



Western Australia

Agenda for the Special Meeting of the Murchison Shire Council,  
To be held in the Council Chambers, Carnarvon Mullewa Road, Murchison,  
On Thursday **11<sup>th</sup> May 2017**, commencing at 12:45 pm.

Purpose: Budget Variation – swap 16/17 and 17/18 Regional Road Group Projects

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**1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

**2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE**

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

Nil.

**4. PUBLIC QUESTION TIME**

**4.1 Standing Orders**

<b>Council Decision:</b>		
<b>Moved: Councillor</b>	<b>Seconded: Councillor</b>	
<b>That the following Local Law-Standing Orders 2001 be stood down:</b>		
8.2 Limitation on the number of speeches		
8.3 Duration of speeches		
<b>Carried</b>	<b>For:</b>	<b>Against:</b>

**5. NEXT MEETING**

25 May 2017

**6. APPLICATIONS FOR LEAVE OF ABSENCE**

**7. NOTICE OF ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS**

Nil

**8. ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION**

**9. FINANCE**

**9.1 Budget Variation – Swap 2016/17 and 2017/18 Regional Road Group Projects**

File:	12.3
Author:	Dianne Daniels
Interest Declared:	Nil
Date:	9 May 2017
Attachments:	Nil

**Matter for Consideration:**

Council to consider varying the budget so that the 2017-18 Regional Road Group Project is undertaken this financial year instead of the 2016-17 Regional Road Group Project. The 2016-17 project would then be undertaken in 2017-18.

**Background:**

The Regional Road Group Project for 2016-17 is budgeted job C14130 – Cap-ex - Realignment Away From Flood Prone Zone Carnarvon Mullewa Road SLK 132.83 – 135.50. Job C14130 has a total budget of \$211,788, of which the Regional Road Group will contribute the minimum amount of \$120,000 and the Shire’s contribution is \$91,788.

The Regional Road Group Project for 2017-18 is the re-forming and re-sheeting of 10km of Carnarvon Mullewa Road immediately to the north of the 2016-17 project. The total estimated cost for this job is \$419,583 and it is highly likely that RRG would contribute only the minimum of \$120,000 to this project, leaving the Shire to find \$299,583.

**Comment:**

The 2016-17 project has been held up as the clearing permit has not yet been issued. Part of the process is that permission to clear needs to be received from the lessee and landowner prior to lodging the clearing application with the Department of Environmental Regulation. Requests were sent to the lessee and landowner on the 7/7/2016 and reminders sent on the 7/12/2016, with the final permission being received on the 30/01/2017. The application was subsequently lodged with the Department of Environmental Regulation (DER) on the 23/02/2017.

DER have a 90 business day benchmark and to date, despite a couple of requests to prioritise the application, we still have not received the permit. This late in the financial year, I was concerned that the clearing permit would not arrive in time to complete the project (if at all) and that the RRG funds would be lost to the Shire and the wider Mid West Regional Road Group.

I approached Main Roads WA to see if it was possible to swap the 2016-17 and 2017-18 projects, as the 2017-18 project is on the current road alignment and no clearing permit will be required. As it turns out, the swap can be done and it will be beneficial to the Shire financially and to the Regional Road Group as they will be able to acquit their funding allocation.

As mentioned above, if the 2017-18 project was completed in the 2017-18 year, then it is highly likely that we would receive only the minimum funding of \$120,000. However, if it is completed in this financial year, the Regional Road Group can fund the project to the value of \$279,722, so an increase of \$159,722. This leaves the Shire to find \$139,861, which is \$48,073 more than we have budgeted for this financial year.

Job C14114 Construction as per Agreed Program was \$170,311 underspent at 30 March 2017 and so the funds required can be transferred from that job to the RRG project.

The table below is a summary of the above comments:

Current situation:

Job Number	Year	Total Cost	LG funds	RRG Funds
Realignment	2016-17	\$211,788	\$91,788	\$120,000
Re-form Re-sheet	2017-18	\$419,583	\$299,583	\$120,000
<b>Total</b>		<b>\$631,371</b>	<b>\$391,371</b>	<b>\$240,000</b>

Proposed situation:

Job Number	Year	Total Cost	1/3 LG funds	2/3 RRG Funds
Re-form Re-sheet	2016-17	\$419,583	\$139,861	\$279,722
Realignment	2017-18	\$211,788	\$91,788	\$120,000
<b>Total</b>		<b>\$631,371</b>	<b>\$231,649</b>	<b>\$399,722</b>

Budget Variation	2016-17		\$48,073	
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Savings to Shire over 2 years		\$159,722	(\$159,722)
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**Statutory Environment:**

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.

**Strategic Implications:**

Maintenance and upgrade of the road network is a high priority in the Strategic Community Plan to help develop the region’s economic potential.

**Policy Implications:**

Nil

**Budget/ Financial Implications:**

If the proposal is adopted then job C14130 will be amended to read ‘Cap-ex - Re-form (partial) and Re-sheet (full) Carnarvon Mullewa Road SLK 122.8 – 132.8 and \$48,073 will be transferred to it from job C14114.

**Sustainability Implications:**

- **Environmental**  
There are no known significant environmental implications associated with this decision
- **Economic**  
There are no known significant economic implications associated with this decision
- **Social**  
There are no known significant social considerations associated with this decision

**Consultation:**

Main Roads WA  
Works Supervisor  
Deputy Chief Executive Officer

**Recommendation:**

That Council

1. approves the swap of the 2016-17 and 2017-18 RRG projects; and
2. approves the amendment of Job C14130 to read ‘Cap-ex - Re-form (partial) and Re-sheet (full) Carnarvon Mullewa Road SLK 122.8 – 132.8; and
3. approves the budget transfer of \$48,073 from Job C14114 to Job C14130

**Voting Requirements:**

Absolute majority

<b>Council Decision:</b>		
<b>Moved:</b>	<b>Seconded:</b>	
<b>Carried/Lost</b>	<b>For:</b>	<b>Against:</b>

**10. URGENT BUSINESS**

**11. MEETING CLOSURE**