . . . . .**

**Non-Compliant Purchase Order**

**Adherence with the Shire's Purchasing Policy is mandatory. Ensure you complete the information below.**

Quotation Required	Y	N
Name/Supplier		
1. _____	\$ _____	
2. _____	\$ _____	
3. _____	\$ _____	
Comment: _____		

\$1 - \$5,000	-	Quotes not required
\$5,001 - \$20,000	-	Two verbal quotes
\$20,001 - \$50,000	-	Two written quotes
\$50,001 - \$149,999	-	Three written quotes
\$150,000 and above	-	Public tender process as per Local Government Act

(Please tick relevant box and provide detailed explanation on space provided)

- ☐ Not all of those invited to quote returned a response by way of quotation
- ☐ Only one supplier available or only one could provide exact goods/works required
- ☐ Emergency requisition
- ☐ Shire specialised supplier
- ☐ Other

Further Explanation: \_\_\_\_\_

**. . . . . and staple copies of quotes and other relevant documents to this "Office Copy"**