



AGENDA

MORAWA SINOSTEEL FUTURE FUND COMMITTEE MEETING

to be held on

Friday, 26 April 2024

at 4:00 pm



WESTERN AUSTRALIA'S
WILDFLOWER COUNTRY

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Morawa Sinosteel Future Fund Committee for any act, omission, statement or intimation occurring during Committee Meetings. The Morawa Sinosteel Future Fund Committee disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission, and statement of intimation occurring during Committee Meetings.

Any person or legal entity that acts or fails to act in reliance upon any statement, act or omission occurring in a Committee Meeting does so at their own risk. The Morawa Sinosteel Future Fund Committee advises that any person or legal entity should only rely on formal confirmation or notification of Committee resolutions.

DISCLOSURE OF FINANCIAL/ IMPARTIALITY/ PROXIMITY INTERESTS

Local Government Act 1995 – Section 5.65, 5.70 and 5.71 Local Government (Administration) Regulation 34C

<i>This form is provided to enable members and officers to disclose an Interest in a matter in accordance with the regulations of Section 5.65, 5.70 and 5.71 of the Local Government Act and Local Government (Administration) Regulation 34C</i>			
Name of person declaring the interest			
Position			
Date of Meeting			
Type of Meeting (Please circle one)	Council Meeting/ Committee Meeting/ Special Council Meeting Workshop/ Public Agenda Briefing/ Confidential Briefing		
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality

Signature: _____ **Date:** _____

Important Note:

Should you declare a **Financial** or **Proximity** Interest, in accordance with the Act and Regulations noted above, you are required to leave the room while the item is being considered.

For an **Impartiality** Interest, you must state the following prior to the consideration of the item:

“With regard to agenda item (read item number and title), I disclose that I have an impartiality interest because (read your reason for interest). As a consequence, there may be a perception that my impartiality on the matter may be affected. I declare that I will consider this matter on its merits and vote accordingly.”

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Item 1 Opening of Meeting

The Chair to declare the meeting open.

Item 2 Acknowledgement of Traditional Owners and Dignitaries

The Chair acknowledges the traditional custodians, the Yamatji people, and recognises the contribution of Yamatji Elders past, present and future, in working together for the future of Morawa.

Item 3 Recording of Attendance

3.1 Attendance

Committee

Chair

Deputy Chair

Community Member

Community Member

Chief Executive Officer

Councillor Karen Chappel

Councillor Ken Stokes

Jamie Appleton

Greg Jenkins

Scott Wildgoose

3.3 Apologies

3.4 Approved Leave of Absence

3.5 Disclosure of Interests

Item 4 Confirmation of Minutes of Previous Meeting

The Minutes of Morawa Sinosteel Future Fund Committee Meeting held on 8 April 2021 are provided as ***Attachment 1***.

The Circular Resolution Minutes of Morawa Sinosteel Future Fund Committee formed on 15 July 2021 are provided as ***Attachment 2***.

OFFICER'S RECOMMENDATION

1. That Morawa Sinosteel Future Fund Committee confirm that the Minutes of the Meeting held on 6 October 2020 are a true and correct record.
2. That Morawa Sinosteel Future Fund Committee confirm that the Circular Resolution Minutes of 15 July 2021 are a true and correct record.

SIMPLE MAJORITY VOTE REQUIRED

Item 5 Reports of Committee**5.1 Implementation of Terms of Reference**

Author: Chief Executive Officer

Authorising Officer: Chief Executive Officer

Disclosure of Interest: The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

OFFICER'S RECOMMENDATION

The Terms of Reference be adopted and implemented as presented in Attachment 1.

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is to implement Terms of Reference for the Committee.

DETAIL

The Terms of Reference have been developed as a guiding document for the successful operation of the Morawa Sinosteel Future Fund Committee. The implementation of a terms of reference for the committee will strengthen the governance practices around the committee and compliance with the Deed.

LEVEL OF SIGNIFICANCE

Low. The Committee has previously operated without the Terms of Reference. However, the implementation of the Terms of reference is in line with Best Practice measures.

CONSULTATION

Nil

LEGISLATION AND POLICY CONSIDERATIONS

Morawa Sinosteel Future Fund Deed of Agreement
Shire of Morawa Council Policy Manual

FINANCIAL AND RESOURCES IMPLICATIONS

Nil

RISK MANAGEMENT CONSIDERATIONS

Nil

CONCLUSION

It is proposed the Terms of Reference be adopted and implemented as presented in *Attachment 1*.

ATTACHMENTS

Attachment 1 – Proposed Terms of Reference

Attachment 2 – Deed of Agreement

5.2 Update on the Fund and Program Management

Author: Chief Executive Officer

Authorising Officer: Chief Executive Officer

Disclosure of Interest: The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

OFFICER'S RECOMMENDATION

That the Committee discuss various items in relation to the grant and agree upon a way forward to allow the Administration to commence advertising. With the Committee resolution specifying decisions to be implemented.

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is for the committee to review the funds current position and consider changing its operating practices.

DETAIL

The Deed of Agreement for the Future Fund was established in 2015 between the Shire of Morawa and Sinosteel Midwest Corporation. The Deed provides for clear parameters for the Shire to hold at least the Settled Sum (\$1.165M) in trust and invest those funds in line with the Local Government Act such that 85%-100% of the income received from the investment of the funds is made available to the community through a grants program.

The purpose of the Trust Fund is to assist community organisations by providing financial support for-

- (a) activities or endeavours that will provide community or welfare benefit to persons who are ordinarily resident in the Area; or
- (b) facilities or services that improve the welfare, culture, or amenity of persons ordinarily resident in the Area.

It is intended that, in considering applications for funding, preference would be given to applications in respect of which the applicants -

- (a) are community organisations that are based in the Area, or the majority of the members of which are ordinarily resident in the Area; and
- (b) propose to make their own contributions (such as by way of labour, materials or in kind) of at least 30% of the total value of the funding required.

To manage the Future Fund, the Shire has established two reserves with clear purposes that align to the intentions of the Deed. The Future Fund Principal Reserve is a reserve with the purpose of

providing the ongoing conduit to facilitate the benefits to the people of Morawa in line with the Deed. The Future Fund Interest Reserve is the reserve where 85% of the interest from the Future Fund Principal Reserve is transferred to allocate funding to community-based projects through the Morawa Sinosteel Future Fund Committee Grant Program.

The Morawa Sinosteel grant program has not been run since the 2020-2021 financial year. The two key reasons for this are:

1. Cyclone Seroja hit Morawa in April 2021, which directly impacted on some of the planned projects that were submitted and had funding agreements under the Sinosteel Future Fund grant program. Since April 2021, the Shire and community groups focussed on disaster recovery for at least two years to reach their pre-cyclone state.
2. The financial and economic conditions post Covid-19 lead to a low interest environment where the income received on future fund investment fell below \$2,500 for the financial years 2019/2020, 2020/2021, 2021/2022. Thus, the funds available for distribution through the grant program were low.

The 2022/2023 financial year saw a return to a higher interest environment, and the 2023/2024 economic environment now offers more consistent returns for the Future Fund Principal reserve holdings.

The Future Fund Interest Reserve currently holds a balance of \$230K. The Shire is expecting that the total interest being added to the reserve during 2023/2024 financial year will be \$40K, with the interest earned as of end of March 2024 being \$30K.

Historically, the Sinosteel Future Fund Grant Rounds have been held in August and February each year. Whilst this may align with seasons and club operations, it may be more practical to offer one grant round that is open for application May – July, with funds allocated in August. This would then align with the financial year, interest earning confirmation, and the Shire's budget. The Committee could then opt to only open a second round of applications if the grant budget isn't distributed, or it could opt to roll it forward into the next years total.

It is also worth the committee reviewing the grant application form attached. The author believes that the applicant should provide a breakdown of its total members and either a percentage or number of members who ordinarily reside in Morawa (given this is a clear objective of the Deed), a simple project plan or timeline should also be included (projects with no clear start or end date are always a risk, and the presence of clear milestones will help the administration manage the funds and acquittal process).

When administering the grant, it is worth the Committee discussing whether it is advertised as a funding pool i.e. a grant pool of \$40,000 is available for the 2024/2025 grant round. Another consideration could be whether an applicant is limited as to how much they can apply for, or whether it is an open application process where they can apply for all the pool or a portion of it, as opposed to saying grants up to \$10,000 are available with the committee administering a total pool of \$40,000 for the financial year. Both approaches have merit and are worth discussion.

In summary the decisions put to the committee are:

1. Should the grant be opening in May 2024 for a period of 8 weeks to allow for an August 2024 funding decision, or should the program retain its existing August opening and October funding decision.

2. Is the committee wanting to utilise two grant rounds as a standard or manage the grant as a single funding round with the ability to open another round later in the year in case of unallocated funds
3. Is the committee happy to amend the application form to include a requirement for groups to disclose the number of members they have both in and out of Morawa.
4. Is the committee happy to require the inclusion of a basic project timeframe/plan with the inclusion of start, end and key milestone dates as part of the application.
5. Does the committee want to advertise the total grant pool of \$40,000 as part of the advertising process or not?
6. Does the committee want to specify a maximum amount an applicant can apply for as part of a funding application or leave it open?

The Chair is to allow for general discussion regarding the grant program, application form, and proposed way forward.

LEVEL OF SIGNIFICANCE

Medium – in order for the Shire Administration to manage a successful grant program it must be given clear parameters by the Committee.

CONSULTATION

Nil

LEGISLATION AND POLICY CONSIDERATIONS

Morawa Sinosteel Future Fund Deed of Agreement
Shire of Morawa Council Policy Manual

FINANCIAL AND RESOURCES IMPLICATIONS

Nil

RISK MANAGEMENT CONSIDERATIONS

Nil

CONCLUSION

The Committee is to discuss and decide upon a variety of items to allow the administration to open the Future Fund Grant for applications.

ATTACHMENTS

Attachment 1 – Grant Application Form (used in 2021)

Item 6 Closure

6.1 Closure

There being no further business, the Chair to declare the meeting closed.



ATTACHMENTS

MORAWA SINOSTEEL FUTURE FUND COMMITTEE MEETING

Friday, 26 April 2024

at 4:00pm



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Attachments

4 Confirmation of Minutes of Previous Meeting

Attachment 1 – Minutes of Morawa Sinosteel Future Fund Committee Meeting held on 8 April 2021

Attachment 2 – Circular Resolution Minutes of Morawa Sinosteel Future Fund Committee formed on 15 July 2021

5.1 Implementation of Terms of Reference

Attachment 1 – Proposed Terms of Reference

Attachment 2 – Deed of Agreement

5.2 Update on the Fund and Program Management

Attachment 1 – Grant Application Form (used in 2021)