



MINUTES

for the

Ordinary Meeting
of Council

held on

Tuesday, 11 December 2018

PLEASE READ THE FOLLOWING DISCLAIMER BEFORE PROCEEDING

Members of the public are cautioned against taking any action on Council decisions, on items in these Minutes in which they may have an interest, until such time as they have been advised in writing by Council staff.

Ordinary Council Meeting 11 December 2018

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I certify that this copy of the Minutes is a true and correct record of the meeting held on
11 December 2018

Signed:
Presiding Elected Member

Date:.....



**MINUTES OF THE ORDINARY COUNCIL MEETING
HELD IN THE COUNCIL CHAMBERS ON
TUESDAY, 11 DECEMBER 2018
COMMENCING AT 4.00PM**

PRESENT:	Councillors	Cr M T Smith (President) Cr B Wyse (Deputy President) Cr A J Gillam Cr S F Gumley Cr M Leonard Cr I Scott Cr I F West Cr K L Wilson
	Staff	Mr S D Ivers – Acting Chief Executive Officer Mrs J O’Keeffe – Finance & Administration Officer Mr P Traylen – Operations Supervisor Mrs D K Chandler – Governance & Executive Officer
	Apologies	
	Guests	Mr Greg Godwin – Moore Stephens
	Gallery	Mr John Rossiter

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Shire President welcomed Councillors, staff and guests at 4.00pm.

2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

As noted above.

The Shire President obtained verbal consensus to proceed with Item CEO01-12/18 (Meeting with Council’s Appointed Auditor) as the next order of business due to time limitations.

OFFICE OF THE CEO

CEO01 – 12/18

Subject: Annual Meeting with the Council's Appointed Auditor
Author: D Chandler, Governance & Executive Officer
Responsible Officer: S Ivers, Acting Chief Executive Officer
File Reference: FM.AD.17.18
Voting Requirements: Simple Majority

Council Role:

- Advocacy** When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
- Executive** The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
- Legislative** Includes adopting local laws, local planning schemes and policies.
- Review** When Council reviews decisions made by Officers.
- Quasi-judicial** When Council determines an application/matter that directly affects a person's rights and interests. The judicial character arises from the obligation to abide by the principles of natural justice e.g. local planning applications, building licences, other permits/licences (e.g. under Health Act, Dog Act or local laws) and other decisions that may be appealable to the State Administrative Tribunal (SAT).

Report Purpose:

To meet with Council's appointed Auditor (via phone).

COUNCIL DECISION 011218:

MOVED: Cr Leonard

SECONDED: Cr Wyse

That Council suspends Clause 10.2 of the *Shire of Irwin Meeting Procedures Local Law 2016* at 4.01pm, in order for Mr Greg Godwin, Moore Stephens (Council's appointed Auditor) to provide a verbal report on the Shire's Annual Financial Report for the year ending 30 June 2018.

VOTING DETAILS:

CARRIED 8/0

Mr Godwin attended via telephone and the following points were noted:

- *the 2017/18 audit report was signed off on 26 September, 2018;*
- *the new requirement as per the Auditor General of 'Emphasis of Matter' was outlined and there will be no change in the methods of preparation of the report in 2019;*
- *there were no non-compliance issues reported*
- *there is a significant adverse trend in the Operating Surplus Ratio which indicates that operating expenditure is exceeding operating income. It has been like this for a number of years and is increasing;*
- *there is a significant adverse trend in the Asset Sustainability Ratio. This has been below standard for the last few years and is at least 10% worse this year;*
- *Cr West questioned if the infrastructure belonging to Clubs can be excluded from depreciation calculations. Mr Godwin indicated that it is definitely something that can be reviewed in the future;*

- *Cr Smith questioned if and when Council can make the Management Letter, prepared by the auditors, public. Mr Godwin indicated that it is not a statutory requirement but Council can decide to make it public after the audit report has been signed off;*
- *Mr Godwin gave an overview of the Auditor General's involvement in 2019. It is likely that the Auditor General will appoint Moore Stephens to conduct the Shire's audit on their behalf, therefore there shouldn't be a lot of change;*
- *there will be a significant fee increase however due to the audit including the review process and reporting to Parliament;*
- *performance audits are available free of charge. Audits available now include credit card and procurement processes;*
- *the current Auditor General is Caroline Spencer and with the Auditor General taking control over audits, there will be more consistency industry wide.*

Cr Smith thanked Mr Godwin for his services during 2017/18 and his attendance at the meeting. Mr Godwin left the meeting at 4.17pm.

COUNCIL DECISION 021218:

MOVED: Cr Scott

SECONDED: Cr Gumley

That Council reconvenes under the *Shire of Irwin Meeting Procedures Local Law 2016* at 4.18pm.

VOTING DETAILS:

CARRIED 8/0

OFFICER'S RECOMMENDATION AND COUNCIL DECISION 031218:

MOVED: Cr West

SECONDED: Cr Leonard

That Council notes the verbal report provided by Mr Greg Godwin, Moore Stephens in regards to the Shire's Financial Report for the year ending 30 June 2018.

VOTING DETAILS:

CARRIED 8/0

Attachment:

2017/18 Annual Report

Background:

The Annual Financial Report for the year ending 30 June 2018, along with the 2017/18 Annual Report has been presented to Council to receive and adopt at this Ordinary Council Meeting (Item CEO02-12/17). Given the requirement to meet with Council's appointed Auditor at least once every calendar year, it is considered appropriate that an overview of the Audit Report be provided.

Officer's Comment:

Having access to Council's Auditor provides an opportunity for Councillors to gain insight into the preparation of the financial reports and how to appropriately interpret the results.

Financial/Resource Implications:

Nil.

Statutory Environment:

Local Government Act 1995

7.12A. Duties of local government with respect to audits

- 1) *A local government is to do everything in its power to —*

- (a) assist the auditor of the local government to conduct an audit and carry out the auditor's other duties under this Act in respect of the local government; and*
- (b) ensure that audits are conducted successfully and expeditiously.*
- 2) *Without limiting the generality of subsection (1), a local government is to meet with the auditor of the local government at least once in every year.*
- 3) *A local government must —*
 - (aa) examine an audit report received by the local government; and*
 - (a) determine if any matters raised by the audit report, require action to be taken by the local government; and*
 - (b) ensure that appropriate action is taken in respect of those matters.*
- 4) *A local government must —*
 - (a) prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters; and*
 - (b) give a copy of that report to the Minister within 3 months after the audit report is received by the local government.*
- 5) *Within 14 days after a local government gives a report to the Minister under subsection (4)(b), the CEO must publish a copy of the report on the local government's official website.*

Policy Implications:

Nil.

Strategic Implications:

Strategic Community Plan 2017 – 2027

Strategy 4.2.1 Ensure compliance whilst embracing innovation and best practice principles.

Strategy 4.3.2 Adopt and follow better practice processes.

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

At the 27 November 2018 Ordinary Council Meeting, Mr Rossiter asked Council: Does the Irwin Shire Council realise that since Batavia Health took control of the Dongara Medical Centre from Dr Ghi, that it will have cost the ratepayers over \$1M by the time the present 10 year subsidy has finished?

Response: To allow sufficient time to gather information required to respond to this question, a response will be provided at the next Ordinary Council Meeting.

4. PUBLIC QUESTION TIME

There were no public questions but Mr Rossiter addressed Council and gave his best wishes to Councillors and Staff for Christmas and the New Year.

5. APPLICATIONS FOR LEAVE OF ABSENCE

Nil.

6. PETITIONS AND DEPUTATIONS

Nil.

7. CONFIRMATION OF MINUTES

7.1 MINUTES OF THE ORDINARY COUNCIL MEETING HELD ON 27 NOVEMBER 2018

A copy of the Minutes of the Ordinary Council Meeting held on 27 November 2018 has been provided to all Councillors under separate cover.

COUNCIL DECISION 041218:

MOVED: Cr Wyse

SECONDED: Cr Gillam

That the Minutes of the Ordinary Council Meeting held on 27 November 2018, be confirmed as true and accurate recordings of those meetings.

VOTING DETAILS:

CARRIED 8/0

8. ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION

Nil.

9.1 OFFICER REPORTS

OFFICE OF THE CEO

CEO02 – 12/18

Subject: 2017/18 Annual Report and Auditor's Report
Author: D Chandler, Governance & Executive Officer
Responsible Officer: S Ivers, Acting Chief Executive Officer
File Reference: CM.RE.1 / FM.AD.17.18
Voting Requirements: Absolute Majority

Council Role:

- Advocacy** When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
- Executive** The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
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Report Purpose:

To consider and accept the Shire of Irwin Annual Report for the year ending 30 June 2018.

OFFICER'S RECOMMENDATION AND COUNCIL DECISION 051218:

MOVED: Cr Gumley

SECONDED: Cr Leonard

That Council, by Absolute Majority;

- a) receives the Audit Report from Council's Auditors, Moore Stephens, for the year ending 30 June 2018;
- b) accepts the 2017/18 Annual Report, as presented in Attachment Booklet – December 2018, for the year ended 30 June 2018; and
- c) holds the Annual Electors Meeting at 5.00pm on Monday, 4 February 2019 in the Function Room at the Irwin Recreation Centre.

VOTING DETAILS:

CARRIED 8/0

Attachment:

2017/18 Annual Report

Background:

The Local Government Act 1995 requires Councils to prepare and accept an Annual Report for each financial year by 31 December after that financial year.

The Local Government Act 1995 requires Council to hold a general meeting of electors once every financial year and not more than 56 days after accepting the annual report from the previous financial year. Due to the proximity of Christmas holidays, it is proposed to hold the Annual Elector's Meeting in 2019. Monday, 4 February 2019 falls within 56 days after acceptance of the Annual Report on 11 December 2018 and therefore meets requirements of the Local Government Act 1995.

Officer's Comment:

The Annual Report, prepared in accordance with the requirements of the Local Government Act, is enclosed with the agenda papers for Councillors' perusal, consideration and acceptance.

Council's Auditors, Moore Stephens, have completed an audit of Council's financial records and have forwarded an audit report to the Shire President as well as a management letter.

Stakeholder Engagement:

Once the Annual Report has been accepted, Council is required to give local public notice of the availability of the Annual Report as soon as practicable.

Financial/Resource Implications:

There are no financial or budget implications.

Statutory Environment:

- *The Local Government Act 1995 Section 5.53 provides that the Annual Report is to contain the following:*
 - *A report from the Shire President;*
 - *A report from the Chief Executive Officer;*
 - *An overview of the plan for the future of the district made in accordance with Section 5.56, including major initiatives that are proposed to commence or continue in the next financial year,*
 - *The financial report for the financial year;*
 - *Such information as may be prescribed in relation to the payments made to employees;*
 - *The auditor's report for the financial year;*
 - *a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and*
 - *details of entries made under section 5.121 during the financial year in the register of complaints, including —*
 - *the number of complaints recorded in the register of complaints; and*
 - *(ii) how the recorded complaints were dealt with; and*
 - *(iii) any other details that the regulations may require;*
 - *Such other information as may be prescribed;*
- *The Local Government Act 1995 Section 7.2 provides:*
 - *The accounts and annual financial report of a local government for each financial year are required to be audited by an auditor appointed by each local government.*
- *The Local Government Act 1995 Section 7.12A provides:*
 - (3) *A local government is to examine the report of the auditor prepared under section 7.9(1), and any report prepared under section 7.9(3) forwarded to it, and is to —*
 - (a) *determine if any matters raised by the report, or reports, require action to be taken by the local government; and*

- (b) *ensure that appropriate action is taken in respect of those matters.*
- (4) *A local government is to —*
 - (a) *prepare a report on any actions under subsection (3) in respect of an audit conducted in respect of a financial year; and*
 - (b) *forward a copy of that report to the Minister,*
by the end of the next financial year, or 6 months after the last report prepared under section 7.9 is received by the local government, whichever is the latest in time.
- *The Local Government (Audit) Regulations Section 10 provides:*
 - 1. *An auditor's report is to be forwarded to the persons specified (Mayor or President, CEO and Minister) within 30 days of completing the audit.*
 - 2. *The report is to give the auditor's opinion on —*
 - a. *the financial position of the local government; and*
 - b. *the results of the operations of the local government*
 - 3. *The report is to include —*
 - a. *any material matters that in the opinion of the auditor indicate significant adverse trends in the financial position or the financial management practices of the local government;*
 - b. *any matters indicating non-compliance with Part 6 of the Act, the Local Government (Financial Management) Regulations 1996 or applicable financial controls in any other written law;*
 - c. *details of whether information and explanations were obtained by the auditor; and*
 - d. *a report on the conduct of the audit;*
 - e. *the opinion of the auditor as to whether or not the following financial ratios included in the annual financial report are supported by verifiable information and reasonable assumptions —*
 - (i) *the asset consumption ratio; and*
 - (ii) *the asset renewal funding ratio.*
 - 4. *Where it is considered by the auditor to be appropriate to do so, the auditor is to prepare a management report to accompany the auditor's report and to forward a copy of the management report to the persons specified (Mayor or President, CEO and Minister) with the auditor's report.*
- *The Local Government Act 1995 Section 5.27 and 5.29 provides:*
 - 5.27. *Electors' general meetings*
 - (1) *A general meeting of the electors of a district is to be held once every financial year.*
 - (2) *A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.*
 - 5.29. *Convening electors' meetings*
 - (1) *The CEO is to convene an electors' meeting by giving —*
 - (a) *at least 14 days' local public notice; and*
 - (b) *each council member at least 14 days' notice, of the date, time, place and purpose of the meeting.*
 - (2) *The local public notice referred to in subsection (1)(a) is to be treated as having commenced at the time of publication of the notice under section 1.7(1)(a) and is to*

continue by way of exhibition under section 1.7(1)(b) and (c) until the meeting has been held.

Policy Implications:

Nil.

Strategic Implications:

Strategic Community Plan 2017 – 2027

Strategy 4.2.1 Ensure compliance whilst embracing innovation and better practice principles

Strategy 4.3.3 Adopt and follow better practice processes

CUSTOMER SERVICES

CS01 – 12/18

Subject: Accounts for Payment
Author: J O’Keeffe, Finance & Administration Officer
Reporting Officer: S Ivers, Acting Chief Executive Officer
File Reference: Minute Book
Voting Requirements: Simple Majority

Council Role:

- Advocacy** When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
- Executive** The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
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Report Purpose:

To receive the list of accounts paid under delegated authority during November 2018.

OFFICER’S RECOMMENDATION AND COUNCIL DECISION 061218:

MOVED: Cr Scott

SECONDED: Cr Leonard

That Council receives the Accounts paid during November 2018 as presented in Attachment Booklet – December 2018, represented by:

Payment Type/Numbers	Total Amount
EFT 23335 – 23484	\$698,794.92
Muni Cheques - 31815 – 31830	\$77,049.85
Trust Cheques - 3166	\$1,000.00
Direct Debit – Solar Panel Repayments 11/18	\$1,947.66
Direct Debit – Credit Card	\$1,144.16
Direct Debit – Superannuation	\$34,017.72
Direct Debit - Transport – PL270918 – PL291018	\$67,005.95
Grand Total	\$880,960.26

VOTING DETAILS:

CARRIED 8/0

Attachment:

Accounts for Payment – November 2018

Background:

A list of accounts paid under delegated authority is attached showing all payments made during the month of November 2018.

Officer's Comment:

Nil

Stakeholder Engagement:

Nil

Financial / Resource Implications:

Nil

Statutory Environment:

The Local Government (Financial Management) Regulations 1996 provides as follows:

13. *Payments from municipal fund or trust fund by CEO, CEO's duties as to etc.*
- (1) *If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —*
- (a) *the payee's name;*
 - (b) *the amount of the payment;*
 - (c) *the date of the payment; and*
 - (d) *sufficient information to identify the transaction.*
- (3) *A list prepared under sub-regulation (1) or (2) is to be —*
- (a) *presented to the council at the next ordinary meeting of the council after the list is prepared; and*
 - (b) *recorded in the minutes of that meeting.*

Policy Implications:

Under Delegation CEO3 Council has delegated authority to the Chief Executive Officer to authorise all payments by Council.

Strategic Implications:

Strategic Community Plan 2017 - 2027

Strategy 4.2.1 Ensure compliance whilst embracing innovation and better practice principles

Strategy 4.3.2 Adopt and follow better practice processes

CUSTOMER SERVICES

CS02 – 12/18

Subject: Financial Statements for the Period ending 30 November 2018
Author: J O’Keeffe, Finance & Administration Officer
Responsible Officer: S Ivers, Acting Chief Executive Officer
File Reference: Minute Book
Voting Requirements: Simple Majority

Council Role:

- Advocacy** When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
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Report Purpose:

To consider and receive the Monthly Financial Statements for the period 1 July 2018 to 30 November 2018.

OFFICER’S RECOMMENDATION AND COUNCIL DECISION 071218:

MOVED: Cr West

SECONDED: Cr Gumley

That the Monthly Financial Statement for the period 1 July 2018 to 30 November 2018 be received, as provided in Attachment Booklet – December 2018.

VOTING DETAILS:

CARRIED 8/0

Attachment:

Financial Statements for the Month Ending 30 November 2018.

Background:

The Monthly Financial Report to the 30 November 2018 is prepared in accordance with the requirements of the Local Government Act and the Local Government (Financial Management) Regulations and includes the following:

- Summary Information and Graphs
- Statement of Financial Activity by Program
- Statement of Financial Activity by Nature & Type
- Statement of Cash Flows
- Statement of Capital Acquisitions and Capital Funding
- Significant Accounting Policies

- Explanation of Material Variances
- Net Current Funding Position
- Cash and Investments
- Budget Amendments
- Receivables
- Cash Backed Reserves
- Capital Disposals
- Rating Information
- Information on Borrowings
- Grants and Contributions
- Trust Fund
- Detailed of Capital Acquisitions

Officers Comment:

The financial position to the end of November 2018 is detailed in the attached report and summarised as follows relative to year to date budget expectations:

Operating Revenue	\$6,880,771	1.1% positive variance
Operating Expenditure	\$4,060,889	2.8% negative variance
Net Operating	\$2,819,883	
Capital Revenue	\$1,208,840	10.2% negative variance
Capital Expenditure	\$408,921	306.2% positive variance
Cash at Bank – Municipal	\$3,429,107	
Cash at Bank – Reserve	\$1,643,958	
Total Funds Invested	\$2,742,860	
Net Rates Collected	76.17%	
Rates Receivables Outstanding	\$1,296,330	
Non Rates Receivables Outstanding	\$157,021	

The attached report provides explanatory notes for items greater than 10% or \$10,000. This commentary provides Council with an overall understanding of how the financial position is situated in relation to the adopted budget.

Stakeholder Engagement:

Nil.

Financial / Resource Implications:

Any issues in relation to expenditure and revenue allocations or variance trends are identified and addressed each month.

Statutory Environment:

Local Government Act 1995 - Section 6.4

The Local Government (Financial Management) Regulations provides as follows:

Section 34 Financial activity statement report

- (1) *A local government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail -*
 - (a) *annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);*
 - (b) *budget estimates to the end of the month to which the statement relates;*

- (c) *actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;*
 - (d) *material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
 - (e) *the net current assets at the end of the month to which the statement relates.*
- (2) *Each statement of financial activity is to be accompanied by documents containing -*
- (a) *an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;*
 - (b) *an explanation of each of the material variances referred to in sub-regulation (1)(d); and*
 - (c) *such other supporting information as is considered relevant by the local government.*
- (3) *The information in a statement of financial activity may be shown -*
- (a) *according to nature and type classification;*
 - (b) *by program; or*
 - (c) *by business unit.*
- (4) *A statement of financial activity, and the accompanying documents referred to in sub-regulation (2), are to be -*
- (a) *presented to the council -*
 - (i) *at the next ordinary meeting of the council following the end of the month to which the statement relates; or*
 - (ii) *if the statement is not prepared in time to present it to the meeting referred to in subparagraph (i), to the next ordinary meeting of the council after that meeting; and*
 - (b) *recorded in the minutes of the meeting at which it is presented.*

Policy Implications:

Nil.

Strategic Implications:

Strategic Community Plan 2017 - 2027

Strategy 4.2.1 Ensure compliance whilst embracing innovation and better practice principles

Strategy 4.3.2 Adopt and follow better practice processes

TECHNICAL SERVICES

TS01 – 12/18

Subject: Award of Tender 2-2018/19 Provision of Cleaning Services
Author: S Pratt-King, Coordinator Technical Services
Responsible Officer: P Traylen, Acting Manager Technical Services
File Reference: FM.TE.18.19
Voting Requirements: Absolute Majority

Council Role:

- Advocacy** When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
- Executive** The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
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Report Purpose:

To seek Council approval to award tender 2-2018/19 Provision of Cleaning Services.

OFFICER'S RECOMMENDATION AND COUNCIL DECISION 081218:

MOVED: Cr Scott

SECONDED: Cr Gillam

That Council:

1. **Accepts the most advantageous tender, being that submitted by Delron Cleaning Geraldton to form a contract for Tender 2-2018/19 Provision of Cleaning Services to Shire of Irwin facilities, public ablutions and coastal node facilities. The contract will be for:**
 - a) **a period of three years**
 - b) **estimated to commence on 01 January 2019,**
 - c) **in accordance with the Schedule of Rates detailed in Attachment 2 Confidential Evaluation Report and other contractual arrangements.**
2. **Accepts that, should a Contract not be formed with Delron Cleaning Geraldton then the next most advantageous Tenderer, being Norfolk Cleaning Services is accepted and a Contract is to be formed, under the terms and conditions noted in Part 1 above, in accordance with Regulation 20(2) of the Local Government (Functions and General) Regulations 1996.**
3. **Delegates, by Absolute Majority, in accordance with section 5.42 of the Local Government Act 1995, authority to the Chief Executive Officer to negotiate in regard to the contract for Tender 2-2018/19, Provision of Cleaning Services, to Shire of Irwin facilities, public ablutions and coastal node facilities:**

a) **Minor variations before entry into the contract, in accordance with Regulation 20 of the Local Government (Functions and General) Regulations 1996.**

b) **Variations, after the contract has been entered into, limited to variations which do not change the scope of the contract and which do not increase the contract value beyond 10%, in accordance with Regulation 21A of the Local Government (Functions and General) Regulations 1996.**

4. **Authorises the Chief Executive Officer, in accordance with section 9.49A(4) of the Local Government Act 1995, to execute the contract for Tender 2-2018/19, Provision of Cleaning Services, to Shire of Irwin facilities, public ablutions and coastal node facilities.**

VOTING DETAILS:

CARRIED 8/0

Attachments:

TS01.1 - RFT 2-2018/19 Provision of Cleaning Services
TS01.2 - CONFIDENTIAL: 2-2018/19 Evaluation Report
TS01.3 - CONFIDENTIAL: 2-2018/19 Evaluation Summary
TS01.4 - Tender Evaluation and Ranking

Background:

Public tenders were invited from suitably experienced Contractors to undertake cleaning services associated with the following Council owned facilities for a three year period:

Council Facilities

Shire Administration Centre
Council Chambers & Planning & Infrastructure Offices
Dongara Public Library
Operations Depot
Dongara Pavilion
Fisherman's Hall

Public Conveniences

Dongara Town Park Ablutions
Port Denison Foreshore Facilities & Ablutions
Seaspray Public Ablutions
Memorial Park Ablutions
South Beach Ablutions
Dongara Oval RV Dump Point

Coastal Nodes – Indian Ocean Drive

Cliff Head Ablutions & Camping Facilities
Big Freshwater Ablutions
Knobby Head Ablutions

At the close of tender, six submissions were received, five of which met the compliance criteria and were evaluated based on a value for money qualitative assessment as provided to Councillors under separate confidential cover.

Officer's Comment:

The recommended submission by Delron Cleaning Geraldton (Delron) ranked the highest in the qualitative criteria as set out in the Request for Tender document and was the second most competitively priced tender.

Delron have been the main contractor for the Shire's cleaning requirements since 2009 and have a proven track record in providing quality service with the flexibility to meet the Shire's changing needs.

Delron employ local residents to fulfill the day to day operational requirements of the contract, ensuring the Shire supports the local employment market.

Stakeholder Engagement:

The Tender was advertised in The West Australian, Geraldton Guardian and Dongara Denison Local Rag throughout October, with a closing date of 29 October 2018. As part of the tender process, tenderers were invited to attend an inspection of Shire facilities.

Financial/Resource Implications:

Contract to be managed within annual budget allocation.

Statutory Environment:

The Local Government Act 1995 provides as follows:

Section 5.42 Delegation of some powers and duties to CEO

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

** Absolute majority required.*

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

Section 9.49A (4)

- (4) A local government may, by resolution, authorise the chief executive officer, another employee or an agent of the local government to sign documents on behalf of the local government, either generally or subject to conditions or restrictions specified in the authorisation.

The Local Government (Functions and General) Regulations 1996 provides as follows:

Section 20 Variation of requirements before entry into contract

- (1) If, after it has invited tenders for the supply of goods or services and chosen a successful tenderer but before it has entered into a contract for the supply of the goods or services required, the local government wishes to make a minor variation in the goods or services required, it may, without again inviting tenders, enter into a contract with the chosen tenderer for the supply of the varied requirement subject to such variations in the tender as may be agreed with the tenderer.

Section 20(2)

If —

- (a) *the chosen tenderer is unable or unwilling to enter into a contract to supply the varied requirement; or*
- (b) *the local government and the chosen tenderer cannot agree on any other variation to be included in the contract as a result of the varied requirement, that tenderer ceases to be the chosen tenderer and the local government may, instead of again inviting tenders, choose the tenderer, if any, whose tender the local government considered it would be the next most advantageous to it to accept.*

Section 21A Varying a contract for the supply of goods or services

If a local government has entered into a contract for the supply of goods or services with a successful tenderer, the contract must not be varied unless —

- (a) *the variation is necessary in order for the goods or services to be supplied and does not change the scope of the contract; or*
- (b) *the variation is a renewal or extension of the term of the contract as described in regulation 11(2)(j).*

Policy Implications:

C12 Localised Purchasing

C13 Purchasing

Strategic Implications:

Strategic Community Plan 2017-2027

Strategy 2.1.3 Identify, provide and manage Shire assets (including community infrastructure, Shire controlled reserves and freehold land) in accordance with agreed service levels.

9.2 COUNCIL COMMITTEE REPORTS

Nil.

10. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

11. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil.

12. URGENT BUSINESS APPROVED BY PERSON PRESIDING OR BY DECISION

Nil.

13. MATTERS FOR WHICH THE MEETING IS CLOSED TO THE PUBLIC

Nil.

14. CLOSURE

Prior to closing the meeting, Cr Smith thanked all Councillors and Staff present for their contributions over the past year and gave well wishes for Christmas and the New Year.

There being no further business, the Presiding Member declared the meeting closed at 4.25pm.

An electronic copy of the Minutes are available for download from the Shire's website <http://www.irwin.wa.gov.au/Agendas-Minutes.aspx>

I certify that this copy of the Minutes is a true and correct record of the meeting held on 11 December 2018 Signed: Presiding Elected Member Date:.....
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