



MINUTES OF THE MANAGEMENT COMMITTEE MEETING HELD ON WEDNESDAY, 2 OCTOBER 2019 COMMENCING AT 12.30PM LOCATED AT KELLERBERRIN RECREATION & LEISURE CENTRE, LOT 260, CONNELLY ST, KELLERBERRIN

1. OPENING AND ANNOUNCEMENTS

The Chairman, Terry Waldron opened the meeting and thanked everyone for attending. Terry also thanked Gary Shadbolt for standing in as Deputy Chair during his leave period and Nick Hopkin and Jo Trachy for their work on the policies, applications and allocations work completed to date.

Terry asked all attendees to state their name and Shire when speaking to make Minute taking easier and advised that from today, any agreements made in future Management Committee Meetings will not be 'Moved' and 'Seconded' but rather 'Agreed' by the whole Committee. This is normal practice in business. Nick Hopkin confirmed it is standard practice and added that it was preferable to individuals being solely accountable for deciding on important matters. It is a safer option for the Committee to agree collectively on any issues.

Terry asked if any of the Committee Members had an issue with conducting the meetings this way in future. Stephen Strange asked if this would be compliant with the Constitution. Nick Hopkin advised there would not be any issues as the Constitution refers to majority voting as the preferred option.

RECOMMENDATION

For the Committee to operate by general Committee Agreement in lieu of individuals Moving or Seconding decisions.

RESOLUTION

IT WAS AGREED BY THE COMMITTEE TO ADOPT THE NEW PROCESS FOR FUTURE MEETINGS.

CARRIED

ITEM 1.1 ATTENDANCE

MEMBERS

Hon Terry Waldron	Chairman
Mr Ken Hooper	Secretary
Ms Freda Tarr	Councillor, Shire of Trayning
Mr Stephen Strange	President, Shire of Bruce Rock
Mr Gary Shadbolt	President, Shire of Mukinbudin
Mr Wayne Della Bosca	Deputy President, Shire of Yilgarn
Ms Eileen O'Connell	President, Shire of Nungarin
Mr Quentin Davies	President, Shire of Wyalkatchem
Mr Ricky Storer	President, Shire of Koorda
Mr Louis Geier	Member, Shire of Westonia

OBSERVERS

Mr Raymond Griffiths	CEO, Shire of Kellerberrin
Mr Peter Clarke	CEO, Shire of Yilgarn
Ms Taryn Dayman	CEO, Shire of Wyalkatchem
Ms Kerry Dayman	Councillor, Shire of Nungarin
Mr John Nuttall	CEO, Shire of Mt Marshall
Mr Greg Powell	CEO, Shire of Merredin
Darren Simmons	CEO, Shire of Koorda
Mr Nick Hopkin	CEO, CEACA
Ms Jo Trachy	Minute Taker, CEACA

ITEM 1.1 APOLOGIES

Members

Ms Rachel Kirby	Treasurer
Mr Rod Forsyth	President, Shire of Kellerberrin

Observers

Mr Tony Sachse	President, Shire of Mt Marshall
Ms Melanie Brown	President, Shire of Trayning
Mr Darren Mollenoyux	CEO, Shire of Bruce Rock
Mr Jamie Criddle	CEO, Shire of Westonia
Ms Sandie Ventris	Deputy President, Shire of Mukinbudin
George Storer	Councillor, Shire of Koorda
Mr Dirk Sellenger	CEO, Shire of Mukinbudin
Mr Brian Jones	CEO, Shire of Trayning
Mr Adam Majid	CEO, Shire of Nungarin

ITEM 1.2 CONFLICT OF INTEREST

Pursuant to the CEACA Inc Constitution Item 11.2(e) – A Management Committee Member having any material personal interest in a matter being considered at a Management Committee Meeting must (i) as soon as he or she becomes aware of that interest, disclose the nature and extent of his or her interest to the Management Committee (ii) disclosure the nature and extent of the interest at the next General Meeting of the Association and (iii) not be present while the matter is being considered at the Management Committee Meeting or vote on the matter.

No Conflicts of Interest noted.

Terry Waldron asked Nick Hopkin if CEACA had a *Conflict of Interest Register*. Nick Hopkin advised the Committee that no register existed but offered to have one created. Terry Waldron believes that CEACA should have one. The Executive Committee will discuss further at their next meeting.

EMC

ITEM 1.3 PREVIOUS MINUTES

1.3.1 MINUTES - CEACA INC EXECUTIVE COMMITTEE MEETING HELD ON 5 JUNE 2019

Minutes from the CEACA Inc Executive Committee Meeting held on 5 June 2019 commencing at 9.09am have previously been circulated to all Members.

RECOMMENDATION

That the Minutes of the CEACA Inc Executive Committee Meeting held on 5 June 2019 be confirmed as a true and accurate record of the proceedings.

RESOLUTION

IT WAS AGREED BY THE MANAGEMENT COMMITTEE THAT THE MINUTES OF THE CEACA INC EXECUTIVE COMMITTEE MEETING HELD ON 5 JUNE 2019 BE CONFIRMED AS A TRUE AND ACCURATE RECORD OF THE PROCEEDINGS.

CARRIED

1.3.2 MINUTES - CEACA INC SPECIAL GENERAL COMMITTEE MEETING HELD ON 3 JULY 2019

Minutes from the CEACA Inc Special General Committee Meeting held on 3 July 2019 commencing at 12.04pm have previously been circulated to all Members.

RECOMMENDATION

That the Minutes of the CEACA Inc Special General Committee Meeting held on 3 July 2019 be confirmed as a true and accurate record of the proceedings.

RESOLUTION

IT WAS AGREED BY THE MANAGEMENT COMMITTEE THAT THE MINUTES OF THE CEACA INC SPECIAL GENERAL COMMITTEE MEETING HELD ON 3 JULY 2019 BE CONFIRMED AS A TRUE AND ACCURATE RECORD OF PROCEEDINGS.

CARRIED

1.3.3 MINUTES - CEACA INC SPECIAL COMMITTEE MEETING HELD ON 3 JULY 2019

Minutes from the CEACA Inc Special Committee Meeting held on 3 July 2019 commencing at 12.20pm have previously been circulated to all Members.

RECOMMENDATION

That the Minutes of the CEACA Inc Special Committee Meeting held on 3 July 2019 be confirmed as a true and accurate record of the proceedings.

RESOLUTION

IT WAS AGREED BY THE COMMITTEE THAT THE MINUTES OF THE CEACA INC SPECIAL GENERAL COMMITTEE MEETING HELD ON 3 JULY 2019 BE CONFIRMED AS A TRUE AND ACCURATE RECORD OF PROCEEDINGS.

CARRIED

1.3.4 MINUTES OF EXECUTIVE COMMITTEE MEETING HELD ON 5 JUNE 2019

The Minutes were circulated, and it was noted by the Committee that the Minutes noted in Item 1.3.4 are the same as the Minutes accepted in Item 1.3.1 and therefore no action was required.

2.0 MATTERS FOR DECISION

ITEM 2.1 DELEGATION OF AUTHORITY

Terry Waldron advised that we need to streamline the delegations of authority and how we run the business. Terry noted that Nick Hopkin had sent the draft *Delegation Authority* to all Committee Members with the Agenda for today's meeting and stressed that it was a starting point for the Committee to consider.

Terry advised that the Executive Committee had reviewed the document prior to this meeting and had made some amendments to the wording and figures.

Nick Hopkin advised the Committee that he needed the document in order to fulfil his role and obligations contained in the Project Timeline. It is a first draft and amendments can be made to it in future if required. The document does not include authority for any of the Executive Management Committee members as they will still need written authority from the Management Committee as set out in the revised Constitution.

NOTE: Greg Powell from Merredin joined the meeting at 12:49pm

Terry Waldron itemised the changes suggested by the Executive Committee as follows:

DELEGATION OF AUTHORITY AMENDMENTS

Item 2.3	Reduce the amount from \$50k to \$15k Change Chief Executive Officer to Management Committee
Item 2.5	Change from Chief Executive Officer to Management Committee
Item 2.7	Change from \$10k to \$5k
Item 2.8	Change from \$10k to \$5k
Item 3.1(a) Item 3.2(b)	Change from \$50k to \$25k Change wording to "approval to enter and execution of related documents following Management Committee approval to enter"
Item 4.2	Change from \$50k to \$25k
Item 4.3(2)	Change from \$100k to \$25k Change from Chief Executive Officer to Management Committee
Item 5.1 Item 5.2	Capital Expenditure – Second line to be changed from \$25k to \$15k
Item 5.3(a) Item 5.3(b)	Change from \$25k to \$5k
Item 6.1	Top line to be Management Committee Change from \$50k to \$25k Second line to be Chief Executive Officer Change from \$25k to \$15k and move sign around
Item 6.2	As above
Item 7.2	Changed from \$12,500 to \$2,500 and Management Committee Delete the second option
Item 9.2(a) & Item 9.2(b)	Change from Chief Executive Officer to Management Committee
Item 9.3	Change from Chief Executive Officer to Management Committee
Item 14.2	Change from Chief Executive Officer to Management Committee

Peter Clarke referred to Item 10.6(B) and asked what the relevance of the bonuses were as they were not relevant to the business. Nick Hopkin advised that CEACA currently have no staff on their books and therefore there would not be any bonuses paid. Nick also emphasised that some of the items in the Delegation of Authority will not be applicable to the CEACA business operations today, however, may be later. The Committee can take it off now and add later if required.

FOLLOWING GENERAL DISCUSSION IT WAS AGREED TO DELETE ITEM 10.6(B) FROM THE DELEGATION OF AUTHORITY DOCUMENT.

J Trachy

John Nuttall advised the Committee that he has a problem with Delegation of Authority and believes that a lot has happened in the last couple of months that the Management Committee are not aware of. John acknowledges that CEACA needs this document, however the Committee has not discussed it in detail to date. John believes that the document is not required if we are not moving into a service environment yet and are simply looking after some houses. As the money is being spent by people who are not in Local Government, he believes that further discussion is required on the matter. John commented changes were made to the Executive Officer title to Chief Executive Officer and a Chief Operations Officer had also been taken on board without Management Committee's knowledge. John said the Delegations of Authority document may be required for the business and the positions may be needed, but discussions needed to be held and the Committee must be kept informed.

Terry Waldron spoke to the Committee and confirmed that the intention is to move into a service environment, however, they had to ensure that tenants were settled into their housing before we proceed to the next step. Terry advised that he is working with Nick Hopkin to get issues resolved and units filled as quickly as possible. Terry acknowledged John Nuttall's concerns, but emphasised that CEACA need to streamline how decisions are made as otherwise the resultant delays will put the business at a disadvantage.

John Nuttall believes things are moving too quickly. John acknowledged Terry's comments but stressed that the Committee had worked on the Constitution for the past 18 months and it included acceptance of delegations. John also commented that the Constitution required groups to meet and deliberate, but that has not been done and the Chief Executive Officer has worked on his own to create the document. John believes that it is not where we were planning on being at this stage of the project.

Terry Waldron acknowledged John's concerns, however, is cognisant that CEACA must have a system in place where they can act quickly than before, otherwise things move too slowly and CEACA are running out of time before units are handed over. Terry opened it up to the Committee to discuss further.

In relation to bringing on staff, Nick Hopkin said he is outcome driven and in order to get everything completed in time and in accordance with the CEACA Project Timeline, he had no choice but to bring in an extra resource to manage the day to day operations, create policies and processes for the business to run smoothly, as he was away in the UK on leave for 3 weeks and Terry Waldron was away for 10 weeks. Nick also said that if he did not bring in the resources at that time, CEACA would not be ready to take new tenants until after Christmas, whereas now, we will be moving tenants in by the end of October. Nick also advised the Committee that Jo Trachy had called every person on the Waiting Lists provided by all Shires (144 applicants), had created and uploaded forms for them to complete to assess eligibility. Jo had also assisted with the Due Diligence process which resulted in CEACA locking in better pricing and an agreed Scope of Works to avoid future costs not included in the original proposal, such as travel. Policies and procedures had to be created to ensure proper management of the business.

Nick said that he had emailed the Executive Management Committee to obtain their consent before taking on Jo Trachy. They had in turn given their written consent.

Jo Trachy added to Nick's comments by saying the policies, processes and forms were needed and the Shires cannot expect to place people in units and forget about them. CEACA needed to protect themselves with these policies in case anything went wrong down the track or they needed guidance for future issues (e.g. tenant passing away in a unit). Jo also stressed a lot of

work had to be done with regards to the Due Diligence, as there was no consistent Scope of Works for proposers to refer to and travel was not included, which would invariably be charged to CEACA later if left unchecked.

Nick Hopkin said the draft Delegations of Authority document was created with a view to improving how CEACA operated, it had been discussed with the Executive Committee, they had given feedback on it and it was now being presented to the Management Committee for their consideration and approval. Nick advised the Committee that he had stayed in touch with the Chairman and Executive Committee and had kept them updated of extra resources required and project timeline action items that he was working on. Nick advised the Committee that they need to come to agreement on who does what, as we need to get people in the units by the end of October and cannot keep delaying things. Nick said he has come from a corporate world and this is how delegations normally work, however, if it is not how Council's work, then he is happy to amend it. The end goal is that CEACA gets people into the units.

Terry Waldron advised the Committee that he was away for 10 weeks and therefore had not kept the Committee as involved or updated as much as he would normally and apologised to all attendees.

John Nuttall said there was concern amongst the Committee Members that they were spending too much money on the previous Executive Officer and her Business Partner for work done and they had been replaced with a Chief Executive Officer and Chief Operations Officer they had budgeted for. John highlighted the importance of Committee Members knowing how Local Government money was being spent as they also had to report to their residents.

Terry Waldron acknowledged that not communicating properly with the Committee Members was unacceptable and apologised. Terry confirmed that he had received a message from Nick Hopkin while he was on leave, advising that operational assistance would be required in order to keep the momentum of the project going. Given that Nick was also going on leave and Terry was already on extended leave, he was happy to support this request.

Terry thanked John Nuttall for his input and asked any other Committee Members if they wished to comment.

Stephen Strange acknowledged that the amount of work done on the Constitution by the Committee was substantial and time consuming, however, agreed with Nick's comments that CEACA needs to keep the momentum going. Stephen disagreed with the John Nuttall's comment that we are not delivering services, but merely putting people in units. Stephen commented that just building units is not the end of it and there are ongoing operational issues to address. Stephen highlighted the fact that service delivery in the Wheatbelt Region is our biggest challenge, but what we had to do is fill the units first and then look at services. Stephen said from Bruce Rock's point of view, they need the momentum, good governance and good corporate thinking and therefore he was in agreeance with Nick's approach.

Item 14.2 – Delegations of Authority

Taryn Dayman suggested that Item 14.2 - Policies and Procedures should be Chief Executive Officer to prepare and Management Committee to approve.

J Trachy

Ken Hooper said he believes that we need these policies for the basic running of the units and would dovetail into operations when and if we go further into services. He believes we need processes and policies in place and said service provision decisions could be discussed later and if required and the delegations altered to suit the business at that time.

Terry Waldron said the next couple of months are critical and CEACA need to concentrate on service delivery. Terry has some thoughts on how it will work and will progress now that he is back from leave. Terry advised the members that he is also Chair for the RDA and believes that at present, there are different bodies doing different work, instead of working together to achieve a good result. Terry will arrange a meeting with the CEO of RDA to discuss further and will report back to the Committee.

Raymond Griffiths said CEACA will be managing the day to day operations, as well as the assessment and allocation of units and Force will be looking after the units on a day to day basis. He wanted the Committee to note that Nick Hopkin has had more to do with Operations than any previous representative and thus why we have new policies, procedures and the need for extra staff.

Nick Hopkin confirmed that comment and reminded the Committee that simply building units and putting tenants in is not the end of it. We must get the applications in, assess their eligibility, work with Force to sign them up on contracts and then ensure everything is being managed properly going forward, as well as manage a CEACA centralised waiting list. Nick also commented that one month's worth of lost rental income due to further delays would cost CEACA in excess of \$28k and he therefore made a decision to bring in a resource to get the results they expected and keep the momentum of the project going in his and Terry Waldron's absence. If he didn't, CEACA would not be putting people into units until December or even January. The benefit of recruiting Jo Trachy to accelerate the occupancy and decision far outweighed the costs.

Jo Trachy commented that she had made in excess of 140 calls to people who had expressed an interest in the units, had created the CEACA Central Waiting List and each application received had to be assessed and given a priority listing. In addition, policies and procedures needed to be created in order to comply with the Department's Governance requirements and a Due Diligence process had to be followed to assess the viability of using Force Real Estate. The previous quotes were not done on a like for like basis and did not include travel or a consistent Scope of Works which would mean extra hidden costs, including travel, for CEACA in the future. Jo advised the Committee that it would be impossible for Nick Hopkin to do all the work himself, especially when on leave for 3 weeks.

Gary Shadbolt apologised to the Committee Members for the lack of information passed on to them during his term as Acting Chairman and advised them that he had spoken to Nick about his plans but had neglected to pass the information on. Nick had explained the need for extra resources and Gary was happy for it to happen as CEACA had moved so slowly to that point, in addition to exorbitant costs being incurred for Lawyers. Gary was happy to proceed as it meant that CEACA were moving forward with the project, whereas in the past they were not achieving anything. Gary believes CEACA must invest in appropriate resources in order to move forward, however concedes that the Committee must be advised.

Terry Waldron commented that the work being done by Nick and Jo was quite outstanding and is work that other CEACA representatives should've done before now, especially as we are

nearing completion. Terry had looked at what CEACA were spending on advice from Lawyers before Nick and Jo joined and was concerned with the amount of money being spent with little result. Terry has passed this work on to Nick to do now to save on these big bills and we are contesting a bill from Kott Gunning Lawyers.

Terry Waldron said he understands the concerns that the Committee has with the Delegation of Authority document and gave his assurances that it had been reviewed by the Executive Committee prior to being tabled at the Management Committee Meeting. Terry also gave his assurance to all Members that they will be kept fully informed of any future changes.

Darren Simmons made a general comment that it is important for all CEO's to be kept in the loop as they must account for every dollar when dealing with the public's money. He understands that good governance is important, but they must be advised of the use of money. Ongoing communication between CEACA and the Shires needs to be improved, however he does acknowledge that a lot of work has been done to get us to this point.

Terry Waldron acknowledged Darren Simmons' comments and said as Chair, he is big on communication and can assure the Committee that communication will improve. CEACA will strive to keep the CEO's informed going forward.

Eileen O'Connell asked of all items that were disagreed on in the Delegations of Authority be sent out to all Members immediately after the meeting and can the information be sent to all Members and not just the CEO's. Not all Members are given the same information as the CEO's and it makes it difficult for them to manage affairs. Terry Waldron confirmed that the information would be sent to all Committee Members in future. Gary Shadbolt confirmed that in accordance with the Constitution, information is to be sent to all Committee Members.

Ricky Storer– Shire of Koorda joined the meeting at 1.24pm

RECOMMENDATION

That the CEACA Delegation of Authority tabled at the Management Committee meeting on 2 October 2019 be adopted after making the changes suggested by the Executive Committee and deleting items 10.6(b) and 14.2

RESOLUTION

THERE BEING NO FURTHER COMMENT, THE MANAGEMENT COMMITTEE AGREED TO ADOPT THE DELEGATION OF AUTHORITY TABLED ON THE 2 OCTOBER 2019 MEETING ON THE UNDERSTANDING THAT THE CHANGES SUGGESTED BY THE EXECUTIVE COMMITTEE BE ADOPTED AND THAT ITEMS 10.6(B) AND 14.2 BE DELETED FROM THE DOCUMENT.

CARRIED

ITEM 2.2 ELIGIBILITY AND RENT SETTING POLICY

Terry Waldron invited Nick Hopkin to speak to the Eligibility and Rent Setting Policy.

Nick Hopkin advised the Committee that the wording was based on Access Housing's Policy and requirement of the FAA. The CEACA policy was not word for word as CEACA's clients were different from those of Access Housing. Nick advised if approved by the Committee today, he will forward it to the Department to comply with the FAA and generate payment of the outstanding \$200k that the Department withheld pending receipt of same.

Nick said eligibility is based on "Low" and "Very Low" income tenants but will also include those who own their own home. This is consistent with a clause in the Access Housing document where people who own land or property may be eligible if they cannot sell or inhabit it. People with their own home will be subject to asset testing and given a lower priority rating than those with Low or Very Low ratings. It was important for CEACA to widen the net a little as there are those in the Wheatbelt region who may own a house or farm but cannot sell them. We are assessing applicants on a case by case basis and the goal is to fill the sites with locals first and foremost.

John Nuttall commented that the Access Housing Policy says we can move people out if no longer eligible and asked if that was correct. Nick Hopkin advised that this is an Access Housing Policy condition and would not apply to CEACA tenants. Nick advised the Committee that the wording would be deleted from the CEACA policy.

J Trachy

RECOMMENDATION:

That the Management Committee adopt the Eligibility and Rent Setting Policy.

RESOLUTION

ON THE BASIS OF THE REVIEW ABOVE, IT WAS AGREED BY THE COMMITTEE MEMBERS TO ADOPT THE ELIGIBILITY AND RENT SETTING POLICY TABLED AT THE 2 OCTOBER 2019 MEETING.

CARRIED

ITEM 2.3 ALLOCATIONS MATRIX

Nick Hopkin spoke to the Allocation Matrix that was presented on the overhead projector.

Stephen Strange asked if the Executive Committee had reviewed the *Allocations Matrix*. Gary Shadbolt and Raymond Griffiths confirmed that they had seen and reviewed the document and were satisfied with the content.

Nick Hopkin confirmed that the Matrix was discussed with the Executive Committee and sent out to all Committee Members prior to the meeting. Nick placed the matrix on the overhead projector and described to the Committee Members how it worked. Nick said that he had seen a good response to date and was confident that the sites would be filled with locals.

Taryn Dayman commented that she had concerns that the Shires will receive bad feedback if locals do not get in and others outside of the Wheatbelt do. Terry Waldron said CEACA must follow the matrix as they had to comply with the requirements of the Department, however, there may be a case by case considerations to be taken as we need to occupy them.

Both Nick Hopkin and Jo Trachy advised the Committee that the Matrix is currently being used to assess applications and it appears to be fair and working well. They do not foresee an issue with regards to outsiders getting in before locals. Jo Trachy confirmed that all applicants were currently living in the Shire or had family living in the Shire and there were no applicants from outside of the Region.

John Nuttall asked if any calculations had been done indicating how much people are going to be paying in rent. Nick Hopkin responded by saying that CEACA can charge 75% of the median rental figure and therefore it would be between \$150-\$169 per week. Depending on eligibility, the maximum weekly support a single person can get paid by the Government is \$68 per week. Hence, the tenant may pay as little as \$82 per week depending on weekly rent set and eligibility for CRA.

Nick said that Landmark Harcourt Realty had looked at rentals for the different Shires and most were around \$200-\$225 for equivalent housing option. Stephen Strange said their area rents are nothing like that. Raymond Griffiths responded by saying the critical part is what the tenant will pay. Raymond said the subsidy is pro-rata and emphasised that the client pays the same, due to the Government subsidy. Raymond added that it is only those who are not entitled to Centrelink maximum payment who will pay more. The amount must get over the threshold and then pro-rata from there.

John Nuttall said the higher rent to be charged by CEACA will result in the Shires having to increase the pricing on all other units in the Shire. Terry said CEACA are doing the right thing by Council's by bringing in more money. Ray said it was in the best interests of the Shire to charge the higher amount, as it will be subsidised by the Government.

Nick Hopkin tabled the *Assessment of Waiting List* for the Committee to show them how the priority ratings worked.

General discussion ensued on the Matrix and Assessment of Waiting List and Nick addressed concerns of the Committee.

RECOMMENDATION

To adopt the Allocations Matrix as presented in the meeting and to review in future if deemed necessary.

RESOLUTION

IT WAS AGREED BY THE MANAGEMENT COMMITTEE TO ADOPT THE ALLOCATIONS MATRIX PRESENTED IN THE MEETING AND TO REVIEW IN FUTURE IF DEEMED NECESSARY.

Carried

ITEM 2.4 ACCEPTANCE OF VARIOUS POLICIES

Terry Waldron advised the Committee that a lot of work had gone into drafting the CEACA policies and we need them to satisfy the requirements of the Department in relation to good governance. Terry confirmed that the Executive Committee had reviewed all draft policies and are recommending that the Management Committee approved them after making the changes and updates suggested by Rachel Kirby via email. Terry said the policies were tried and tested, were used by another major retirement village and home care group and would fit 90% of companies.

Gary Shadbolt asked if the documents were all live. Terry asked Jo Trachy to comment on this.

Jo Trachy commented that all CEACA documents were version controlled and the latest versions would be uploaded to CEACA Sharepoint and added to a Key Document Register created by Jo. Jo also addressed the concern of Rachel Kirby with regards to the reference to a Health and Safety Officer and Privacy Officer, to which Jo confirmed that she is trained and has the experience to cover both roles without the need to employ additional people. Jo was the Privacy Officer and chaired Health and Safety Meetings, conducted health and safety audits and managed risk in her previous role of Corporate Services Manager for a major retirement village group.

RECOMMENDATION

That the Management Committee approve the recommendation put forward by the Executive Management Committee to adopt the draft CEACA policies tabled at the meeting on 2 October 2019 on the understanding that amendments from Rachel Kirby via email be incorporated.

RESOLUTION

THAT THE RECOMMENDATION PUT FORWARD BY THE EXECUTIVE MANAGEMENT COMMITTEE TO ADOPT THE DRAFT CEACA POLICIES TABLED AT THE MEETING ON THE 2 OCTOBER 2019 BE APPROVED ON THE UNDERSTANDING THAT AMENDMENTS FROM RACHEL KIRBY BE INCORPORATED.

J Trachy

CARRIED

ITEM 2.5 SELECTION OF HOUSES FOR SALE OR RENT AND ITEM 2.6 INDEMNITY INSURANCE

Terry Waldron advised the Committee that the matter had been discussed at length at the Executive Committee Meeting held 2 October 2019 and the Executive Committee put forward the following comments for consideration:

1. If CEACA sell the houses, they pay indemnity on them.
2. If CEACA lease them all, they do not pay indemnity on the units, however it means that CEACA will not be able to sell them later as they will have a Memorial on them for 7 years.

Terry commented that the recommendation will be for CEACA to pay the \$80k indemnity insurance. There is no appetite to purchase at this stage and CEACA would still derive a decent income from renting the units. If the insurance is paid and CEACA do not go for an exemption, CEACA can then sell units in the future if the demand is there.

Nick gave some background on this issue and advised the Committee that anyone building a property over \$20k must pay for indemnity insurance to cover the purchaser. At the beginning of the project, Access Housing and Pindan assumed that we were going to apply for an exemption and now that we are nearing completion, are asking for evidence of that exemption. If we do not provide it, they will charge us for the cost of indemnity insurance. To obtain exemption, we must apply under 'senior living', have each Shire complete a Statutory Declaration and place Memorials on the sites that are exempt.

Nick said at this stage, we are unable to guess if there will be an appetite for purchasing units later and therefore it would be preferable for CEACA to keep their future options open and pay the indemnity insurance now.

Greg Powell said the FAA states that we must sell 7 units to be compliant. Greg also indicated that a letter had been sent to the Department earlier in the project asking them if the FAA could be altered with respect to number of units to be sold and use of surplus funds and they had not had a favourable response.

Greg said there are two main issues:

1. CEACA must sell at least 7 units.
2. Use of surplus funds for the benefit of the tenants or return them.

Greg believes that it is a good idea to pay the indemnity and keep options open to CEACA, but discussions had to be held with the Department prior to any actions being considered as he is responsible for compliance with the FAA.

Terry Waldron advised the Committee that he had attended a meeting at the Minister's office to keep them informed and Terry is keen to have another meeting, if necessary, to discuss the issues CEACA are having with the terms of the FAA. Terry would however like to meet with the Department prior to approaching the Minister as he wants to remain upfront with them. Terry is not comfortable making any decisions on the matter until the FAA is discussed with the Department and/or the Minister and the FAA is amended. Terry would like Greg Powell and Nick Hopkin to join him for any meetings held on the matter and this would be scheduled immediately.

Ken Hooper said the trouble with picking out houses to sell is that we would then need to take out indemnity just on those units we intend to rent and put in place Memorials. The only way around the issue, in his opinion, is to pay for indemnity on all units.

Stephen Strange asked if each site could be treated differently and maybe get indemnity on some and not others. Terry suggested that treating sites differently would put us at a disadvantage later if circumstances changed.

Greg Powell cautioned the Committee in relation to the sale of units, as we would have to sell to people over 65 to be compliant with the original terms. Sound policy and procedure must be put in place in this regard.

Nick Hopkin advised the Committee that there will be \$500k surplus funds after development minus \$80k for indemnity, which leave us with \$420k. The Committee need to decide what to do with the funds and it will depend on the outcome of talks with the Department and/or the Minister.

Nick Hopkin said we don't know what the future holds and therefore recommends that CEACA pays for indemnity for all sites to give CEACA flexibility. Nick stressed the importance of the Committee deciding today, as Pindan are ready to finalise the project and charge CEACA the full \$80k in the absence of an exemption.

Greg Powell said that some of the residents of Merredin are reluctant to purchase as they have not been given pricing or terms of sale. Terry Waldron said that in order to do that, the Committee needed to identify units for sale and market them. Greg said that 7 out of the 11 on his list said they initially wanted to buy but now they are not sure what the value of their house is, whether they can sell and the price of our units. They also wanted to know what happens to their home when they pass away.

Terry Waldron suggested the best way forward would be for himself, Greg Powell and Nick Hopkin to set up a meeting with the Department to discuss variations to the FAA. Greg Powell recommended that Darren West be kept up to date with any changes or decisions made.

In relation to the 72nd unit to be built, Stephen Strange said Koorda originally had an allocation of 5 units and dropped to 4 when CEACA had to give back the \$5m to the Department and Merredin, Kellerberrin and Bruce Rock all reduced theirs by 1 each. Ricky Storer responded by saying that it was not Koorda's request to drop the unit and the decision was made for them. Koorda had continued to pay the full subscription and therefore if another unit was on the table, they should be considered.

Terry Waldron said if above accepted we will have options on where to build 72nd unit.

Greg Powell asked if more than one quote was obtained for Indemnity Insurance. Nick Hopkin advised that Bresland had been approached as they had been dealing with Helen Westcott and the Committee since the beginning. Nick Hopkin agreed to source other quotes for comparison.

RECOMMENDATION

That CEACA pay the indemnity insurance on all units and approach the Department of Primary Industries and Regional Development to discuss the following variations to the original FAA:

1. Lease all 71 units.
2. Remove 7 houses for sale.
3. Variation from 72 to 71 houses to be built.
4. If the Department insist that the 72nd unit is to be built, that CEACA have flexibility of which Shire it is built in.
5. Discuss the use of the remaining funds.

RESOLUTION

IT WAS AGREED BY THE COMMITTEE FOR THE CHAIRMAN, GREG POWELL AND NICK HOPKIN TO MEET WITH THE DEPARTMENT TO DISCUSS VARIATIONS TO THE ORIGINAL FAA. IT WAS ALSO AGREED THAT IF THE DEPARTMENT WERE UNWILLING TO AMEND THE FAA, A MEETING WOULD BE SET UP WITH HON. ALANNAH MACTIERNAN TO DISCUSS FURTHER.

T Waldron
N Hopkin
G Powell

CARRIED

ITEM 2.7 OPEN DAY

Terry Waldron advised that there has been talk about open days in the past to give the public and Shire staff the opportunity to look inside the units. Terry also advised that Force Realty were organising for a virtual video to be made and asked Jo Trachy to provide an update to the Committee.

Jo Trachy advised the Committee that Force Real Estate had visited the Kellerberrin site on Friday, 27th September 2019 with the Property Manager and Videographer. The Videographer was creating a virtual video of the Platinum (Disability) unit and the Gold (General) unit. It would take them 2-5 business days to finalise and once done, would send it to Jo to upload to the CEACA website, send to the Shires and to everyone who had expressed an interest in or applied for a unit. Jo felt that this would satisfy the requirement of most people to view the units from the inside, pending an open day being organised.

J Trachy

Terry Waldron recommended that Alannah MacTiernan and representatives from the Department be invited to the open day. He also recommended that we invite Federal Members. Terry will approach the Minister to discuss a suitable date and time that fits in with her schedule. Terry believes Merredin or Kellerberrin (or both) would be the most suitable sites and it would not matter if tenants had already moved in. Ken Hooper liked the idea of an open day, as the Councillors also were keen to have a look.

Greg Powell suggested that the open day needs to be held sooner rather than later and by the end of November latest, otherwise it would be deferred to January or February.

RECOMMENDATION

For Terry Waldron to speak to the Hon Alannah MacTiernan regarding a CEACA open day.

RESOLUTION

IT WAS AGREED BY THE COMMITTEE THAT TERRY WALDRON APPROACH THE HON ALANNAH MACTIERNAN TO ORGANISE A SUITABLE DATE, TIME AND LOCATION FOR THE CEACA OPEN DAY AND WOULD REPORT BACK TO THE COMMITTEE WITH DETAILS.

T Waldron

CARRIED

3. MATTERS FOR DISCUSSION

ITEM 3.1 CHIEF EXECUTIVE OFFICER UPDATE

Nick spoke to the Chief Executive Officer Update and highlighted the fact that a great deal had been achieved over the past few weeks. There was however a lot more operational work to be done.

In relation to the budget, Nick advised the Committee that the current budget was flawed and would not work for the business. As a previous CFO, the usual approach would be to construct a Business Plan for the year ahead, then allocate the necessary resources and expenditure to achieve the desired results.

Nick needs to re-forecast and it may indicate that CEACA would not hit budget for this year. CEACA has cash in the bank, however that is purely due to the fact that the necessary work has not been done to date to get the project where it should be and there is a lot to do to ensure the business is ready operationally before we accept the first tenants into our units. Once the forecast is complete, Nick will advise the Committee what is needed in order to achieve the desired outcomes. The budget as it stands today, will not be adequate for him to achieve the goals set by CEACA.

John Nuttall asked if Nick's plan was to ask for more money. Nick said he is not going to ask for more contributions from the Shires, but rather he is asking to spend the accumulated cash in the short term to achieve the outcomes the Committee and the Department expects.

Greg Powell said if the accumulated funds are spent this year and Nick does the budget for next year, if it is done on the same premise as the forecast, then it would make sense that the contributions are going to increase from the Shires next year. Greg said it is unlikely that there will be an increase in contributions from Shires next year. Nick disagreed and said the surplus funds would only be used in the interim to fund the operations of the business and that would reduce as CEACA drew in funds from the rentals.

Ken Hooper spoke of the original budget set by the Committee and reminded all Members that they were all aware that the budget was set low initially and with a minimal operational budget, with a view to it being revisited later to achieve outcomes.

Terry Waldron said he viewed the Executive Committee as an Audit and Risk Committee and they were in place to ensure money is spent properly and that everyone is informed. Terry will identify risks associated with using surplus funds at the next Executive Meeting and the findings will be reported back to the Management Committee.

T Waldron

ITEM 3.2 PROJECT TIMELINE

The Project Timeline was distributed to all Members prior to the meeting.

Nick Hopkin updated the Community on the contents of the timeline and added the following comments:

Application for Charitable Status has been waiting on approval of the amended Constitution, which occurred on the 13th September 2019. Now that it has been approved, Nick will work on

the application and submit in the next week. Deloitte will be assisting in the process and it takes an average of 21 days.

RECOMMENDATION

Nick asked the Chairman and Management Committee to give him delegated authority to sign the Charitable Status application to avoid further delays.

RESOLUTION

IT WAS RESOLVED BY THE MANAGEMENT COMMITTEE MEMBERS TO GIVE NICK HOPKIN AUTHORITY TO COMPLETE, SIGN AND SUBMIT THE CHARITABLE STATUS APPLICATION ON THEIR BEHALF TO AVOID FURTHER DELAYS THAT MAY IMPACT ON THE OVERALL PROJECT.

CARRIED

ITEM 3.3 PROJECT UPDATE

Nick commented on the Access Housing Project Update which was provided to the Committee Members prior to the meeting and highlighted that on Page 4 the practical completion date was late October at present but if that slipped, then it would impact on the project as a whole and our plans to move people into their units by the end of October.

Nick also advised the Committee that Access Housing had noted the excess funds in their report and options on what to spend the money on for the Committee to consider.

Stephen Strange asked for clarification on who is managing the units as it is getting confusing for the Members. Nick Hopkin confirmed that Pindan are in control of construction, Access Housing are the Project Managers and Force Realty will be managing the units for an initial term of 12 months. Nick said the process was as follows:

1. CEACA staff working on the allocations and eligibility of applicants in line with the matrix.
2. CEACA pass on the successful applicants to Force Realty.
3. Force Realty need 2 weeks prior to practical completion to meet and sign up tenants.
4. All tenants signed up and will be moved in.
5. Force organise keys, warranties etc.
6. Access Housing are responsible for the quality of the buildings and warranty work.

Nick is unsure of who is responsible for building issues after practical completion and will check the original agreement and discuss with Access Housing prior to handover of units.

N Hopkin

ITEM 3.4 STATEMENT OF INCOME AND EXPENDITURE

Prepared by the Shire of Merredin were tabled.

Second page – Summary of cash position - \$1.8 million.

WATC Stage 2 – amount of money Department are holding. Milestones we must achieve include

a) Constitution approved b) Board approved Rent and Eligibility Policy and Allocation Matrix. Once submitted, Greg can sign the FAA and the Department will pay the remaining \$200k to CEACA.

\$1.8m existing cash less Access Housing's cost to complete of \$1.3m = \$500k surplus.

Greg Powell suggested that there would probably a bit of interest but not sure how much. Funds with WATC still accruing interest but not high.

Greg Powell also advised that if Pindan continue to slip in their completion dates, CEACA may be able to pursue liquidated damages.

THE COMMITTEE NOTED THE COMMENTS AND CONTENT OF THE INCOME AND EXPENDITURE DOCUMENT

ITEM 3.5 APPLICATIONS RECEIVED TO DATE

A Summary of Applications was provided to all Committee Members.

Terry Waldron said it would be important for all Shires to work with Jo Trachy from CEACA to progress applications. This included Shires providing Jo with relevant and up to date contact details for applicants.

RECOMMENDATION

For the Shires to work with Jo Trachy to ensure all Waiting List content was correct to ensure contact can be made with all persons expressing an interest in the CEACA units.

RESOLUTION

**IT WAS AGREED BY THE MANAGEMENT COMMITTEE THAT JO TRACHY WOULD WORK WITH THE SHIRES TO COMPLETE THE WAITING LISTS WITH UP TO DATE INFORMATION.
CARRIED**

J Trachy
Shires

Taryn Dayman asked what was being done to attract new tenants who were not already on the CEACA waiting list and asked what the process was for marketing as she would like to put something out to the community.

Jo Trachy commented that a Press Release had been sent via email to all Shires in September for inclusion in their local paper or newsletters. Jo advised the Committee that she would resend the Press Release to all Members not just CEO's for marketing purposes.

J Trachy

Jo Trachy also reminded the Committee that a virtual video was being made of the units which would be sent out to the Shires and those who had expressed interest in the units.

J Trachy

ITEM 3.6 CONSTRUCTION OF THE 72ND UNIT

This was addressed in an earlier discussion item.

ITEM 3.7 FINANCIAL STATEMENTS

The Financial Statements for the 2 months to 31 August 2019 were tabled at the meeting. Nick commented that some of the additional costs related to the updates of the CEACA websites and the virtual office space that Nick and Jo needed in order to work properly and hold meetings with Force and others to progress operations. In the past, they were using café's however this had become unsuitable as there were no facilities for copying, typing, printing or meeting.

The budget Year to Date is better by \$6k but there is still a lot of work to do. Nick was not involved in constructing the original budget and cannot comment on that. He can only comment on what the business needs now to progress. The adverse variances to budget in relation to Executive Officer fees and travel are a result of the handover from BHW Consulting to Nick Hopkin.

Nick summarised all areas of the cashflow and advised the Committee that three Shires were yet to pay their contributions or action land transfers. Nick advised that he would be contacting those Shires to discuss.

N Hopkin

Excess money – Nick will keep the Committee informed on what we use surplus money for.

4. MATTERS FOR NOTING

ITEM 4.1 ADOPTION AND APPROVAL OF REVISED CONSTITUTION

The revised Constitution was accepted on 13th September 2019 and is in place. Terry Waldron acknowledged the Committee's work on this document and in particular, John Nuttall's input.

ITEM 4.2 ADOPTION OF CEACA APPLICATION AND ALLOCATION POLICY

This was approved previously by the Executive Committee and is working well.

ITEM 4.3 LETTER OF ACCEPTANCE - FORCE REALTY TO MANAGE RENTAL PROPERTIES

This document was provided to the Committee Members prior to the meeting.

Terry Waldron advised the Committee that a decision was made by the Executive Committee to undertake a Due Diligence process as the original scope of works was not consistent or clear and CEACA would be impacted at a later date with unforeseen costs for travel and items undertaken by the Agent and was also done to test the pricing provided by Force.

The process included a local Agent, Landmark, whereas the original process did not. An amended fully inclusive Scope of Works as created by Jo Trachy was sent to Foundation Housing, Force and Landmark so that they could provide quotes on a like for like basis. Although the preference would be to use a local agent, Force won the contract as they included strata and travel, as well as an improved, inclusive monthly cost to manage the units. They also had an in-house Strata Manager and software package to use, whereas Landmark did not. Foundation Housing were too expensive and therefore were not considered.

Force have been awarded a 12-month contract which will be reviewed prior to its expiry. If we are not satisfied with their services, we can terminate by giving 2 months' notice. Force will commence work with CEACA from 7th October 2019.

Stephen Smith asked who tenants contact when something goes wrong with their unit. Nick confirmed that they would contact Force as they will co-ordinate day to day management of the units.

Terry Waldron said it is good that the due diligence process has been done as it has saved CEACA money in the long-run and we now have a Scope of Works created for future use.

ITEM 4.4 ANY OTHER BUSINESS

Stephen Strange gave an update on the sewerage issues at Bruce Rock and advised that one contractor gone broke and the remaining contractors were taking up to a day at a time to get through 1m of rock. The earliest estimate for completion is end of December and that is for the whole of Bruce Rock, not just the CEACA site. If not done by end of December, they can expect completion as late as February.

Eileen O'Connell commented that she had looked at a disability unit at Kellerberrin and noted the lack of handrails in them. Raymond Griffiths advised Eileen that they were the basic inclusions as per the project scope and if the tenant needed additional disability aids, then they could approach Disability Services to conduct an individual assessment and would provide what is necessary for the individual.

5. NEXT MEETING

Eileen O'Connell advised the Chairman that it was impossible for Members from the Shire of Nungarin to attend meetings on Wednesday's and therefore they would not be attending any meetings set for these days, including the AGM. Eileen said any other day was acceptable and said that all Shires had previously advised Helen Wescott of their availability and was therefore surprised that their wishes had not been noted. The Committee discussed various dates and it was agreed that:

1. Executive Management Committee Meeting would be held on 12th November 2019 at Kellerberrin Leisure Centre commencing at 9.30am.
2. The AGM and Management Committee Meeting would be held on the 12th November 2019 at Kellerberrin Leisure Centre commencing at 10.30am.

6. CLOSE MEETING

There being no further business, the meeting closed at 3.26pm.

DECLARATION

These minutes were confirmed by the Central East Aged Care Alliance Inc at the Management Committee Meeting held Tuesday, 12th November 2019.

Signed



Person presiding at the meeting at which these minutes were confirmed