

# Ordinary Council Meeting

13 September 2017

## Minutes



Members of the public who attend Council meetings should not act immediately on anything they hear at the meetings, without first seeking clarification of Council's position. Persons are advised to wait for written advice from the Council prior to taking action on any matter that they may have before Council.

Agendas and Minutes are available on the City's website [www.kwinana.wa.gov.au](http://www.kwinana.wa.gov.au)

## Vision Statement

***Kwinana 2030  
Rich in spirit, alive with opportunities,  
surrounded by nature – it's all here!***

## Mission

**Strengthen community spirit, lead  
exciting growth, respect the environment  
- create great places to live.**



## We will do this by –

- providing strong leadership in the community;
- promoting an innovative and integrated approach;
- being accountable and transparent in our actions;
- being efficient and effective with our resources;
- using industry leading methods and technology wherever possible;
- making informed decisions, after considering all available information; and
- providing the best possible customer service.

## Values

### **We will demonstrate and be defined by our core values, which are:**

- Lead from where you stand – Leadership is within us all.
- Act with compassion – Show that you care.
- Make it fun – Seize the opportunity to have fun.
- Stand Strong, stand true – Have the courage to do what is right.
- Trust and be trusted – Value the message, value the messenger.
- Why not yes? – Ideas can grow with a yes.

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## Present:

HER WORSHIP MAYOR C ADAMS  
DEPUTY MAYOR P FEASEY  
CR R ALEXANDER  
CR S LEE  
CR S MILLS  
CR B THOMPSON  
CR D WOOD

MS J ABBISS	-	Chief Executive Officer
MS C MIHOVILOVICH	-	Director City Strategy
MS M BELL	-	Acting Director City Regulation
MRS B POWELL	-	Director City Engagement
MR R NAJAFZADEH	-	Acting Director City Infrastructure
MR P NEILSON	-	Manager Planning and Development
MS A MCKENZIE	-	Council Administration Officer

Members of the Press	0
Members of the Public	0

## 1 Declaration of Opening:

***Presiding Member declared the meeting open at 7:00pm and welcomed Councillors, City Officers and gallery in attendance and read the Welcome.***

“IT GIVES ME GREAT PLEASURE TO WELCOME YOU ALL HERE AND BEFORE COMMENCING THE PROCEEDINGS, I WOULD LIKE TO ACKNOWLEDGE THAT WE COME TOGETHER TONIGHT ON THE TRADITIONAL LAND OF THE NOONGAR PEOPLE”

## 2 Prayer:

***Councillor Bob Thompson read the Prayer***

“OH LORD WE PRAY FOR GUIDANCE IN OUR MEETING. PLEASE GRANT US WISDOM AND TOLERANCE IN DEBATE THAT WE MAY WORK TO THE BEST INTERESTS OF OUR PEOPLE AND TO THY WILL. AMEN”

## 3 Apologies/Leave(s) of Absence (previously approved)

### Apologies

Councillor Wendy Cooper

### Leave(s) of Absence (previously approved):

Nil

#### **4 Public Question Time:**

Nil

#### **5 Applications for Leave of Absence:**

Nil

#### **6 Declarations of Interest by Members and City Officers:**

Mayor Carol Adams declared a financial interest in item 16.1, Review of Council Policy – Investment Policy, due to holding shares in Kwinana Community Financial Services Limited who manage the Kwinana Bendigo Bank.

Councillor Sandra Lee declared an indirect financial interest in item 16.1, Review of Council Policy – Investment Policy, due to holding a bank account with Bendigo Bank. Councillor Sandra Lee has been granted approval to fully participate in the discussion and decision making of this item, in accordance with authority delegated by the Minister for Local Government, by the Deputy Director General, under section 5.69(3)(a) of the Local Government Act 1995 (Act).

Councillor Bob Thompson declared a financial interest in item 16.1, Review of Council Policy – Investment Policy, due to holding shares in Kwinana Community Financial Services Limited who manage the Kwinana Bendigo Bank. Councillor Bob Thompson has been granted approval to fully participate in the discussion and decision making of this item, in accordance with authority delegated by the Minister for Local Government, by the Deputy Director General, under section 5.69(3)(a) of the Local Government Act 1995 (Act).

Councillor Dennis Wood declared a financial interest in item 16.1, Review of Council Policy – Investment Policy, due to holding shares in Kwinana Community Financial Services Limited who manage the Kwinana Bendigo Bank.

Mayor Carol Adams declared a financial interest in item 16.2, Kwinana Community Funding Program and City of Kwinana Community Funding Policy, due to holding shares in Kwinana Community Financial Services Limited who manage the Kwinana Bendigo Bank and being the joint trustee of Kwinana Community Chest Pty Ltd.

Councillor Sandra Lee declared an indirect financial interest in item 16.2, Kwinana Community Funding Program and City of Kwinana Community Funding Policy, due to holding a bank account with Bendigo Bank. Councillor Sandra Lee has been granted approval to fully participate in the discussion and decision making of this item, in accordance with authority delegated by the Minister for Local Government, by the Deputy Director General, under section 5.69(3)(a) of the Local Government Act 1995 (Act).

Councillor Bob Thompson declared a financial interest in item 16.2, Kwinana Community Funding Program and City of Kwinana Community Funding Policy, due to holding shares in Kwinana Community Financial Services Limited who manage the Kwinana Bendigo Bank. Councillor Bob Thompson has been granted approval to fully participate in the discussion and decision making of this item, in accordance with authority delegated by the Minister for Local Government, by the Deputy Director General, under section 5.69(3)(a) of the Local Government Act 1995 (Act).



6 DECLARATIONS OF INTEREST BY MEMBERS AND CITY OFFICERS

Councillor Dennis Wood declared a financial interest in item 16.2, Kwinana Community Funding Program and City of Kwinana Community Funding Policy, due to holding shares in Kwinana Community Financial Services Limited who manage the Kwinana Bendigo Bank.

**7 Community Submissions:**

Nil

**8 Minutes to be Confirmed:**

THE FOLLOWING ITEMS WERE CARRIED BY AN 'EN BLOC' RESOLUTION OF COUNCIL:

- 8.1
- 8.2

**8.1 Ordinary Meeting of Council held on 23 August 2017:**

**COUNCIL DECISION**

**584**

**MOVED CR P FEASEY**

**SECONDED CR B THOMPSON**

**That the Minutes of the Ordinary Meeting of Council held on 23 August 2017 be confirmed as a true and correct record of the meeting.**

**CARRIED  
7/0**

**8.2 Special Meeting of Council held on 30 August 2017:**

**COUNCIL DECISION**

**585**

**MOVED CR P FEASEY**

**SECONDED CR B THOMPSON**

**That the Minutes of the Special Meeting of Council held on 30 August 2017 be confirmed as a true and correct record of the meeting.**

**CARRIED  
7/0**

**9 Referred Standing / Occasional / Management /Committee Meeting:**

Nil

**10 Petitions:**

Nil

## **11 Notices of Motion:**

Nil

## **12 Reports – Community**

Nil

## **13 Reports – Economic**

Nil

## **14 Reports – Natural Environment**

Nil

## 15 Reports – Built Infrastructure

### 15.1 Proposed Road Names for Lot 601 Millar Road

#### **SUMMARY:**

Lorraine Elliott Planning Services, the planners for the Lot 601 Millar Road Wellard development, have submitted details of the proposed road name, as well as an alternative road name, as indicated in Attachment A. They are now seeking Council approval of the proposed road name.

The Geographic Names Committee has granted in principle approval for the use of this road name via passing preliminary validation on Landgate's "request road name" web page. The listed alternative road name will be used as a substitute for the proposed road name should it not be approved by the Geographic Names Committee. The naming theme for the road in this subdivision is "Australian Valleys", carrying through from the adjoining Wellard Glen development. The information regarding the origin of the proposed road names is contained in the discussion section of this report.

As part of this application, two existing residences will have their street address changed from Capertree Vista to Wolgan Loop. These are house numbers 2 and 4. This change is a requirement of the Geographic Names Committee to suit the street layout as the name of the street cannot change mid block, instead the street name will change at the intersection of Jamison Grove.

#### **OFFICER RECOMMENDATION:**

That Council approve the following road names for use within Lot 601 Millar Road, Wellard as shown in Attachment A

- Wolgan Loop

Alternative Road Name

- Aroona Loop

#### **DISCUSSION:**

Before the developer of a subdivision can lodge survey diagrams for clearance, all road names need to be approved and indicated on the survey diagram. The process for naming roads must adhere to Geographic Names Committee guidelines to ensure no duplication of road names occurs within the surrounding areas.

The Geographic Names Committee has granted in principle approval for the use of this road name via passing preliminary validation on Landgate's "request road name" web page. The naming theme for this road is a continuation of the adjoining Wellard Glen subdivision, which is "Australian Valleys". One road name is proposed as an alternative road name for use in the event that the proposed name is not approved by the Geographic Names Committee.



### 15.1 PROPOSED ROAD NAMES FOR LOT 601 MILLAR ROAD

As part of this application, Geographic Names has identified addresses for two existing properties on Capertree Vista that need to be changed and be on the future road. This was a result of Lot 601 changing from a strata lot to a green title subdivision after the street numbering was implemented, house numbers 2 and 4 Capertree Vista are now required to have the name of the proposed road.

The proposed road name for Lot 601 Millar Road, Wellard is;

- Wolgan Loop – Wolgan Valley, formed by Wolgan River West of Sydney.

Alternative Name:

- Aroona Loop – Aroona Valley in the Flinders Ranges, South Australia.

#### **LEGAL/POLICY IMPLICATIONS:**

The approval process is in compliance with Geographic Names Committee Guidelines, and Council Policy – Street Naming

#### **FINANCIAL/BUDGET IMPLICATIONS:**

The City will cover the cost of a mail redirection service for a period of 3 months to assist with the change of address process. This is expected to be around \$50 per house.

#### **ASSET MANAGEMENT IMPLICATIONS:**

No asset management implications have been identified as a result of this report or recommendation.

#### **ENVIRONMENTAL IMPLICATIONS:**

No environmental implications have been identified as a result of this report or recommendation.

#### **STRATEGIC/SOCIAL IMPLICATIONS:**

Two addresses of existing houses will be changed as part of this approval. The owners will be notified prior to formal approval by the Geographic Names Committee.

#### **RISK IMPLICATIONS:**

The approval of the road names is required for titles to be issued for the lots within the subdivision. Should Council not approve these road names, clearances will be delayed which will have implications for the developer and the future owners of these lots.

15.1 PROPOSED ROAD NAMES FOR LOT 601 MILLAR ROAD

**COUNCIL DECISION**

**586**

**MOVED CR S LEE**

**SECONDED CR B THOMPSON**

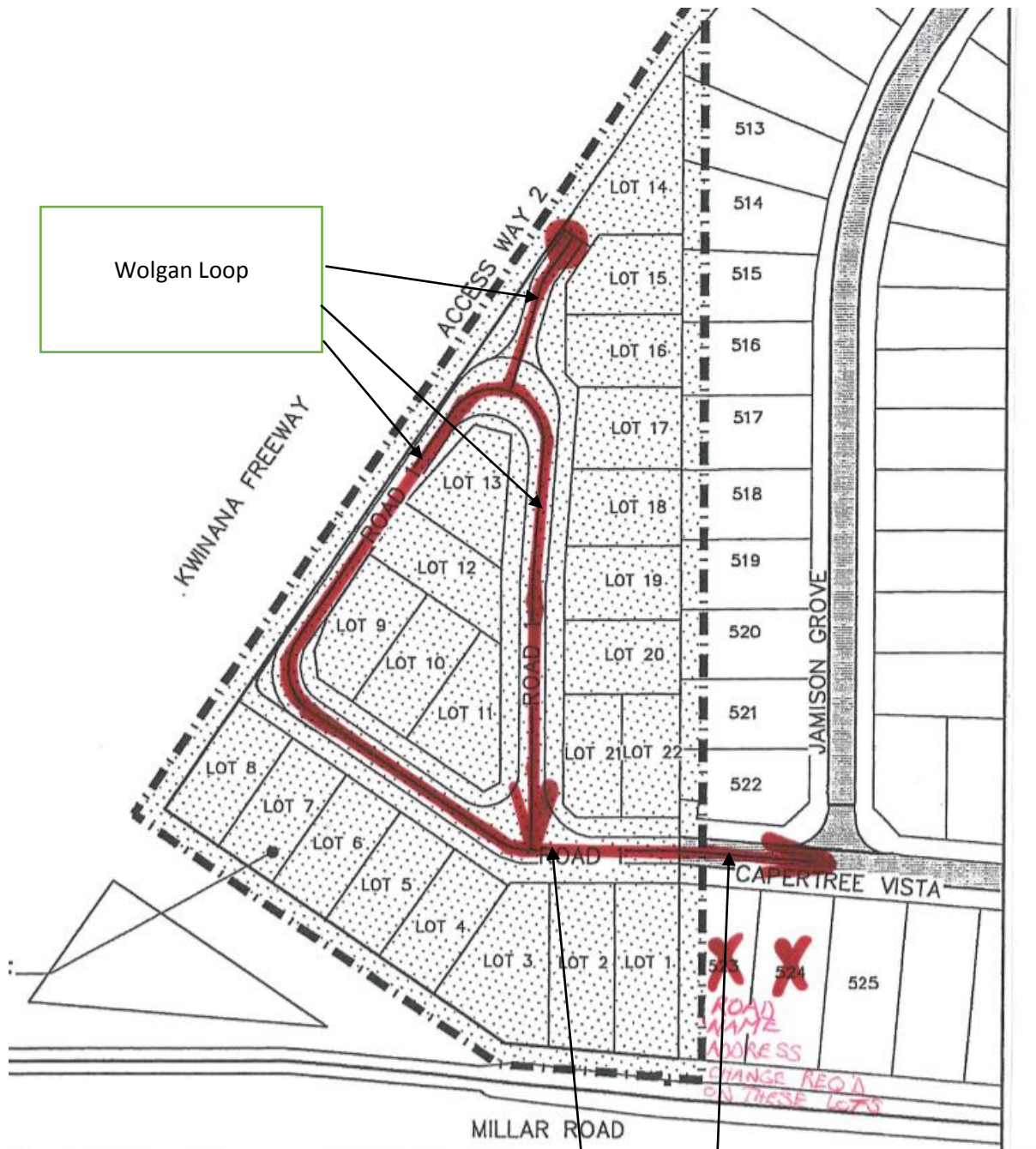
**That Council approve the following road names for use within Lot 601 Millar Road, Wellard as shown in Attachment A**

- **Wolgan Loop**

**Alternative Road Name**

- **Aroona Loop**

**CARRIED  
7/0**



Wolgan Loop

Wolgan Loop

Mayor Carol Adams and Councillor Dennis Wood left the Council Chambers at 7:04pm due to declaring a financial interest in items 16.1 and 16.2, Deputy Mayor Peter Feasey took the position of the Chair.

## 16 Reports – Civic Leadership

### 16.1 Review of Council Policy – Investment Policy

Councillor Sandra Lee declared an indirect financial interest in item 16.1, Review of Council Policy – Investment Policy, due to holding a bank account with Bendigo Bank. Councillor Sandra Lee has been granted approval to fully participate in the discussion and decision making of this item, in accordance with authority delegated by the Minister for Local Government, by the Deputy Director General, under section 5.69(3)(a) of the Local Government Act 1995 (Act).

Councillor Bob Thompson declared a financial interest in item 16.1, Review of Council Policy – Investment Policy, due to holding shares in Kwinana Community Financial Services Limited who manage the Kwinana Bendigo Bank. Councillor Bob Thompson has been granted approval to fully participate in the discussion and decision making of this item, in accordance with authority delegated by the Minister for Local Government, by the Deputy Director General, under section 5.69(3)(a) of the Local Government Act 1995 (Act).

#### **SUMMARY:**

A review of the Council policy – Investments was undertaken and is recommended for Council endorsement.

#### **OFFICER RECOMMENDATION:**

That Council adopt the amended and renamed Investment Policy as detailed in Attachment A.

#### **DISCUSSION:**

A copy of the policy recommended for amendment is detailed in Attachment A with the current policy contained within Attachment B. A summary of changes recommended to the policy are included below:

- There has been no major change to the overarching framework; the policy still requires the 'prudent person standard' to be applied and any conflict of interest to be reported to the CEO.
- Approved investments under the Local Government Act 1995 have not changed however in a recent change to regulation 19C (2) of the *Local Government (Financial Management) Regulations 1996* now allows deposits of a fixed term to be invested for a period of up to three years. This is a change from a maximum term of 12 months and recognises that local government's investment options and requirements for cash should reflect the nature of the projects they undertake which are not always short term in timeframe.
- Risk Management guidelines have been simplified and brought into line with industry best practice. Overall the framework is still achieving the desired result of limiting the risk to the City for:

## 16.1 REVIEW OF COUNCIL POLICY – INVESTMENT POLICY

- Portfolio Credit Risk – the risk associated with being exposed to a particular combination of credit ratings.
  - Counterparty Credit Risk – the risk associated with being exposed to a single entity/institution.
  - Term to Maturity Credit Risk – the risk associated with the length of time until an investment is due to mature.
- An exceptions paragraph has been included to recognise the Bendigo Bank – Kwinana Community Bank Branch. The Kwinana Community Bank Branch invests 80% of all its profits back into Kwinana's community through its community grants program.
  - Reporting and Performance monitoring has been amended to remove the requirement of using an Independent Advisor to report on performance. This has been identified as not providing the City with value as the requirements to invest set by legislation limits the type of investments the City can enter into and is costing \$12,000 annually. Other increased reporting requirements have been added to ensure that the City Officers and the Council maintains confidence in the safeguarding and performance of the City's resources in respect to investments.

**LEGAL/POLICY IMPLICATIONS:**

Local Government Act 1995 section 6.14 states:

- (1) *Money held in the municipal fund or the trust fund of a local government that is not, for the time being, required by the local government for any other purpose may be invested as trust funds may be invested under the Trustees Act 1962 Part III.*
- (2A) *A local government is to comply with the regulations when investing money referred to in subsection (1).*
- (2) *Regulations in relation to investments by local governments may —*
- (a) *make provision in respect of the investment of money referred to in subsection (1); and*
  - (b) *deleted]*
  - (c) *prescribe circumstances in which a local government is required to invest money held by it; and*
  - (d) *provide for the application of investment earnings; and*
  - (e) *generally provide for the management of those investments.*

Local Government (Financial Management) Regulations 1996 regulation 19 and 19C states:

19.(1) *A local government is to establish and document internal control procedures to be followed by employees to ensure control over investments.*

- (2) *The control procedures are to enable the identification of —*
- (a) *the nature and location of all investments; and*
  - (b) *the transactions related to each investment.*

19C.(1) *In this regulation —  
authorised institution means —*

**16.1 REVIEW OF COUNCIL POLICY – INVESTMENT POLICY**

- (a) *an authorised deposit-taking institution as defined in the Banking Act 1959 (Commonwealth) section 5; or*
- (b) *the Western Australian Treasury Corporation established by the Western Australian Treasury Corporation Act 1986; foreign currency means a currency except the currency of Australia.*

(2) *When investing money under section 6.14(1), a local government may not do any of the following —*

- (a) *deposit with an institution except an authorised institution;*
- (b) *deposit for a fixed term of more than 3 years;*
- (c) *invest in bonds that are not guaranteed by the Commonwealth Government, or a State or Territory government;*
- (d) *invest in bonds with a term to maturity of more than 3 years;*
- (e) *invest in a foreign currency.*

**FINANCIAL/BUDGET IMPLICATIONS:**

The City as part of its budget only included an amount of \$3,000. If Council wish to continue with an advisor a budget variation will be required.

**ASSET MANAGEMENT IMPLICATIONS:**

There are no asset management implications associated with this report.

**ENVIRONMENTAL IMPLICATIONS:**

There are no environment implications associated with this report.

**STRATEGIC/SOCIAL IMPLICATIONS:**

This proposal will support the achievement of the following objectives and strategies detailed in the Corporate Business Plan.

<b>Plan</b>	<b>Objective</b>	<b>Strategy</b>
Corporate Business Plan	6.1 Ensure the financial sustainability of the City of Kwinana into the future	6.1.2 Implement sound revenue and expenditure policies, seek additional revenue sources and optimise financial management system

**COMMUNITY ENGAGEMENT:**

There are no community engagement implications as a result of this report.

**RISK IMPLICATIONS:**

The risk implications in relation to this proposal are as follows:



## 16.1 REVIEW OF COUNCIL POLICY – INVESTMENT POLICY

Risk Event	Council fails to have an adequate investment policy in place that is regularly reviewed. Enabling for prohibited investments to occur.
Risk Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Effect/Impact	Compliance
Risk Assessment Context	Operational
Consequence	Minor
Likelihood	Unlikely
Rating (before treatment)	Low
Risk Treatment in place	Reduce - mitigate risk
Response to risk treatment required/in place	Annual review of the investment policy and controls.
Rating (after treatment)	Low

**COUNCIL DECISION****587****MOVED CR S MILLS****SECONDED CR R ALEXANDER**

**That Council adopt the amended and renamed Investment Policy as detailed in Attachment A.**

**CARRIED  
5/0**

# Council Policy

## Investment Policy





# Council Policy

## Investment Policy

D17/45604

**1. Title**

Investment Policy

**2. Purpose**

To provide a framework for the investment of the City's surplus funds that seeks to maximise the return to the City whilst having due consideration for the risk and security of each investment; and ensures that the City's liquidity requirements are being satisfied.

**3. Scope**

This policy applies to all of the City's investments.

**4. Definitions**

**"Authorised Institution (ADI)"** means the same as that defined in Regulation 19C (1) of the Local Government (Financial Management) Regulations 1996 as amended.

**"Counterparty"** means the other party that participates in a financial transaction.

**"Credit Rating"** means an estimate of overall ability and willingness of an entity or person to fulfil financial obligations in full and on time, based on previous financial dealings. Ratings are opinions issued by credit rating agencies.

**"Foreign Currency"** means a currency other than Australian Dollars (AUD).

**"Short-term"** in relation to investments means it matures in 12 months or less.

**"Long term"** in relation to investments means it matures in excess of 12 months.

**5. Policy Statement**

All of the City's investments will be managed in accordance with the following framework.

**5.1 Prudent Person Standard**

The investment will be managed with the care, diligence and skill that a prudent person would exercise. Officers are to manage the investment portfolios to safeguard the portfolios in accordance with the spirit of this Investment Policy, and not for speculative purposes.

**5.2 Ethics and Conflicts of Interest**

Officers shall refrain from personal activities that would conflict with the proper execution and management of the City's investment portfolio. This policy requires Officers to disclose any conflict of interest to the Chief Executive Officer.

**5.3 Authorised Investments**

Authorised Investments shall be limited to Australian currency denominated:

- Deposits (including Flexi and At Call deposits) with Authorised Deposit Taking Institutions;
- Deposits with Authorised Deposit Taking Institutions (ADIs) as defined in

section 5 of the Banking Act 1959 (Commonwealth) with a Standard & Poor's (or its equivalent) credit rating of BBB or higher (subject to overall limits) and the Western Australian Treasury Corporation (WATC), for a term not exceeding 3 years;

- Bonds that are guaranteed by the Commonwealth Government or a State or Territory and which have a term not exceeding three years.

## 5.4 Prohibited Investments

5.4.1 This Investment Policy prohibits any investment carried out for speculative purposes including:

- Derivative based instruments
- Principal only investments or securities that provide potentially nil or negative cash flow; and
- Stand-alone securities issued that have underlying futures, options, forward contracts and swaps of any kind.

5.4.2 This policy also prohibits the use of leveraging (borrowing to invest) of an investment.

5.4.3 This policy also requires that the City may not do any of the following when investing money, as per r19C of the Local Government (Financial Management) Regulations 1996:

- Deposit with an institution except an authorised institution
- Deposit for a fixed term of more than 3 years
- Invest in bonds that are not guaranteed by the Commonwealth Government or a State or Territory government
- Invest in bonds with a term to maturity of more than 3 years; and
- Invest in a foreign currency

## 5.5 Risk Management Guidelines

### 5.5.1 Portfolio Credit Framework

To control the credit quality on the investment portfolio, the following credit framework limits the percentage of the portfolio exposed to any particular credit rating category.

S&P Long Term Rating	S&P Short Term Rating	Direct Investment Maximum for category %
AAA and Bendigo Bank Kwinana Community Branch	A-1+ and Bendigo Bank Kwinana Community Branch	100%
AA	A-1+	100%
A	A-1	60%
BBB	A-2	20%

If any of the investments within the portfolio are subject to a credit rating downgrade such that the portfolio credit percentages are no longer compliant with the Investment Policy, or there is a review of this policy, the investment will be divested as soon as practicable.

### 5.5.2 Counterparty Credit Framework

Exposure to an individual counterparty/institution will be restricted by its credit rating so that single entity exposure is limited, as detailed in the table below:

<b>S&amp;P Long Term Rating</b>	<b>S&amp;P Short Term Rating</b>	<b>Direct Investment Maximum for category %</b>
AAA and Bendigo Bank Kwinana Community Branch	A-1+ and Bendigo Bank Kwinana Community Branch	45%
AA	A-1+	45%
A	A-1	25%
BBB	A-2	10%

If any of the investments within the portfolio are subject to a credit rating downgrade such that the portfolio credit percentages are no longer compliant with the Investment Policy, or there is a review of this policy, the investment will be divested as soon as practicable.

### **5.5.3 Term to Maturity Framework**

The investment portfolio is to be invested within the following maturity constraints:

<b>Investment Type</b>	<b>Term to Maturity</b>
ADI Deposits	≤ 3 years
State/Commonwealth Government Bonds	≤ 3 years

### **5.5.4 Exceptions – Bendigo Bank – Kwinana Community Bank Branch**

To recognise the contributions made to the community of Kwinana the following exceptions apply to the Bendigo Bank – Kwinana Community Bank Branch.

Under this policy Bendigo Bank - Kwinana Community Branch have the same limitations provided for in sections 5.5.1 Portfolio Credit Framework and 5.5.2 Counterparty Credit Framework as the highest S&P long and short term rating. The maximum exposure to the Bendigo Bank - Kwinana Community Bank Branch as a single entity/institution is limited to a maximum direct investment of 45%.

## **5.6 Professional Advice**

5.6.1 The City may from time to time engage the services of suitably qualified investment professionals to provide assistance in investment strategy formulation, portfolio implementation and monitoring.

5.6.2 Any such advisor must be licensed by the Australian Securities and Investment Commission and be within the allocated budget. The advisor must be an independent person who has no actual or potential conflict of interest in relation to investment products being recommended and is free to choose the most appropriate product within the terms and conditions of this Investment Policy.

5.6.3 Any independent advisor engaged by the City is required to provide written confirmation that they do not have any actual or potential conflicts of interest in relation to the investments they are recommending or reviewing, including that they are not receiving any commissions or other benefits in relation to the investments being recommended or reviewed.

## **5.7 Reporting and Performance Monitoring**

5.7.1 A monthly report will be provided to Council in conjunction with the monthly Statement of Financial Activity. The report will detail the investment

portfolio in terms of performance, percentage exposure of total portfolio, maturity date and changes in market value.

5.7.2 This Investment Policy will be reviewed at least once a year or as required in the event of legislative changes.

5.7.3 Documentary evidence must be held for each investment and details thereof maintained in an Investment Register.

5.7.4 Certificates must be obtained from the financial institutions confirming the amounts of investments held on the City's behalf as at 30 June each year and reconciled to the Investment Register.

**6. Financial/Budget Implications**

There are no direct financial or budget implications associated with this policy; however the importance of safe guarding the City's resources and maximising returns is addressed within this policy.

**7. Asset Management Implications**

There are no asset management implications associated with this Policy.

**8. Environmental Implications**

There are no environmental implications associated with this Policy.

**9. Strategic/Social Implications**

This proposal will support the achievement of the following objectives and strategies detailed in the Corporate Business Plan.

<b>Plan</b>	<b>Objective</b>	<b>Strategy</b>
Corporate Business Plan	6.1 Ensure the financial sustainability of the City of Kwinana into the future	6.1.2 Implement sound revenue and expenditure policies, seek additional revenue sources and optimise financial management system

**10. Occupational Safety and Health Implications**

There are no OSH implications associated with this Policy.

**11. References**

Name of Policy	Investment Policy
Date of Adoption and resolution No	08/04/2009 #473
Review dates and resolution No #	28/04/2010 #105 11/07/2012 #163 <b>XX/XX/2017</b>
New review date	June 2018
Legal Authority	6.14. Power to invest (1) Money held in the municipal fund or the trust fund of a local government that is not, for the time being, required by the local government for any other purpose may be invested as trust funds may be invested under the Trustees Act 1962 Part III.
Directorate	City Strategy
Department	Finance
Related documents	<b>Acts/Regulations</b>



	Local Government Act 1995 Local Government (Financial Management) Regulations 1996 The Trustees Amendment Act 1997– Part III Investments  <b>Delegated Authority</b> CEO 2.6 Power to Invest
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**Note: Changes to References may be made without the need to take the Policy to Council for review.**



**POLICY**  
**INVESTMENT POLICY & STRATEGY**



## INVESTMENT POLICY & STRATEGY

**To establish procedures in relation to the prudent investment of surplus Council funds not immediately required, thereby providing maximum return on investment within Council's accepted risk management levels.**

**To maintain sufficient liquidity to meet anticipated cash flow requirements and preservation of capital, minimising risks of incurring loss and provide greater financial returns for the City.**

Adopted:	08/04/2009 #473
Last reviewed:	28/04/2010 #105 <b>11/07/2012 #163</b>
Legal Authority	All investments are to comply with the following: <ul style="list-style-type: none"> <li>▪ Local Government Act 1995 – Section 6.14;</li> <li>▪ The Trustees Amendment Act 1997– Part III Investments;</li> <li>▪ Local Government (Financial Management) Regulations 1996 – Regulation 19, Regulation 28, and Regulation 49.</li> <li>▪ Australian Accounting Standards</li> </ul>

### Policy:

#### **Prudent Person Standard**

The investment will be managed with the care, diligence and skill that a prudent person would exercise. Officers are to manage the investment portfolios to safeguard the portfolios in accordance with the spirit of this Investment Policy, and not for speculative purposes.

#### **Conflicts of Interest**

Officers shall refrain from personal activities that would conflict with the proper execution and management of Council's investment portfolio. This policy requires officers to disclose any conflict of interest to the CEO.

#### **Approved Investments**

Without approvals from Council, investments are limited to:

- Commonwealth/Semi-Government Bonds;
- Interest bearing deposits with an authorised institution;
- Bank Accepted/Endorsed Bank Bills; and
- Bank Negotiable Certificates of Deposit.

#### **Prohibited Investments**

This investment policy prohibits investment in the following:

- Deposits with any institution which is not an authorised institution;
- Deposits for a fixed term of more than 12 months;
- Bonds that are not guaranteed by the Commonwealth Government, or a State or Territory government;
- Bonds with a term to maturity of more than three years; and
- Foreign Currency.

This investment policy prohibits any investment carried out for speculative purposes including:

- Derivative based instruments;
- Principal only investments or securities that provide potentially nil or negative cash flow; and
- Stand alone securities issued that have underlying futures, options, forwards contracts and swaps of any kind.
- This policy prohibits investment in CDO based structures.

This policy also prohibits the use of leveraging (borrowing to invest) of an investment, although nothing in the policy shall prevent drawing down a loan and placing the funds on short-term deposit before being used.

### **Risk Management Guidelines**

Investments obtained are to comply with three key criteria relating to:

- a) Portfolio Credit Framework: limit overall exposure of the portfolio
- b) Counterparty Credit Framework: limit exposure to individual counterparties/institutions
- c) Term to maturity Framework: limits based upon maturity of securities.
- d) Liquidity: Portfolio management must always maintain adequate levels of liquidity to cover seasonality, planned capital expenditure and contingencies
- e) Rollover and Income: Where conditions permit, stability and protection of the Town's income against unexpected weakness in interest rates should be considered.

#### **a) Portfolio Credit Framework**

To control the credit quality on the entire portfolio, the following credit framework limits the percentage of the portfolio exposed to any particular credit rating category.

Tier	Direct Investment Maximum %	Per Institution Maximum % (Refer to Counterparty Credit Framework)
<b>Tier 1</b>	<b>100%</b>	<b>45%</b>
<b>Tier 2</b>	<b>100%</b>	<b>35%</b>
<b>Tier 3</b>	<b>40%</b>	<b>20%</b>
<b>Tier 4</b>	<b>30%</b>	<b>5%</b>

Tier 1 issuers include the Commonwealth government of Australia, Western Australian Treasury Corporation and AAA rated authorised institutions. This tier also includes government guaranteed term deposits with issuers meeting the “authorised institutions” definition but which are rated lower than AAA.

Tier 2 issuers include ANZ, Commonwealth Bank of Australia, National Australia Bank and Westpac. This tier also includes AA rated issuers that are incorporated in Australia (ie. not branches of international banks) and State and Territory governments.

Tier 3 issuers include other investment grade authorised institutions. This includes but is not limited to AMP Bank (A), Suncorp Bank (A), Rural Bank (A), Bank of Queensland (BBB) and ME Bank (BBB).

Tier 4 all other compliant authorised institutions including Credit Unions.

**b) Counterparty Credit Framework**

Exposure to an individual counterparty/institution will be restricted by its credit rating so that single entity exposure is limited, as detailed in the table below.

<b>S &amp; P Long Term Rating</b>	<b>S &amp; P Short Term Rating</b>	<b>Counterparty Maximum %</b>
<b>AAA</b>	<b>A-1+</b>	<b>45%</b>
<b>AA</b>	<b>A-1</b>	<b>35%</b>
<b>A</b>	<b>A-2</b>	<b>20%</b>
<b>BBB</b>	<b>A-3 and B</b>	<b>5%</b>
<b>Unrated Authorised Institutions</b>	<b>-</b>	<b>5%</b>

If any of the City's investments are downgraded such that they no longer fall within the investment policy, they will be divested as soon as practicable taking account of the conditions relating to the investment. Council staff are not obliged to divest such existing investments if it is not in the interests of Council to do so.

Investments that do not comply with the policy for new investments for reasons other than credit rating downgrade may be retained to maturity.

**c) Term to Maturity Framework**

The investment portfolio is to be invested within the following maturity constraints:

<b>Overall Portfolio Term to Maturity Limits</b>	
<b>Portfolio %&lt;90 days</b>	<b>100% (with 10% minimum)</b>
<b>Portfolio %&lt;1 year</b>	<b>100% (with 40% minimum)</b>
<b>Portfolio %1 to 3 year</b>	<b>60% (Bonds Only)</b>
<b>Portfolio %&gt;3 year</b>	<b>0%</b>

<b>Individual Investment Maturity Limits</b>	
<b>Authorised Institutions</b>	<b>12 months</b>
<b>Commonwealth/Semi-Government Bonds</b>	<b>3 years</b>

### **Investment Advisor**

The City's investment advisor must be approved by Council and licensed by the Australian Securities and Investments Commission. The advisor must be independent and have no actual or potential conflict of interest in relation to investment products being recommended.

### **Measurement**

The investment return for the portfolio is to be regularly reviewed (at least once a year) by an independent financial advisor by assessing the market value of the portfolio. The market value is to be assessed at least once a month to coincide with monthly reporting.

Investment Strategy is to be reviewed annually noting:

- Council's risk tolerance
- Whether performance benchmarks have changed
- Reliability and independence of any financial advice
- Whether products being invested in provide adequate returns for their associated risk:
- Appropriateness of the products being invested in with regard to Council's liquidity requirements.

### **Benchmarking**

Performance benchmarks need to be established in order to remain compliant with prudent person legislation.

Investment	Performance Benchmark
Cash	Cash Rate
Enhanced/Direct Investments	UBSWA Bank Bill

### **Reporting and Review**

An investment Strategy will run in conjunction with the investment policy. The Strategy will outline:

- Council's cash flow expectations;
- Optimal target allocation of investment types, credit rating exposure, and term to maturity exposure; and
- Appropriateness of overall investment types for Council's portfolio.

The investment strategy will be reviewed with an independent advisor at least once a year.

The annual review is to include an assessment of at least the following:

- The City's risk tolerance levels ;
- Whether performance benchmarks have changed;
- Reliability and independence of any financial advice;
- Whether products being invested in provide adequate returns for their associated risk; and
- Appropriateness of the products being invested in with regard to the Town's liquidity requirements.



Investments are to be actively managed until maturity and reviewed weekly by the Chief Executive Officer or designates.

Documentary evidence must be held for each investment and details thereof maintained in an Investment Register.

An investment report is to be presented to Council on a monthly basis forming part of the Financial Activities on the City. The report will detail the investment portfolio in terms of performance, percentage exposure of the total portfolio, maturity date and changes in market value.

Certificates must be obtained from the financial institutions confirming the amounts of investments held on the Council's behalf as at 30 June each year and reconciled to the Investment Register.

### **Investment Strategy**

Council's investment strategy is to optimise interest income within its' acceptable levels of risk whilst ensuring the security of these funds enabling the City to meet its business objectives. Key considerations in this regard include funding requirements identified by the Ten Year Plan and the Capital Works Program.

This can be achieved whilst complying with the relevant legislation by:

- a. Investing solely in Australian cash and fixed interest as outlined in the *Local Government (Financial Management) Regulations 2012*:

<b>Asset Class</b>	<b>Recommended %</b>
<b>Australian Cash &amp; Fixed Interest</b>	<b>100</b>

*Note:* A capital loss can occur in the event of an increase in interest rates however as Council's direct investments are generally held to maturity the risk is minimal.

- b. Observing the City's risk profile in relation to investing surplus funds is to be relatively prudent; conservative and risk averse. Recognised credit risk assessment criteria are:
  - Standard & Poor's
  - Moody's

The profile will be achieved by effectively managing:

- the diversity of the counterparties, and
  - the creditworthiness of the investments within the investment portfolio.
- c. Maintaining sufficient liquidity and access to funds for Council's day to day requirements.
  - d. Exceeding performance benchmarks in line with the Town's risk profile, achieve a net return consistent with or better than the UBSA bank bill index.
  - e. Using diversification to spread risk by placing maximum percentage limits on investments and individual institutions.

## Definitions

11am Call Deposit refers to cash invested on an overnight basis. Funds can be recalled or re-invested before 11am on the following business day.

Authorised Institution means an authorised deposit-taking institution as defined by the *Banking Act 1959* (Commonwealth) section 5 or the Western Australian Treasury Corporation as established by the *Western Australian Treasury Corporation Act 1986*.

Bank Accepted/Endorsed Bank Bills are bills of exchange drawn by a company or individual (borrower) usually for periods of between 30 and 180 days. The bill is accepted by the bank, which in turn accepts the liability for payment at maturity. It is a short-term instrument issued at a discount to the face value.

Bank Negotiable Certificates of Deposit are securities issued by a bank or company as proof of debt. A certificate of deposit is repayable at a fixed date and cannot be cashed-in before maturity. They can be issued at a discount to face value, or carry fixed or floating interest. They are tradeable and generally highly liquid.

Commonwealth/Semi-Government Bonds are “fixed-income” securities guaranteed by the Commonwealth, State or Territory governments of Australia. The amount of income the bond will generate each year is set when the bond is sold.

Foreign Currency means a currency except the currency of Australia.

Interest bearing deposits of an authorised institution include 11am call deposits and term deposits.

Term Deposit refers to funds invested with a financial institution at a predetermined rate (or floating rate margin) that applies for the duration of the deposit. The principal is held on deposit for a fixed term with interest payable either at regular intervals or at maturity. It is not a tradeable security and the investor may be penalised when funds are repaid.

## **16.2 Kwinana Community Funding Program and City of Kwinana Community Funding Policy**

Councillor Sandra Lee declared an indirect financial interest in item 16.2, Kwinana Community Funding Program and City of Kwinana Community Funding Policy, due to holding a bank account with Bendigo Bank. Councillor Sandra Lee has been granted approval to fully participate in the discussion and decision making of this item, in accordance with authority delegated by the Minister for Local Government, by the Deputy Director General, under section 5.69(3)(a) of the Local Government Act 1995 (Act).

Councillor Bob Thompson declared a financial interest in item 16.2, Kwinana Community Funding Program and City of Kwinana Community Funding Policy, due to holding shares in Kwinana Community Financial Services Limited who manage the Kwinana Bendigo Bank. Councillor Bob Thompson has been granted approval to fully participate in the discussion and decision making of this item, in accordance with authority delegated by the Minister for Local Government, by the Deputy Director General, under section 5.69(3)(a) of the Local Government Act 1995 (Act).

### **SUMMARY:**

It is proposed that the City of Kwinana enter into a Memorandum of Understanding with the Kwinana Community Bank (Kwinana Community Financial Services Ltd) and Kwinana Community Chest Pty Ltd for the collective distribution of the three organisations' annual community funding allocation to create opportunities to leverage greater funds for community benefit. It is further proposed that the Kwinana Community Funding Program (Attachment 1 Guidelines) be established as the mechanism through which the allocations will be made.

In order to achieve this outcome Council will be required to authorise the Mayor and Chief Executive Officer to sign the Memorandum of Understanding (Attachment 2) detailing the arrangements of the funding program, and for Council to endorse the Kwinana Community Funding Program Guidelines, and adopt the revised City of Kwinana Community Funding Policy (Attachment 3).

### **OFFICER RECOMMENDATION:**

That Council:

- 1) Enter into a Memorandum of Understanding (as at Attachment 2) with the Kwinana Community Financial Services Ltd and the Kwinana Community Chest Pty Ltd to create the Kwinana Community Funding Program.
- 2) Authorise the Mayor and the Chief Executive Officer of the City of Kwinana to sign the Memorandum of Understanding (Attachment 2).
- 3) Appoint Cr \_\_\_\_\_ and Cr \_\_\_\_\_ as its representative on the Kwinana Community Funding Program Panel.
- 4) Endorse the Kwinana Community Funding Program Guidelines (Attachment 1).
- 5) Adopt the revised City of Kwinana Community Funding Policy (Attachment 3).

## 16.2 KWINANA COMMUNITY FUNDING PROGRAM AND CITY OF KWINANA COMMUNITY FUNDING POLICY

### **DISCUSSION:**

The City of Kwinana, the Kwinana Community Bank (Bendigo Bank) and the Kwinana Community Chest are three entities who each operate a community funding program, offering community groups and organisations operating in the Kwinana area grants for community capacity building and engagement purposes.

Discussions have recently occurred between representatives of the three organisations with regard to joining together to streamline the application, advertising, allocation and acquittal processes, thereby simplifying the processes from the community's perspective and creating opportunities to leverage funds for greater community benefit.

Discussions have led to the development of a proposal to form a joint, collaborative Kwinana Community Funding Program between the three organisations, whereby each organisation would contribute funding to the program, advertise the availability of the community grants to the community twice per year (September/October and March/April) and a panel of six members (two representatives from each organisation) would assess the applications against the eligibility criteria and undertake the allocation of funding accordingly.

The purpose of the proposed funding program is very similar to each organisations' existing purpose for their respective funding programs:

#### ***“Purpose***

- *To encourage local community organisations to engage in capacity building and community engagement projects, events and programs, maximising the potential for collaboration between multiple groups. Examples of suitable projects include:*
  - *Community events and initiatives*
  - *Pilot programs such as homework groups or breakfast clubs*
  - *Community arts projects*
  - *Community workshops and training courses.*
- *To give local groups and organisations access to a local funding source for the acquisition or replacement of minor equipment. Examples of suitable projects include:*
  - *Sporting equipment for junior sporting clubs*
  - *Gardening tools for community gardens*
  - *Tables and chairs for community halls*
  - *Trailers.”*

Eligibility criteria are similarly aligned with existing program criteria (Attachment 1):

- *“All community organisations that are based in or provide services within the City of Kwinana are eligible to apply for funding.*
- *The project can be a partnership between two or more community groups. Joint projects are encouraged.*
- *All applicants must complete the application form.*

## 16.2 KWINANA COMMUNITY FUNDING PROGRAM AND CITY OF KWINANA COMMUNITY FUNDING POLICY

- *Any project requested must be compatible with the City of Kwinana's, the Kwinana Community Bank's and the Kwinana Community Chest's policies, specifications and adopted management plans, and meet Australian Standards and legislation, where applicable.*
- *There is a limit of one successful application per organisation per twelve month period.*
- *Applications must include quotes for services and equipment proposed for the project.*
- *All applications will be considered by a Panel comprised of two representatives from the City of Kwinana, two from the Kwinana Community Bank and two from the Kwinana Community Chest.*
- *Applicants are strongly encouraged to indicate contributions made to the project by their organisation, either financial or in-kind."*

It is proposed that the joint funding program commence in October 2017.

In order to establish the funding program between the three entities, it is proposed that a Memorandum of Understanding (Attachment 2), which details the terms of the funding program, be agreed to by the parties. Additionally, for the City to participate in the initiative, the City's Community Funding Policy will require amendment to reflect the change in operating procedure from the current method of distribution of the City's community funding allocation.

The revised Community Funding Policy is attached (Attachment 3) and the opportunity has been taken to amend the policy to reflect a number of other changes also. A summary of the changes to the policy are listed below:

### 1. Grants and Subsidies

The policy has been amended to reflect the creation of the Kwinana Community Funding Program and the revised allocation procedures, as reflected in the guidelines of the Kwinana Community Funding Program.

The Minor Capital Works section of the Policy has been amended to broaden the scope to allow for minor capital works to be undertaken by community groups on facilities which are not owned by the City of Kwinana, but over which a joint use agreement applies. An example where this might apply could be improvement works that might be undertaken by a School P & C Association on a school playground which is the subject of a joint use agreement between the Department of Education and the City of Kwinana, and where the community has access to the play ground when not in use by the school.

The section dealing with Waste Collection and Disposal has been amended to delete free provision of an additional waste and/or recycling collection and disposal service to holders of a Pensioners Concession Card. This provision of the policy has not been used for many years and is considered to be obsolete. Should an instance occur where an individual or family in need were to require assistance the request could be considered under the Donations section of the Policy.

**16.2 KWINANA COMMUNITY FUNDING PROGRAM AND CITY OF KWINANA COMMUNITY FUNDING POLICY**

Provision for a Local Events Fund - Place Based Events and Neighbour Day Events has been included in the Community Funding Policy. The guidelines for the Place Based Events were previously adopted by Council on 24 May 2017 as part of the Events Review process. No change to the guidelines, as adopted in May, have been proposed. The guidelines for the Neighbour Day Events reflect the actual operation of the programme since its inception. It is proposed that the Councillors nominated to the existing Place Based Events panel also undertake the allocations for the Neighbour Day Events.

**2. Donations**

The approvals procedure for non cash donations has been amended so it is no longer by Council resolution. It is proposed that approval to a maximum of \$500 be by the Chief Executive Officer or their delegate. This change has been made for ease of administration, given that non cash donations are of minor monetary value.

**3. Waiving of fees**

This section has been amended to make provision for the waiving of fees for Council managed facilities to further assist community groups to host local community events funded under the Place Based Events Fund. If fees were charged for the hosting of these events, then it is quite conceivable that the bulk of the funding provided to the groups would be required to pay for the fees for the venue, which would be counter productive to the intent of the Place Based Events Fund.

This section has also been amended to make provision for the support of emerging community and sporting groups with waiving of hire fees, to allow a grace period for establishment of the activity in the community.

**LEGAL/POLICY IMPLICATIONS:**

It is proposed to amend the City of Kwinana Community Funding Policy.

**FINANCIAL/BUDGET IMPLICATIONS:**

The existing budget allocation for the Community Development Fund is \$35,000. It is proposed that \$20,000 of this allocation is contributed toward the formation of the Kwinana Community Funding Program in conjunction with Kwinana Community Financial Services Ltd and Kwinana Community Chest Pty Ltd. The remaining \$15,000 would then fund the Minor Capital Works component and advertising of the Community Development Fund.

Some of the changes proposed for the City of Kwinana Community Funding Policy will have financial implications in that fees would be waived for the hire of Council facilities for community groups who are funded to host local community events under the Place Based Events Fund.

Similarly there are financial implications as a consequence of waiving fees for the establishment of emerging community and sporting groups. However, if supported to become sustainable, these groups will become fee paying in the future.



**16.2 KWINANA COMMUNITY FUNDING PROGRAM AND CITY OF KWINANA COMMUNITY FUNDING POLICY****ASSET MANAGEMENT IMPLICATIONS:**

There are no asset management implications as a result of this report or its recommendations.

**ENVIRONMENTAL IMPLICATIONS:**

There are no environmental implications as a result of this report or its recommendations.

**STRATEGIC/SOCIAL IMPLICATIONS:**

This proposal will support the achievement of the following objectives and strategies detailed in the Strategic Community Plan and/or Corporate Business Plan (D16/3339).

<b>Plan</b>	<b>Objective</b>	<b>Strategy</b>
Strategic Community Plan	1.1: Develop and strengthen community identity to create a sense of belonging	Place Plans for City areas
Strategic Community Plan	1.2: Inspire and strengthen community spirit through community activities and events.	Community Development team business plan

**COMMUNITY ENGAGEMENT:**

There are no community engagement implications as a result of this report'.

**RISK IMPLICATIONS:**

The risk implications in relation to this proposal are as follows:

Risk Event	Community funding is not distributed to community groups
Risk Theme	Inadequate engagement practices
Risk Effect/Impact	Reputation
Risk Assessment Context	Operational
Consequence	Minor
Likelihood	Unlikely
Rating (before treatment)	Low

## 16.2 KWINANA COMMUNITY FUNDING PROGRAM AND CITY OF KWINANA COMMUNITY FUNDING POLICY

Risk Treatment in place	Avoid - remove cause of risk
Response to risk treatment required/in place	Communication plan and MOU put into place to manage administration of the program
Rating (after treatment)	Low

**COUNCIL DECISION**

588

**MOVED CR B THOMPSON****SECONDED CR S LEE****That Council:**

- 1) **Enter into a Memorandum of Understanding (as at Attachment 2) with the Kwinana Community Financial Services Ltd and the Kwinana Community Chest Pty Ltd to create the Kwinana Community Funding Program.**
- 2) **Authorise the Mayor and the Chief Executive Officer of the City of Kwinana to sign the Memorandum of Understanding (Attachment 2).**
- 3) **Appoint Councillor Sheila Mills and Councillor Sandra Lee as its representative on the Kwinana Community Funding Program Panel.**
- 4) **Endorse the Kwinana Community Funding Program Guidelines (Attachment 1).**
- 5) **Adopt the revised City of Kwinana Community Funding Policy (Attachment 3).**

**CARRIED  
5/0**

***NOTE – That the Officer Recommendation has been amended at point 3 to include the nominated Elected Members names.***

*Mayor Carol Adams and Councillor Dennis Wood returned to the Council Chambers at 7:08pm, Mayor Carol Adams resumed her position as the Chair.*

# Kwinana Community Funding Program



## Guidelines

### Purpose

- To encourage local community organisations to engage in capacity building and community engagement projects, events and programs, maximising the potential for collaboration between multiple groups. Examples of suitable projects include:
  - Community events and initiatives
  - Pilot programs such as homework groups or breakfast clubs
  - Community arts projects
  - Community workshops and training courses
- To give local groups and organisations access to a local funding source for the acquisition or replacement of minor equipment. Examples of suitable projects include:
  - Sporting equipment for junior sporting clubs
  - Gardening tools for community gardens
  - Tables and chairs for community halls
  - Trailers.

### Application Information

The project can be a partnership between two or more community groups. Joint projects are encouraged.

Funding applications will be assessed on a case by case basis by a selection panel comprised of representatives from the funding bodies.

### Can my Group apply?

All community organisations that are based in or provide services within the City of Kwinana are eligible to apply for funding.

### How do we apply?

All applicants will need to complete the application form which is available from the City of Kwinana, Kwinana Community Bank, or from the web pages [www.kwinana.wa.gov.au](http://www.kwinana.wa.gov.au) or [www.bendigobank.com.au/community/our-branches/kwinana](http://www.bendigobank.com.au/community/our-branches/kwinana)

### Application Information

There is a limit of one successful application per organisation per 12 month period.

Applicants may seek assistance from the relevant City of Kwinana staff member or a representative from the Kwinana Community Bank.

Applications must include quotes for services and equipment proposed for the project.

All applicants will be notified of the outcome of their application within one month of the Allocations Panel considering the applications received.

All applications will be considered by a panel comprised of two representatives from the City of Kwinana, two from the Kwinana Community Bank and two from the Kwinana Community Chest.

Applicants are strongly encouraged to indicate contributions made to the project by their organization, either financial or in-kind.

## Funding Conditions

Any project requested must be compatible with the City of Kwinana's, the Kwinana Community Bank's and the Kwinana Community Chest's policies, specifications and adopted management plans, and meet Australian Standards and legislation, where applicable.

The funding must be expended within the year in which it is allocated. There is no capacity to carry forward unspent funds into the next year.

Contracts must be entered into and the work must be in progress within the specified time frames, as outlined in the application, unless otherwise approved by the Panel.

Funding for all projects is limited to a maximum amount of \$5,000 per year, although higher amounts may be considered in exceptional circumstances.

Funds which are unspent at the conclusion of the project or activity must be returned to the Program within 60 days of the completion of the project, activity or event.

Funding must be spent wholly on the project, as described in the funding agreement.

Any variations to the project scope must be advised to, and approved by, the Panel.

The Panel reserves the right to be reimbursed and/or withdraw funding if grant conditions are not complied with.

Funds that remain unaccounted for, or remain unspent in the custody of the organization, shall be returned to the Program for reallocation in the future.

Funding Guidelines will be provided as part of the funding application package, available on request from the City of Kwinana or Kwinana Community Bank.

Funds will be provided by EFT payment to the account of the organisation. No payments will be made to individuals or the account of an individual.

The Panel may offer applicants an amount less than what they have applied for, and reserve the right to stipulate what aspects(s) of the project the funding may be spent on.

## Acquittal Process

Organisations successful in their application for funds are to:

- Provide a completed and signed Kwinana Community Funding Program Acquittal and Evaluation Form to the Panel by the date stated on the front of the form and in the confirmation documentation.
- Provide copies of receipts for all items of expenditure.

## Acknowledgements

Funded organisations must acknowledge funding support provided through the Program. Copies of the City of Kwinana, Kwinana Community Bank and Kwinana Community Chest logos will be provided via email and must be used as stipulated in the accompanying guide.

City of Kwinana, Kwinana Community Bank and Kwinana Community Chest are entitled to publicise financial support provided to organisations for community projects. Funded organisations may be asked to provide images or feature in stories in various publications and on-line sites. Local media appearances may also be requested.

## Eligibility

To be eligible for funding organisations must be incorporated, not for profit groups or community organisations and the project must be undertaken within the City of Kwinana.

## Exclusions

Funds are not available for:

Commercial organisations or activities.

General fundraising activities.

Denigrate, exclude or offend minority groups

Present a danger to public health or safety.

Projects that will rely on recurrent funding from the Program.

Projects that contravene the policies of the funding bodies.

Ongoing operational expenditure.

Previous recipients who have not fulfilled the conditions of their previous funding.

Applicants who do not complete the application correctly.

Deficit funding – for organisations that are experiencing a shortfall in cash or revenue, or anticipated revenue.

Recurrent salaries and recurrent operational costs.



Kwinana Community Bank®  
Branch



# **KWINANA COMMUNITY FUNDING PROGRAM**

**MEMORANDUM OF UNDERSTANDING**

**BETWEEN**

**CITY OF KWINANA**

**KWINANA COMMUNITY FINANCIAL SERVICES LTD**

**KWINANA COMMUNITY CHEST PTY LTD**

**September 2017**



# Kwinana Community Funding Program Memorandum of Understanding

## 1. Statement of Understanding

The parties acknowledge that the purpose of this Memorandum of Understanding (**MOU**) is to outline the relationship between the parties in relation to the Kwinana Community Funding Program (**Funding Program**).

## 2. Parties

The parties to this MOU are:

- The City of Kwinana (**City**);
- The Kwinana Community Financial Services Ltd ACN 169 535 228 (**KCF**);  
and
- The Kwinana Community Chest Pty Ltd ACN 609 852 066 (**KCC**),  
(together the **Parties**)

## 3. Term

This MOU commences on the commencement date (being the date of signing of this MOU by the Parties) and expires on 30 June 2020 (**Term**).

At the expiry of the Term, the Parties will make all reasonable endeavours to enter into a new MOU on the same or similar conditions as this MOU.

## 4. Deliverables

The deliverables of this MOU will be:

- Community engagement process targeting community groups and organisations;
- Funding guidelines for the distribution of funding to community groups and organisations;
- Allocations process for the assessment of applications against the funding guidelines and decision making with respect to the allocation of funding to community groups and organisations; and
- Acquittal process for the expenditure of the funding.

## 5. Funding Program Arrangement

The City, KCF and KCC each agree to contribute an annual allocation of funds to the Funding Program for distribution as per the agreed Kwinana Community Funding Program Guidelines.

Allocations for the 2017/18 financial year will be:

- City - \$20,000.00;
- KCF - \$20,000.00; and
- KCC - \$20,000.00 (subject to sufficient funds being generated by the investments made by the Trust),  
(the **Allocations**)

The amount of Allocations of each Party will be reviewed on 30 June 2018 and 30 June 2019, respectively, by the Parties.

## 6. Governance

A panel comprised of 2 representatives from each Party will be established to oversee:

- the implementation of the responsibilities contained in this MOU;
- the community engagement process;
- the funding allocation process; and
- the acquittal of funds distributed to community groups and organisations to ensure they have been spent in accordance with the agreed Kwinana Community Funding Program Guidelines.

Panel meetings will be chaired by each Party on a rotational basis with the first meeting determining the order of chairing.

Decision making will be by simple majority. In the event of a tied vote the chair of the meeting will have a casting vote.

Meetings will be held six monthly (at a minimum).

## 7. Administration

The administrative arrangements (including acquittal of funds for each project) for the management of the Funding Program will be undertaken by the City.

Each Party will process EFT to the community groups nominated to receive their contribution to the Funding Program for that funding round, as per the outcomes of the Panel decision making process on allocations. A copy of proof of payment by all Parties must be submitted to the City to assist with the acquittal process.

Each funding round will be advertised in different communication channels, such as the newspaper with the best circulation in the district, via social media and joint press releases. Determining the type of advertising and costs associated with these methods will be shared equally by the Parties.

Joint promotional banners will be made available for collection by community groups and organisations at suitable funded events to promote the Funding Program (cost of banner production to be shared equally by the Parties).

## 8. Dispute Resolution

If a dispute arises out of or in relation to this MOU, the Parties must attempt to resolve it through friendly consultation and failing that, by way of appointing an independent arbitrator, with costs to be paid equally between the disputing Parties.

## 9. Not Binding

This MOU is not binding on any Party but rather acts as a statement of current intention on the part of the Parties. This MOU is not intended to be and neither is it legally or contractually binding, nor does it impose any legal liability of obligations on any of the Parties or their representatives.

### Other Acknowledgements

The Parties acknowledge that the City's principal bank is the Commonwealth Bank of Australia. The Parties further acknowledge that this Funding Program arrangement (**Arrangement**) involves the Bendigo Bank, Kwinana and that the Commonwealth Bank of Australia has consented to Bendigo Banks' involvement in the Arrangement.

# Signing Page

EXECUTED by the Parties:

CITY OF KWINANA

\_\_\_\_\_

Chief Executive Officer

\_\_\_\_\_

Print Full Name

\_\_\_\_\_

Mayor

\_\_\_\_\_

Print Full Name

Date

KWINANA COMMUNITY FINANCIAL SERVICES LTD

\_\_\_\_\_

Signature

\_\_\_\_\_

Print Full Name

\_\_\_\_\_

Signature

\_\_\_\_\_

Print Full Name

Date

THE KWINANA COMMUNITY CHEST PTY LTD

\_\_\_\_\_

Signature

\_\_\_\_\_

Print Full Name

\_\_\_\_\_

Signature

\_\_\_\_\_

Print Full Name



**POLICY**  
**COMMUNITY FUNDING**



## COMMUNITY FUNDING

**To provide an equitable framework for the allocating of funds to support the Kwinana community in achieving the aspirations of the Strategic Community Plan**

Adopted:	<b>16/12/2015 #084</b>
Last reviewed:	
Legal Authority	Local Government Act 1995 Sections 2.7, 6.7(2), 6.8 & 6.11(1)

### Policy

To establish criteria for the allocation of funding to community based organisations, groups and individuals.

Council is to allocate each year in the financial budget, funding for community activities to satisfy the objectives of this Policy and to ensure that these funds are distributed in an equitable manner to assist the City and the community as a whole ~~to~~ **in** achieving the goals and aspirations, as detailed in the Strategic Community Plan.

The City has a number of funding opportunities available to assist and encourage the provision of services and achievement of goals, including:

1. Grants and subsidies
2. Provision of cash and in kind donations
3. Waiving of fees for use of community facilities
4. Educational scholarships
5. Sponsorship
6. Loan funding

In all instances, where support is provided under the provisions of this Policy appropriate acknowledgment of the City's contribution is to be undertaken by the recipient.

The purpose, criteria, eligibility and method of assessment for each funding group are detailed below:

#### 1. Grants and Subsidies

##### 1.1 Community Development Fund

Purpose - to assist community groups to enhance community life and strengthen community connections through the provision of a financial grant to projects that meet Council's objectives ~~in~~ **of** facilitating community development.

a) To encourage local community organisations to engage in capacity building and community engagement projects, events and programs, maximising the potential for collaboration between multiple groups. Examples of suitable projects include:

- Community events and initiatives
- Pilot programs such as homework groups or breakfast clubs
- Community arts projects
- Community workshops and training courses



- b) To give local groups and organisations access to a local funding source for the acquisition or replacement of minor equipment. Examples of suitable projects include:
- Replacement or new sporting equipment for junior sporting clubs
  - gardening tools for community gardens
  - tables and chairs for community halls
  - trailers.

The City of Kwinana has entered into a Memorandum of Understanding with the Kwinana Community Bank and the Kwinana Community Chest for the collective distribution of the three organisations' annual community funding allocation. The Kwinana Community Funding Program has been established as the mechanism through which the allocations will be made.

A panel comprised of two representatives from each organisation has been formed to administer the Kwinana Community Funding Program including:

- Engagement with community groups and organisations to attract applications to the funding program;
- Determining allocations to be made from the funding program as per the guidelines of the funding program; and
- Ensuring grants from the funding program are adequately acquitted.

Two Councillors will represent the City of Kwinana on the Allocations Panel.

- ~~The Community Development Fund is divided into three principal areas (see 1.1.1, 1.1.2 and 1.1.3) in order to encourage a range of applications and activities.~~
- ~~Funding of projects is to a maximum of \$4,000 per project with the total funding pool, as allocated in the budget, distributed in two funding rounds per year.~~
- ~~Projects for which funds are being sought are to provide benefits, support and/or services to residents of Kwinana.~~
- ~~A selection panel comprised of two elected members and two officers of the City from the Community Development Department will assess applications against the stated criteria and will notify applicants of the outcome of their application within six weeks of the close of applications for the respective funding round.~~

#### 1.4.12 Minor Capital Works

Purpose – to encourage local community organisations using ~~Council~~ City facilities, or facilities where an agreement is in place between the City and another public entity (such as the Department of Education) for the joint use of the facilities, to maintain the facility to service levels sufficient to meet community need.

##### Criteria

- Minor capital works will only be considered for ~~Council~~ City owned/controlled reserves, road reserves and

property, or where a joint use agreement is in place for use of the facility by the community at large.

- It is a requirement ~~under this category~~ that the applicant provides at least 50% of the total project cost. Applicant contributions can be either cash or in-kind such as donated supplies, materials or services eg labour.

City contribution to the project will be a maximum of \$5,000 per project.

Examples of suitable projects include:

- Installing benches in a park
- Additional play equipment in a playground
- Installing reverse cycle air conditioning in clubrooms
- Cleaning courts
- Relaying cricket wicket surfaces
- Installing a basketball hoop
- Building a community barbeque

Applications for funding will be called for once in each year. A selection panel comprised of two elected members and one Officer of the City from the City Engagement Directorate will assess applications against the stated criteria. Applicants will be notified of the outcome of their submission within six weeks of the closing of the funding round.

#### ~~1.1.2—Community Development~~

~~Purpose—to encourage local community organisations to engage in capacity building and community engagement projects, events and programs, maximising the potential for collaboration between multiple groups. Examples of suitable projects include:~~

- ~~• Community events and initiatives~~
- ~~• Pilot programs such as homework groups or breakfast clubs~~
- ~~• Community arts projects~~
- ~~• Equipment purchase~~
- ~~• Community workshops and training courses~~

#### ~~1.1.3—Recreation Equipment~~

~~Purpose—to give local sporting and recreational organisations, who are servicing young people under the age of 18 years with sport and recreation opportunities, a source of funding for the replacement or acquisition of the equipment they need in order for the activities to take place. Examples of suitable projects include:~~

- ~~• Replacement of existing recreation equipment that is in disrepair~~
- ~~• Purchase of additional recreation equipment~~
- ~~• Purchase of recreation equipment for a junior sporting club establishing in Kwinana~~

### 1.23 Active Participation Fund

Purpose - to improve the health of Kwinana residents by increasing participation in sport through the provision of financial assistance to low income families who enrolling their children in sports clubs.

- Council will support children and young people to participate in community sport through the provision of a club fee subsidy program (~~currently maximum \$200 per application~~).
- Funding will be provided on a needs basis to children aged between 5 and 18 years of age.
- Applications must be made on the appropriate form and can only be for participation in sport and recreation clubs that are incorporated not for profit groups. Fees will not be subsidised for participation in activities run by commercial entities.
- Applicants should be made aware of local clubs and be directed to these clubs for registration where possible, however funding will also be provided for participation in clubs outside of the City.

The Chief Executive Officer or their delegate will assess applications against the stated criteria and will notify applicants of the outcome of their application.

### 1.34 Seniors Security Subsidy Scheme

Purpose – to assist Seniors improve the level of security within their home by subsidising the purchase of home security devices through the Seniors Security Subsidy Scheme.

- Eligible applicants must hold a valid Pensioners Concession Card or Seniors Card.
- A subsidy (currently maximum \$~~100~~250 per application) will be paid toward the cost of installing a range of security items such as window and door deadlocks, security screens, home intruder alarms, meter box locks and roller shutters.
- Security items must be installed and the invoice dated no more than 3 months prior to the application being lodged. Only one claim per household per year is permitted.

The Chief Executive Officer or their delegate will assess applications against the stated criteria and will notify applicants of the outcome of their application.

### 1.45 Subsidy for Representative Athletes

Purpose - ~~to provide a subsidy~~ to assist local Kwinana residents who have been selected to represent Western Australia or Australia at an elite level of competition with the costs of attending a regional, national or international sporting competition or event.

#### **Definitions:**

**International event** means any sporting competition or event that occurs outside of Australian borders.

**National event** means any sporting competition or event that occurs outside of the Western Australian border.

**Regional event** means any sporting competition or event that occurs within Western Australia.

- Applications are to be made in writing on the appropriate form.
- Every application for assistance must be accompanied by verification from the relevant peak or sporting body or Club President.
- Individuals and/or groups are eligible to receive a subsidy once per financial year.
- Should an individual or a group not compete in the event after having received funding from the City to attend, all funds must be returned to the City.
- On return from competition, successful applicants must be able to provide proof of participation in the competition, for example, air ticket, medals, photograph, etc.

The Chief Executive Officer or their delegate will assess applications against the stated criteria and will notify applicants of the outcome of their application.

**1.56 Waste Collection and Disposal Assistance Scheme**

Purpose – to assist ~~disadvantaged members of the community, local organisations servicing disadvantaged members of the community and~~ community groups with waste and recycling collection and disposal costs.

- ~~• Any disadvantaged member of the community, upon production of a current Pensioners Concession Card, may request an additional 240 litre waste and recycling bin collection service, or an additional bulk verge collection service for either green waste or bulk goods, per financial year. The additional service will be provided free of charge.~~
- ~~• Any service provider assisting an eligible disadvantaged member of the community with a home support service may seek either one additional 240 litre waste and recycling bin collection service, or an additional bulk verge collection service for either green waste or bulk goods, per financial year, for their client. The additional service will be provided free of charge.~~
- Any organisation staging a free community event in Kwinana may apply for 240 litre waste and 360 litre recycling collection services for their event, free of charge once per financial year.
- A journal transfer from the City of Kwinana Donations account will be made to the relevant business unit's income account for an amount equivalent to the value of the waste collection services provided.

The Chief Executive Officer or their delegate will assess applications against the stated criteria and will notify applicants of the outcome of their application.

**1.67 Planning, Building, Health, Waste and Food Fees Reimbursement Scheme - Community Organisations**

Purpose - to reimburse a percentage of the planning, building, health, waste and food fees paid by local community groups and

organisations on development of new facilities (including extensions and alterations to existing facilities) within the City of Kwinana.

- The City of Kwinana will reimburse local groups, volunteer organisations, religious groups and not for profit organisations with a percentage of the fees paid by them to the City, on development of new facilities (including extensions and alterations to existing facilities) within the City of Kwinana.
- Applications are to be made in writing in the financial year in which the fees are paid.
- The amount to be reimbursed per application is to be 50% of the fees paid, to a maximum of \$1,000.
- A journal transfer from the City of Kwinana Donations account will be made to the relevant business unit's income account for an amount equivalent to the value of the fees waived.

The Chief Executive Officer or their delegate will assess applications against the stated criteria and will notify applicants of the outcome of their application.

### **1.8 (a) Local Events Fund – Place Based Events**

Purpose – to assist community groups to enhance community life and strengthen community connections through the provision of financial grants for the hosting of local, place based community events.

- Funding of projects is to a maximum of \$5,000 per event.
- One application per community group will be accepted per annum.
- Community groups and organisations must be Kwinana based incorporated not for profit entities, and must provide proof of public liability insurance to \$10m.
- Projects for which funds are being sought are to provide benefits for residents of Kwinana.
- Collaborative projects between multiple groups will be viewed favourably.
- The proposal should be in writing on the applicable form and should address the following:
  - A statement detailing a description of the event, including date/time, location, theme, audience, proposed activities and entertainment, etc including the objectives of the event and the expected outcomes and benefits that will be delivered to the residents of the area in which the event will be held.
  - Demonstrated ability of the group/organization to achieve timeframes and budgets outlined in the proposal.
  - The organisation's capacity to administer the project.
  - The events viability in terms of support from any other relevant organisations.
  - Appropriate marketing and communications acknowledgement of the City's support.
  - Details of other sponsors, proposed or confirmed, involved with the event.

### **(b) Local Events Fund - Neighbour Day Events**

Purpose – to assist individuals and community groups to enhance community life and strengthen community connections through the

provision of financial grants for the hosting of local, Neighbour Day events.

- Funding of projects is to a maximum of \$150 for events organized by individuals at a street level and \$3,000 for events organized by community groups at a community level.
- One application per event will be accepted.
- Community groups and organisations must be Kwinana based incorporated not for profit entities, and must provide proof of public liability insurance to \$10m.
- Events for which funds are being sought are to provide benefits for residents of Kwinana at a neighbourhood level.
- The proposal should be in writing on the applicable form and should address the following:
  - A statement detailing a description of the event, including date/time, location, theme, audience, proposed activities and entertainment, etc including the objectives of the event and the expected outcomes and benefits that will be delivered to the residents of the area in which the event will be held.
  - Demonstrated ability of the individual/group/organization to achieve timeframes and budgets outlined in the proposal.
  - The individual/group/organisation's capacity to administer the project.
  - Appropriate marketing and communications acknowledgement of the City's support.

A selection panel comprised of three elected members and two Officers of the City from the City Engagement Directorate will assess applications made under Section 1.8 (a) and (b) against the stated criteria. Applicants will be notified of the outcome of their application within four weeks of the closing date for applications.

## 2. **City of Kwinana Donations Programme**

Purpose - to provide for generic, discretionary and small donations to be made to any cause which merits the involvement of the City and which will be of direct or indirect benefit to the municipality, in instances where other grants are not suitable or available. For example, the donations could be for the development and implementation of a local scheme, project or initiative; for the provision of assistance in instances of individual or group hardship or to assist individuals to achieve their full potential; or where the provision of assistance will be for the greater benefit of the local community.

- The City of Kwinana Donations Programme is divided into two principal areas; cash donations and donations of in-kind goods and services.
- Donations will only be made to individuals and organisations that are based in, or undertake their activities in the City of Kwinana.

### 2.1 **Cash Donations**

- A panel is to consider requests for 'one off' donations to local individuals and organisations, or to other community groups and services that provide support to local residents.
- Generally, the maximum amount per cash donation will be \$500, however, applications for higher amounts will be considered on their merits. All cash donations above \$1,000



must be approved by Council.

- Ineligible requests include donations for:
  - Unspecified purpose or general fundraising drive
  - Organisations that do not provide support to local residents.
  - Religious or political activities or entities
  - Activities for private or commercial gain
  - Bonds or insurance for hire of facilities
  - Backdated events
- Requests for ongoing donations or donations greater than the maximum value detailed above should be made through other relevant City of Kwinana Funding Programs.
- A panel comprised of two elected members and one Officer of the City from the ~~Community Development Department~~ **City Engagement Directorate** will assess requests against the stated criteria.

## 2.2 Non cash donations

**Purpose** – the ~~City Council by resolution~~ may make non-cash donations of goods and services to the value of \$500, to be used as prizes by local organisations in fund raising efforts. An example of this could be a 3 month Bronze membership to the Recquatic Centre or merchandise from City teams such as branded drink bottles.

In the case of non-cash donations, a journal transfer from the City of Kwinana Donations account will be made to the relevant business unit's income account for an amount equivalent to the value of the non-cash donation.

The Chief Executive Officer or their delegate will assess applications against the stated criteria and will notify applicants of the outcome of their application.

## 2.3 Emergency Relief Reserve Fund

Council by resolution may consider making a donation to disaster relief appeals upon being given approval by the Minister for Local Government; ~~Heritage, Culture and the Arts Community Services; Seniors and Volunteering; Youth~~. Such donations are to be drawn from the Emergency Relief Reserve Fund.

## 3. Waiving of fees for **City Council** managed facilities

**Purpose** – to support and encourage community groups and organisations to provide a range of activities across a broad spectrum of interest areas, for the benefit of the community.

Generally fees will only be waived for hire of facilities; other fees and charges may apply to a booking of a facility including a bond, or a liquor licence, as specified in the **City's Council** adopted Schedule of Fees and Charges. Consideration may be given to waiving bond requirements taking into consideration the activity proposed and past hire history of the group or organisation. All hire is subject to facility availability and all booking requirements and Terms and Conditions of Hire apply to any booking covered under this policy.

Where fees are waived for the hire of facilities, a journal transfer from the City of Kwinana Donations account will be made to the relevant business unit's

income account for an amount equivalent to the value of the hire fee.

The Chief Executive Officer or their delegate will assess applications against the stated criteria and will notify applicants of the outcome of their application.

### 3.1 One off waiver

- Requests for waiving of hire fees will be assessed taking into consideration the group's/organisation's capacity to self fund, the benefit to the community and past hire history of the group or organisation.
- Each group or organisation is eligible for one hire fee waiver per year to a maximum value of \$500. Extraordinary circumstances for additional waiving of hire fees may be considered at the City's discretion.
- Where a community group or organization is funded under the Place Based Events Fund to host a local community event, consideration will be given to waiving hire fees if the event is to be hosted in a City managed facility.

The Chief Executive Officer or their delegate will assess applications against the stated criteria and will notify applicants of the outcome of their application.

### 3.2 Ongoing fee waiver

The following organisations are to be provided with an annual hire fee waiver as detailed below;

- Kwinana Schools – Granting of a waiver of hire fees on one occasion per year for every school in the City of Kwinana for the purpose of one school organised event per year. The booking may be made through the relevant school or it's P & C Association.
- Progress Associations/Residents Groups – Council grants a waiver of hire fees for Progress Associations/Residents Groups based in the City of Kwinana for three hours per month for the purpose of conducting monthly meetings of residents.
- Kwinana R.S.L – Council grants a waiver of hire fees on one occasion per year, for hire of the Medina Hall, to conduct an ANZAC day function.

The Chief Executive Officer or their delegate will assess applications against the stated criteria and will notify applicants of the outcome of their application.

### 3.3 Other Waiver

In order to support the establishment of a new community group without financial resources or a new community or sporting activity for which demand is untested, consideration may be given to waiving hire fees and charges on up to twelve occasions.

The Chief Executive Officer or their delegate will assess applications against the stated criteria and will notify applicants of the outcome of their application.

**4. Educational Scholarships**

Purpose - to recognise educational achievement and encourage attainment of entry level qualifications ~~and~~ to further education ~~places~~ ~~institutions~~ by young people from Kwinana with the long term goal of raising the educational standard of residents and assisting local people to compete effectively in the employment market.

- Council will provide scholarships to promote educational development and skill enhancement amongst local young people.
- Scholarships will be allocated in consultation with all secondary education providers currently located within the City of Kwinana.
- Council is seeking to encourage young people and their parents to value the importance of gaining basic or entry level qualifications and to provide young people with opportunities to compete for a range of life enhancing opportunities, including employment.
- Scholarships will recognise vocational subjects as well as academic achievement as a means of gaining entry level qualifications.
- Whilst financial hardship is not the primary motive for awarding scholarships, where this information is supplied, it will form part of the decision-making process.
- As other secondary education providers are established in the City, this scheme will be opened to students attending these institutions. This will lead to greater competition and may not necessarily require additional Council funding.
- The number of scholarships and the ~~eligible~~ categories ~~these are offered in~~ will be reviewed annually during the budget development process.
- The Scholarship Program will be publicised to students and parents in Term 3 with applications to be received by a working group comprised of staff from Gilmore College, Peter Carnley Anglican Community School, Kings College and City Officers to allow for presentation of scholarships to successful students in Term 4.
- Council also offers one scholarship to a Murdoch University student who must be:
  - Enrolled full-time at any of Murdoch University’s campuses in any course or year at the HECS census date
  - A resident of the City of Kwinana ~~region~~ for at least two years prior to accepting the scholarship
  - In circumstances of personal and/or financial hardship
  - An Australian Citizen or Permanent Resident with a ~~an~~ Humanitarian visa
- The process for awarding and administering this scholarship lies with Murdoch University.

The Chief Executive Officer or their delegate will assess applications against the stated criteria and will notify applicants of the outcome of their application.

**5. Sponsorship**

Purpose – to enter into sponsorship arrangements with organisations or individuals to support new or existing programmes, services, facilities or events which contribute to the quality of life of residents of the City of Kwinana. Sponsorship is defined as an arrangement in which the sponsor provides a contribution in money or in-kind, to support a service, event, program or facility in return for specified benefits. Sponsorship differs from a grant or a donation.

- Sponsorship arrangements will only be considered when there is an alignment with the objectives outlined in the City of Kwinana's Strategic Community Plan and the benefits to residents of the City are clearly demonstrable.
- All sponsorship proposals should generally fall into one of the following categories:
  - Business, industry or economic;
  - Cultural, social or the arts;
  - Sporting or healthy lifestyle orientated; or
  - Environmental.
- Sponsorship proposals should be in writing and should address the following:
  - A statement of the objectives and detail of the sponsorship activity;
  - A detailed statement outlining the outcomes and benefits that will be delivered over the short/medium/long term to the residents of the City of Kwinana;
  - Demonstrated ability to achieve timeframes and budgets outlined in the proposal;
  - The organisation's capacity to administer the project;
  - The activity's viability in terms of support from any other relevant organisations;
  - Appropriate marketing and communications acknowledgement of the City's sponsorship support; and
  - Details of other sponsors, proposed or confirmed, involved with the activity.
- Sponsorship proposals in excess of a total value of \$10,000 (including cash and in-kind contributions) will be considered by Council. Sponsorship proposals less than a total value of \$10,000 (including cash and in-kind contributions) will be considered by a panel comprised of two elected members and two Officers (relevant to the sponsorship proposal) of the City of Kwinana.

**6. Local Organisations Financial Assistance via Loan Funds**

Purpose – to assist local organisations based in Kwinana by raising loans on their behalf for items of capital expenditure.

Clubs or local organisations requesting Council by resolution to raise loans on their behalf will be required to:

- provide the past three years audited trading and balance sheet statements along with a business plan;
- be an incorporated body; and
- satisfy Council that the purpose of the loan is to lend itself to municipal purposes as identified in the Strategic Community Plan.

## 16.3 Budget Variations

### SUMMARY:

To amend the 2017/2018 budget to reflect various adjustments to the General Ledger with nil effect to the overall budget as detailed below. Due to the nature of these variations, they fall outside the annual budget review.

### OFFICER RECOMMENDATION:

That Council approves the required budget variations to the Adopted Budget for 2017/2018 as outlined in the report.

NOTE: AN ABSOLUTE MAJORITY OF COUNCIL IS REQUIRED

### DISCUSSION:

ITEM #	LEDGER ACCOUNT	DESCRIPTION	CURRENT BUDGET	INCREASE/ DECREASE	REVISED BUDGET
1	600019.1002	Capital Expense – Sloan's Reserve Toilets	(40,000)	40,000	NIL
	600019.1002	Capital Expense – Smirks Cottage Accessible Toilet Facility	NIL	(40,000)	(40,000)
		<b>Reason:</b>			
		<b>Recreation &amp; Culture Facility – Transfer from Sloan's Reserve Toilets capital expenditure to Smirk's Cottage accessible toilet facility capital expenditure due to Smirk's Cottage requiring upgrades for Disability Access. Sloan's Reserve toilets are to be reconsidered by Council at budget review if these funds are available otherwise considered as part of the 2018/2019 budget deliberations.</b>			
2	400481.1031	Salaries	(416,809)	5,000	(411,809)
	600019.1002	Capital Expense – Darius Wells Reception Safety Modifications	NIL	(5,000)	(5,000)
		<b>Reason:</b>			
		<b>Recreation &amp; Culture Facility – Transfer from identified savings in Facilities Management salaries due to current vacancies to capital expenditure for Darius Wells reception to modify area to improve safety for staff as recommended by the OSH Committee.</b>			

### LEGAL/POLICY IMPLICATIONS:

The Local Government Act 1995 Part 6 Division 4 s 6.8 (1) requires the local government not to incur expenditure from its municipal fund for an additional purpose except where the expenditure-

(b) is authorised in advance by resolution\*

"additional purpose" means a purpose for which no expenditure estimate is included in the local government's annual budget.

\*requires an absolute majority of Council.

### 16.3 BUDGET VARIATIONS

#### **FINANCIAL/BUDGET IMPLICATIONS:**

The financial implications are detailed in this report.

#### **ASSET MANAGEMENT IMPLICATIONS:**

The allocation of funds towards the upgrading and renewal of existing City assets in the capital expenditure items is in line with the Asset Management Strategy and will reduce the current asset management gap.

#### **ENVIRONMENTAL IMPLICATIONS:**

No environmental implications have been identified as a result of this report or recommendation.

#### **STRATEGIC/SOCIAL IMPLICATIONS:**

This proposal will support the achievement of the following objectives and strategies detailed in the Strategic Community Plan and/or Corporate Business Plan.

<b>Plan</b>	<b>Objective</b>	<b>Strategy</b>
Corporate Business Plan	6.1 Ensure the financial sustainability of the City of Kwinana into the future.	6.1.2 Implement sound revenue and expenditure policies, seek additional revenue sources and optimise financial management systems.

#### **COMMUNITY ENGAGEMENT:**

There are no community engagement implications as a result of this report or recommendation.

#### **RISK IMPLICATIONS:**

Risk Event	The City does not manage it's finances adequately and allows budget expenditure to exceed allocation and the City then finds itself unable to fund it's services that have been approved through the budget process
Risk Theme	Failure to fulfil statutory regulations or compliance Providing inaccurate advice/information
Risk Effect/Impact	Financial Reputation Compliance
Risk Assessment Context	Operational
Consequence	Minor
Likelihood	Rare



## 16.3 BUDGET VARIATIONS

Rating (before treatment)	Low
Risk Treatment in place	Reduce (mitigate risk)
Response to risk treatment required/in place	Submit budget variation requests to Council as they arise, identifying financial implications and ensuring there is nil effect on the budget adopted
Rating (after treatment)	Low

**COUNCIL DECISION**

589

**MOVED CR S LEE****SECONDED CR S MILLS**

**That Council approves the required budget variations to the Adopted Budget for 2017/2018 as outlined in the report.**

**CARRIED BY AN ABSOLUTE MAJORITY OF COUNCIL**

**7/0**

## **16.4 Request for Support to Add Armstrong Road and Hope Valley Road to the State Restricted Access Vehicle and Concessional Road Networks**

### **SUMMARY:**

An application has been received from Road Trains of Australia requesting support to add two roads owned by the City of Kwinana to the Tri-drive Restricted Access Vehicle (RAV) Network 3 and the Tri-drive Concessional Loading Network 2.3 to accommodate heavy vehicle combinations up to ≤27.5m long.

The following roads have been requested to be added to the networks for RAV access;

- Armstrong Road from Anketell Road to Hope Valley Road; and
- Hope Valley Road from Armstrong Road to Morton's Seed and Grain facility exit.

### **OFFICER RECOMMENDATION:**

That Council:

1. Support Main Roads WA Heavy Vehicle Services decision to add Armstrong Road and Hope Valley Road to the RAV and Concessional Loading Road Networks.
2. Authorise the Chief Executive Officer to sign the Application and Road Owner Support to Add or Amend a Road on a Restricted Access Vehicles Network Form, as detailed in Attachment A.

### **DISCUSSION:**

The Commissioner of Main Roads WA is empowered under the Road Traffic (Vehicles) Act 2012 to approve RAV access on the public road network. The Commissioner has delegated these powers to Heavy Vehicle Services of Main Roads WA.

Heavy Vehicle Services is responsible for the development and maintenance of RAV permits and the application of appropriate conditions to ensure road safety and infrastructure protection, while meeting the needs of the transport industry. This includes the development and maintenance of the RAV Networks and concessional loading schemes that are available to heavy vehicle operators.

According to Main Roads Heavy Vehicle Services policy, the relevant road owner's support must be obtained before an application for RAV access can be assessed and approved by Main Roads WA. The application process requires the operator to apply to Main Roads for a road to be approved for RAV access by submitting the "Application and Road Owner Support to Add or Amend a Road on the Restricted Access Vehicle Network", refer attachment A. Following the receipt of the application, Main Roads WA will then contact the relevant road owner directly to ensure there are no objections to the application and seek the road owner's approval should the application meet the relevant criteria.

**16.4 REQUEST FOR SUPPORT TO ADD ARMSTRONG ROAD AND HOPE VALLEY ROAD TO THE STATE RESTRICTED ACCESS VEHICLE AND CONCESSIONAL ROAD NETWORKS**

Armstrong Road and Hope Valley Road are located in the Latitude 32 industrial precinct and currently are classified for Tandem Drive RAV Network 4 and Tri-drive RAV Network 1, allowing access for heavy vehicle combinations up to  $\leq 27.5$ m long.

This application is for inclusion of these roads in the Tri-drive Restricted Access (RAV) Network 3 and the Tri-drive Concessional Loading Network 2.3. This will provide the same access for vehicle combinations up to  $\leq 27.5$ m long, however allowing prime movers to have a third driving axle and transport additional masses of up to 3.5 tonnes per tri-axle groups and 1 tonne per tandem axle group when transporting goods to and from Morton Seed and Grain facility.

The benefits achieved for business with the inclusion of these roads in the concessional network consist of productivity savings including the vehicle operating cost savings and labour costs due to reduced number of trips. In addition, there will be a number of direct environmental and economic benefits by reducing the overall number of truck movements required to transport large volumes of commodities.

The Engineering Team has conducted a preliminary assessment of the roads requested to be added to the RAV networks. The result of the assessment was that the geometry and pavement type of both Armstrong Road and Hope Valley Road were suitable to accommodate safe access and manoeuvring for heavy combination vehicles up to  $\leq 27.5$ m long. Therefore, the addition of these roads to the requested RAV networks will be acceptable.

Following the receipt of support from the City of Kwinana, Main Roads WA will conduct the final RAV route access assessment on Armstrong Road and Hope Valley Road in accordance with their policy and RAV access framework to determine the final outcome of the application.

It should be noted that concessional loading of heavy vehicles will result in accelerated depreciation of road pavement in the long term as the design life of pavements is reduced due to stresses caused by additional axle loading of vehicles. This in turn results in higher road maintenance costs as the affected roads require more frequent resurfacing and other pavement rehabilitation treatments.

Considering the recent cuts to Government road grant funding, it is now becoming more important to explore opportunities to recover an equitable part of this additional maintenance cost from transport operators. Accordingly, the City of Kwinana, in collaboration with Main Roads WA, Western Australian Local Government Association and some other Local Governments that are affected by concessional loading networks, are currently working towards developing a cost recovery model and methodology to recoup this road maintenance cost from operators as part of the permit approval process. It is estimated that the development of the cost recovery model will take some months to be completed.

**LEGAL/POLICY IMPLICATIONS:**

There are no legal/policy implications identified.

**16.4 REQUEST FOR SUPPORT TO ADD ARMSTRONG ROAD AND HOPE VALLEY ROAD TO THE STATE RESTRICTED ACCESS VEHICLE AND CONCESSIONAL ROAD NETWORKS****FINANCIAL/BUDGET IMPLICATIONS:**

It has been proven that concessional loading of heavy vehicles results in accelerated depreciation of road pavement and reduction in pavement design life. Accordingly, this results in higher maintenance costs of the roads in the long term as the affected roads will require more frequent resurfacing and other pavement rehabilitation treatments. The estimated equivalent cost of additional wear and tear of road pavement due to accelerated loading is around 1.17 cents/tonne/km.

**ASSET MANAGEMENT IMPLICATIONS:**

The addition of these roads to the concessional road network will result in higher than normal axle loading being exerted on the road pavement, which in the long term will shorten the design life of the pavements. Accordingly, the long term maintenance cost of these roads will be higher than roads without concessional loading access.

**ENVIRONMENTAL IMPLICATIONS:**

The concessional loading of vehicles will reduce the number of trucks on roads which will eventually result in lower carbon emissions.

**STRATEGIC/SOCIAL IMPLICATIONS:**

No strategic/social implications have been identified.

**RISK IMPLICATIONS:**

No risk implications have been identified.

**COUNCIL DECISION****590****MOVED CR B THOMPSON****SECONDED CR D WOOD****That Council:**

- 1. Support Main Roads WA Heavy Vehicle Services decision to add Armstrong Road and Hope Valley Road to the RAV and Concessional Loading Road Networks.**
- 2. Authorise the Chief Executive Officer to sign the Application and Road Owner Support to Add or Amend a Road on a Restricted Access Vehicles Network Form, as detailed Attachment A (amended).**

**CARRIED  
7/0**

**NOTE – That the Officer Recommendation has been amended to include Attachment A (amended), to correct the road name to Anketell Road in Attachment A.**



## Application and Road Owner Support to Add or Amend a Road on a Restricted Access Vehicle Network

Main Roads Heavy Vehicle Services will consider adding a road to the Restricted Access Vehicle (RAV) Network provided support from the relevant road owner is obtained. This application must be completed by the applicant and forwarded to Main Roads who will liaise directly with the relevant road owner to ensure they have no objections to the access.

### Applicant Details

<b>Operator Name / Company</b>	ROAD TRAINS OF AUSTRALIA PTY LTD		
<b>Contact Name</b>	ROBERT WAITE	<b>Contact Phone Number</b>	
<b>Mobile Phone Number</b>	0429458808	<b>Contact Fax Number</b>	
<b>eMail Address</b>	ops@rta.net.au		

### RAV Networks to be assessed

**Tandem Drive RAV Categories 2-10** Refer to the [Prime Mover, Trailer](#) or [Truck, Trailer](#) operating conditions for approved combinations on our website.

**Tri Drive Categories 1-5** Refer to the [Tri Drive Prime Mover, Trailer](#) or [Tri Drive Truck, Trailer](#) operating conditions for approved combinations on our website.

Tri Drive Category 3 (27.5m)

**Other Categories** (i.e. Oversize Road Train) Refer to the operating conditions of the particular [Permit Product](#) for approved combinations on our website

### Concessional Networks to be assessed

Please tick if Concessional Network Level 1 is required

Vehicle combinations operating on Level 1 must only operate on the relevant RAV Network that is permitted for the equivalent vehicle combination under the [Prime Mover, Trailer](#) or [Truck, Trailer](#) Combinations.

For Concessional Levels 2 and 3 please select the relevant category below

Requested Axle Mass Level		
	Tandem Axle Group	Tri Axle Group
Level 1	17.0t	21.5t
Level 2	17.0t	22.5t
Level 3	17.5t	23.5t

**Tandem Drive Concessional RAV Categories 2-10** Refer to the [AMMS Page](#) for approved combinations.

**Tri Drive Concessional Categories 1-5** Refer to the [AMMS Page](#) for approved combinations.

Tri Drive Concessional Network TD2.3 (25.0m)

### Roads to be assessed

Please list all requested roads where RAV Access is required (including start and end points) and attach maps.

City of Kwinana  
 Anketell Road from Kwinana freeway to Rockingham Road  
 Armstrong Road to Hope Valley Road  
 Intersection of Armstrong and Hope Valley Road to Morton Seed and Grain



# Application and Road Owner Support to Add or Amend a Road on a Restricted Access Vehicle Network

**Main Roads will liaise directly with the relevant road owner to complete this section.**

## Road Owner Details

Road Owner			
Contact Name		Position	
Contact Phone Number		Contact Fax Number	
Mobile Phone Number		eMail Address	

## Preliminary Assessment Checklist (Required only for roads that are not already approved on the Tandem Drive Network)

As the road owner you are required to conduct a preliminary assessment of the requested road/s to ensure there are no obvious issues that would deem RAV access unsuitable. The preliminary check should be carried out using the criteria outlined in the [Framework for Applying to have a Local Government Road Added to a Restricted Access Vehicle Network](#). Please tick each of the boxes below to confirm that the road has been assessed and meets each of the criteria for the level of access requested.

- The road width meets Guideline requirements
- There are no evident steep grades
- All railway crossings have adequate stacking distance
- All sight distances meet Guideline requirements

**Roads Conditions** If RAV access is endorsed, as the road owner please specify any access conditions that you would like Main Roads to consider (i.e. No operation on unsealed road when wet, No operation during school bus hours etc.) **If RAV access is not endorsed please provide reasoning behind your decision.**

**NOTE - If condition CA07 (All operators must carry written support from the Local Government authority permitting use of the road) is required, please specify an expiry date in the condition box above. The road owner is responsible for the administration of condition CA07. If Condition CA07 applies, then this support must be carried in the vehicle and produced upon request.**

**To prevent any assessment delays, please attach any current traffic counts along with relevant roman data for newly constructed roads.**

I, <input style="width: 300px; height: 25px;" type="text"/>	On behalf of <input style="width: 300px; height: 25px;" type="text"/>
Signature _____	Date <input style="width: 300px; height: 25px;" type="text"/>

endorse the above decisions, subject to Main Roads final approval.

**eMail completed form to:** [hvsrouteassessments@mainroads.wa.gov.au](mailto:hvsrouteassessments@mainroads.wa.gov.au)

**Heavy Vehicle Services Main Roads WA**

PO Box 374 | WELSHPOOL DC | WA 6986 | Telephone 138 HVO (486) | Fax (08) 9475 8455

[www.mainroads.wa.gov.au](http://www.mainroads.wa.gov.au)

<b>OFFICE USE ONLY</b>	Application TRIM Reference <input style="width: 150px; height: 20px;" type="text"/>
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## 17 Urgent Business

Nil

## 18 Councillor Reports

### 18.1 Councillor Ruth Alexander

Councillor Ruth Alexander reported that she attended the Governor's Prayer Breakfast which was a lovely morning and occasion.

Councillor Alexander advised that she attended the Daughters of Destiny Cheque Presentation where they received ten thousand dollars worth of funding from the Commonwealth Bank.

### 18.2 Councillor Sandra Lee

Councillor Sandra Lee reported that she attended the Acknowledgement of Young People Artworks and that people involved have done a magnificent job of creating seats from reclaimed wood to be installed at The Edge Skate Park. Councillor Lee further reported that the young people were guided by Scott Daly and Lesley Barrett.

Councillor Lee advised that she attended the City of Kwinana Citizenship Ceremony, where it was wonderful to see about 30 people become Australian Citizens.

Councillor Lee mentioned that she attended the Kaizen Zen Business Network Group Breakfast in Medina, Johan was the guest presenter and he spoke that he is the process of introducing a Wellness Centre for Kwinana. Councillor Lee further mentioned that people will be able to have classes in meditation and yoga and that Bill Toon is hoping to hold regular dance classes there too.

Councillor Lee reported that she attended the No Destination Art Exhibition Opening at the Darius Wells Library and Resource Centre where Scott Daly works were featured, including lovely painting and sculptures. Councillor Lee added that on the same evening three guest speakers were part of the Bio-diversity Information Session and Dale Tilbrook spoke of Indigenous slow food movement, Craig Wilson spoke about the Coast Care project and Joe Tonga spoke about his monitoring of Bats.

Councillor Lee advised that she attended the That Place Opening in Medina which is a new store with a lovely new concept for Medina, where musicians can go to play their music, retro clothing and records are sold. Councillor Lee further mentioned that if a person wishes to they can read a book sitting on one of the comfy couches.

Councillor Lee mentioned that she attended the Homestead Ridge Progress Association Thank a Volunteer Function and commented that they do a tremendous job looking after the local environment and are a wonderful group of dedicated volunteers.

## 18 COUNCILLOR REPORTS

### 18.3 Councillor Bob Thompson

Councillor Bob Thompson reported that he attended the City of Kwinana Citizenship Ceremony which was a great event.

### 18.4 Councillor Dennis Wood

Councillor Dennis Wood reported that he attended the City of Kwinana Citizenship Ceremony.

Councillor Wood advised that he attended the South West Corridor Development Foundation (SWCDeF) Meeting.

## 19 Response to Previous Questions

Nil

## 20 Mayoral Announcements (without discussion)

Mayor Carol Adams reported that she has attended the Ngulla Farm Nursery and Training Centre to thank and acknowledge eight young people who worked with local artists Lesley Barratt and Scott Daly to create a series of seat sculptures for the Edge Skate Park.

The Mayor advised that she had attended the South West Group briefing of State Members of Parliament at Parliament house, discussing key projects within each of the six member councils.

The Mayor mentioned that she had attended the City of Kwinana Citizenship Ceremony where 31 new Australians were welcomed.

The Mayor reported that she had attended the Kaizen Zen Business Network Group Breakfast at the Wellbeing Centre in Seabrook Way, Medina.

The Mayor advised that she had attended the Wesfarmers Chemicals, Energy and Fertilisers (WESCEF) 2017 Leadership Forum and that she was part of a gender balance panel and that she had provided a 15 minute presentation.

The Mayor reported that she had attended the Committee for Economic Development of Australia (CEDA) State Budget Breakfast.

The Mayor advised that she had attended the State Council Meeting held in Scarborough as part of a regional trip. The Mayor added that all recommendations went through which were supported by the South Metro Zone Process and that the most debated was on "Third Party Appeal Rights in Planning".

## 20 MAYORAL ANNOUNCEMENTS (WITHOUT DISCUSSION)

The Mayor mentioned that she had attended the No Destination Art Exhibition and Launch of Biodiversity Month with artist Scott Daly and presentations by Craig Wilson, Dale Tilbrook and Joe Tonga. The Mayor passed on her congratulations to the Bush Care Officer and the Community Development Officer - Arts for organising this well attended event at the Darius Wells Library and Resource Centre.

The Mayor reported that she had attended the Homestead Ridge Progress Association Thank a Volunteer Function.

The Mayor advised that she and the Chief Executive Officer attended the CEDA Luncheon, where Minister Rita Saffioti announced the Outer Harbour Taskforce Chairperson, Nicole Lockwood, and the naming of the project as Westport. The Mayor stated that it is anticipated that the City of Kwinana will have a seat on the Community / Stakeholder Liaison Group.

The Mayor mentioned that she had attended the following Outer Harbour Meetings:

- Chief Executive Officer of Southern Ports
- Western Harbours Alliance
- East Metropolitan Regional Council briefing
- Australian Submarine Corporation

## 21 Matters Behind Closed Doors

Nil

## 22 Meeting Closure

The Mayor declared the meeting closed at 7:39pm.