

# Shire of Cocos (Keeling) Islands

## Shire of Cocos (Keeling) Islands

### Minutes

### Ordinary Meeting of Council

29 September 2021, 4.00pm

Council Chambers, Home Island

## OUR VALUES

### Service

Provide the best service we can.  
We serve the community and each other.

### Accountability

We take responsibility for our own actions.  
We do what we say we will do.  
Mistakes are an opportunity to learn.

### Support

We support our team and our community.  
Look for opportunities to help each other.

### Respect

We respect and value others.  
Our interactions are always respectful towards others.

### Integrity

We will be honest and transparent with all our dealings.  
Maintain confidentiality.  
Trust each other.

### Achievement

Being proactive and enabling the outcomes.  
Be creative and think outside the square.

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## 1. OPENING/ANNOUNCEMENTS OF VISITORS

The presiding member declare the meeting opened at 4:02pm and welcome Councillors and staff to the meeting.

## 2. ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

**Shire President:** Cr A Minkom

**Councillors:** Cr T Lacy  
Cr C Charlston  
Cr M Hamiril

**Officers:** K Small, Chief Executive Officer  
G Brigg, Manager Works and Services  
I Macrae, Governance and Risk Coordinator  
A Alim, Administration Officer

**Public:** Nil

**Visitors:** Nil

**Apologies:** Nil

**Approved Leave of Absence:** Cr Iku, Cr Ibram

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

Nil

## 4. PUBLIC QUESTION TIME

In accordance with *Section 5.24(1) (a) of the Local Government Act 1995 (WA)(CKI)HE*, time is allocated for questions to be raised by members of the public, as follows:

(1) The minimum time to be allocated for the asking of and responding to questions raised by members of the public at ordinary meetings of councils and meetings referred to in regulation 5 is 15 minutes.

(2) Once all the questions raised by members of the public have been asked and responded to at a meeting referred to in sub regulation (1), nothing in these regulations prevents the unused part of the minimum question time period from being used for other matters.

Pursuant to regulation 7(4) (a) of the Local Government (Administration) Regulations 1996, questions from the public must relate to a matter affecting the local government.

In accordance with Section 5.25 (1) (f) of the Local Government Act 1995 (WA)(CKI) and the Local Government (Administration) Regulations 1996 regulation 11(e) a summary of each question raised by members of the public at the meeting and a summary of the response to the question will be included in the minutes of the meeting.

Where a question is taken on notice at the meeting, a summary of the response to the question will be included in the agenda for the following Council meeting.

Nil

## 5. LEAVE OF ABSENCE

The Local Government Act 1995 (WA)(CKI) (Section 2.25) provides that a Council may, by resolution, grant leave of absence to a member for Ordinary Council Meetings. A member who is absent, without first obtaining leave of the Council, throughout three consecutive Ordinary meetings of the Council is disqualified from continuing his or her membership of the Council. Disqualification from membership of the Council for failure to attend Ordinary Meetings of the Council will be avoided so long as the Council grants leave prior to the member being absent. The leave cannot be granted retrospectively. An apology for non-attendance at a meeting is not an application for leave of absence.

### 5.1 LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

Councillor	Date of Leave	Approved by Council
Cr Iku	22 -30 September 2021	25 August 2021
Cr Iku	26 October – 2 November 2021	25 August 2021
Cr Ibram	17 September – 1 October 2021	25 August 2021

### 5.2 APPLICATION FOR LEAVE OF ABSENCE

Nil

## 6. PETITIONS/DEPUTATIONS/PRESENTATIONS

Nil

## 7. CONFIRMATION OF MINUTES OF PREVIOUS MEETING(S)

7.1 Ordinary Council Meeting held on 25 August 2021 - Attachment 7.1

### OFFICER RECOMMENDATION

THAT COUNCIL BY SIMPLE MAJORITY, PURSUANT TO SECTIONS 5.22(2) AND 3.18 OF THE *LOCAL GOVERNMENT ACT 1995 (WA)(CKI)*, RESOLVES THAT THE MINUTES OF THE ORDINARY COUNCIL MEETING HELD ON 25 AUGUST 2021, AS PRESENTED IN ATTACHMENT 7.1 BE CONFIRMED AS A TRUE AND CORRECT RECORD OF PROCEEDINGS.

### COUNCIL RESOLUTION

MOVED CR CHARLSTON

SECONDED CR HAMIRIL

THAT COUNCIL BY SIMPLE MAJORITY, PURSUANT TO SECTIONS 5.22(2) AND 3.18 OF THE *LOCAL GOVERNMENT ACT 1995 (WA)(CKI)*, RESOLVES THAT THE MINUTES OF THE ORDINARY COUNCIL MEETING HELD ON 25 AUGUST 2021, AS PRESENTED IN ATTACHMENT 7.1 BE CONFIRMED AS A TRUE AND CORRECT RECORD OF PROCEEDINGS.

THE MOTION WAS PUT AND DECLARED CARRIED (4/0)

FOR: CHARLSTON, HAMIRIL, LACY, MINKOM

AGAINST: NIL

## 8. ANNOUNCEMENTS BY THE PRESIDING MEMBER AND COUNCILLORS

Nil

## 9. DECLARATION OF INTERESTS

Councillors are to complete a Disclosure of Interest Form for each item they are required to disclose an interest in. The Form should be given to the Presiding Member before the meeting commences. After the meeting, the Form is to be provided to the Governance and Risk Coordinator for inclusion in the Disclosures Register.

Name	Item No.	Interest	Nature
Cr Lacy	10.2.1	Impartial	Partner is an employee of Parks Australia

## 10. REPORTS AND RECOMMENDATIONS OF COMMITTEE

### 10.1 FINANCE

#### 10.1.1 MONTHLY FINANCIAL REPORT FOR THE MONTH ENDING 31 AUGUST 2021

##### Report Information

Date: 20 September 2021  
 Location: Not Applicable  
 Applicant: Not Applicable  
 File Ref:  
 Disclosure of Interest:  
 Reporting Officer: Deputy Chief Executive Officer  
 Island: Shire Wide  
 Attachments: 10.1.1.1 - Monthly Financial Report Containing Statement of Financial Activity with accompanying notes 31 August 2021

##### Authority / Discretion

##### Definition

<input type="checkbox"/>	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. E.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
<input type="checkbox"/>	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>



## Report Purpose

The purpose of this report is to provide a monthly financial report, which includes rating, investment, reserve, debtor, and general financial information to Elected Members in accordance with Section 6.4 of the *Local Government Act 1995 (WA) (CKI)*.

## Relevant Documents

Available for viewing at the meeting.

Nil

## Background

The reporting of monthly financial information is a requirement under section 6.4 of the *Local Government Act 1995 (WA) (CKI)*, and Regulation 34 of the *Local Government (Financial Management) Regulations 1996* and provides oversight of the Shire's finances to Council.

## Comment

The period of review is August 2021. The current closing municipal surplus for this period is \$2,586,509 compared to a budget position of \$2,519,694. This is considered a satisfactory result for the Shire as it is maintaining a healthy surplus position.

Income for the August 2021 period year to date is \$2,918,440 which is made up exclusively of operating revenues with no non-operating grants, contributions and subsidies received as yet. The budget estimated \$2,925,906 would be received for the same period. The variance to budget is (\$7,466).

Expenditure for the August 2021 period year to date is \$1,147,650. This is made up of \$887,270 in operating expenditure and \$260,380 in capital expenditure. The budget estimated \$1,663,743 would be spent for the same period. The variance to budget is \$516,093.

Details of all significant variances against the current budget are provided in the notes to the Monthly Financial Report contained within Attachment 10.1.1.1.

## Policy and Legislative Implications

Regulation 34 of the *Local Government (Financial Management) Regulations 1996* requires all Local Governments to prepare each month a Statement of Financial Activity reporting on the revenue and expenditure for the month.

Financial Management Regulation 34 also requires this statement to be accompanied by:

- a. An explanation of the composition of the net current assets, less committal assets and restricted assets;
- b. An explanation of material variances; and
- c. Such supporting information that is relevant to the Local Government

### Strategic Implications

Nil

### Risk Implications

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	That budget allocations are significantly exceeded.	Moderate (6)	Variances are monitored and highlighted to Council on a monthly basis for corrective action.
Reputation	The monthly financial statements are open to public scrutiny.	Low (3)	Procedures in place to ensure all expenditure is justifiable.
Compliance	The report is to be presented to Council within two months in order to comply with relevant legislation.	Low (3)	There are processes in place to ensure compliance with legislation.
Fraud	That the report is manipulated.	Low (3)	Interim and end of year audits.

### Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
<b>Almost Certain (5)</b>	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
<b>Likely (4)</b>	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
<b>Possible (3)</b>	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
<b>Unlikely (2)</b>	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
<b>Rare (1)</b>	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

### Conclusion

That the Monthly Financial Report for the period ending 31 August 2021, including explanations of material variances, be received.

**OFFICER RECOMMENDATION – ITEM NO 10.1.1**

THAT COUNCIL:

1. BY SIMPLE MAJORITY, PURSUANT TO THE *LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996* RECEIVES THE MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDING 31 AUGUST 2021, AS CONTAINED IN ATTACHMENT 10.1.1.1; AND
2. ACCEPTS THE EXPLANATIONS FOR MATERIAL VARIANCES FOR THE PERIOD ENDING 31 AUGUST 2021, AS CONTAINED IN ATTACHMENT 10.1.1.1.

**COUNCIL RESOLUTION – ITEM NO 10.1.1**

**MOVED CR CHARLSTON**

**SECONDED CR HAMIRIL**

THAT COUNCIL:

1. BY SIMPLE MAJORITY, PURSUANT TO THE *LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996* RECEIVES THE MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDING 31 AUGUST 2021, AS CONTAINED IN ATTACHMENT 10.1.1.1; AND
2. ACCEPTS THE EXPLANATIONS FOR MATERIAL VARIANCES FOR THE PERIOD ENDING 31 AUGUST 2021, AS CONTAINED IN ATTACHMENT 10.1.1.1.

**THE MOTION WAS PUT AND DECLARED CARRIED (4/0)**

**FOR:** CHARLSTON, HAMIRIL, LACY, MINKOM

**AGAINST:** NIL

## 10.1.2 SCHEDULE OF ACCOUNTS PAID FOR THE PERIOD 1 AUGUST 2021 TO 31 AUGUST 2021

### Report Information

Date: 16 September 2021  
 Location: Not applicable  
 Applicant: Not Applicable  
 File Ref:  
 Disclosure of Interest:  
 Reporting Officer: Senior Finance Officer  
 Island: Shire Wide  
 Attachments: 10.1.2.1 - Schedule of Accounts paid  
 10.1.2.2 – Credit Card Transactions August 2021

### Authority / Discretion

### Definition

<input type="checkbox"/>	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. E.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
<input type="checkbox"/>	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

### Report Purpose

The purpose of this report is to present to Council a list of accounts paid under delegated authority for the period 1 August 2021 to 31 August 2021, as required by the *Local Government (Financial Management) Regulations 1996*.

**Relevant Documents**

Available for viewing at the meeting

Nil

**Background**

Council has delegated, to the Chief Executive Officer, the exercise of its power to make payments from the Shire's Municipal and Trust funds. In accordance with Regulation 13 of the *Local Government (Financial Management) Regulations 1996* a list of accounts paid is to be provided to Council, where such delegation is made.

**Comment**

The following table summarises the payments for the period by payment type, with full details of the accounts paid contained within Attachment 10.1.2.1.

<b>Payment Type</b>	<b>Amount (\$)</b>
EFT Payments #8273 to #8357	\$330,972.24
Direct Debit Payment	\$61,736.31
Cheque Payment	\$14,437.57
<b>Total Payments</b>	<b>\$407,146.12</b>

Contained within Attachment 10.1.2.2 is a detailed transaction listing of credit card expenditure for the period ended 31 August 2021. This amount is included within the total payments, listed above.

**Policy and Legislative Implications**

Nil

**Strategic Implications**

Nil

### Risk Implications

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	That budget allocations are significantly exceeded.	Moderate (6)	Variances are monitored and highlighted to Council monthly for corrective action.
Reputation	The accounts paid report is open to public scrutiny.	Low (3)	Procedures in place to ensure all expenditure is justifiable.
Compliance	The report is to be presented to Council in order to comply with relevant legislation.	Low (3)	There are processes in place to ensure compliance with legislation.
Fraud	That the report is manipulated.	Low (3)	Interim and end of year audits along with sequence checks.

### Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
<b>Almost Certain (5)</b>	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
<b>Likely (4)</b>	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
<b>Possible (3)</b>	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
<b>Unlikely (2)</b>	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
<b>Rare (1)</b>	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

### Conclusion

It is recommended that Council receives the reports provided for the period ended 31 August 2021.

### OFFICER RECOMMENDATION – ITEM NO 10.1.2

THAT COUNCIL:

1. BY SIMPLE MAJORITY, PURSUANT TO REGULATION 13(1) OF THE *LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996* RECEIVES THE REPORT FROM THE CHIEF EXECUTIVE OFFICER ON THE EXERCISE OF DELEGATED AUTHORITY IN RELATION TO PAYMENTS MADE FROM MUNICIPAL OR TRUST FUNDS

FOR THE PERIOD 1 AUGUST 2021 TO 31 AUGUST 2021 TOTALLING \$407,146.12 AS CONTAINED IN ATTACHMENT 10.1.2.1; AND

2. RECEIVES THE DETAILED TRANSACTION LISTING OF CREDIT CARD EXPENDITURE FOR THE PERIOD ENDED 31 AUGUST 2021, AS CONTAINED IN ATTACHMENT 10.1.2.2.

**COUNCIL RESOLUTION – ITEM NO 10.1.2**

**MOVED CR HAMIRIL**

**SECONDED CR CHARLSTON**

**THAT COUNCIL:**

1. **BY SIMPLE MAJORITY, PURSUANT TO REGULATION 13(1) OF THE *LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996* RECEIVES THE REPORT FROM THE CHIEF EXECUTIVE OFFICER ON THE EXERCISE OF DELEGATED AUTHORITY IN RELATION TO PAYMENTS MADE FROM MUNICIPAL OR TRUST FUNDS FOR THE PERIOD 1 AUGUST 2021 TO 31 AUGUST 2021 TOTALLING \$407,146.12 AS CONTAINED IN ATTACHMENT 10.1.2.1; AND**
2. **RECEIVES THE DETAILED TRANSACTION LISTING OF CREDIT CARD EXPENDITURE FOR THE PERIOD ENDED 31 AUGUST 2021, AS CONTAINED IN ATTACHMENT 10.1.2.2.**

**THE MOTION WAS PUT AND DECLARED CARRIED (4/0)**

**FOR: CHARLSTON, HAMIRIL, LACY, MINKOM**

**AGAINST: NIL**

## 10.2 LEASES

### 10.2.1 APPLICATION TO ENTER INTO A NEW LEASE FOR PART LOT 225 AND 227 HOME ISLAND – COMMUNITY RESOURCE CENTRE (CRC) TENANCY 9 – PARKS AUSTRALIA OFFICE

#### Report Information

Date: 22 September 2021  
 Location: Part Lot 225 & 227 Home Island – Community Resource Centre (CRC) Tenancy 9 – Parks Australia Office  
 Applicant: Parks Australia  
 File Ref:  
 Disclosure of Interest:  
 Reporting Officer: Leasing Officer  
 Island: Home Island  
 Attachments: 10.2.1.1 - Occupation Licence Agreement

#### Authority / Discretion

#### Definition

<input type="checkbox"/>	Advocacy	<i>Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
<input type="checkbox"/>	Information	<i>Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>



## Report Purpose

To present the request and supporting documentation from Parks Australia to enter into a occupation licence agreement for Part Lot 225 and 227 Home Island, Tenancy 9, commonly known as the Parks Australia Office to Council for consideration.

## Relevant Documents

Nil

## Background

The lease at Part Lot 225 and 227 Home Island CRC Tenancy 9 Parks Australia Office has expired and is currently in holding over arrangement. Negotiations has commenced and is in the final stages of finalising the renewal. The proponent has requested to enter into an Occupation Licence for this office space and the agreement has been provided as per attachment 10.2.1.1.

## Comment

There has been discussions between Parks Australia and the Shire in 2020 regarding the lease renewal at Part Lot 225 and 227 Home Island, Tenancy 9. Both parties are in a working arrangement to jointly perform and collaborate on activities of the Parks Officers and the Shire Ranger. There is also discussion regarding co-locating the Shire Ranger to the Parks Office.

The Shire presented the proponents with our standard lease agreement however both parties agreed it wasn't appropriate for this lease based on the wishes of the parties sharing an office space. The proponents put forward an Occupation Licence which will allow a non-exclusive contractual licence for both parties to utilise the space.

The proponent have proposed a five (5) year licence and officers support this request to allow Parks Australia to continue perform their services to the community.

## Policy and Legislative Implications

Section 3.58 of the *Local Government Act 1995 (WA) (CKI)*.

### Financial Implications

The valuation as sought by an independent valuer has come to a total of \$6,968.00 per annum. As the Shire plans to have an officer in the premises the rent proposed has been reduced by a third which has come to a total of \$4,645.00 per annum. The CRC building is a Shire asset and the Shire will receive the income from this licence agreement.

### Strategic Implications

Strategic Community Plan: *Key Result Area 1– Economic: Outcome 1.1. Encourage economic stability for the Islands.*

### Risk Implications

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Reputation	Not progressing with the lease in a timely manner could result in uncertainty for an essential service provider	Moderate (8)	This item is being progressed as quickly as possible, while still observing legislative requirements.
Service Interruption	Without a lease, a important community service could be disrupted.	Moderate (6)	This item is being progressed as quickly as possible, while still observing legislative requirements.
Compliance	The process for leasing does not comply with legislation.	Low (3)	The process outlined in this report is consistent with legislative requirements.
Property	The property is used in a manner that is other than what it has been intended for.	Low (3)	Property inspection to be conducted annually
Environment	Commercial activities could damage the environment	Moderate (6)	The lease contains clauses to protect the environment

### Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
<b>Almost Certain (5)</b>	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
<b>Likely (4)</b>	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
<b>Possible (3)</b>	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
<b>Unlikely (2)</b>	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
<b>Rare (1)</b>	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

### Voting Requirements

Simple majority

### Conclusion

The request for a licence agreement is presented to Council for consideration. The Officer's recommendation is that the Occupation Licence is formally signed by the Chief Executive Officer and the Shire President as it supports the provision of an important service for the community.

### OFFICER'S RECOMMENDATION – ITEM NO 10.2.1

THAT COUNCIL, BY SIMPLE MAJORITY, RESOLVES TO AUTHORISE THE CHIEF EXECUTIVE OFFICER TO ENTER INTO AN OCCUPATION LICENCE AT PART LOT 225 AND 227 HOME ISLAND, CRC TENANCY 9 WITH PARKS AUSTRALIA AS PER ATTACHMENT 10.2.1.1, SUBJECT TO THE FOLLOWING CONDITIONS:

1. THAT THE ANNUAL LICENCE FEE BE SET AS TWO THIRDS OF THE MARKET VALUATION (\$4,645), SUBJECT TO ANNUAL CPI REVIEWS, AND A MARKET REVIEW AT THE EXERCISE OF ANY FURTHER TERMS;
2. THE LICENCE AGREEMENT BEING FOR FIVE (5) YEARS;
3. THE PURPOSE OF THE LEASE IS FOR PARKS AUSTRALIA TO OPERATE THEIR SERVICES FROM HOME ISLAND;
4. THAT REGULAR INSPECTIONS OF COMMERCIAL TENANCY BE UNDERTAKEN;
5. PARKS AUSTRALIA IS CLASSIFIED AN 'INSTRUMENTALITY OF THE CROWN' AND IS EXEMPT FROM THE DISPOSITION OF PROPERTY REQUIREMENTS AS PER R.30(2)(C)(ii) OF THE LOCAL GOVERNMENT (FUNCTIONS AND GENERAL) REGULATIONS 1996.

**COUNCIL RESOLUTION – ITEM NO 10.2.1**

**MOVED CR HAMIRIL**

**SECONDED CR CHARLSTON**

**THAT COUNCIL, BY SIMPLE MAJORITY, RESOLVES TO AUTHORISE THE CHIEF EXECUTIVE OFFICER TO ENTER INTO AN OCCUPATION LICENCE AT PART LOT 225 AND 227 HOME ISLAND, CRC TENANCY 9 WITH PARKS AUSTRALIA AS PER ATTACHMENT 10.2.1.1, SUBJECT TO THE FOLLOWING CONDITIONS:**

- 1. THAT THE ANNUAL LICENCE FEE BE SET AS TWO THIRDS OF THE MARKET VALUATION (\$4,645), SUBJECT TO ANNUAL CPI REVIEWS, AND A MARKET REVIEW AT THE EXERCISE OF ANY FURTHER TERMS;**
- 2. THE LICENCE AGREEMENT BEING FOR FIVE (5) YEARS;**
- 3. THE PURPOSE OF THE LEASE IS FOR PARKS AUSTRALIA TO OPERATE THEIR SERVICES FROM HOME ISLAND;**
- 4. THAT REGULAR INSPECTIONS OF COMMERCIAL TENANCY BE UNDERTAKEN;**
- 5. PARKS AUSTRALIA IS CLASSIFIED AN ‘INSTRUMENTALITY OF THE CROWN’ AND IS EXEMPT FROM THE DISPOSITION OF PROPERTY REQUIREMENTS AS PER R.30(2)(C)(ii) OF THE *LOCAL GOVERNMENT (FUNCTIONS AND GENERAL) REGULATIONS 1996*.**

**THE MOTION WAS PUT AND DECLARED CARRIED (4/0)**

**FOR: CHARLSTON, HAMIRIL, LACY, MINKOM**

**AGAINST: NIL**

### 10.3 PLANNING/BUILDING

Nil

### 10.4 ADMINISTRATION

#### 10.4.1 UPDATE ON CORPORATE BUSINESS PLAN ACTIONS – JUNE 2021

##### Report Information

Date: 8 September 2021  
 Location: Not Applicable  
 Applicant: Not Applicable  
 File Ref: Not Applicable  
 Disclosure of Interest: Nil  
 Reporting Officer: Chief Executive Officer  
 Island: Whole of Shire  
 Attachments: 10.4.1.1 - Update on Corporate Business Plan Actions – June 2021

##### Authority / Discretion

##### Definition

<input type="checkbox"/>	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. E.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
<input type="checkbox"/>	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

## Report Purpose

The purpose of this report is for Council to note the progression that the Shire is making against the actions set out within the Corporate Business Plan 2020-2024.

## Relevant Documents

Available for viewing at the meeting

Nil

## Background

The Corporate Business Plan (CBP) is a part of the Integrated Planning and Reporting Framework and a key operational document that takes into consideration other planning documents including the Strategic Community Plan, Long Term Financial Plan and Asset Management Plans. The CBP identifies Council's priorities and details current services, future operations and major projects expected to be undertaken by the Shire over the next four years. The CBP outlines the operational activities that will be undertaken to achieve the outcomes of the Strategic Community Plan to ensure the Shire activates the goals and aspirations outlined in the Strategic Community Plan.

Councillors and Shire Staff participated in a Corporate Planning Day in October 2018 to review and update the CBP to ensure it is achievable and reflects where the Shire is currently and where it needs to be. In May 2020, Council completed a minor review as required by the *Local Government Act 1995 (WA) (CKI)*.

## Comment

Details of all updates against the actions within the Corporate Business Plan 2020-2024 as at June 2021 is contained in Attachment 10.4.1.1 Update on Corporate Business Plan Actions – June 2021.

Some of the highlights for the 2020/21 financial year are as follows:

- Construction on the refurbishment of the Home Island Retail Precinct commenced;
- Training and apprenticeship opportunities with the Shire commenced in the areas of Horticulture, Joinery and Carpentry and Mechanical;
- Project finalised to create and maintain Cemetery Register;
- Lionel Allen collection was catalogued in collaboration with WA Museum;
- Three Shire organised marine debris clean-ups and one "adopt a Beach" clean-up occurred;

- Oceans Institute Marine Debris Assessment Report was received by Council.

**Policy and Legislative Implications**

Under s5.56(1) of the *Local Government Act 1995 (WA) (CKI)* all local governments are required to produce a plan for the future. Regulation 19DA(6) of the *Local Government (Administration) Regulations 1996* requires that Council considers adoption of the Corporate Business Plan (CBP) when it is revised or any other modifications are made. Whilst there is no legislative requirement for the reporting of updates against the actions to council about the CBP, the Department published best practice guidelines about implementation of the IPR process in which regular reporting to Council is strongly encouraged.

**Financial Implications**

There are no direct financial implications associated with this report.

**Strategic Implications**

Shire of Cocos (Keeling) Islands Strategic Community Plan 2016 – 2026:  
*Outcome 4.1 - An informed Council leading working with others to advance our Islands*  
*4.1.1 - To provide leadership to the community*

**Risk Implications**

<b>Risk Category</b>	<b>Description</b>	<b>Rating (consequence x likelihood)</b>	<b>Mitigation Action</b>
Financial	The CBP commits the Shire beyond its resourcing capacity	Moderate (9)	Review done in the context of the budget and human resourcing.
Reputation	The CBP is a public document to which the Shire is held accountable by the Community. Failure to deliver can reflect badly on Council.	Moderate (9)	Ongoing monitoring of the CBP actions to ensure the activities align with identified priorities.

### Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
<b>Almost Certain (5)</b>	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
<b>Likely (4)</b>	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
<b>Possible (3)</b>	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
<b>Unlikely (2)</b>	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
<b>Rare (1)</b>	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

### Voting Requirements

Simple Majority

### Conclusion

Whilst it is not a statutory requirement to provide an update report to Council on a regular basis, it is good practice. This report provides Council and the community the opportunity to have oversight in the actions and achievements of the Shire.

### OFFICER RECOMMENDATION – ITEM NO 10.4.1

THAT COUNCIL, BY SIMPLE MAJORITY RECEIVES THE JUNE 2021 UPDATE ON THE SHIRE OF COCOS (KEELING) ISLANDS CORPORATE BUSINESS PLAN 2020 – 2024.

### COUNCIL RESOLUTION – ITEM NO 10.4.1

MOVED CR CHARLSTON

SECONDED CR LACY

THAT COUNCIL, BY SIMPLE MAJORITY RECEIVES THE JUNE 2021 UPDATE ON THE SHIRE OF COCOS (KEELING) ISLANDS CORPORATE BUSINESS PLAN 2020 – 2024.

THE MOTION WAS PUT AND DECLARED CARRIED (4/0)

FOR: CHARLSTON, HAMIRIL, LACY, MINKOM

AGAINST: NIL



## 10.4.2 BUDGET VARIATION – SUPPLEMENTARY ROAD FUNDING

### Report Information

Date: 21 September 2021  
 Location: Not Applicable  
 Applicant: Not Applicable  
 File Ref: Not Applicable  
 Disclosure of Interest: Nil  
 Reporting Officer: Chief Executive Officer  
 Island: Home Island  
 Attachments: Nil

### Authority / Discretion

### Definition

<input type="checkbox"/>	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. E.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
<input type="checkbox"/>	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

### Report Purpose

The purpose of this report is for Council to consider approved Supplementary Road Funding by the Department of Infrastructure, Transport, Regional Development and Communications (the Department) and the associated variation to the 2021/22 Annual Budget.

## Relevant Documents

[Available for viewing at the meeting](#)

## Background

In August 2021, the Department contacted the Shire requesting any projects that would be eligible for up to \$200,000 of Supplementary Road Funding.

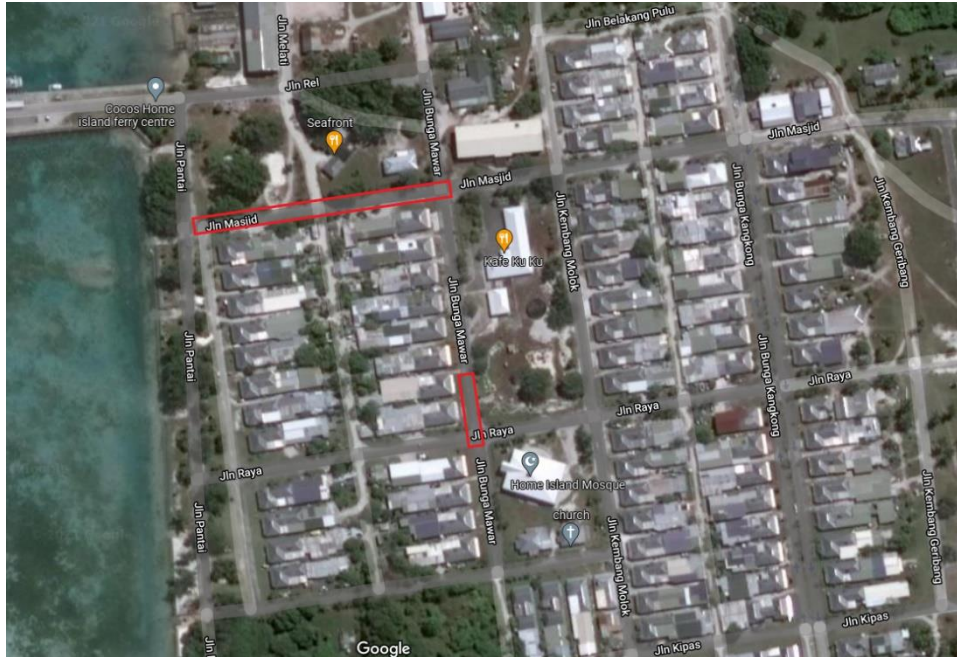
Currently 26% of 4,410 lineal metres of paved road network on Home Island is in poor condition with a further 35% of the paved road surface needing replacement within the next 10 years. The Shire's focus is to continue replacing poor sections of these roads using condition-based inspections.

The current adopted budget did not have a suitable unfunded project that was eligible, however the adopted budget did provide for the current reconstruction of Jalan Mawar as follows:

Description	Total Cost	Funding	
		Roads to Recovery	Municipal Funds
	\$		
Reconstruction of 300m <sup>2</sup> of Jalan Mawar from the intersection of Jalan Masjid heading south	\$155,371	\$99,000	\$56,371

## Comment

To maximise the funding opportunity of up to \$200,000, the Shire proposed to the Department to amend the current project to reconstruct a portion of Jalan Mawar (300m<sup>2</sup>) to 150m<sup>2</sup> and to include a portion of Jalan Masjid (700m<sup>2</sup>) to maximise the funding opportunity.



The total cost of the proposed project is \$307,340 with funding to be provided by the Supplementary Roads Funding (\$200,000), and the remainder from the Shire's own source funding (\$99,000 Roads to Recovery; \$8,340 municipal funds). This will result in an expected saving to the Shire of \$48,031 from original budget expectations, whilst enabling 550m<sup>2</sup> of additional road renewal to occur.

The project is proposed to have the following project and funding milestones:

#### *Project Milestones*

- October 2021 – Project Approved and Materials Ordered
- January 2022 – Pavers and Materials Delivered
- February 2022 – Remove Existing Pavers
- March 2022 – Kerbs Installed and Commence Installation of Pavers
- June 2022 – Completion of Project

#### *Funding Milestones*

1. 30% Pavers Ordered (\$60,000) (Oct 2021)
2. 30% Pavers Delivered (\$60,000) (Jan 2022)
3. 40% Project Completed (\$80,000) (Jun 2022)

The above milestones may vary as the funding agreement with the Department is yet to be provided for review and signing.

## Policy and Legislative Implications

Section 6.8. of the *Local Government Act 1995 (WA) (CKI)* states:

6.8. *Expenditure from municipal fund not included in annual budget*

(1) *A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —*

*(a) is incurred in a financial year before the adoption of the annual budget by the local government; or*

*(b) is authorised in advance by resolution\*; or*

*(c) is authorised in advance by the mayor or president in an emergency.*

\* *Absolute majority required.*

## Financial Implications

This funding opportunity will result in an expected saving to the Shire of \$48,031 from original budget expectations, whilst enabling 550m2 of additional road renewal to occur.

## Strategic Implications

Shire of Cocos (Keeling) Islands Strategic Community Plan 2017 - 2027

*Key Result Area 4 – Civic Leadership*

*Objective 4 – Ensure efficient and effective management of the organisation and financial resources.*

## Risk Implications

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	Funding and expenditure budgets are utilised without council approval resulting in misallocation of funds for priority areas.	Moderate	Ensure council adopt the utilisation of Shire resources via council report prior to commitment of funds.

### Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
<b>Almost Certain (5)</b>	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
<b>Likely (4)</b>	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
<b>Possible (3)</b>	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
<b>Unlikely (2)</b>	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
<b>Rare (1)</b>	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

### Voting Requirements

Absolute Majority

### Conclusion

To maximise a funding opportunity to renew additional road assets, approval is sought from Council to support the funding application and to approve the following variation to the 2021/2022 Annual Budget:

Description	Amount
Revised Project – Reconstruction of Jalan Mawar (150m2) – Reduction to Project Cost	(\$101,135)
New Project – Reconstruction of Jalan Masjid (700m2) – Increase Expenditure	\$253,104
No Change – Non-Operating Grant – Roads to Recovery (\$99,000)	0
New Non-Operating Grant – Supplementary Road Funding	(\$200,000)
Reduction in Municipal Funds Required – Unallocated Surplus	\$48,031

### OFFICER'S RECOMMENDATION – ITEM NO 10.4.2

THAT COUNCIL, BY ABSOLUTE MAJORITY, PURSUANT TO SECTION 6.8. OF THE *LOCAL GOVERNMENT ACT 1995 (WA) (CKI)* APPROVES THE FOLLOWING VARIATION TO THE 2021/2022 ANNUAL BUDGET:

Description	Amount
Revised Project – Reconstruction of Jalan Mawar (150m2) – Reduction to Project Expenditure	(\$101,135)
New Project – Reconstruction of Jalan Masjid (700m2) – Increase Expenditure	\$253,104
No Change – Non-Operating Grant – Roads to Recovery (\$99,000)	0

New Non-Operating Grant – Supplementary Road Funding	(\$200,000)
Reduction in Municipal Funds Required – Unallocated Surplus	\$48,031

**COUNCIL RESOLUTION – ITEM NO 10.4.2**

**MOVED CR LACY**

**SECONDED CR CHARLSTON**

**THAT COUNCIL, BY ABSOLUTE MAJORITY, PURSUANT TO SECTION 6.8. OF THE *LOCAL GOVERNMENT ACT 1995 (WA) (CKI)* APPROVES THE FOLLOWING VARIATION TO THE 2021/2022 ANNUAL BUDGET:**

Description	Amount
Revised Project – Reconstruction of Jalan Mawar (150m2) – Reduction to Project Expenditure	(\$101,135)
New Project – Reconstruction of Jalan Masjid (700m2) – Increase Expenditure	\$253,104
No Change – Non-Operating Grant – Roads to Recovery (\$99,000)	0
New Non-Operating Grant – Supplementary Road Funding	(\$200,000)
Reduction in Municipal Funds Required – Unallocated Surplus	\$48,031

**THE MOTION WAS PUT AND DECLARED CARRIED BY ABSOLUTE MAJORITY (4/0)**

**FOR: CHARLSTON, HAMIRIL, LACY, MINKOM**

**AGAINST: NIL**

### 10.4.3 SERVICES OVER THE CHRISTMAS AND NEW YEAR PERIOD 2021/2022

#### Report Information

Date:  
 Applicant: Not applicable  
 Location: Not applicable  
 File Ref:  
 Disclosure of Interest: Nil  
 Reporting Officer: Governance and Risk Coordinator  
 Island: Shire wide  
 Attachments: Nil

<input type="checkbox"/>	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. E.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

#### Report Purpose

In previous years, the Shire's Administration Building closed over the Christmas and New Year period. There have not been any negative consequences as a result with vital and emergency services available over these times.

This year, the Christmas period public holidays are on Monday 27 December and Tuesday 28 December 2021 and the New Year's Day public holiday is Monday 3 January 2022 (in lieu of Saturday 1 January) 2022.



## Relevant Documents

Available for viewing at the meeting

## Background

The Shire has closed its Administration building for the Christmas period since 2019. Prior to this, the Shire retained skeleton staff during this period. Following a review of the relatively low customer access during these days, the Shire has had a ‘full close down’ for the last two Christmas and New Year periods. The Christmas closure is popular with staff, results in minimal impact on customers and enables staff leave to be cleared.

It is proposed that the Shire again close for the upcoming Christmas and end of year period to include all services with the exception of waste collection on identified days.

Staff would use annual leave or leave without pay for those days other than specified public holidays. This closure will be an active demonstration to staff of the family friendly workplace and recognition of their efforts.

The Manager Infrastructure and Works Supervisor will be available on call during this period.

It is not anticipated that customer service will be unduly impacted by the proposed closure, as this period has historically been quiet.

Advertising will occur through the Atoll and social media to inform the community of the times and dates the Administration building will be open/closed during this period as well information pertaining to the waste collection days.

Open	Closed	Public Holiday	Close at midday		
<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	
27 Dec 2020 Public holiday	28 Dec 2020 Public holiday	29 Dec 2020 Shire Administration building closed. West Island business waste pick up/Home Island general waste pick up	30 Dec 2020 Shire Administration closed. West Island general waste pick up.	31 Dec 2021 Shire Administration closed.	
3 January 2022 Public holiday	4 Jan 2022 Shire Administration building re-open	5 Jan 2022	6 Jan 2022	7 Jan 2021	



### Financial Implications

Nil

### Policy and Legislative Implications

Nil

### Strategic Implications

Shire of Cocos (Keeling) Islands Strategic Community Plan 2016-2026

*Key Result Area: Civic Leadership Objective*

*Outcome 4.1 An informed Council leading working with others to advance our Islands*

*4.1.2 – Continue to improve organisational planning*

### Risk Implications

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Service Interruptions	Closure of the Shire's Administration building over the Christmas and New Year period	Moderate (6)	CEO has ensured that there is appropriate coverage over the Christmas and New Year period

### Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
<b>Almost Certain (5)</b>	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
<b>Likely (4)</b>	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
<b>Possible (3)</b>	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
<b>Unlikely (2)</b>	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
<b>Rare (1)</b>	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

### Conclusion

It is recommended that the Shire's Administration building close for the Christmas and New Year period, from 12pm Friday 24 December 2021 until Monday 3 January 2022 (inclusive). The Shire's Administration building would re-open on Tuesday 4 January 2022.

**OFFICER RECOMMENDATION – ITEM NO 10.4.3**

THAT COUNCIL:

1. APPROVE THE CLOSURE OF THE SHIRE’S ADMINISTRATION BUILDING FROM 12PM FRIDAY 24 DECEMBER 2021 UNTIL MONDAY 3 JANUARY 2022 (INCLUSIVE), TO BE REOPENED ON TUESDAY 4 JANUARY 2022; AND
2. NOTE THAT OVER THE CHRISTMAS AND NEW YEAR PERIOD IT WILL BE THE RESPONSIBILITY OF THE CHIEF EXECUTIVE OFFICER TO ENSURE STAFF COVERAGE IS IN PLACE IN THE CASE OF AN EMERGENCY.

**COUNCIL RESOLUTION – ITEM NO 10.4.3**

**MOVED CR CHARLSTON**

**SECONDED CR LACY**

THAT COUNCIL:

1. **APPROVE THE CLOSURE OF THE SHIRE’S ADMINISTRATION BUILDING FROM 12PM FRIDAY 24 DECEMBER 2021 UNTIL MONDAY 3 JANUARY 2022 (INCLUSIVE), TO BE REOPENED ON TUESDAY 4 JANUARY 2022; AND**
2. **NOTE THAT OVER THE CHRISTMAS AND NEW YEAR PERIOD IT WILL BE THE RESPONSIBILITY OF THE CHIEF EXECUTIVE OFFICER TO ENSURE STAFF COVERAGE IS IN PLACE IN THE CASE OF AN EMERGENCY.**

**THE MOTION WAS PUT AND DECLARED CARRIED (4/0)**

**FOR: CHARLSTON, HAMIRIL, LACY, MINKOM**

**AGAINST: NIL**

#### 10.4.4 ADOPTION OF CHIEF EXECUTIVE OFFICERS KPIS

##### Report Information

Date: 27 August 2021  
 Location: Not Applicable  
 Applicant: Not Applicable  
 File Ref: Not Applicable  
 Disclosure of Interest: The reporting officer is the Chief Executive Officer  
 Reporting Officer: Chief Executive Officer  
 Island: Not Applicable  
 Attachments: 10.4.4.1 - Confidential Attachment – 2021/2022 CEO KPIS

##### Authority / Discretion

##### Definition

<input type="checkbox"/>	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. E.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
<input type="checkbox"/>	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

##### Report Purpose

This item seeks Council consideration of KPIS for the CEO for the next 12 months.

##### Relevant Documents

Available for viewing at the meeting

Nil

## Background

As per the CEO Contract, Council is required to set KPIs for the CEO. These are used to inform the CEO's performance review which is required under s5.38 of the *Local Government Act 1995 (WA)(CKI)*. KPIs also provide a valuable tool for ensuring Council provides clear direction to the CEO regarding Council's priorities for the organisation and particularly in resource allocation.

## Comment

The draft KPIs as contained in Confidential Attachment 10.4.4.1 were drafted and discussed with Council at the Councillor Workshop held on 25 August 2021.

There are nine key performance indicators which are based on performance and achievement in the priority areas of:

1. Leadership
2. Financial
3. Compliance
4. Strategic direction
5. Business Continuity
6. Customer Satisfaction

The CEO KPIs will inform and guide the development of KPIs for Managers who in turn will use their KPIs for their staff resulting in these KPIs cascading to all levels in the organisation.

## Policy and Legislative Implications

Section 5.38 of *The Local Government Act 1995 (WA)(CKI)* stipulates that the performance of each employee who is employed for a term of more than one year, including the CEO and each senior employee, is to be reviewed at least once in relation to every year of the employment. KPIs provide a useful tool to acquit this requirement.

## Financial Implications

There are no direct financial implications associated with this report. Achieving the KPIs will require resources or funding. Where additional funds outside of the adopted budget are required, a report to Council will be provided for consideration.

## Strategic Implications

Strategic Community Plan 2016 – 2026

Key Result Area 4 – Civic Leadership

Objective 1 – Attract and retain quality staff and elected members

## Risk Implications

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Compliance	Council do not set KPIs in accordance with CEO Contract	Low	Council to adopt appropriate KPIs to enable to the review of the performance of the CEO

## Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

## Voting Requirements

Simple Majority

## Conclusion

The CEO KPIs are presented to Council for adoption.

## OFFICER'S RECOMMENDATION – ITEM NO 10.4.4

THAT COUNCIL, BY SIMPLE MAJORITY, PURSUANT TO SECTION 5.38 OF THE LOCAL GOVERNMENT ACT 1995 (WA) (CKI) RESOLVES TO ADOPT THE CEO KPI'S AS CONTAINED IN CONFIDENTIAL ATTACHMENT 10.4.4.1 FOR THE NEXT 12 MONTHS.

**COUNCIL RESOLUTION – ITEM NO 10.4.4**

**MOVED CR LACY**

**SECONDED CR CHARLSTON**

**THAT COUNCIL, BY SIMPLE MAJORITY, PURSUANT TO SECTION 5.38 OF THE LOCAL GOVERNMENT ACT 1995 (WA) (CKI) RESOLVES TO ADOPT THE CEO KPI'S AS CONTAINED IN CONFIDENTIAL ATTACHMENT 10.4.4.1 FOR THE NEXT 12 MONTHS.**

**THE MOTION WAS PUT AND DECLARED CARRIED (4/0)**

**FOR: CHARLSTON, HAMIRIL, LACY, MINKOM**

**AGAINST: NIL**

#### 10.4.5 RFT 2021/02 COMPLETION OF CONSTRUCTION OF TWO RESIDENTIAL KIT HOMES

##### Report Information

Date: 23 September 2021  
 Location: Not Applicable  
 Applicant: Not Applicable  
 File Ref: Not Applicable  
 Disclosure of Interest: Nil  
 Reporting Officer: Chief Executive Officer  
 Island: Home Island  
 Attachments: 10.4.5.1 - Confidential Attachment – RFT 2021-02 Evaluation Report

##### Authority / Discretion

##### Definition

<input type="checkbox"/>	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. E.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
<input type="checkbox"/>	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

##### Report Purpose

The purpose of this report is for Council to consider the results of Tender RFT 2021/02 Completion of Construction of Two Residential Kit Homes and to consider the proposed plan to complete the construction of the two new Home Island houses.

## Relevant Documents

Available for viewing at the meeting

Nil

## Background

The construction of two residential kit homes on Home Island commenced in 2020/21. Original budget estimates on the construction of two new houses on Home Island was \$1,000,000. \$500,000 of the cost of the project was to be funded by the Economic Stimulus (Supporting Local Employment) package provided by the Department of Infrastructure, Transport, Regional Development and Communications (the Department), with the remaining \$500,000 to be funded from Council reserve funds. Original estimates included utilising Shire employed building trades and labourers, however due to a number of circumstances linked to the pressures resulting from COVID-19, such as:

- pressures to meet funding milestone dates;
- lack of available local resources;
- lack of available accommodation options;
- increased demand for and lack of availability of materials; and
- shortage of available resources on the mainland;

a local contractor was engaged to supervise and provide the qualified labour along with support from local Shire employed labour. At the time of engagement the Shire still expected to be able to source its own builders to complete the project, resulting in the local contractor being engaged on a purchase order for an hourly rate, with no contract in place. As the impacts of COVID-19 continued, it became clear to the Shire that being able to complete the construction within the original funding deadlines with Shire resources/employees was not possible.

To test the market for price, available resources and ability to complete the project on island, Tenders were called for a suitable builder to complete the construction of the two houses.

The local contractor engaged was provided four weeks' notice that the Shire was considering its options to complete the project.

## Comment

Under delegated authority, the Chief Executive Officer called for open public tenders from suitably qualified and experienced contractors to complete the construction of two partially built residential houses on Home Island. Both houses are at different stages of construction.



The RFT was advertised in the West Australian and the Shire’s Website, Facebook Page and Noticeboards on Wednesday 18 August 2021 and in the Atoll on 20 August 2021. Three responses were received by the deadline of the Request for Tender (RFT). One response was received after the deadline and was not evaluated.

Tenders were evaluated and were assessed as being in excess to the available budget. During the period of evaluation it also became clear that the accommodation that the Shire currently has set aside for building contractors could not be certain to be secured past December 2021, posing a risk to the project and the tender that was called.

Shire builders (employees) have been working on an additional Economic Stimulus project, Home Island Retail Precinct, that had competing milestone deadlines as the Houses Project. The first stage (expansion) of the Retail Precinct Project is coming to completion, with completion expected in early-mid October. With the continual difficulties with accommodation and flights getting external contractors to island alternative options to complete the projects were sought. The Shire approached the Department to seek approval to review the funding milestones of each project to enable in-house resources, with assistance from local trades that the Shire does not have internally, to complete both the Retail Precinct and the Houses Projects. Effectively pausing the commencement of Stage 2 of the Retail Precinct, to enable Shire employees to complete the Houses Project and then return to complete the Retail Precinct.

The following project milestone dates were proposed to the Department:

**Houses – Proposed Revised Milestones:**

Milestone No.	Date	Details	% of Grant	Grant Payment	SoCKI Contribution
1		Contract Award - PAID	30%	\$150,000	\$150,000
2		Houses Delivered in Kit Form - PAID	30%	\$150,000	\$150,000
3	November 2021	House 1 to lock up stage	20%	\$100,000	\$100,000
4	February 2022	House 1 completed	20%	\$100,000	\$100,000
5	June 2022	Completion of House 2		\$0	Balance

**Retail Precinct – Proposed Revised Milestones:**

Milestone No.	Date	Details	% of Grant	Grant Payment	SoCKI Contribution
1		Design Work	n/a	n/a	\$50,000
2		Sub-floor structure completed on Expansion – PAID	20%	\$231,000	0

3		50% of Materials delivered to CKI – PAID	20%	\$231,000	\$250,000
4		Remaining 50% of Materials delivered to CKI - PAID	20%	\$231,000	\$250,000
5	October 2021	Construction of Expansion Stage Completed	20%	\$231,000	
6	June 2022	Refurbishment Stage Commenced	20%	\$231,000	
7	Sept 2022	Completion of Refurbishment			Balance

Completing the houses internally, the forecasted total project cost for the two houses is approximately \$1,420,000; \$50,000 over current budget expectations. Awarding a tender to any of the responding tenders would have resulted in forecasted budgets over this amount.

Whilst the proposed revision to the milestones has not yet been signed off by the Department, they have provided general support for this proposal.

In addition to resolving issues with accommodation, completion of the houses with local labour contributes to a sense of pride for Shire staff and the community.

Confidential Attachment 10.4.5.1 – RFT 2021-02 Evaluation Report contains details of the tenders received, the process of the tender and the evaluation panel's findings and recommendation to Council.

### **Policy and Legislative Implications**

Regulation 11 of the *Local Government (Functions and General) Regulations 1996* deals with when tenders are to be publicly invited.

Regulation 18 of the *Local Government (Functions and General) Regulations 1996* deals with how a local government is to reject or accept publicly invited tenders.

The CEO does not have delegation to award or decline Tenders.

### **Financial Implications**

The recommended plan to complete the Houses Project internally has a forecasted budget of \$1,420,000 in total, equating to \$50,000 over budget expectations. The forecast allows for a contingency and the Shire is working to bring the total works under the 2021/22 budget.

Where it becomes required, additional budget has been identified through the receipt of confirmation of the Financial Assistance Grant (FAG) for 2021/22. The originally budgeted FAG to be received was \$4,208,556, whereas confirmation of actual FAG funding is \$4,531,554.

Allowing for an expected surplus of \$322,998. It is recommended to utilise a portion of this additional funding to fund the gap in budget and forecast cost – to be reviewed through the Budget Review process.

### Strategic Implications

Shire of Cocos (Keeling) Islands Strategic Community Plan 2017 - 2027

*Key Result Area 1 – Economic Development*

*Objective 2 – Facilitate additional accommodation to meet a variety of needs*

*Key Result Area 4 – Civic Leadership*

*Objective 4 – Ensure efficient and effective management of the organisation and financial resources*

### Risk Implications

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	The cost exceeds budget allocation	Low (4)	Forecast expectations has allowed for a contingency and where required funds have been identified.  Do not award tenders that exceed budget.
Reputation	Cost and time to complete project exceeds expectations	Moderate (6)	Managing expectations and clear communication to the community and key stakeholders of the challenges that the Shire and other providers on island are facing with accommodation and resourcing will assist in minimising the reputational risk.
Compliance	Process non-compliant	Low (4)	The tender process has been compliant.

### Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
<b>Almost Certain (5)</b>	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
<b>Likely (4)</b>	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
<b>Possible (3)</b>	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
<b>Unlikely (2)</b>	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
<b>Rare (1)</b>	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

### Voting Requirements

Simple Majority

### Conclusion

Managing the challenges and uncertainty that COVID-19 has had on the Cocos (Keeling) Islands and wider economic community has been difficult for not only the Shire but all organisations and residents.

The Shire has been working to adjust to the changes to the environment as and when required as planning for the unknown has been difficult.

Utilising internal resources as much as possible was always the intention of the Economic Stimulus Project funding to create and sustain local jobs. The Houses Project in particular contributes to a sense of pride in the community and with Shire employees. Managing the risk of loss of funding, and over expenditure is also at the forefront of this recommendation.

The officers recommendation is for Council to decline all tenders and to support the proposed plan to stage the completion of the Retail Precinct to allow for the Houses to be completed and then return to complete Stage 2 (renovation) of the Retail Precinct. Whilst timelines will be impacted, any opportunity to bring forward the completion of both projects will continuously be monitored.

### OFFICER RECOMMENDATION – ITEM NO 10.4.5

THAT COUNCIL, BY SIMPLE MAJORITY, PURSUANT TO REGULATION 18 OF THE *LOCAL GOVERNMENT (FUNCTIONS AND GENERAL) REGULATIONS 1996*, RESOLVES TO:

1. NOT AWARD A TENDER FOR RFT 2021/02 COMPLETION OF CONSTRUCTION OF TWO RESIDENTIAL KIT HOMES; AND

**2. SUPPORT THE REVISED PROJECT MILESTONE DATES FOR THE TWO ECONOMIC STIMULUS PROJECTS AS FOLLOWS:**

**Houses – Proposed Revised Milestones:**

Milestone No.	Date	Details	% of Grant	Grant Payment	SoCKI Contribution
1		Contract Award PAID	30%	\$150,000	\$150,000
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5	June 2022	Completion of House 2		\$0	Balance

**Retail Precinct – Proposed Revised Milestones:**

Milestone No.	Date	Details	% of Grant	Grant Payment	SoCKI Contribution
1		Design Work	n/a	n/a	\$50,000
2		Sub-floor structure completed on Expansion – PAID	20%	\$231,000	0
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**COUNCIL RESOLUTION – ITEM NO 10.4.5**

**MOVED CR CHARLSTON**

**SECONDED CR HAMIRIL**

**THAT COUNCIL, BY SIMPLE MAJORITY, PURSUANT TO REGULATION 18 OF THE LOCAL GOVERNMENT (FUNCTIONS AND GENERAL) REGULATIONS 1996, RESOLVES TO:**

- 1. NOT AWARD A TENDER FOR RFT 2021/02 COMPLETION OF CONSTRUCTION OF TWO RESIDENTIAL KIT HOMES; AND**

**2. SUPPORT THE REVISED PROJECT MILESTONE DATES FOR THE TWO ECONOMIC STIMULUS PROJECTS AS FOLLOWS:**

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7	Sept 2022	Completion of Refurbishment			Balance

**THE MOTION WAS PUT AND DECLARED CARRIED (4/0)**

**FOR:** CHARLSTON, HAMIRIL, LACY, MINKOM  
**AGAINST:** NIL

**10.5 MINUTES TO BE RECEIVED**

Nil

**11. ELECTED MEMBERS MOTION OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**12. MOTIONS WITHOUT NOTICE WITH LEAVE OF COUNCIL**

Nil

**13. MATTERS BEHIND CLOSED DOORS**

Nil

**14. MATTERS RELATING TO THE LAND TRUSTS**



## MATTERS RELATING TO THE LAND TRUST 1979 AND LAND TRUST 1984

The Australian Government transferred ownership of portions of land on the Cocos (Keeling) Islands, under two separate deeds, to the Territory's local government being the Cocos (Keeling) Islands Council. On 1 July 1992, the Territories Law Reform Act came into effect by which the Commonwealth Government applied Western Australian laws to the Cocos (Keeling) Islands. The *Local Government (Transition) Ordinance 1992* established the Shire of the Cocos (Keeling) Islands by absorbing the Cocos (Keeling) Islands Council. By this arrangement, the body corporate called the Shire of Cocos (Keeling) Islands became the Trustee for both Land Trusts. Decisions relating to the Trust are made by Council as the decision-making arm of the body corporate.

**The 1979 Deed:** The 1979 Trust Deed applies to all of the land above the high-water mark on Home Island, except Lot 13, Lot 14 and Pulu Gangsa (Cemetery Island). The Deed states that the land is to be held 'upon trust for the benefit, advancement and wellbeing of the community formed by the Kampong residents.' No other terms were expressed in the Deed. 'Kampong residents' were described in the 1979 Trust Deed as 'the residents from time to time of the Kampong area'.

**The 1984 Deed:** The 1984 Trust Deed applies to all parcels of land situated and being above high-water mark within the Cocos (Keeling) Islands, including North Keeling Island, but not including parcels of land as described in the First Schedule of the 1984 Trust Deed. This transferred land was to be held by the Council (and later, by its successor, the Shire) 'upon trust for the benefit, advancement and wellbeing of the Cocos (Keeling) Islander's resident in the Territory on land owned by the Council.'



