

**NOTICE OF A SPECIAL MEETING OF COUNCIL**

Dear Council Member

A Special Meeting of Council will be held on Thursday, **10 March 2016** in the Council Chambers Bridgetown commencing at 5.30pm called for the purpose of considering the expenditure of the unspent proportion of Roads to Recovery funds received in 2015/16.

Signed by T P Clynch:



Date:

3 March 2016

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## **AGENDA**

For the Special Meeting of Council to be held in the Council Chambers on Thursday 10 March 2016, commencing at 5.30pm, called for the purpose of considering the expenditure of the unspent proportion of Roads to Recovery funds received in 2015/16.

### **Acknowledgment of Country – Presiding Member**

On behalf of the Councillors, staff and gallery, I acknowledge the Noongar People, the Traditional Owners of the Land on which we are gathered, and pay my respects to their Elders both past and present.

### **Attendance, Apologies and Leave of Absence**

President	- Cr J Nicholas
Councillors	- J Boyle - S Hodson - D Mackman - J Moore - A Pratico - P Quinby - P Scallan - A J Wilson
In Attendance	- T Clynch, CEO - M Larkworthy, Executive Manager Corporate Services - L Crooks, Executive Manager Works & Services - E Denniss, Executive Manager Community Services - T Lockley, Executive Assistant

### **Attendance of Gallery**

### **Public Question Time**

Note: At Special Council Meetings questions must relate to the items on the Agenda.

### **Petitions/Deputations/Presentations**

### **Comments on Agenda Items by Parties with an Interest**

### **Notification of Disclosures of Interest**

Section 5.65 or 5.70 of the Local Government Act requires a Member or Officer who has an interest in any matter to be discussed at a Committee/Council Meeting that will be attended by the Member or Officer must disclose the nature of the interest in a written notice given to the Chief Executive Officer before the meeting; or at the meeting before the matter is discussed.

A Member who makes a disclosure under Section 5.65 or 5.70 must not preside at the part of the meeting relating to the matter; or participate in; or be present during, any discussion or decision making procedure relating to the matter, unless allowed by the Committee/Council. If Committee/Council allow a Member to speak, the extent of the interest must also be stated.

### **Business Items**

<b>ITEM NO.</b>	SpC.01/0316	<b>FILE REF.</b>	
<b>SUBJECT</b>	Budget Amendment – Expenditure of Unallocated Roads to Recovery Expenditure		
<b>OFFICER</b>	Chief Executive Officer and Executive Manager Works & Services		
<b>DATE OF REPORT</b>	1 March 2016		

*OFFICER RECOMMENDATION that Council approve the following amendments to the 2015/2016 budget:-*

1. *Account 1381630 Roads to Recovery Grant – increase from \$995,915 to \$1,057,464.*
2. *Job Number RT64 – Roads to Recovery Jobs to be determined – reduce from \$205,794 to \$0.*
3. *Create new Job Number RT68 Roads to Recovery Walter Willis Road with budget expenditure of \$28,000.*
4. *Create new Job Number RT69 Roads to Recovery Crowd Wheatley Road with budget expenditure of \$37,000.*
5. *Create new Job Number RT70 Roads to Recovery Lefroy Road with budget expenditure of \$16,000.*
6. *Create new Job Number RT71 Roads to Recovery Strathmore Road with budget expenditure of \$51,176.*
7. *Create new Job Number RT72 Roads to Recovery Dalmore Road with budget expenditure of \$70,000.*
8. *Create new Job Number RT42 Roads to Recovery Winnejup Road with budget expenditure of \$61,549.*
9. *Transfer from unspent grants reserve \$16.866.*

### **Summary/Purpose**

The 2015/2016 budget contains funding from the Australian Government's Roads to Recovery programme, which this year includes a one off double allocation as well as additional funds as a result of the Australian Government's fuel excise indexation legislation.

When setting the 2015/16 budget Council included the extra revenue from the fuel excise indexation legislation but determined that the specific expenditure of those funds would occur at a later date. In August 2015 Council allocated a significant portion of those funds to three gravel re-sheeting jobs with the intention being that the balance of the funds would be allocated later once all Roads to Recovery jobs had been completed.

The purpose of this item is to amend the budget to create five new job numbers for proposed gravel re-sheeting works as well as a new number for works to repair a major road failure. The funding for these projects is to come from the 2015/2016 R2R total allocation adjusted to reflect the changes outlined in the budget review due to savings/overruns and to include carried forward/unused R2R funds to this year.

#### Background

During the 2015/16 budget process advice was received from the Australian Government about additional Roads to Recovery funding to local governments. As announced on 23 June 2015, local governments across Australia will receive an extra \$1.105 billion over the next two years.

Local governments will receive an extra \$300 million in 2015/16 under Roads to Recovery, on top of the \$700 million they are already receiving—a \$1 billion cash injection in local roads over the next 12 months.

In 2016/17, local government will receive an extra \$805 million in addition to the \$350 million they were already scheduled to receive under Roads to Recovery—\$1.155 billion next financial year.

Council will receive \$995,915 in Roads to Recovery funding in 2015/16 made up of its standard allocation of \$319,808, \$82,000 bridgeworks funding for Winnejump Bridge and supplementary allocations of \$319,808 and \$274,299, the latter being the result of the passage through Federal Parliament of the fuel excise indexation legislation.

As the 2015/16 budget was well developed at the time of the announcement of the additional funding under the fuel excise indexation legislation it was agreed to include the funding (revenue) in the budget with the expenditure included as a single job number under the heading “roads to be determined”. This would allow greater time to consider the expenditure of these funds without delaying adoption of the budget. The determination of appropriate jobs for expenditure of the funding is dependent upon a number of factors, including works staff capacity, contractor availability, etc.

At its August 2015 meeting, Council approved amendments to the 2015/2016 budget for Roads to Recovery gravel re-sheeting projects (Carbanup Brook Road, Elphick-Fleeton Road and Kingston Road) which left an amount of \$86,379 to be allocated following completion of those projects and an assessment of the gravel quality and actual costs versus estimates.

The initial advice from the Australian Government was that a sum of \$356,299 was allocated to the Shire of Bridgetown-Greenbushes in 2015/16 under the fuel excise indexation legislation. This was the sum included in the 2015/16 budget however subsequent advice received in August 2015 was that the sum available in 2015/16 was \$274,299 as \$82,000 had been pre-allocated for works on Winnejump Bridge in 2016/17. The funding for the bridgeworks is received in 6 instalments spread over 5 years between 2014/15 and 2018/19. A sum of \$41,000 was allocated in 2014/15 and will be claimed in 2015/16. The balance (\$123k, being \$246k total allocation less \$123k already claimed) will be received over the next three years, meaning that Council will in effect pre-fund the bridgeworks in 2016/17 from its own Roads to

Recovery allocations and can then use the \$123k allocations for the bridge to be received in the following two years on its own Roads to Recovery jobs.

The mid-year budget review, presented to Council in February 2016, accounted for the above changes to Roads to Recovery allocations and also factored in some net adjustments for some Roads to Recovery jobs already included in the budget. This resulted in a revised amount of \$205,794 being shown in the reviewed budget as being available for allocation in 2015/16.

In addition to this is unclaimed and unexpended Roads to Recovery funds from 2014/15 that are now proposed for expending in 2015/16. This includes an amount of \$16,866 previously claimed that has been quarantined in Council's Unspent Grants Reserve. The result is that there remains \$263,725 to be allocated and it is recommended that the following projects are endorsed by Council:-

- Walter Willis Road – from the cattle grid at SLK 5.37 to Crowd Wheatley Road SLK 6.14 – 0.77 kilometres gravel re-sheeting
- Crowd Wheatley Road – end of seal SLK 0.58 to Klause Road SLK1.77 – 1.19 kilometres gravel re-sheeting
- Lefroy Road – Hackett Street SLK 0.10 to Walter Road SLK0.55 – 0.45 kilometres gravel re-sheeting
- Strathmore Road – Winnejup Road SLK 0 to SLK 1.75 – 1.75 kilometres gravel re-sheeting
- Dalmore Road – SLK 2.30 to Falnash Road SLK 4.30 – 2.0 kilometres gravel re-sheeting
- Winnejup Road – SLK 16.3 to SLK 16.62 – 320 metres road shoulder repair

The re-sheeting projects are largely in line with the 10 year roads programme priorities with Walter Willis Road provisionally listed for 2018/19, Strathmore Road (2016/17) and Dalmore Road (2016/17). Both Crowd Wheatley Road and Lefroy Road are new inclusions having recently been identified as requiring urgent treatment. The 10 year roads programme, last endorsed by Council in March 2015 (C.11/0315) listed Peninsula Road between Crowd Wheatley Road and Walter Willis Road for re-sheeting whereas it is believed this reference should have been for Crowd Wheatey Road.

### Statutory Environment

The majority of accounts relevant to this expenditure already exist in the budget and the majority of funds are simply being transferred from one account to another. However some of the proposed expenditure isn't provided for in the current budget, specifically the expenditure of some unclaimed and/or unspent Roads to Recovery funding allocations, therefore it is determined that some of the expenditure is classified as unbudgeted expenditure.

Section 6.8 of the Local Government Act requires an absolute majority decision for expenditure not included in the annual budget.

## Integrated Planning

- Strategic Community Plan  
*Objective 1 – a strong, resilient and balanced economy*  
*Outcome 1.5 – Maintain an appropriate standard of transport networks, roads and pathways*  
*Strategy 1.5.1 – maximize funding opportunities*
  
- Corporate Business Plan  
*Outcome 1.5 - Maintain an appropriate standard of transport networks, roads and pathways*  
*Strategy 1.5.1 – maximize funding opportunities*  
*Action 1.5.1.1 - Constantly investigate funding options for all Shire services and infrastructure*
  
- Other Integrated Planning  
*10 Year Roads programme*

## Budget Implications

Nil - the recommended budget amendments will have no material effect on the budget.

Policy Implications – Nil

Fiscal Equity – Not Applicable

Whole of Life Accounting – Not Applicable

Social Equity – Not Applicable

Ecological Equity – Not Applicable

Cultural Equity – Not Applicable

Risk Management – Not Applicable


Continuous Improvement – Not Applicable

Voting Requirements – Absolute Majority

## Closure

*The President to close the Meeting*

List of Attachments - Nil

Agenda papers checked and authorised by CEO, Mr T P Clynych		3.3.16
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