

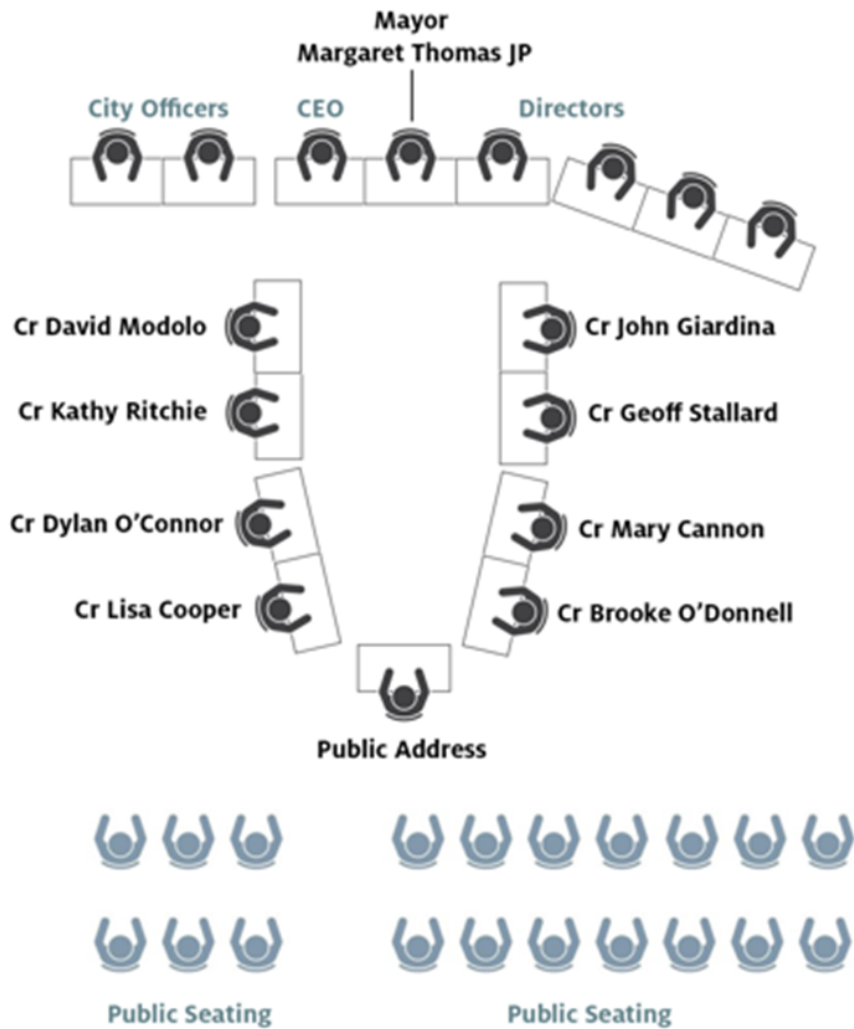


Ordinary Council Meeting

MINUTES

Tuesday 27 May 2025

Council Chambers Seating Plan



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1. Official Opening

The Presiding Member opened the meeting at 6.29pm and welcomed Councillors, Staff, Members of the Public Gallery and those watching via live stream. The Presiding Member also acknowledged the Traditional Owners of the land on which we meet the Whadjuk Noongar people.

2. Attendance, Apologies and Leave of Absence Previously Approved

Mayor

Margaret Thomas JP (Presiding Member)

Councillors

South East Ward

John Giardina

South West Ward

Mary Cannon

Brooke O'Donnell (attended online)

North West Ward

Lisa Cooper

Dylan O'Connor

North Ward

David Modolo

Kathy Ritchie

Members of Staff

Chief Executive Officer

Anthony Vuleta - Chief Executive Officer

Executive Team

Sinead McGuire - Director Asset Services

Luke Ellis - Director Community Services

Gary Ticehurst - Director Corporate Services

Nathan Ritchie - Director Development Services

Management Team

Rajesh Malde - Manager Financial Services

Mitchell Brooks - Project Manager - City Transformation

Freya Ayliffe - Manager Community Health & Safety

Chris Lodge - Manager Strategic Planning

Rhonda Bowman - Manager Governance

Administration Support

Darrell Forrest - Governance Advisor

Donna McPherson - Executive Assistant to the CEO

Emma Morgan - Executive Assistant to the Director Community Services

Members of the Public 7

Members of the Press Nil.

Apologies Cr Geoff Stallard

Leave of Absence Previously Approved Nil.

3. Public Question Time

3.1. Questions Taken on Notice at Previous Meeting

3.1.1 David Downing, High Wycombe (taken on notice 22 April 2025)

Q. Monthly financial statement paragraph 10, page 9, states nonoperating grants over budget by \$5.4 million this is mainly due to found and gifted infrastructure assets of \$3 million. Can you tell me what infrastructure items were found and how they got lost?

A. The infrastructure assets brought into the books were comprised of:

- The handover of Public Transport Authority (PTA) land related to the High Wycombe Train Station (\$1.959 M)
- Developers hand over of Bruce Road \$463K.
- Asset adjustments identified during physical inspections related to drainage and other infrastructure.

3.1.2 Michael Ryan, High Wycombe (taken on notice 22 April 2025) these questions are not summaries but are recorded verbatim as presented.

Q1. Did the WAPC or the Department of Planning receive a copy of the Shire's evidence before the SAT Hearing (WASAT134 [2015])?

A1. No, the City of Kalamunda is the Respondent in the State Administrative Tribunal (SAT) matter WASAT 134 [2015]. As the Western Australian Planning Commission and Department of Planning, Lands and Heritage are not parties or witnesses to this matter, it is not necessary or a requirement for these parties to be involved in the submission of evidence to the SAT.

Q2. Did anyone from the WAPC or Department of Planning attend the SAT Hearing?

A2. It is noted that the Western Australian Planning Commission and Department of Planning, Lands and Heritage were not invited to give evidence and therefore it is unlikely any representatives or staff attended the Hearing. The City does not have record of observers to SAT matters.

3.1.3 Michael Ryan, High Wycombe (taken on notice 13 May 2025) *these questions are not summaries but are recorded verbatim as presented.*

Q1. Is the City saying the WA Planning Commission agrees that DCA1 does not have to fund the appropriate buffer for the northern side of Sultana Road West (SRW).

A1. The City of Kalamunda administers the Development Contribution Plan (DCP) pursuant to State Planning Policy 3.6, and Schedule 12 of Local Planning Scheme No. 3 which establishes infrastructure items included within the DCP. Should the infrastructure items included in the DCP require modification (i.e. to incorporate a buffer on the northern side of Sultana Road West) a complex Scheme Amendment would be required, which would ultimately be determined by the Minister. Pursuant to the planning framework, the DCP is reviewed annually and referred to the Department of Planning, Lands and Heritage (DPLH) for their information; to date the City has not been directed to amend the infrastructure items outlined in Schedule 12.

Q2. WASAT 134 [2015] prescribes a buffer for the northern side of SRW.

A2. The State Administrative Tribunal (SAT) considered a range of evidence as part of Terra Spei PTY LTD (Applicant) and Shire of Kalamunda (Respondent) [2015] WASAT 134. Paragraph 58 of the SAT decision makes reference to the Forrestfield/High Wycombe Industrial Area Design Guidelines (Design Guidelines), which, at the time referenced within its Vision / Statement of Intent for the future industrial area. The Design Guidelines had not at that time been updated to recognise the Urban land use direction being planned within the Forrestfield North District Structure Plan. The SAT did not make any determination on the implementation of the Design Guidelines or the interface on Sultana Road West.

Q3. On whose authority, did the Government or the City decide not to implement the WASAT 134 [2015] references about adverse impact on amenity.

A3. In WASAT 134 [2015] the SAT ordered to uphold a decision of the City of Kalamunda refuse development approval for recycling (screening and crushing) of inert construction and demolition waste materials at Nos. 251, 257 and 259 Berkshire Road, Forrestfield. This decision was implemented accordingly.

3.1.4 David Downing, High Wycombe (Question relates to Item 10.1.1 taken on notice 13 May 2025)

Q. By using the criteria, the city has applied to Berkshire Rd, why are there no footpaths installed? Or according to my inquiries planned on either side of Abernathy Road? Or is there different criteria applied?

A. The question relates to the lineal strip of industrial development between Abernathy Road and Dundas Road, subdivided in 2020 by a private developer (WAPC159404). Subdivision applications throughout Western Australia while referred to local government for advice, are assessed and determined by the Western Australian Planning Commission (WAPC). In this instance, the City's referral advice recommended conditions of approval requiring road upgrades, including the installation of footpaths, however these were not imposed by the WAPC in their decision notice. Abernathy Road is a state controlled road and therefore, while the City may make recommendations, any future road upgrades (i.e. provision of footpaths) is determined by the State.

3.2. Public Question Time

A period of not less than 15 minutes is provided to allow questions from the gallery on matters relating to the functions of Council. For the purposes of Minuting, these questions and answers will be summarised.

3.2.1 Shayla Strapps, Kalamunda

Regarding Council's recent decision to sell two parcels of land adjoining the public reserve between McRae Road and Urch Road, as referenced in Agenda Item 10.6.5 February Council meeting.

Q1. What specific information or principles did you rely on when voting in support of this decision?

Q2. In the absence of a formal asset disposal policy, how were you guided in determining whether this decision represented "*the greatest community benefit*"?

Q3. How is *sustainability* defined in the context of Council planning and decision-making — is this interpreted to include environmental sustainability or is it limited to financial sustainability? If it includes environmental, what consideration was given to the removal of trees and reduction of public open space?

Q4. Given that no stakeholder or community engagement occurred prior to the vote, how did you ascertain what the community wanted or needed in this instance?

Q5. Was any consideration given to postponing the decision until an appropriate consultation process or policy framework could be put in place?

A1-5. Taken on Notice

3.2.2 Phil McCarthie, High Wycombe

Q1. Information I receive from the Council stated that every April a contractor sprays the weeds. This has not happened. As a suggestion, could we have the weeds sprayed three times a year

A1. In relation to weed control, we have undertaken spraying in Forrestfield and Wattle Grove, targeting hardstands, footpaths, medians and roundabouts. That spraying commenced around 2 weeks ago. We do generally see the notable signs of that reduction in weeds does take around 2 weeks. Between application and seeing that weed growth die down, it should start to happen around this time.

Following this initial treatment, we're undertaking some follow up works which includes removal of large or standing weeds through brush cutting and by undertaking the spraying with the follow-up approach allows us to have a more effective and tidier result overall. We appreciate your feedback in relation to the frequency of our weed spraying programme. We are looking at some service and efficiency improvements at the moment internally, so we'll take that feedback on including your thoughts in relation to roundabout treatments and what we can plant in those areas. We do have some constraints we have to work around such as irrigation and soil compaction, as well as the interface with our vehicles, but we will take feedback on board and continue to explore opportunities of how we can improve the appearance, in particular around key entry points where we can accommodate that.

3.2.3 Nita Parker, High Wycombe

Q1. For six years I was on what was then the Conservation Advisory Committee. My daughter has also been on the committee three years more recently, when it was the Environmental and Sustainability Advisory Group.

I'd like to ask on notice how many times since January of 2025 has Council requested some advice from this group?

A1. Taken on Notice

Q2. 36 William St has been completely denuded of all vegetation in order to facilitate the building of two houses. A mature jarrah tree at the back of this property that abuts onto Poets Lane has been removed from the Verge. I find that parks and gardens had sanctioned this. I'd like to know if this is going to be the way that these verge trees could be dealt with when future developments are undertaken.

A2. Taken on Notice.

4. Petitions/Deputations

There were no deputations.

5. Applications for Leave of Absence

There were no applications for leave of absence.

6. Confirmation of Minutes from Previous Meeting

RESOLVED OCM 2025/60

That the Minutes of the Ordinary Council Meeting held on 22 April 2025, as published and circulated, are confirmed as a true and accurate record of the proceedings.

Moved: **Cr Lisa Cooper**

Seconded: **Cr David Modolo**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

7. Announcements by the Member Presiding Without Discussion

It's always a privilege to gather together for our Ordinary Council Meetings and even more so to take a moment to reflect on the many ways we've connected with our communities since we last met.

Over the past month, it's been my honour to represent the City at a number of important and heartfelt occasions.

On Anzac Day I had the honour with Cr Ritchie, Cr Cooper and Cr O'Donnell to attend the Dawn Service here in Kalamunda, while Cr Giardina, Cr Modolo and Cr Stallard represented the City at the Pickering Brook Dawn Service. It's great to see all these councillors getting up so early.

It was a deeply meaningful morning of remembrance across our community. I also had the privilege of joining local students at the Kalamunda Education Support School, Darling Range Sports College and Pickering Brook Primary School for their very moving commemorations, reminders that the Anzac spirit is alive in our younger generations.

In early May, the Bickley Harvest Festival launched with great community spirit and it was a joy to join in the celebration of our regions incredible produce and passionate producers. I also attended the Legacy Lantern ceremony with Cr Cooper in Stirk Park. It was a very moving evening, where we come together as a community to honour those we have loved and lost. It's a time for reflection, remembrance and shared support and seeing the lighted candles floating across Stirk Park Lake is quite beautiful. Our City continues to be part of broader conversations too, whether at the WALGA, which is WA Local Government Association Metropolitan Zone Forum, where we discuss regional challenges and opportunities, or at the how to Boost Your Town Workshops where our staff and elected members looked at ways to strengthen our local connection with places, spaces and people.

On the arts front, I was pleased to attend the Kalamunda Show Prize Night celebrating our local exhibitors with Cr Ritchie and the Gosnells Community Art Exhibition and Awards supporting the arts across the region.

Just last week I toured the new Forrestfield police station ahead of its opening. A great step forward for community safety in the area. I finished the month by celebrating the dedication of our emergency services at the Kalamunda Volunteer Fire and Rescues 66th annual awards night with Cr Giardina.

Their commitment to keeping our community safe deserves our ongoing gratitude. It's been a full and meaningful month and I want to thank everybody I've met along the way for your warmth, your stories and your continued pride in our community.

8. Matters for Which the Meeting may be Closed

- 8.1 Item 10.1.1 Forrestfield Light Industrial Area – Stage 1: Development Contribution Plan: 2024 Annual Review - Post Advertising – **Confidential Attachments** - 1. Submitter Details and 2. Submitter MAP

Reason for Confidentiality: *Local Government Act 1995 (WA) Section 5.23 (2) (b) - "the personal affairs of any person."*

- 8.2 Item 10.1.3 Property Matter - Edney Road

Reason for Confidentiality: *Local Government Act 1995 (WA) Section 5.23 (2) (h) - "such other matters as may be prescribed."*

- 8.3 Item 10.4.2 Dog Park in Wattle Grove – Response to Petition – **Confidential Attachment** – Petition

Reason for Confidentiality: *Local Government Act 1995 (WA) Section 5.23 (2) (b) - "the personal affairs of any person."*

- 8.4 Item 10.6.2 Debtors and Creditors Reports for the month of April 2025 – **Confidential Attachment** – 1. Creditor Payments for the Period ended 30 April 2025 (Confidential); 2. Corporate Credit Card Payments for the period 26 February to 26 March 2025 - Confidential

Reason for Confidentiality: *Local Government Act 1995 (WA) Section 5.23 (2) (e) - "matter that if disclosed, would reveal - (i) a trade secret; (ii) information that has a commercial value to a person; or (iii) information about the business, professional, commercial or financial affairs of a person; - where the trade secret or information is held by, or is about a person other than the local government"*

- 8.5 10.6.7. High Wycombe Community Hub - Project Update and Funding Strategy Reason for Confidentiality: Local Government Act 1995 (WA) Section 5.23 (2) (c) - "a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting."

9. Disclosure of Interest

9.1. Disclosure of Financial and Proximity Interests

- a) Members must disclose the nature of their interest in matters to be discussed at the meeting. (Section 5.56 of the *Local Government Act 1995*.)
- b) Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Section 5.70 of the *Local Government Act 1995*.)

9.1.1 Nil.

9.2. Disclosure of Interest Affecting Impartiality

- a) Members and staff must disclose their interest in matters to be discussed at the meeting in respect of which the member or employee had given or will give advice.

9.2.1 Nil.

10. Reports to Council

10.1. Development Services Reports

10.1.1. Forreestfield Light Industrial Area – Stage 1: Development Contribution Plan: 2024 Annual Review - Post Advertising

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	OCM 132/2023, OCM48/2024
Directorate	Development Services
Business Unit	Strategic Planning
File Reference	
Applicant	N/A
Owner	Various
Attachments	1. Development Contribution Plan Report - May 2025 [10.1.1.1 - 61 pages] 2. Forreestfield High Wycombe Industrial Area Stage 1 Local Structure Plan [10.1.1.2 - 1 page] 3. Submission Table [10.1.1.3 - 8 pages]

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
Executive	When Council is undertaking its substantive role of direction setting and oversight (eg accepting tenders, adopting plans and budgets
Information	For Council to note
 Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person’s rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

Objective 3.1 - To plan for sustainable population growth.

Strategy 3.1.1 - Plan for diverse and sustainable activity centres, housing, community facilities and industrial development to meet future growth, changing social, economic and environmental needs.

Priority 3: Kalamunda Develops

Objective 3.3 - To develop and enhance the City's economy.

Strategy 3.3.1 - Facilitate and support the success and growth of businesses.

Strategy 3.3.2 - Attract and enable new investment opportunities.

Strategy 3.3.3 - Plan for strong activity centres and employment areas to meet the future needs of the community, industry, and commerce.

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to consider the final adoption of the 2024 Annual Review of the Development Contribution Plan Report (DCPR) (Attachment 1) for the Forrestfield Light Industrial Area – Stage 1.
2. The DCPR sets out detailed information to:
 - a) Facilitate the administration and delivery of the Development Contribution Plan (DCP);
 - b) To facilitate land use transition to industrial development;
 - c) Coordinate new and upgraded infrastructure; and,
 - d) Facilitate an equitable system to levy cost contributions.
3. The 2024 DCPR was advertised in January / February 2025. Two (2) submissions were received with responses provided in the Submissions Table (Attachment 3).
4. It is recommended that Council adopt the DCPR 2024 Annual Review subject to a modification, and the cost contribution rate be updated to \$23.36/m².

BACKGROUND

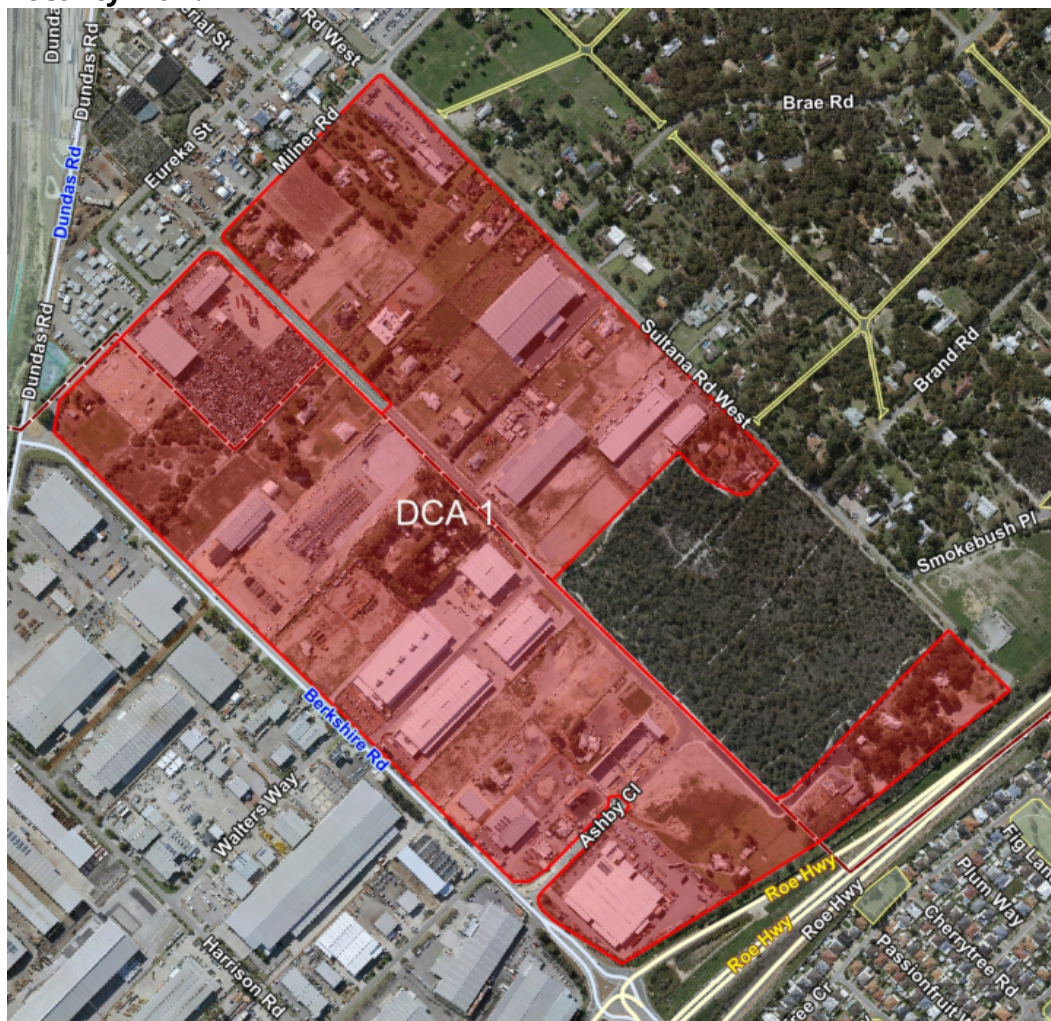
Land Details:

5.	Land Area:	690,481m ² (Gross) 664,715.75m ² (Net)
	Local Planning Scheme Zone:	Industrial Development
	Metropolitan Region Scheme Zone:	Urban
	Local Structure Plan Zone:	Industry Light

6. Location:

The Forrestfield / High Wycombe Industrial Area Stage 1 (FFHWIA) is generally bounded by Milner Road, Sultana Road West, Roe Highway, and Berkshire Road, in localities of Forrestfield and High Wycombe.

7. Locality Plan:



8. **Relevant Planning History**

The FFHWIA has historically been used for rural living and orcharding, however since 2012 the area has transitioned with the development of a range of light industrial development land uses, particularly logistics and transport-based industries.

9. In February 2012 the FFHWIA was rezoned from 'Special Rural' to 'Industrial Development' through Amendment 34 to Local Planning Scheme No. 3 (LPS 3).

10. The DCP was prepared to facilitate land use transition to industrial development, coordinated new and upgraded infrastructure and an equitable system to levy cost contributions. The DCP became operational in May 2013, following the gazettal of Amendment 48, which introduced the FFHWIA DCP through Schedule 12 of LPS 3 and applied a Special Control Area – Development Contribution Area 1 – on the LPS 3 map.

11. The Forrestfield High Wycombe Industrial Area Local Structure Plan (LSP) (Attachment 3) was prepared to guide the redevelopment of the area and was endorsed by the Western Australian Planning Commission in November 2013.

12. The City of Kalamunda (City) is required to review the DCPR annually. The most recent annual review was adopted at the May 2024 Ordinary Council Meeting (OCM/48/2024). The next annual review is scheduled to commence at the conclusion of this financial year.

DETAILS AND ANALYSIS

13. This Report and the 2024 DCPR report utilise financial information from a snapshot in time, being 30 June 2024.

14. **Statutory Basis**

Clause 6.5 and Schedule 12 of LPS 3 provide the statutory provisions that guide the administration of the DCP and set out the following details:

- a) The area name;
- b) Relationship to other planning instruments;
- c) Infrastructure and administrative items to be funded through the DCP;
- d) Method for calculating contributions;
- e) Period of operation;
- f) Timing and priority principles for infrastructure delivery; and
- g) Review process and reporting obligations.

15. **Development Contribution Plan Report:**

A DCPR further refines Schedule 12 through providing a comprehensive outline and status report of the DCP. The DCPR and its appendices do not form part of the statutory framework as they are intended to be dynamic documents which maintain the status of completed and proposed infrastructure works and the currency of the costs informed by annual reviews.

16. **Common Infrastructure Items**

The DCP facilitates the coordinated provision of various common infrastructure items as outlined in Schedule 12 of LPS3 and further informed through Part 2 of the DCPR (Attachment 1). In summary, the DCP facilitates the coordination of the following:

- a) Land for roads and intersections;
- b) Road and intersection construction;
- c) Administration costs.

17. **Previous Reviews**

Annual reviews allow the City to review the administration of the DCP, status of infrastructure delivery, and have regard to infrastructure cost changes and rate of development. Historical reviews and associated contribution rates are summarised in the following table:

Date of Adoption:	Contribution Rate:
December 2012	\$23.03/m ²
December 2013	\$28.49/m ²
June 2015	\$31.23/m ² Reduced to \$29.66/m ² to account for only 50% of the cost of Sultana Road West.
December 2016	\$29.79/m ²
December 2018	\$17.01/m ² Comprehensive view of utility cost estimates resulting in a significant reduction in cost.
February 2020	Interim rate \$23.00/m ²
July 2020	\$20.97/m ²
December 2021	\$21.66/m ²
June 2022	\$21.57/m ²
September 2023	\$23.77/m ² Adopted for public advertising & for immediate application.
May 2024	\$23.16/m ²
November 2024	\$23.38/m ²

May 2025	\$23.36/m ²
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18.

2023 Annual Review

The below table provides a summary of the key information informing the 2024 Annual Review (as at 30 June 2024).

<i>DCA1 total area of:</i>	690,481m ²
<i>DCA1 total Net Contribution Area:</i>	664,715.75m ²
<i>2023 Contribution Rate</i>	\$23.16/m ²
<i>Current Cost Contribution rate (2024 advertised)</i>	\$23.38/m ²
<i>Forecast Cost Contribution rate:</i>	\$23.36m ²
<i>Total number of lots with cost contribution obligations:</i>	12
<i>Number of lots that have satisfied their cost contribution obligations:</i>	35
<i>Percentage of landowners who have contributed:</i>	Approx. 74%
<i>Estimated cost of infrastructure:</i>	\$14,188,803.38
<i>Estimated cost of administration:</i>	\$1,343,037
<i>Cost contributions levied in 2023-24</i>	\$441,150
<i>Interest received in 2023-24</i>	\$60,670
<i>DCP expenditure 2023-24</i>	\$287,244.01 ¹
<i>Balance of funds available</i>	\$1,475,138.51
Notes 1. Includes project management & consultancy fees, legal expenses, audit fees, land acquisition costs, infrastructure works, advertising or regulatory expense.	

19.

Remaining Developable Land

The future developable area is expected to provide the Cost Contributions necessary to account for the remaining infrastructure and administrative costs. As of 30 June 2024, 35 of the 47 lots (74%) in DCA1 had been developed, or have commenced development, and 12 lots (26%) are yet to be developed.

20.

Review of Forecast Cost Estimates

Local governments are required to review infrastructure cost estimates annually, through indexation or a full review of the cost.

21. The City commissioned a review of cost estimates following the conclusion of the 2023/2024 financial year through undertaking:
- a) An independent land valuation to inform the land costs based on the fair market value of land within DCA1 (Attachment 1, Appendix K); and
 - b) An independent review of the Bill of Quantities and Estimates for remaining infrastructure to inform the forecast infrastructure costs (Attachment 1, Appendix A-F).
22. In general terms, where the scope of works has not altered, the construction value of works has increased by approximately seven per cent in comparison to the 2023 forecasts (previous annual review); a consequence of ongoing volatility, resource and labour constraints in the construction sector.
23. **2024 Land Costs Review**
 In June 2024 an independent land valuer provided estimated rates for which land should be acquired for public purposes through the DCP. The land valuation is informed by zoning designation, site characteristics and market evidence. For a detailed outline of the land costs please refer to Appendix J of Attachment 1. In summary, the land valuation recommended the following rates:
- a) \$325-355/m² for the sites zoned Mixed Use; and
 - b) \$420/m² for the sites zoned Industrial Development.

24. **Land Requiring Acquisition**

Land Status	Area	Cost
<i>Acquired</i>	16,168m ²	\$6,579,485
<i>Future Acquisition</i>	233m ²	\$96,609

25. **Status of Remaining Infrastructure Items (as of 30 June 2024)**

Item	Forecast Cost		Status
	2023	2024	
Berkshire Road Upgrade	\$150,570	\$161,109	Designs completed to 85%. Commencement of works subject to funding and priority through DCP.
Milner Road Upgrade	\$1,362,074	\$1,457,419	Designs completed to 85%. Commencement of works subject to funding and priority through DCP.

Nardine Close Extension (New Road) - Stage 2	\$232,105	\$212,251	Stage 1: Completed 2019. Stage 2: Detailed Designs (100%) completed, pending delivery.
Bonsor Road (New Road) - Stage 2	\$90,214	\$96,529	Stage 1: Completed June 2020. Stage 2: pending land acquisition. Forecast for 2024/25 delivery.
Sultana Road West Upgrade (50% Contribution)	\$1,263,137 (50% of the total costs)	\$1,351,557 * (50% of the total costs)	Designs completed to 85%. Commencement of works subject to funding and priority through DCP.
Berkshire Road / Ashby Close - Stage 2 (Seagull)	\$33,713	\$39,804	Stage 1: Completed October 2019. Stage 2: Commencement of works subject to funding and priority through DCP.

26.

2023-2024 Actions

Since the 2023 Annual Review the following has occurred:

- a) Independent consultancy reviews to update the estimates informing the 2024 DCP (i.e. civils review, land valuations).
- b) The Agreement finalised with a landowner to acquire Bonsor Road truncations remaining in private tenure. The City will be able to deliver Bonsor Road (Stage 2) following the ceding of this land to the Crown (on or before June 2025).
- c) The Detailed designs for Road 2A (Stage 2) were finalised to 100 per cent.
- d) The City has established dedicated project management oversight for DCP infrastructure to ensure projects are progressed as planned.
- e) The forecast annual administration cost has been reduced marginally (- \$3,000) to reflect a more efficient annual advertising process. Please refer the Stakeholder Engagement section of this Report for further detail.

27. **Priority of Infrastructure Works**

Subject to availability of funding, the following items yet to be completed are considered current priority items (listed in sequential order of priority):

- a) Ongoing administrative costs, including legal, accounting, planning, engineering and other professional advice required to prepare and implement the DCP.
- b) Stage 2 of Road 2A which involves constructing the Nardine Close cul-de-sac to a permanent standard and the construction of an Emergency Access Way (EAW) between Nardine Close and Sultana Road West. This infrastructure item is scheduled for delivery 2024/2025.
- c) Stage 2 of Bonser Road which involves constructing the truncations of Bonser Road to a permanent standard. The timing of outstanding works for Bonser Road is contingent upon the vesting of land to the Crown, secured through a Deed of Agreement, requiring the transfer on or before June 2025.
- d) Milner Road.
- e) Sultana Road West.
- f) Berkshire Road footpath and associated adjustment to services.
- g) Berkshire Road / Ashby Close Intersection treatment (seagull island).

28. In respect to Milner Road, it is important to note the Water Corporation is planning major upgrades to sewer infrastructure on Milner Road. There is a need to sequence the delivery to ensure the DCP does not fund abortive road works. While the delivery timeframe for the sewer upgrade is being refined, the current expectation is that the earliest the construction on Milner Road can be commenced is early 2026.

29. Furthermore, while Milner Road is identified as the next major infrastructure item for delivery, there is a potential opportunity to consider a broader design and upgrade strategy in collaboration with DevelopmentWA to facilitate needed improvements for the broader Milner Road connection between Maida Vale Road and Milner Road, to support the High Wycombe South Transit Oriented Development Precinct and the High Wycombe Residential Precinct. These discussions have commenced with DevelopmentWA and will continue as part of the finalisation of design for Milner Road. In this regard, the DCP contributions towards Milner Road could elevate the priority and timing of infrastructure in the broader precinct.

30. **Forecast 2024/2025 Priorities / Actions**

The following priorities / actions are forecast for 2024/2025:

- a) Needs Analysis, and subsequent consultation with Main Roads WA, for the Berkshire / Ashby Intersection (Seagull to restrict movements).
- b) Detailed Designs for the delivery of Milner Road.
- c) Delivery of Road2A (Stage 2).
- d) Transfer of land for public purposes (road reserve) from Lot 16 and 17 Berkshire Road. The transfer of land is secured through a Deed of Agreement, with the transfer required to occur on or before June 2025.

31. ***Delivery of Road2A (Stage 2)***

The City had previously entered into a Works in Kind Agreement with a DCA1 landowner, anticipating a 2024/2025 landowner delivery of Road2A (Stage 2). The landowner has since notified the City the delivery timeframe cannot be achieved until 2025/2026. The City is therefore reviewing the possibility of delivering the Road2A (Stage 2) works in 2024/25.

32. **Sultana Road West**

Sultana Road West is an existing two-way, one-lane undivided carriage way, which borders the Forrestfield High Wycombe Industrial Area on its southern verge, and the High Wycombe South Residential Precinct on its northern verge.

33. Upgrades to Sultana Road West are required to service both redevelopment areas. Currently both DCPs are informed by independent conceptual designs.

34. The funding of required road upgrades is equally apportioned; with 50 per cent of upgrade financed through the Forrestfield High Wycombe Industrial Area DCP; and 50 per cent of upgrade proposed to be financed through the draft High Wycombe South DCP.

35. Given there are no funds currently available for Sultana Road West it is not currently identified as a high priority infrastructure item for delivery through the DCP. However, noting the high level of interest in the management of the Sultana Road West interface, the Council could resolve to pre-fund a priority delivery of Sultana Road West. This would involve:

- a) The priority of infrastructure delivery outlined in the DCPR to be updated to reflect the amended priority.
- b) The Council could fund, through borrowed or municipal sources, the detailed designs and road upgrades, in the short term, with a future reimbursement through the FFHW DCP and High Wycombe South DCP.

This funding strategy could facilitate design to be completed in 2025/2026 and full delivery in 2026/2027. Further consideration of this opportunity will be

investigated as part of the following annual review and as part of the preparation of a future budget.

APPLICABLE LAW

- 36. *City of Kalamunda Local Planning Scheme No. 3 - Clause 6.5*
- 37. *Schedule 12 (Development Contribution Areas)* requires an annual review of the infrastructure costs informing the DCP. The most recent annual review was endorsed by Council in April 2024 (OCM48/2024), with the next annual review scheduled at the closure of the 2024/2025 financial year.

APPLICABLE POLICY

- 38. State Planning Policy 3.6 - Infrastructure Contributions
- 39. Local Planning Policy 24 - Development Contribution Arrangements

STAKEHOLDER ENGAGEMENT

- 40. There is no statutory requirement for the City of Kalamunda to undertake public consultation for a DCPs annual review. Nonetheless, the City routinely advertises the annual reviews to effected landowners.
- 41. ***Advertising of 2024 DCPR***
Following the November 2024 OCM, the draft 2024 DCPR and associated development contribution rate was advertised in January / February 2025.
- 42. The advertising process involved:
 - a) Writing to all landowners within DCA1;
 - b) Writing to all adjacent landowners on the eastern side of Sultana Road West;
 - c) Copies being made available for viewing at the City's Administration Building;
 - d) A notice on the City's website.
 - e)
- 43. Two (2) submissions were received which raised comments and objections to the 2024 DCPR. Refer to Attachment 2 for a copy of the submission received and the City's response to all matters raised.
- 44. The following summarises the key matters raised in the submissions received, and the officer response.

45. **a) Administrative costs are too high**
City response:
The administrative cost forecast in the 2024 DCPR is informed by recent costs incurred, rather than an average of previous charges to the scheme.
46. While the administration costs throughout the lifetime of the DCP have averaged at \$87,160 per year, the charged administration costs have seen a range of \$15,736, in the 2015/2016 financial year, to \$147,522.39 in the 2020/2021 financial year. Variations to the charged administration costs are a consequence of under reported officer time and increased legal costs due to State Administrative Tribunal (SAT) Appeals, etc. The average cost is therefore not a reliable source to forecast the future administrative costs for the DCP. Forecasting costs based on the most recent costs incurred is considered more appropriate.
47. The 2024 DCPR forecasts a future administrative cost of \$428,000 or \$107,000 annually for the remaining lifetime of the DCP (4 years) and this is attributed by estimated costs of:
a) \$47,000 in planning / project management costs;
b) \$30,000 in legal fees;
c) \$25,000 for infrastructure reviews. This includes annual Bill of Quantity (BOQ) reviews and the Detailed Designs for remaining infrastructure items; and
d) \$5,000 for the annual land valuation required to inform the forecast land costs.
48. Notably the forecast annual estimate has been reduced by \$3,000 to reflect the recommended pre-advertising process suggested for subsequent annual reviews. Should the recommendation not be passed by Council, the annual administration cost will need to be recalibrated accordingly.
49. **b) Berkshire Road should only have a footpath on one side the road, not both**
City response:
Berkshire Road is a 'Distributor B' classification of road, carrying 8,300 vehicles per day (measured 2020/21), with a high volume of heavy vehicles. The road has a 70 km/hr speed limit and carries Restricted Access Vehicles (RAVs).
50. When considering the need for pedestrian paths and facilities along any road, the City considers the characteristics of the road, future pedestrian demand and safety. In this case the information supports paths being provided on both sides of Berkshire Road.
51. **c) Undergrounding of Powerlines should not be a DCP cost**
City response:

The upgrades to Berkshire Road provide for a RAV7 vehicle network throughout the precinct. Forecast costs include the undergrounding of remaining overhead powerlines, as the existing overhead powerlines obstruct the through movement of RAV7 vehicles. Undergrounding of powerlines occur when sites are redeveloped or as part of Western Power's Targeted Underground Power Program (TUPP), whichever occurs first. Neither Western Power nor the City can require landowners to underground their power connections in the absence of the aforementioned triggers. At this stage neither of these connections have been converted to underground power, the status of the two (2) remaining connections will be monitored with each annual review, with the DCPR updated accordingly. SPP3.6 considers the relocation of power lines a reasonable DCP infrastructure cost.

52. **d) Road 2A (Stage 2) is over designed**

City response:

The Emergency Access Way (EAW) has been designed and will be constructed in accordance with State Planning Policy 3.7 (Planning in Bushfire Areas) (SPP 3.7). The standards, such as a minimum width of six (6) metres, are enforced to ensure through movement of firefighting emergency vehicles in the case of bushfire.

53. **e) The DCP should be amended to incorporate costs associated with the buffer to HWS LSP**

City response:

In respect to an interface buffer, this is not a reasonable infrastructure cost to incorporate into the DCP. As the Forrestfield Light Industrial Area – Stage 1 preceded the residential zoning associated with the High Wycombe South (HWS) Residential Precinct Local Structure Plan (LSP), it would not be fair nor reasonable to retrospectively require the landowners in DCA1 to provide a buffer. The HWS Residential Precinct LSP requires developments to include interface treatments (Refer part 1 of the LSP) at the time of subdivision.

54. ***Advertising of future annual reviews***

Historically, the City has sought Council endorsement of the annual review and updated DCPR, prior to advertising to effected landowners for review and comment. While this process has resulted in some engagement, the process has experienced duplication of inputs and resulted in a protracted review process. It is considered that an alternative approach will fulfill the transparency and reporting objectives, while ensuring the efficient and effective utilisation of operational resources.

55. It is recommended that future annual reviews involve a pre-Council advertising process; reducing the Council's consideration to once a year, thereby expediting the annual review process and reducing annual administration costs by a forecast \$3,000.

FINANCIAL CONSIDERATIONS

56. The operation of a DCP presents a major administrative responsibility for the City. While the DCP is self-funded, the City has an implicit obligation to effectively manage the revenue and works.

SUSTAINABILITY

57. **Social Implications**

The provision of infrastructure in a timely, coordinated and responsible manner can have a significant impact on the quality of life for both existing and future residents/occupiers. Impacts on the quality of life need to be considered along with individuals' expectations. This review enables the proposed infrastructure to be delivered in an efficient and financially responsible manner.

58. **Economic Implications**

The implementation of DCPs, as a basic principle, are not intended to deliver infrastructure, services, or similar that would not ordinarily be provided through subdivision and development processes. The implementation of the DCP assists in the timely, efficient and equitable provision of infrastructure, that may in turn facilitate economic growth and employment creation.

59. **Environmental Implications**

The proposed DCP infrastructure is identified in areas where vegetation is predominately cleared. A portion of Nardine Close and Sultana Road West road reservations both abut a Bush Forever Reserve, and during the construction phase due consideration will be given to ensure impacts to this area are minimised.

RISK MANAGEMENT

60.

Risk: Not consistently undertaking an annual review and updating the contribution rate to align with current infrastructure and administrative costs.		
Consequence	Likelihood	Rating
Rare	Significant	Medium
Action/Strategy		
Ensure the Council is aware that the DCP review and proposed revised rate is reflective of projected costs to deliver infrastructure works and land purchases. Additionally, Clause 6.5.11.2 of LPS3 requires the DCP Report be reviewed at least annually.		

61.

Risk: There is insufficient money collected in the DCP to fund infrastructure upgrades.		
Consequence	Likelihood	Rating
Possible	Major	High
Action/Strategy		
Undertake annual reviews to ensure the scope of infrastructure remains relevant and to maintain the currency of the cost of infrastructure with adequate provision for contingencies, land, and other DCP items.		

62.

Risk: Errors are contained within the DCP estimates and calculation.		
Consequence	Likelihood	Rating
Possible	Moderate	Medium
Action/Strategy		
Ensure figures are audited and sourced from financial statements. Ensure cost estimates are reviewed annually and provided by an independent consultant.		

63.

Risk: Council does not resolve to adopt a modified pre-advertising process.		
Consequence	Likelihood	Rating
Possible	Moderate	Medium
Action/Strategy		
Ensure Council understands how protracted the current process is, and the cost implications of the recommended modification.		

CONCLUSION

64. The DCP has been reviewed using audited and known land and infrastructure costs and estimates based on independent consultant advice. The 2024 DCPR has been prepared and documented with the required information to ensure accountability and equity. The recommended contribution rate is a product of this information.
65. As it is not a requirement under LPS3 or SPP 3.6 to undertake public advertising of a DCPR, in the interest of good governance and transparency, it is recommended that all subsequent annual reviews undergo a pre-council advertising process.
66. It is recommended that Council adopt the revised 2024 DCPR, subject to a minor reduction in the advertising cost forecasts in response to a modified pre-council advertising process. This modification is expected to reduce the forecast annual administration cost by \$3,000. The development contribution rate of \$23.38/m² will be adjusted accordingly (reduced by \$0.02/m²) to \$23.36/m² and applied immediately for the purposes of administering LPS 3.

Voting Requirements: Absolute Majority

RESOLVED OCM 2025/61

That Council:

1. Council pursuant to section 5.42 of the *Local Government Act 1995*, DELEGATE to the CEO powers to undertake public advertising of the Forrestfield / High Wycombe Industrial Area Development Contribution Plan Report, as amended through each annual review process, prior to the Council finalising its consideration and adoption of each annual review.

2. ADOPT the 2024 Forrestfield / High Wycombe Industrial Area Development Contribution Plan Report (Attachment 1), subject to the following modification:
 - a. Forecast administration cost being reduced by \$12,000 to reflect a modified pre-council advertising process.
3. NOTIFY relevant authorities (Department of Planning, Lands and Heritage and Department of Local Government, Sport and Cultural Industries) of the 2024 Annual Review Process.
4. AUTHORISE the Chief Executive Officer to publish a copy of the modified 2024 Forrestfield / High Wycombe Industrial Area Development Contribution Plan Annual Review Report on the City's website.

Moved: **Cr Dylan O'Connor**

Seconded: **Cr Lisa Cooper**

Vote: For: **Mayor Margaret Thomas, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (8/0)

10.1.2. **High Wycombe South Advocacy**

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	OCM 14/2015, SCM 05/2015, OCM 15/2017, SCM 67/2018, SCM 231/2018, OCM 280/2019, OCM 243/2019, OCM 304/2021, OCM 37/2022, OCM 45/2022, OCM 46/2023, OCM 103/2023, OCM 179/2023, OCM 135/2024
Directorate	Development Services
Business Unit	City Transformation
File Reference	
Applicant	N/A
Owner	N/A
Attachments	1. High Wycombe Development Precinct Advocacy and Engagement Plan [10.1.2.1 - 10 pages] 2. Unlocking Metronets Potential [10.1.2.2 - 13 pages] 3. Unlocking Metronets Potential Prospectus [10.1.2.3 - 12 pages]

TYPE OF REPORT

 Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
Executive	When Council is undertaking its substantive role of direction setting and oversight (eg accepting tenders, adopting plans and budgets
Information	For Council to note
Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person’s rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 1: Kalamunda Cares and Interacts

Objective 1.1 - To be a community that advocates, facilities and provides quality lifestyles choices.

Strategy 1.1.1 -- Ensure the entire community has access to information, facilities and services.

Strategy 1.1.2 - Empower, support and engage all of the community.

Priority 1: Kalamunda Cares and Interacts

Objective 1.2 - To provide a safe and healthy environment for community to enjoy.

Strategy - 1.2.3 Provide high quality and accessible recreational and social spaces and facilities.

Priority 4: Kalamunda Leads

Objective 4.2 - To proactively engage and partner for the benefit of community.

Strategy 4.2.1 - Actively engage with the community in innovative ways.

Strategy 4.2.2 - Increase advocacy activities and develop partnerships to support growth and reputation.

EXECUTIVE SUMMARY

1. The City of Kalamunda (City) following the Ordinary Council Meeting 22 October 2024 (OCM135/2024) has prepared a comprehensive Advocacy Prospectus to support engagement with the State and Federal Government regarding the High Wycombe South Residential Precinct.
2. The recommendation is to seek Council's endorsement of an advocacy proposal (Attachment 1) requesting \$42.2 million in funding from State and/or Federal Government to support infrastructure delivery and unlock development in the High Wycombe South Residential Precinct.
3. It is recommended that Council endorse the High Wycombe South Precinct Prospectus, note the Chief Executive Officer (CEO) has commenced advocacy and engagement with relevant State Government Ministers and supports the City of Kalamunda's continued progression of this advocacy.

BACKGROUND

4. At the City's Ordinary Council Meeting on 22 October 2024, under item 10.6.4 (resolution OCM 135/2024), Council resolved unanimously as follows:

"10. REQUEST the City of Kalamunda Chief Executive Officer continue to undertake an advocacy campaign focussed on minimising infrastructure costs to the DCP, encouraging government pre-funding for enabling infrastructure, and supporting the transitions of landowners and activation of development in the High Wycombe South Residential Precinct. "

5. In response to this resolution, the City has now conducted an Advocacy Marketing strategy that includes an:
- a) Advocacy Strategy tiered communication ranging from workshops conducted by the to direct Call to Action to State, Federal Ministers and Agencies.
 - b) Presentation collateral.
 - c) Comprehensive “leave behind” prospectus on why State / Federal Government should invest in High Wycombe South Residential Precinct.

DETAILS AND ANALYSIS

6. The prospectus presents a clear case for funding support of the \$42.2 million, which would enable the delivery of key infrastructure within the precinct. This funding is critical to reduce the cost burden on landowners and make development viable under the current Development Contribution Plan (DCP) framework.
7. Officers have commenced engaging with relevant State stakeholders including the Department of Planning, Lands and Heritage. The prospectus positions the City's request in the context of broader planning priorities, including transit-oriented development, housing supply, and economic uplift within a designated METRONET precinct.
8. Council endorsement of the advocacy proposal will enable the CEO to formally table the prospectus with relevant Ministers and Departments, consistent with Council's previous advocacy resolution (OCM 135/2024).
9. This approach supports the City's ongoing efforts to unlock development in the precinct, encouraging private sector participation, and provide timely infrastructure in a coordinated and financially responsible manner.

APPLICABLE LAW

10. Nil.

APPLICABLE POLICY

11. Nil.

STAKEHOLDER ENGAGEMENT

12. Community has previously been engaged through various planning processes (notability Amendment 113 Development Contribution Plan), although not specially on this prospectus.

FINANCIAL CONSIDERATIONS

13. There is no immediate financial impact to the City as a result of this report. Associated costs of the preparation of the Advocacy Prospectus and supporting analysis are funded within existing approval budgets.
14. Should the advocacy proposal be successful, the external funding would reduce the City's exposure to infrastructure shortfall and lower the development contribution burden on landowners. If funding is not secured, the City may need to reconsider infrastructure staging or explore alternative funding approaches.

SUSTAINABILITY

15. The advocacy proposal will promote the establishment and activation of an important human settlement in the City in the High Wycombe District Structure Plan area. The advocacy proposal seeks to facilitate this development with the objectives to align with the long-term vision to create an attractive, vibrant and sustainable urban setting within a landscaped context, focussed on medium and high-density housing with local employment opportunities.

RISK MANAGEMENT

16.

Risk: Advocacy not supported by Council		
Consequence	Likelihood	Rating
Major	Possible	Low
Action/Strategy		
Continue to work closely with all community groups and landowners.		
17.

Risk: Failure to secure external funding results in continued development delays and financial burden on landowners.		
Consequence	Likelihood	Rating
Major	Possible	High
Action/Strategy		
Proceed with formal advocacy to State Government, including presentation of the endorsed Advocacy Prospectus.		
18.

Risk: Lack of coordinated infrastructure delivery leads to fragmented development and increased costs		
Consequence	Likelihood	Rating
Moderate	Possible	Medium
Action/Strategy		
Align advocacy efforts with State infrastructure planning and collaborate with relevant agencies to ensure coordinated delivery.		

19.	Risk: Community perception of inequitable development contributions affects stakeholder trust.		
	Consequence	Likelihood	Rating
	Moderate	Unlikely	Medium
	Action/Strategy		
	Communicate the benefits of the external funding in reducing individual contributions and enhancing overall precinct development.		

CONCLUSION

20.

The High Wycombe South Residential Precinct represents a strategically important area for urban infill and transit-oriented development. However, significant infrastructure costs and associated feasibility constraints have created a barrier to development.
21.

It is recommended that Council endorse the High Wycombe South Precinct Prospectus, acknowledges the CEO has commenced advocacy and engagement with relevant State Government Ministers and supports the City of Kalamunda’s continued progression of this advocacy.

Voting Requirements: Simple Majority

RESOLVED OCM 2025/62

That Council:

1.

ENDORSE the High Wycombe South Residential Precinct Prospectus seeking \$42.2 million in State and/or Federal Government funding to support the delivery of enabling infrastructure and reduce the development cost burden.
2.

ACKNOWLEDGE the Chief Executive Officer has commenced advocacy and engagement with relevant State Government Ministers and Agencies in line with the OCM 135/2024 (October 2024).
3.

SUPPORT the City of Kalamunda’s continued progression of advocacy to support planned outcomes for the High Wycombe South Residential Precinct.

Moved: **Cr David Modolo**

Seconded: **Cr Dylan O'Connor**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

10.1.3. Property Matter - Edney Road

Reason for Confidentiality: Local Government Act 1995 (WA) Section 5.23 (2) (h) - "such other matters as may be prescribed."

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	OCM138/2011; OCM138/2011; OCM29/2012; OCM199/2011
Directorate	Development Services
Business Unit	Strategic Planning
File Reference	ED-03/015, ED-03/021
Applicant	N/A
Owner	City of Kalamunda
Attachments	Nil

RESOLVED OCM 2025/75

That Council:

- NOTE the findings of the Land Asset Maximisation Investigation in Confidential Attachment 1, including that the financial data in Part 3: High Level Business Case is preliminary and may be subject to further refinement.
- APPROVE further progressing Land Asset Maximisation Investigations on the basis of Option 3, Concept C.
- NOTE that the progression of Option 3, Concept C (in full) would be is defined as a Major Land Transaction under Section 3.59 of the Act on the following basis:

Expected Consideration To Be Received:	\$5,770,000.00
Anything Done By The Local Government to Effect Transaction:	\$3,331,045.40
Total:	\$9,101,045.40
Major Land Transaction Threshold (10% of City's 23/24 Financial Year OPEX):	\$7,249,786.90

4. REQUEST the Chief Executive Officer:

- a) PREPARE a Major Land Transaction Business Plan pursuant to Section 3.59(3) of the *Local Government Act 1995* that provides an overall assessment of the major land transaction, including details of:
 - i. Expected effect on the provision of facilities and services by the local government;
 - ii. Expected effect on other persons providing facilities and services in the district;
 - iii. Expected financial effect on the local government;
 - iv. Expected effect on matters referred to in the local government's current plan prepared under section 5.56 of the *Local Government Act 1995* (i.e. City's Strategic Community Plan); and
 - v. Ability of the local government to manage the undertaking or the performance of the transaction.
- b) GIVE Statewide public notice of the Major Land Transaction Business Plan in accordance with Section 3.59(4) of the *Local Government Act 1995* for a minimum of 6 weeks, advising where the business plan can be inspected and that submissions may be made.
- c) PREPARE a report to Council following conclusion of the statewide public notice that details the following:
 - i. Details of the statewide public notice;
 - ii. Details of any submissions received, with the City of Kalamunda's assessment; and
 - iii. Recommendations and next steps (as relevant).

Moved: **Cr Dylan O'Connor**

Seconded: **Cr John Giardina**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

10.2. Asset Services Reports

10.2.1. Pathways Asset Management Plan 2025-2029

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	OCM 130/2012; 157/2016; 79/2017; 125/2017; 140/2017; 129/2018; 184/2018
Directorate	Asset Services
Business Unit	Asset Planning and Delivery
File Reference	HU-PAA-013
Applicant	N/A
Owner	N/A
Attachments	1. Pathways Asset Management Plan 2025-2029 Final Version [10.2.1.2 - 62 pages]

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
✓ Executive	When Council is undertaking its substantive role of direction setting and oversight (e.g. accepting tenders, adopting plans and budgets)
Information	For Council to note
Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

Objective 3.2 - To connect community to key centres of activity, employment and quality amenities.

Strategy 3.2.1 - Ensure existing assets are maintained to meet community expectations.

Strategy 3.2.2 - Develop improvement plans for City assets such as parks, community facilities, playgrounds to meet the changing needs of the community.

EXECUTIVE SUMMARY

- 1. The purpose of this report is for Council to endorse the updated City of Kalamunda (City) Pathways Asset Management Plan 2025-2029 (PAMP).
- 2. An Asset Management Plan is a strategic planning document designed to demonstrate the financial position of an asset portfolio based on current management practices.
- 3. This PAMP is an update of the previous plan endorsed in 2020, following a five-year review process. The PAMP assets are valued at a total Gross Replacement Cost (GRC) of \$63.1 million.
- 4. The predicted average annual funding required for future years are:

Operation	\$136,883
Maintenance	\$785,569
Renewal	\$1,335,320
Acquisition	\$750,000

- 5. It is proposed that Council endorse the Pathways Asset Management Plan 2025 and that proposed funding levels are to be considered for inclusion in the City's Long Term Financial Plan.

BACKGROUND

- 6. The City is required to undertake Integrated Planning and Reporting requirements as it plans for the future in line with the requirements of the *Local Government Act 1995*. Key actions include the Strategic Community Plan, the Corporate Business Plan, and informing strategies such as Asset Management Plans.
- 7. The City produced its first Asset Management Plan for footpaths in 2013 and this was reviewed in 2017 and 2020.

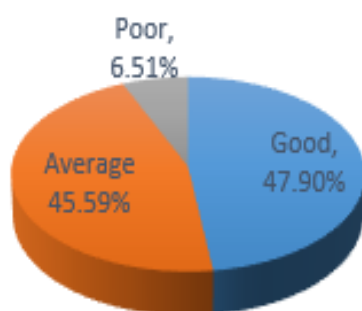
DETAILS AND ANALYSIS

8. This PAMP covers the following subjects:

- a) Introduction (Background)
- b) Level of Service
- c) Future Demand
- d) Background Data
- e) Risk Management Planning
- f) Financial Summary
- g) Plan Improvement and Monitoring

9. The City manages a 432-kilometre-long network of pathways for pedestrians and cyclists and 41 pedestrian bridges of various lengths, ranging from wooden jetties/boardwalks to small stream crossings in parks and reserves.

10. The average condition rating of footpath assets is:



11. The condition rating of the assets was undertaken using the visual condition rating method of the entire road network, resulting in a high level of confidence in the data set.

12. "Level of Service" is a phrase used in asset management to reflect the service the assets provide to the community. The City conducted a community consultation in 2024 to understand the expectation of asset levels of service, 67% of the respondents gave a positive performance rating (excellent, good, or okay) for the City's Footpath, Trails, and Cycle assets. The City's performance index score is below the average of other participating local government authorities in WA. This indicates that the community has a greater expectation than what is currently being provided by the City.

13. Comments received in community consultation indicated that connectivity, condition and maintenance of the cycle and footpath networks are key issues. Customer requests relating to footpath provision and maintenance have also increased substantially.

14. The PAMP includes financial modelling to determine the City's future funding requirements for the pathways portfolio. The model considers acquisition, renewal, operational, maintenance and disposal costs. Based on the portfolio's current state, the predicted average annual funding required for future years are:

Operation	\$136,883
Maintenance	\$785,569
Renewal	\$1,335,320

15. The PAMP will be reviewed again in five years. During this period the following tasks will inform a revised plan:
- a) Develop a Maintenance Management Plan.
 - b) Implement an Enterprise Resource Planning (ERP) system with a Maintenance Management System including a mobile device for field data collection.
 - c) Review Bike Plan and continue to pursue appropriate grant opportunities
 - d) Continue organisational education in asset management systems, asset management plans, and long-term financial plans.

APPLICABLE LAW

16. *Local Government Act 1995.*

APPLICABLE POLICY

17. The PAMP has been prepared in line with Council Policy Service 4: Asset Management.

STAKEHOLDER ENGAGEMENT

18. Asset Management Plans are informed by a "levels of service" process which is the result of a community consultation process. The consultation undertaken to provide direction to the PAMP was through the 2024 Community Satisfaction Surveys and Asset Levels Service consultation via online questionnaires.

FINANCIAL CONSIDERATIONS

19. The City's current Long-Term Financial Plan forecast integrates with the predicted annual average funding required for future years.

20. The predicted average annual funding required for future years are:

Operation	\$136,883
Maintenance	\$785,569
Renewal	\$1,335,320
Acquisition	\$750,000

21. Gap Analysis

	Current Annual Funding	Predicted Annual Funding	Annual Gap Analysis
Operation	\$120,983	\$136,883	\$15,900
Maintenance	\$722,969	\$785,569	\$62,600
Renewal	\$488,000	\$1,335,320	\$847,320

22. **Key Performance Indicators:**

The Asset Renewal Funding Ratio (ARFR) measures the ability of the City to fund its asset renewal/replacement program within the Long-Term Financial Plan. The ARFR should ideally be between 75% and 95% to indicate healthy portfolio performance. The ARFR for the pathways portfolio is 36.55% which is outside of the desired range and indicates further funding should be prioritised.

23. The Lifecycle Funding Ratio (LFR) measures the ability of a local government to fund its projected asset renewal/replacements in the future at the current level of service. This ratio compares the forecasted renewal requirement to the actual proposed budget over a 10-year planning period.

24. The forecasted operations, maintenance, and renewal costs over the 10-year planning period are \$2,257,773 on average per year. The proposed budget is \$1,332,000 on average per year giving a 10-year funding shortfall of \$925,772 per year. This indicates that the budget accommodates only 59% of the forecasted costs needed to maintain service levels.

SUSTAINABILITY

25. Maintaining the standard of paths using recycled materials like crumb rubber in path resurfacing will continue to support promoting eco-friendly materials, and the reduction of greenhouse gas emissions and waste in landfill sites.

RISK MANAGEMENT

26.	Risk: The lack of effective planning for the future renewal of assets leads to inefficient annual budgeting and less than optimal application of rate-payer funds.		
	Consequence	Likelihood	Rating
	Moderate	Almost Certain	High
	Action/Strategy		
	Prioritise funding for renewals and maintenance in the Long-Term Financial Plan and continue to improve asset management practices.		

CONCLUSION

27. The PAMP indicates that increasing the funding for the renewal, maintenance, and operation cost of pathways assets is required
28. The City will continue to optimise grant funding opportunities with appropriate planning and analysis work.

Voting Requirements: Simple Majority

RESOLVED OCM 2025/63

That Council:

1. ENDORSE the Pathways Asset Management Plan 2025-2029.
2. NOTE that future levels of funding be considered within the Long-Term Financial Plan.

Moved: **Cr Lisa Cooper**

Seconded: **Cr Dylan O'Connor**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

10.2.2. **Parks Asset Management Plan 2025-2029**

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	OCM 130/2012; 157/2016; 79/2017; 125/2017; 140/2017; 129/2018; 184/2018
Directorate	Asset Services
Business Unit	Asset Planning and Delivery
File Reference	HU-PAA-013
Applicant	N/A
Owner	N/A

Attachments	1. Parks Asset Management Plan 2025-2029 Final Version [10.2.2.2 - 65 pages]
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TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
✓ Executive	When Council is undertaking its substantive role of direction setting and oversight (e.g. accepting tenders, adopting plans and budgets)
Information	For Council to note
Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person’s rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

Objective 3.2 - To connect community to key centres of activity, employment and quality amenities.

Strategy 3.2.1 - Ensure existing assets are maintained to meet community expectations.

Strategy 3.2.2 - Develop improvement plans for City assets such as parks, community facilities, playgrounds to meet the changing needs of the community.

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to endorse the updated City of Kalamunda (City) Parks Asset Management Plan 2025-2029 (Parks AMP).
2. An Asset Management Plan is a strategic planning document designed to demonstrate the financial position of an asset portfolio based on current management practices.
3. This Parks AMP is an update of the previous plan endorsed in 2020, following a five-yearly review process. The Parks AMP assets are valued at a total Gross Replacement Cost (GRC) of \$66.7 million.
4. The predicted average annual funding required for future years are:

Renewal	\$1,776,558
Operation and Maintenance	\$2,064,118
Acquisition	\$790,262

5. It is proposed that Council note the Park Asset Management Plan 2025 and that proposed funding levels are to be considered for inclusion in the City's Long Term Financial Plan.

BACKGROUND

6. The City is required to undertake Integrated Planning and Reporting requirements as its plans for the future in line with the requirements of the *Local Government Act 1995*. Key actions include the Strategic Community Plan, the Corporate Business Plan, and informing strategies such as Asset Management Plans.
7. The City produced its first Asset Management Plan for Parks in 2017 and this was reviewed in 2020.

DETAILS AND ANALYSIS

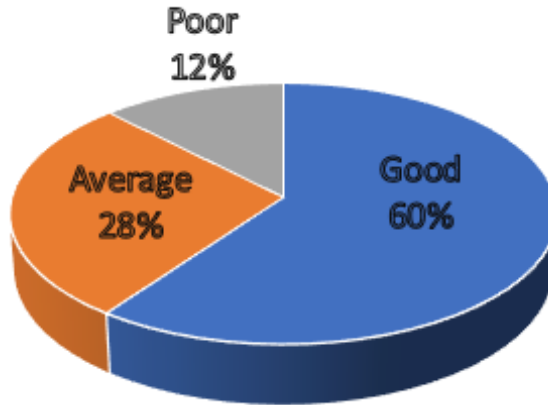
8. This Parks AMP covers the following subjects:
 - Current Status of Assets;
 - Level of Service;
 - Life Cycle Management;
 - Risk Management;
 - Future Demand;

- Financial Summary; and
- Improvements, Monitoring, and Review.

9. The City manages several park assets as mentioned below.

SN	Asset Category	
1	Fences	605 Assets
2	Irrigation	500 Assets
3	Lighting	595 Assets
4	Open Space Furniture	402 Assets
5	Playground Equipment	615 Assets
6	Park Infrastructure	324 Assets
7	Parks and gardens	328 Assets
8	Retaining Wall	294 Assets
	Total	3663 Assets

10. The average condition rating of Park assets:



11. The condition rating of the assets was undertaken using the visual condition rating method of the entire park portfolio, resulting in a high level of confidence in the data set.

12. “Level of Service” is a phrase used in asset management to reflect the service the assets provide to the community. The City conducted a community consultation in 2024 to understand the expectation of asset levels of service, 78% of the respondents indicated a positive performance (excellent, good or okay) with playgrounds, parks, and reserves, and 82% of the respondents indicate a positive performance (excellent, good, or okay) with sports and recreation facilities.

The City's performance index score is below the average of other participating local government authorities in WA. This indicates that the community has a greater expectation than what is currently being provided by the City of Kalamunda.

13. The Parks AMP includes financial modelling to determine the City's future funding requirements for the parks portfolio. The model considers acquisition, renewal, operational, maintenance and disposal costs. Based on the portfolio's current state, the predicted average annual funding required for future years are:

Renewal	\$1,776,558
Operation and Maintenance	\$2,064,118
Acquisition	\$790,262

14. The Parks AMP will be reviewed again in five years. During this period the following tasks will inform a revised plan:
- a) Develop a Maintenance Management Plan.
 - b) Implement an Enterprise Resource Planning (ERP) system with a Maintenance Management System including a mobile device for field data collection.
 - c) Carry out community consultation to determine community levels of service and agreed technical levels of service.
 - d) Continue organisational education about the importance of asset management systems, asset management plans, and long-term financial plans.
 - e) Ensure future needs are reflected in this Asset Management Plan and considered in the development of the Long-Term Financial Plan
 - f) Continue to monitor and improve the accuracy and validity of park asset data to improve confidence levels.

APPLICABLE LAW

15. *Local Government Act 1995.*

APPLICABLE POLICY

16. The Parks AMP has been prepared in line with Council Policy Service 4: Asset Management.

STAKEHOLDER ENGAGEMENT

17. Asset Management Plans are informed by a “levels of service” process which is the result of a community consultation process. The consultation undertaken to provide direction to the Parks AMP was through the 2024 Community Satisfaction Surveys and Asset Levels Service consultation via online questionnaire.

FINANCIAL CONSIDERATIONS

18. The City's current Long-Term Financial Plan forecast integrates with the predicted annual average funding required for future years.

19. The predicted average annual funding required for future years are:

Renewal	\$1,776,558
Operation and Maintenance	\$2,064,118
Acquisition	\$790,262

20. Gap Analysis

	Current Annual Funding	Predicted Annual Funding	Annual GAP Analysis
Renewal	\$740,000	\$1,776,558	\$1,03,7000
Operation and Maintenance	\$1,822,368	\$2,064,118	\$242,000

21. **Key Performance Indicators:**
The Asset Renewal Funding Ratio (ARFR) measures the ability of the City to fund its asset renewal/ replacement program within the Long-Term Financial Plan. The ARFR should ideally be between 75% and 95% to indicate healthy portfolio performance. The ARFR for the parks portfolio is 55.33% which is outside of the desired range and indicates further funding should be prioritised.
22. The Lifecycle Funding Ratio (LFR) measures the ability of a local government to fund its projected asset renewal/replacements in the future at the current level of service. This ratio compares the forecasted renewal requirement to the actual proposed budget over a 10-year planning period.
23. The forecast operations, maintenance, and renewal costs over the 10-year planning period is \$3,840,677 on average per year. The current budget is \$2,562,369 on average per year giving a 10-year funding shortfall of \$1,278,308 per year.

SUSTAINABILITY

24. Maintaining the standard of Parks using recycled materials like crumb rubber in Park resurfacing will continue to support promoting eco-friendly materials, and the reduction of greenhouse gas emissions and waste in landfill sites.

RISK MANAGEMENT

25.	Risk: The lack of effective planning for the future renewal of assets leads to inefficient annual budgeting and less than optimal application of rate-payer funds.		
	Consequence	Likelihood	Rating
	Moderate	Almost Certain	High
	Action/Strategy		
	Prioritise funding for renewals and maintenance in the Long-Term Financial Plan and continue to improve asset management practices.		

CONCLUSION

26. The Parks AMP indicates that increasing the funding for the renewal, maintenance, and operation cost of park assets is required.
27. The City will continue to optimise grant funding opportunities with appropriate planning and analysis work.

Voting Requirements: Simple Majority

RESOLVED OCM 2025/64

That Council:

1. ENDORSE the Parks Asset Management Plan 2025-2029.
2. NOTE that future levels of funding be considered within the Long-Term Financial Plan.

Moved: **Cr Kathy Ritchie**

Seconded: **Cr David Modolo**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

10.3. Corporate Services Reports

No reports presented.

10.4. Community Services Reports

10.4.1. City of Kalamunda Draft Bushfire Local Law

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	
Directorate	Community Services
Business Unit	Community Health & Safety
File Reference	
Applicant	
Owner	City of Kalamunda
Attachments	1. BFB Local Law 2025 [10.4.1.1 - 8 pages]

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
Executive	When Council is undertaking its substantive role of direction setting and oversight (eg accepting tenders, adopting plans and budgets
Information	For Council to note
✓ Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person’s rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 1: Kalamunda Cares and Interacts

Objective 1.2 - To provide a safe and healthy environment for community to enjoy.

Strategy - 1.2.1 Facilitate a safe community environment.

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to review and endorse a new City of Kalamunda Bush Fire Brigade Local Law 2025 as shown at Attachment 1 for the purpose of public advertising.
2. The provisions of the *Local Government Act 1995* (LG Act) and the *Bush Fires Act 1954* (BF Act) permit Council to create local laws for a range of matters which include establishing and maintaining bush fire brigades.
3. This report recommends proceeding with the establishment of the local law by initiating local public advertising.

BACKGROUND

4. The City is required to undertake a review of local laws every eight years in accordance with the LG Act.
5. The existing by-law relating to the *Establishment, Maintenance and Bush Fire Brigades 1991* requires updating, and replacement of the local law is recommended.
6. Several amendments to legislation relating to bush fire brigades, as well as guidelines from the Joint Standing Committee on Delegated Legislation (JSCDL) advising local laws should not duplicate provisions available in overarching legislation, warrant the replacement of the local law.
7. The objective of this approach is to not duplicate provisions that already exist in legislation and only address matters that must be dealt with as prescribed in section 43 of the BF Act.

DETAILS AND ANALYSIS

8. Section 43 of the BF Act states
"A local government which establishes a bush fire brigade shall by its local laws provide for the appointment or election of a captain, a first lieutenant, a second lieutenant, and such additional lieutenants as may be necessary as officers of the bush fire brigade and prescribe their respective duties."

9. All other matters are dealt with under the BF Act.
10. Key changes to the existing by-law are:
 - a) Definitions included and consolidated into clause 1.4.
 - b) Duties of the Chief Bush Fire Control Officer described in clause 4.2.
 - c) Duties of the Captain and bush fire brigade officers described in clause 4.3.
11. The agenda and the minutes of the Ordinary Council meeting where the local law is considered are to include the purpose and effect of the proposed local law, as set out below:

Purpose

The purpose of this local law is to provide for the establishment, organisation and maintenance, administration, and funding of bush fire brigades in the City of Kalamunda.

Effect

The effect of this local law is that bush fire brigades will be organised and managed to comply with changes in the law and operational practice.

12. The draft local law reflects a more modern and contemporary approach, similar to that taken by a number of other local governments.
13. Once a local law is gazetted, it is referred to the Joint Standing Committee on Delegated Legislation (JSCDL) for consideration. Where the JSCDL finds that a local law is not consistent with its terms of reference, an amendment or repeal may be required. The draft proposed local law is also based on comparable local laws that have passed the scrutiny of the JSCDL.

APPLICABLE LAW

14. *Bush Fires Act 1954*
Local Government Act 1995 (section 3.12)

APPLICABLE POLICY

15. Nil

STAKEHOLDER ENGAGEMENT

16. The City's Chief Bush Fire Control Officer and the Bush Fire Advisory Committee have been consulted and endorse the draft local law.
17. The local law-making process provides members of the public and government departments the opportunity to have their say on the proposed local law. The City is required to give local public notice stating that the City proposes to make a local law, the purpose and effect of which is summarised in the notice.

Submissions about the proposed local law may be made and will be presented to Council for consideration following the prescribed public notice period.

FINANCIAL CONSIDERATIONS

18. The cost for advertising will be met from the current operating budget.

SUSTAINABILITY

19. This local law will enable bush fire brigades to manage and comply with changes in the law and operational practice. It supports resilient, compliant and well-coordinated emergency response efforts.

RISK MANAGEMENT

20.	Risk: The existing bylaw is outdated and no longer remains fit for purpose to the contemporary operation of Bush Fire Brigades		
	Consequence	Likelihood	Rating
	Moderate	Unlikely	Low
	Action/Strategy		
	Council endorses a new City of Kalamunda Bush Fire Brigade Local Law		

CONCLUSION

21. The draft local law offers a more modern and contemporary approach to establishing and maintaining bush fire brigades. The purpose of this local law is to provide for the establishment, organisation and maintenance, administration, and funding of bush fire brigades; and
22. The effect of this local law is that bush fire brigades will be organised and managed to comply with this local law.

Voting Requirements: Simple Majority

RESOLVED OCM 2025/65

That Council:

1. In accordance with Section 3.12(3)(a) of the *Local Government Act 1995* GIVE local public notice stating that the City of Kalamunda proposes to make a Bush Fire Brigades Local Law 2025 as set out in Attachment 1.
2. NOTE the purpose and effect of the proposed local law:
Purpose
The purpose of this local law is to provide for the establishment, organisation and maintenance, administration, and funding of bush fire brigades in the City of Kalamunda.
Effect
The effect of this local law is that bush fire brigades in the City of Kalamunda will be organised and managed to comply with changes in the law and operational practice.

Moved: **Cr John Giardina**

Seconded: **Cr David Modolo**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

10.4.2. Dog Park in Wattle Grove - Response to Petition

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items

Directorate

Business Unit

File Reference

Applicant

Owner

Community Services

Community Health & Safety

Attachments

1. Dog Exercise Areas Management Plan
2023 - Community Engagement Plan
[10.4.2.1 - 85 pages]

Confidential

Attachments

Petition of Electors of the City of Kalamunda -
Petition for Dog Park in Wattle Grove

Reason for Confidentiality: Local Government Act
1995 (WA) Section 5.23 (2) (b) - "the personal affairs of any
person."

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
Executive	When Council is undertaking its substantive role of direction setting and oversight (eg accepting tenders, adopting plans and budgets)
✓ Information	For Council to note
Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 1: Kalamunda Cares and Interacts

Objective 1.2 - To provide a safe and healthy environment for community to enjoy.

Strategy - 1.2.1 Facilitate a safe community environment.

Strategy - 1.2.3 Provide high quality and accessible recreational and social spaces and facilities.

EXECUTIVE SUMMARY

1. The purpose of this report is to provide a preliminary assessment on the need for an enclosed dog park in Wattle Grove, following a petition presented to Council in March 2025.
2. Wattle Grove currently has 588 registered dogs with one designated off-leash area located at The Promenade (Lot 888 Lenihan Corner), which is currently not fenced.
3. Community surveys conducted in 2021 and 2023 reflect growing demand for improved dog exercise areas across the City.
4. With 9,312 registered dogs City-wide, early findings support a need for investigation into additional secure and accessible dog parks throughout the City, with a clear prioritisation based on factors such as population, number of registered dogs, cost and community need.

BACKGROUND

5. The City of Kalamunda has 24 designated off-leash dog exercise areas, there are seven dog prohibited areas and two fenced dog parks.
6. In 2021, the City of Kalamunda conducted a community survey focusing on the management of dog exercise areas. The results indicated a growing demand for improved facilities throughout the City.
7. A subsequent Community Engagement Summary Report conducted in 2023 revealed a notable increase in public support for fenced dog exercise areas, with 84% of respondents indicating a need for additional spaces – an increase from 51% in 2021.

8. At the Ordinary Council meeting held on 25 March 2025 a petition was presented requesting Council investigate the suitability of an enclosed dog park in Wattle Grove. The basis for the request is that Wattle Grove does not currently have an enclosed dog park, with dog owners have to drive to surrounding areas within the City.
9. Currently, Wattle Grove has one designated off-leash dog exercise area, which is not fenced, known as the Promenade, located at Lot 888 Lenihan Corner, bordered by St John Road and The Promenade.
- Enclosed dog parks provide a safe space for dogs to exercise and provide an opportunity for passive recreation and community interaction.
10. According to current records, there are 9,312 dogs registered within the City of Kalamunda, of these, the suburb of Wattle Grove accounts for approximately 6% or 588 registered dogs.

DETAILS AND ANALYSIS

11. The City of Kalamunda has 24 designated off-leash dog exercise areas one of which is in Wattle Grove.
- There are seven dog prohibited areas throughout the City and only two fenced dog parks detailed below:
- **The Hales Dog Park**, located off Crimson Boulevard in Forrestfield (approximately 5.7 km from Wattle Grove) and
 - **Elmore Dog Park**, located off Elmore Way in High Wycombe (approximately 10 km from Wattle Grove)

12. An assessment of registered dogs per suburb within the City shows that two enclosed dog parks have been delivered within the suburbs with the highest number of registered dogs, those being Forrestfield and High Wycombe.

	Suburb	Registered Dogs
1	Forrestfield	1,887
2	High Wycombe	1,747
3	Lesmurdie	1,546
4	Kalamunda	1,313
5	Maida Vale	833
6	Gooseberry Hill	654
7	Wattle Grove	588
8	Walliston	185
9	Bickley	162
10	Carmel	134
11	Pickering Brook	107
12	Piesse Brook	40
13	Paulls Valley	32
14	Hacketts Gully	13
15	Reservoir	0
16	Other	71
	Total	9,312

13. While there is a potential case and demand for an enclosed dog park in Wattle Grove, the City has not undertaken a needs assessment to understand if those suburbs with higher numbers of registered dogs are in greater need of an enclosed dog park(s).
14. To ensure that the area's in greatest need are identified and a plan developed to address that need in an orderly and transparent manner, it is proposed to present to Council a report that considers and prioritises the delivery of enclosed dog parks to a consistent standard within the City.
15. In the meantime, the administration will work together with the Wattle Grove residents to identify and implement feasible interim solutions.

APPLICABLE LAW

17. *Local Government Act 1995*
The Dog Act 1976

APPLICABLE POLICY

18. Nil

STAKEHOLDER ENGAGEMENT

19. The City of Kalamunda Dog Exercise Management Areas Plan Community Engagement 2021, 2023.
20. Confidential Attachment - The Petition of Electors of the City of Kalamunda

FINANCIAL CONSIDERATIONS

21. The most recent dog park project undertaken by the City was the Elmore Dog Park, which began in 2018 and was completed in 2021, with a total cost of around \$400,000.

SUSTAINABILITY

22. Facilities such as fenced dog exercise areas encourage responsible pet ownership, promotes healthy pets and pet owners and creates safer communities.

RISK MANAGEMENT

- 23.
- | | | |
|--|-------------------|---------------|
| Risk: The City fails to meet petitioner's expectations on response time | | |
| Consequence | Likelihood | Rating |
| Moderate | Possible | Medium |
| Action/Strategy | | |
| Clearly communicate the investigative and planning process, anticipated timeframes, and budgetary constraints by providing regular updates to Council and Community. | | |
- 24.
- | | | |
|---|-------------------|---------------|
| Risk: The City fails to meet broader community need for enclosed dog parks based on areas of highest need. | | |
| Consequence | Likelihood | Rating |
| Moderate | Almost Certain | High |
| Action/Strategy | | |
| Undertake a need analysis across the City and present a priority ranking with rationale to Council. | | |

CONCLUSION

25. A preliminary internal assessment highlights a current and growing demand across the City and the Wattle Grove community for improved and secure dog exercise facilities.
26. Currently, there is limited availability of enclosed dog parks within the City generally. To address this, a more strategic and evidence-based approach is required to guide future planning and investment.
27. It is proposed that the City undertakes an evaluation process to identify areas of greatest need, informed by factors such as the number of registered dogs per suburb, current access to off-leash and enclosed facilities, population growth projections and community feedback.
28. It is anticipated that a further report will be prepared and presented to Council that details
 - a. a priority assessment for the provision of enclosed dog parks within the City of Kalamunda.
 - b. standard of provision and probable cost for enclosed dog parks.
 - c. a recommended approach to program the install of additional enclosed dog parks within the City.

Voting Requirements: Simple Majority

RESOLVED OCM 2025/66

That Council REQUEST the Chief Executive Officer provide a report to Council by October 2025 on;

- a. A suburb-based priority ranking on the need for enclosed dog parks within the City.
- b. A standard of provision for enclosed dog parks within the City with an indicative costing.
- c. A recommended approach to program the install of enclosed dog parks within the City.

Moved: **Cr Mary Cannon**

Seconded: **Cr David Modolo**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

10.5. Office of the CEO Reports

10.5.1. Elected Members Superannuation

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	Nil
Directorate	Chief Executive Officer
Business Unit	Governance
File Reference	3.003073
Applicant	N/A
Owner	N/A
Attachments	Nil

TYPE OF REPORT

	Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
✓	Executive	When Council is undertaking its substantive role of direction setting and oversight (eg accepting tenders, adopting plans and budgets
	Information	For Council to note
	Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person’s rights and interests where the principles natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is to consider payment of the Superannuation Contribution Guarantee to Elected Members following changes to the *Local Government Act 1995* (the Act). These changes introduced new provisions allowing local governments to resolve by absolute majority to make superannuation contributions to Elected Members from 1 February 2025.
2. This report recommends that Council approve payment of a superannuation contribution to all Elected Members commencing from 1 July 2025.

BACKGROUND

3. Until 1 February 2025, local governments had the ability to pay Elected Members a superannuation contribution if it was unanimously resolved by the Council to become an Eligible Governing Body under the Commonwealth *Taxation Administration Act 1953*. If that was resolved, it resulted in all Elected Members of that Council receiving the superannuation contribution with no ability to opt in or opt out.
4. Through reforms introduced by the Department of Local Government, Sport and Cultural Industries (the Department) a number of significant changes to the Act have been made. One of the changes has been the introduction of superannuation contribution payments for Elected Members.
5. The intent of this reform is to attract and retain Elected Members and encourage greater diversity across local governments. It acknowledges the significant dedication and investment of time that Elected Members commit to their role and helps to achieve greater alignment with the wider workforce.

DETAILS AND ANALYSIS

6. From 1 February 2025, local governments have the option to resolve by absolute majority to make Superannuation Guarantee Contributions (SGC) to Elected Members. The legislation provides that as of the 19 October 2025, it will be compulsory for all Band 1 and Band 2 local governments to pay their Elected Members the SGC.

7. SGC payments for Elected Members will be made in addition to the annual meeting attendance allowance and any other fees and allowances received in accordance with the Act and the relevant determination of the Salaries and Allowances Tribunal.
8. The rate of the SGC is currently 11.5% and will rise to 12% on 1 July 2025.
9. SGC payments are to be made at the same time as Elected Members receive their allowance. Superannuation is paid on 'remuneration' as defined in the Superannuation Guarantee Act. For the purposes of Elected Members, remuneration means the allowance for meeting attendance, the annual allowance for the Mayor and the annual allowance for the Deputy Mayor.
10. Individual Elected Members may 'opt out' of receiving SGC even when the Council has resolved to receive it.
11. Advice received indicates the SGC payment is not required to be made for the ICT Allowance or Travel Allowance as these payments are made in lieu of reimbursement of expenses.
12. In amending the Act, section 5.63 now includes that an interest does not need to be disclosed by Elected Members when the decision on payment of the SGC is being considered.
13. Elected Members may resolve to receive the SGC from an alternative commencement date to the one provided in the recommendation to this report.
14. Should Council approve the payment of the SGC, revisions will be made to the applicable policy (Governance 3 - Elected Members Entitlements, Travel and Professional Development) as the biennial review following the 2025 ordinary local government election.

APPLICABLE LAW

15. Sections 5.99B to 5.99E and Section 5.63
Local Government Act 1995

Superannuation Guarantee (Administration) Act 1992 (Cth)

APPLICABLE POLICY

- 16. Governance 3: Elected Members – Entitlements, Travel and Professional Development.

STAKEHOLDER ENGAGEMENT

- 17. Consultation with the sector has been conducted by the Department as part of the reforms to the Act. This change has been well received and some local governments have resolved to receive the SGC.
- 18. The City’s Elected Members were informed of this amendment to the Act at a Strategy Session held on 15 April 2025.

FINANCIAL CONSIDERATIONS

- 19. There is no budget allocation for SGC Payments for the remainder of the 2024/2025 financial year.
- 20. The Salaries and Allowances Tribunal has made its 2025 Local Government Chief Executive Officers and Elected Members Determination for the 2025 / 2026 financial year.
- 21. Based on the current remuneration to Elected Members (including the Mayor and Deputy Mayor Allowances and Meeting Allowance in lieu of meeting fees, the total superannuation contribution payment for the 2025/2026 financial year would be \$39,807. This contribution will be included in the operating budget.

SUSTAINABILITY

- 22. N/A

RISK MANAGEMENT

23.	Risk: The City fails to budget for the Superannuation Guarantee Contribution		
	Consequence	Likelihood	Rating
	Moderate	Unlikely	Low
	Action/Strategy		
	Administration will ensure there is sufficient budget for the Elected Members Superannuation Guarantee for the financial year with an ongoing budget allocation.		

24.

Risk: Community consider payment of the Superannuation Guarantee Contribution as a poor user of ratepayer funds.

Consequence	Likelihood	Rating
Moderate	Possible	Medium

Action/Strategy

Administration will manage any community response quickly with reference to the legislative requirement of the Act.

CONCLUSION

25. Making SGC payments to Elected Members acknowledges their significant dedication and investment of time. It aims to attract and retain Elected Members, encouraging greater diversity on the Council.

26. The changes in local government legislation have resulted in SGC payments being mandatory from 19 October 2025 for Band 1 and Band 2 local government. Individual local governments can resolve to receive SGC payments prior to the 19 October 2025 and the recommendation indicates that these payments commence from 1 July 2025.

Voting Requirements: Absolute Majority

RECOMMENDATION

That Council APPROVE, the payment of Superannuation Guarantee Contributions to Elected Members in accordance with section 5.99B(2) of the *Local Government Act 1995*, effective from the 1 July 2025.

Cr O'Connor moved the recommendation with the commencement date amended. This was supported by the seconder.

RESOLVED OCM 2025/67

That Council APPROVE, the payment of Superannuation Guarantee Contributions to Elected Members in accordance with section 5.99B(2) of the *Local Government Act 1995*, effective from the 19 October 2025.

Moved: **Cr Dylan O'Connor**

Seconded: **Mayor Margaret Thomas**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY / ABSOLUTE MAJORITY (8/0)

10.6. Chief Executive Officer Reports

10.6.1. Monthly Financial Statements to 30 April 2025

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	N/A
Directorate	Corporate Services
Business Unit	Financial Services
File Reference	FIR-SRR-006
Applicant	N/A
Owner	N/A
Attachments	1. Statement of Fin Activity for ten months ended 30 April 2025 [10.6.1.1 - 1 page] 2. Statement of Net Current Funding Position as at 30 April 2025 [10.6.1.2 - 1 page] 3. Statement of Financial Position as at 30 April 2025 [10.6.1.3 - 1 page] 4. 2024-25 Budget Amendment April 2025 [10.6.1.4 - 1 page] 5. 2024-25 Voted Works Budget - April 2025 [10.6.1.5 - 1 page]

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
Executive	When Council is undertaking its substantive role of direction setting and oversight (e.g. accepting tenders, adopting plans and budgets)
Information	For Council to note
√ Legislative	Includes adopting Local Laws, Town Planning Schemes, and Policies. When the Council determines a matter that directly impacts a person’s rights and interests where the principles of natural justice apply. Examples include town planning applications, building licenses, other permits or licenses issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

Strategy 4.1.2 - Build an effective and efficient service-based organisation.

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with the Statutory Financial Statement for the period ended 30 April 2025.
2. The Statutory Financial Statements report on the activity of the City of Kalamunda (City) with the comparison of the period's performance against the mid-year reviewed budget 2024-25 adopted by Council on 25 February 2025 and any other amendments approved subsequently by separate resolutions.
3. It is recommended that Council receives the draft Monthly Statutory Financial Statements for the month of April 2025, which comprises:
 - a) Statement of Financial Activity (Nature or Type) (Attachment 1)
 - b) Statement of Net Current Funding Position, note to financial report (Attachment 2).
 - c) Statement of Financial Position (Attachment 3).

Pursuant to section 6.8(1)c of the *Local Government Act 1995* AUTHORISE amendment to the 2024-25 Budget as detailed in Attachment 4.

NOTES the Voted Works details as identified in Attachment 5.

BACKGROUND

4. The Statement of Financial Activity (Attachment 1), incorporating various sub-statements, has been prepared in accordance with the requirements of the *Local Government Act 1995 (Act)* and Regulation 34 of the *Local Government (Financial Management) Regulations 1996*.
5. The Statement of Financial Position (Attachment 3, incorporating various sub-statements, has been prepared in accordance with the requirements of the *Local Government Act 1995 (Act)* and Regulation 35 of the *Local Government (Financial Management) Regulations 1996*.

DETAILS AND ANALYSIS

6. The Act requires the Council to adopt a percentage or value to be used in reporting variances against the Budget. Council has adopted the reportable variances of 10% or \$50,000 whichever is greater.

FINANCIAL COMMENTARY

Draft Statement of Financial Activity by Nature and Type for nine months ended 30 April 2025.

7. This Statement reveals a net result surplus of \$27,139,992 compared to the budget for the same period of \$10,241,193 resulting in a variance of \$16,898,799. The variance is largely due to an investing activities variance of \$10,387,687 and variance of \$1,213,552 & \$5,297,382 respectively from operating & financing activities.

Operating Revenue

8. Total Revenue including rates is under budget by \$477,866. This is made up as follows:
- a) Rates generation is trending along the budget with a minor variance of \$124,083 mainly due to lower interims than currently budgeted.
 - b) Operating Grants, Subsidies and Contributions are also trending along the budget with a minor variance of \$161,914. The variance is mainly due to a timing difference of operating grants received and reimbursement of maintenance cost of shared use facilities and other arrangements.
 - c) Profit on asset disposal is under budget by \$1,343,737 as certain land parcels earmarked for sale have not yet been finalised. Approval was recently granted by Council to commence disposal on some surplus land parcels which will be completed in the next few months and transacted in the new financial year.
 - d) Fees and Charges are trending along the budget with minor over budget variance of \$188,525. The variance is attributable to the recovery of project management fees of Asset Delivery that is higher than budget by \$65,492 and Waste Management fee which is higher than the budget by \$72,683.
 - e) Interest income is above budget by \$775,925 mainly due to higher interest earned on investments and reserves than budgeted. Maturity of deposits has resulted in the earlier income recognition and deemed to be a timing matter. Some of the additional interest is due to delayed capital works spend allowing higher cash flow to be invested.
 - f) Other Revenue is under budget by \$31,526 and the variance is mainly due to Environmental Health related compliance action collection which is lower than budget by \$24,150.

- g) Ex-Gratia Rates Revenue is tracking lower than budget by \$104,884 due to a timing variance in relation to the Ex-Gratia Rates due from the Dampier Bunbury Gas Pipeline. The payment is expected in the last quarter of the year.

Operating Expenditure

- 9. Total expenditure is under budget by \$1,335,238. The significant variances within the individual categories are as follows:
 - a) Employment Costs are under budget by \$423,012 which is due to minor delays in the recruitment of new and vacant positions across several business units.
 - b) Materials and Contracts are under budget by \$1,106,772. The variance is mainly due to a timing difference for waste services, building maintenance and infrastructure maintenance costs.
 - c) Utilities are tracking along the budget with a variance of \$9,444 that is below the variance reporting threshold.
 - d) Depreciation, although a non-cash cost, is tracking along the budget with a minor variance of \$238,406. This is partially due to a delay in the capitalisation of assets which have been completed so far in the current financial year.
 - e) Interest & Insurance expense are tracking along their respective budget lines with minor variances of \$15,955 and \$32,062 below reportable variance threshold.
 - f) Other expenditure is under budget by \$91,014 mainly due to land acquisition costs of \$78,330 budgeted for Forrestfield Industrial Area Scheme which were unspent.

Investing Activities

Non-operating Grants and Contributions

- 10. The non-operating grants and contributions is over budget by \$4,560,729. This is mainly due to found and gifted infrastructure assets of \$4.4 million which was recorded up to the end of April 2025. Other minor variance is due to the timing difference of receipts of grants for capital works projects and project delivery.

Capital Expenditure

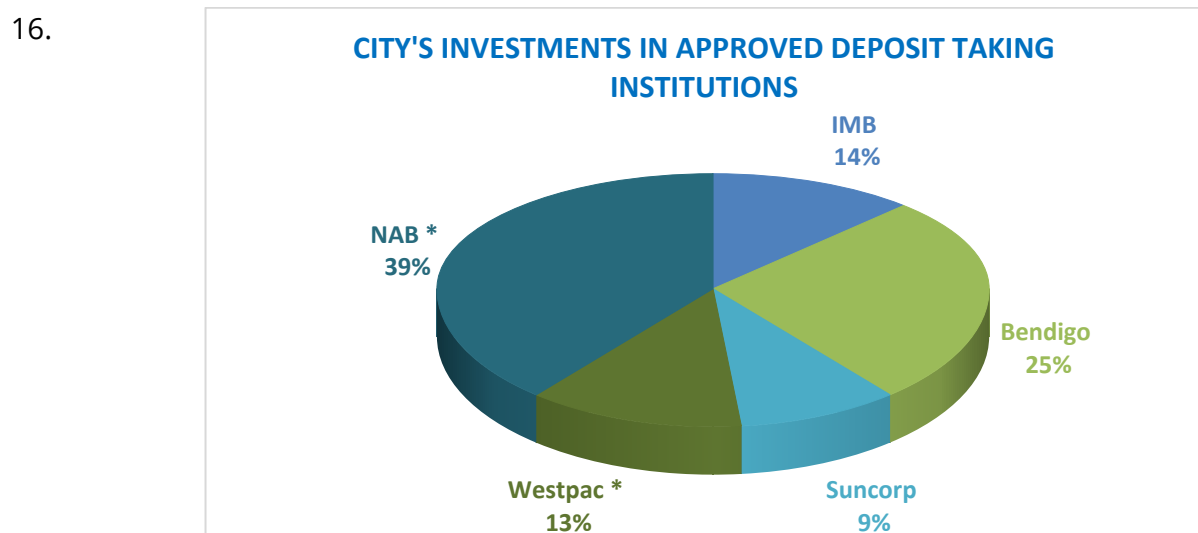
- 11. The total Capital Expenditure on Property, Plant, Equipment, and Infrastructure Assets is under budget by \$5,816,546. The delayed spend is due to the City working through some large projects which are in various stages in the tender process.

Financing Activities

12. The amounts attributable to financing activities show a variance from budget by \$5,29,382 which is mainly due to the timing difference of reserve transfers that are usually transacted towards the year end.

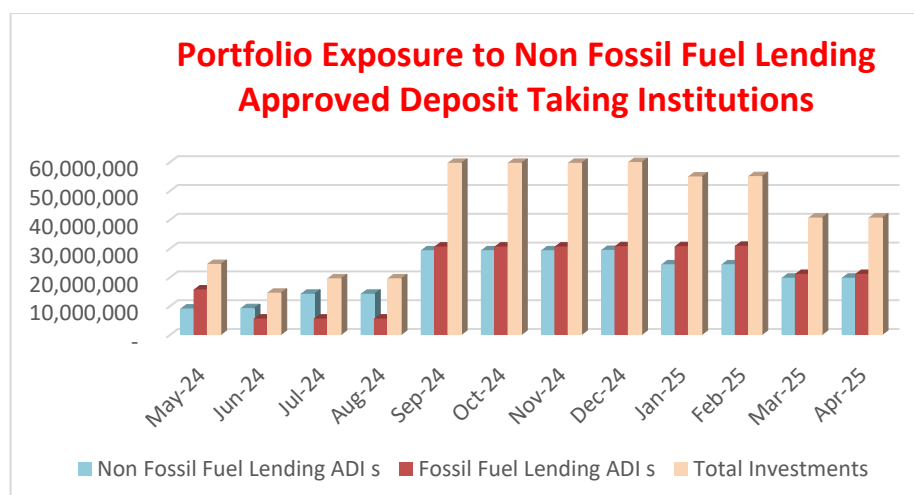
Statement of Net Current Funding Position as of 30 April 2025

13. The commentary on the net current funding position is based on a comparison of April 2025 to the April 2024 actuals.
14. Net Current Assets (Current Assets less Current Liabilities) total \$53.9 million as compared to \$45.7 million for the previous year. The restricted cash position is \$31.1 million which is higher than the previous year's balance of \$25.0 million. This reflects additional transfers to Reserves which is normally undertaken in the year.
15. The following graph indicates the financial institutions where the City has investments as of 30 April 2025. Investments yields are between 4%-5.5% depending on the length of deposits. The Reserve Bank of Australia finally reduced the cash rate to 4.1% in February which will have an adverse effect on investment income in the outer months. Further cuts are expected in May 2025 and the new financial year as core inflation stabilises, global trade tensions ease up and the completion of the federal elections.



*Financial Institutions with Investments in the Fossil Fuel Industry

17.



18.

Rates debtors are currently \$2.4 million, further details are contained in the Rates Report to Council.

19.

Sundry debtors have increased from \$242,664 to \$245,127 of which \$158,833 consist of current debt due within 30 days. Details are contained in the Debtors and Creditors Report to Council.

20.

Receivables Other represent \$2.1 million including:
a) Emergency Service Levy receivables \$0.5 million.
b) Receivables Sanitation \$0.7 million.

21.

Provisions for annual and long service leave have slightly increased by \$83,630 from \$4.31 million to \$4.40 million when compared to the previous year. The provision is cash backed via specific reserves.

Proposed Budget Amendments and Voted Works

22.

Attachment 4 lists a range of budget amendments which are proposed due to operational reasons.

The net impact of the budget amendments is a \$55,100 decrease in the closing surplus position.

- a) 2025.05-01 – 2 Mustang Court, High Wycombe - Installation of Safety Barrier- \$55,100. Project involves the installation of protective safety measures at the bend near 2 Mustang Court to address recurring crash incidents involving out-of-control vehicles on Dundas Road. Works are justified due to resident safety concerns, evidence of two crashes (one confirmed by WA Police), and the high-speed environment on a tight bend.

- b) 2025.05-02 - Kosteria RSL Gardens Retaining Wall - Renewal, Project 8631- \$40,000, project deferred to next financial year due to capacity of supplier to deliver in the current financial year. The money is transferred to the Unexpended Reserves for the time being.
 - c) 2025.05-03 – Fencing Contracting Work (Lot 8 Urch Rd & Lot 7 McRae Rd, Lot 23 Carmel Rd) \$13,300 funded via a re-allocation of monies from an operational Project N541 – Kalamunda Sites. The work is required to bring the properties to market for sale.
23. The City has commenced for 2024/25 a Voted Works Reserve worth \$100,000 which is allocated during the year based on elected member nominations to fund various community requests.

As of 30 April 2025, a balance of \$32,643 is available for allocation by Elected Members from the Voted Works Reserve. Please see attachment 5 for further details.

APPLICABLE LAW

24. *The Local Government Act 1995 s6.8 and the Local Government (Financial Account Management) Regulations 1996 s34 and s35.*

APPLICABLE POLICY

25. Nil.

STAKEHOLDER ENGAGEMENT

Internal Referrals

26. The City's executive and management monitor and review the underlying business unit reports which form the consolidated results presented in this report.

External Referrals

27. As noted in point 22 above, the City is required to present to the Council a monthly statement of financial activity with explanations for major variances.

FINANCIAL CONSIDERATIONS

28. The City's financial position continues to be closely monitored to ensure it is operating sustainably and to allow for future capacity.

SUSTAINABILITY

Social Implications

29. Nil.

Economic Implications

30. Nil.

Environmental Implications

31. Nil.

RISK MANAGEMENT

32.	Risk: Over-spending the budget.		
	Consequence	Likelihood	Rating
	Moderate	Possible	Medium
	Action/Strategy		
	Monthly management reports are reviewed by the City and Council. Procurement compliance is centrally controlled via the Finance Department.		

33.	Risk: Non-compliance with Financial Regulations		
	Consequence	Likelihood	Rating
	Moderate	Unlikely	Low
	Action / Strategy		
	The financial report is scrutinised by the City to ensure that all statutory requirements are met. Internal Audit reviews to ensure compliance with Financial Regulations. External Audit confirms compliance.		

CONCLUSION

34. The City's Financial Statement as of 30 April 2025 reflect the 2023-24 audited opening surplus position.

Voting Requirements: Absolute Majority

RESOLVED OCM 2025/68

That Council

1. RECEIVE the Monthly Statutory Financial Statement for the month of April 2025 which comprises:
 - a) Statement of Financial Activity (Nature or Type) (Attachment 1).
 - b) Statement of Net Current Funding Position, note to financial report. (Attachment 2).
 - c) Statement of Financial Position (Attachment 3).
2. Pursuant to section 6.8(1)c of the *Local Government Act 1995* AUTHORISE amendment to the 2024-25 Budget as detailed in Attachment 4.
3. NOTE the Voted Works details as identified in Attachment 5.

Moved: **Cr Lisa Cooper**

Seconded: **Cr David Modolo**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY / ABSOLUTE MAJORITY (8/0)

10.6.2. Debtors and Creditors Reports for the month of April 2025

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	N/A
Directorate	Corporate Services
Business Unit	Financial Services
File Reference	FI-CRS-002
Applicant	N/A
Owner	N/A
Attachments	1. Creditor Payments for the Period ended 30 April 2025 (Public) [10.6.2.1 - 12 pages] 2. Corporate Credit Card Payments for the period 26 February to 26 March 2025 - Public [10.6.2.2 - 2 pages] 3. Summary of Debtors for the month of April 2025 [10.6.2.3 - 2 pages] 4. Summary of Creditors for month of April 2025 [10.6.2.4 - 1 page]
Confidential Attachments	1. Creditor Payments for the period ended 30 April 2025 – (Confidential)

Reason for Confidentiality: *Local Government Act 1995 (WA) Section 5.23 (2) (e) - "matter that if disclosed, would reveal - (i) a trade secret; (ii) information that has a commercial value to a person; or (iii) information about the business, professional, commercial or financial affairs of a person; - where the trade secret or information is held by, or is about a person other than the local government"*

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
Executive	When Council is undertaking its substantive role of direction setting and oversight (e.g., accepting tenders, adopting plans and budgets)
Information	For Council to note
 Legislative	Includes adopting Local Laws, Town Planning Schemes, and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licenses, other permits or licenses issued under other Legislation, or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with details of payments made from Municipal and Trust accounts together with outstanding debtors and creditors for the month of April 2025.
2. The report provides details of payments made from the Municipal and Trust Fund Accounts for the month. It also includes details of employee purchases via purchasing cards from 26 February to 26 March 2025.
3. It is recommended that Council receive the list of:
 - a) payments made from the Municipal and Trust Fund Accounts for the month of April 2025
 - b) payments made by employees via purchasing cards from 26 February to 26 March 2025
 - c) the outstanding debtors and creditors report for the month of April 2025.

BACKGROUND

4. Trade Debtors and Creditors are subject to strict monitoring and control procedures.
5. In accordance with *the Local Government (Financial Management) Regulations 1996* (Regulation 13) reporting on payments made from Municipal Fund and Trust Funds must occur monthly.
6. Effective from 1 September 2023 under *Local Government (Financial Management) Regulations 1996* (Regulation 13A)
If a local government has authorised an employee to use a credit, debit or other purchasing card a list of payments made using the card must be prepared each month showing the following information for each payment made since the last list was prepared.
 - a) The payee's name
 - b) The amount of the payment
 - c) The date of the payment
 - d) Sufficient information to identify the payment.

DETAILS AND ANALYSIS

Debtors

7. Sundry debtors as of 30 April was \$245,127. This includes \$164,378 of current debts and \$5,546, unallocated credits (excess or overpayments).
8. Invoices over 30 days total \$16,104, debts of significance:
 - a) Municipal Workcare, \$3,822 workers compensation claims; and
 - b) Hills Callisthenics, \$3,892, hall hire.
9. Invoices over 60 days total \$252, debts of significance – none.
10. Invoices over 90 days total \$69,938, debts of significance:
 - a) Municipal Workcare, \$37,978 workers compensation claims.
 - b) N-Com Pty Ltd, \$12,490, lease fees.
 - c) Private Citizen, \$3,815, fire hazard reduction burn.
 - d) Kalamunda Chamber of Commerce, \$3,335, reserve hire. Awaiting partial credit adjustment.
 - e) Department of Education, \$2,552, shared cost reimbursement. Payment pending due to an outstanding query; and
 - f) Ignite Performing Arts, \$2,451, hall hire.

Creditors

11. Payments totalling \$6,522,344.95 were made during the month of April 2025. Standard payment terms are 30 days from the end of the month, with local businesses and contractors on 14-day terms.
12. Significant Municipal payments (GST inclusive – where applicable) made in the month were:

Supplier	Purpose	\$
Cleanaway	Waste / recycling & bulk bin disposal services fees	1,067,142.55
Asphaltech Pty Ltd	Road materials for profiling at various locations	652,187.53
Australian Taxation Office	PAYG Tax Payments	514,543.11
Dowsing Group Pty Ltd	Supply & lay concrete pathways, maintenance & misc. works at various locations	263,829.39
AE Hoskins Building Services	Building maintenance services/repairs at various locations including progress claim 1 for Norm Sadler Pavilion redevelopment	240,592.09

Aware Super Pty Ltd	Superannuation contributions	228,479.35
Christou Design Group Pty Ltd	Architectural consultant services for High Wycombe community hub	221,548.58
Beaver Tree Services	General tree services / under powerlines pruning for various locations	204,206.81
Brausch Construction Group	Progress claim # C005 - design & construction of Foothills mens shed	179,417.70
Resource Recovery Group (SMRC)	Waste & recycling disposal services fees	172,661.37
Synergy	Power charges	167,395.24
Kennedys Tree Services (Cosmag Pty Ltd)	Tree removal / under powerline pruning for various locations	133,332.54
Merger Contracting P/L T/As J&M Asphalt	Supply and lay minor asphalt	129,453.40
Boya Equipment Pty Ltd.	Supply & delivery of Kubota enclosed air con cab articulated wheel loader	103,455.00
State Wide Turf Services	Turf supplies / maintenance for various locations	96,626.29
Pickering Brook Sports Club (Inc)	New floodlight project at George Sprigg Reserve including access to NBN rental funds	80,000.00
OCE Corporate Pty Ltd. Office Cleaning Experts	Cleaning services / consumables for various locations	78,385.83
Contraflow	Traffic management for various locations	68,279.48
Talis Consultants Pty Ltd	Consulting services for various area in environment management	66,011.62
Bpa Engineering Pty Ltd	Drainage data collection for various locations	61,543.90
McKay Earthmoving Pty Ltd.	Plant equipment and operator hire for various locations	52,506.69
Capital Recycling	Transporting waste streams from the Walliston transfer station	50,984.98

These payments total \$4,832,583.45 and represent 74% of all payments for the month.

Payroll

13. Salaries and wages are paid in fortnightly cycles. A total of \$1,673,650.71 was paid in net salaries and wages for the month of April 2025.
14. Additional details are provided in Confidential Attachment 1 after the creditors' payment listing.

Trust Account Payments

15. The Trust Accounts maintained by the City of Kalamunda (City) relate to the following types:
- a) CELL 9 Trust;
 - b) Public Open Space funds,
 - c) NBN Tower Pickering Brook Trust
16. The following payments (GST exclusive) were made from the Trust Accounts in April 2025.

Cell 9		Amount (\$)
Date	Description	
30/04/2025	Place Laboratory Pty Ltd – for Landscape Architecture Service	2,560.00
30/04/2025	City of Kalamunda – Project Management Costs Jan-Mar 2025	44,100.00

NBN Tower Pickering Brook Reserve		Amount (\$)
Date	Description	
22/04/2025	Pickering Brook Sports Club (INC) – for New Floodlights Project at George Sprigg Reserve	50,000.00

APPLICABLE LAW

17. Regulation 12(1) of the *Local Government (Financial Management) Regulations 1996*.
18. Regulation 13 & 13A of the *Local Government (Financial Management) Regulations 1996*.

APPLICABLE POLICY

19. Debt Collection Policy CEO Direction 5.5.
20. Register of Delegations from Council to CEO.

STAKEHOLDER ENGAGEMENT

Internal Referrals

21. Various business units are engaged to resolve outstanding debtors and creditors as required.

External Referrals

22. Debt collection matters are referred to the City's appointed debt collection agency when required.

FINANCIAL CONSIDERATIONS

23. The City will continue to closely manage debtors and creditors to ensure optimal cash flow management.

SUSTAINABILITY

24. Nil.

RISK MANAGEMENT

Debtors

25.	Risk: The City is exposed to the potential risk of the debtor failing to make payments resulting in the disruption of cash flow.		
	Consequence	Likelihood	Rating
	Insignificant	Possible	Low
	Action/Strategy		
	Ensure debt collections are rigorously managed.		

Creditors

26.	Risk: Adverse credit ratings due to the City defaulting on the creditor.		
	Consequence	Likelihood	Rating
	Insignificant	Possible	Low
	Action/Strategy		
	Ensure all disputes are resolved in a timely manner.		

CONCLUSION

27. Creditor payments are within the normal trend range.

Voting Requirements: Simple Majority

RESOLVED OCM 2025/69

That Council:

1. RECEIVE the monthly lists of payments made from the Municipal Accounts for the month April 2025 (Confidential Attachment 1) in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996* (Regulation 13).
2. RECEIVE the list of payments made from 26 February 26 March 2025 using Corporate Purchasing Cards (Confidential Attachment 2) in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996* (Regulation 13A).
3. RECEIVE the outstanding debtors and creditors reports (Attachments 1 & 2) for the month of April 2025.

Moved: **Cr Kathy Ritchie**

Seconded: **Cr Dylan O'Connor**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

10.6.3. Rates Debtors Report for the Period Ended 30 April 2025

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	N/A
Directorate	Corporate Services
Business Unit	Financial Services
File Reference	FI-DRS-004
Applicant	N/A
Owner	N/A
Attachments	Nil

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
 Executive	When Council is undertaking its substantive role of direction setting and oversight (e.g. accepting tenders, adopting plans and budgets)
Information	For Council to note
Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person’s rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

- Objective 4.1** - To provide leadership through transparent governance.
- Strategy 4.1.1** - Provide good governance.
- Strategy 4.1.2** - Build an effective and efficient service-based organisation.

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with information on the rates collection percentage and the status of rates recovery actions.

2. The City of Kalamunda (City) levied rates for 2024/2025 on 16 July 2024. The amount collectable (excluding deferred rates balance of \$1,154,548) as of 30 April 2025 was \$50,743,522. This balance includes, initial billing, interims and the brought forward balance from 2023/24. Collections to date stand at \$47,400,747.

BACKGROUND

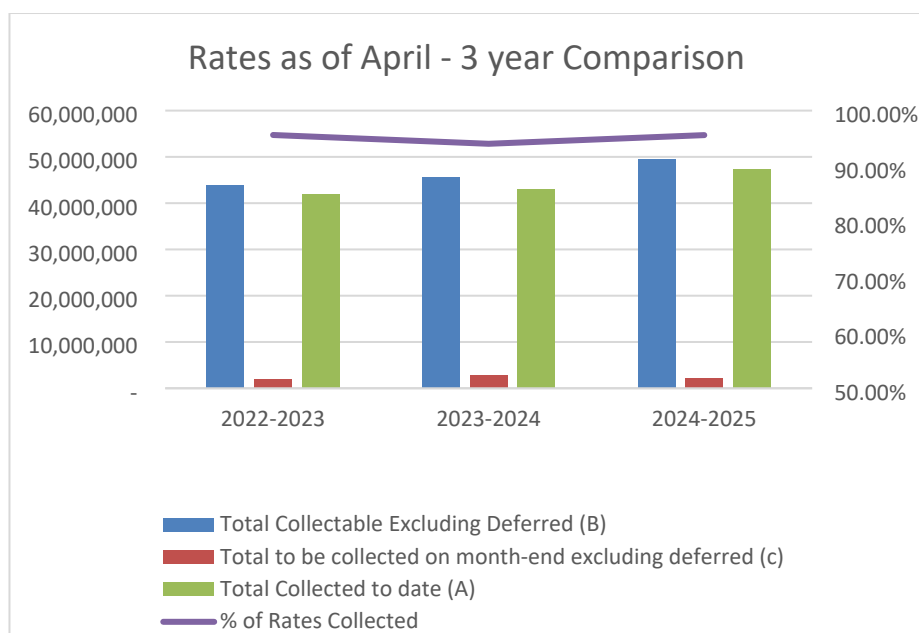
3. Rate Notices were issued on 16 July 2024 with the following payment options available:

Options	Payment Dates			
Full payment	20 August 2024			
Two instalments	20 August 2024	24 January 2025		
Four instalments	20 August 2024	22 October 2024	24 January 2025	25 February 2025

DETAILS AND ANALYSIS

4. A total of 24,024 notices were issued on 16 July 2024. This consisted of 20,072 mailed rates notices, and 3,509 of eRates notices (12% take-up saving more than \$5,600 in postage and printing).
5. As of 30 April 2025, rates Levied and collectable for the 2024/2025 Financial Year total is \$50,743,522 (excluding deferred rates), with collections standing at \$47,400,747. With the 4th instalment, which was due on 25 Feb 2025 now completed, the City has identified all properties in default, that is, they have not paid in full or entered into a payment arrangement with the City. Debt collection activity has commenced from September 2024 and missed instalment reminder notices sent out in March 2025. Phone/sms campaign initiated in March 2025 on all debts over \$1,000.
6. The above collection of \$47,400,747 represents a collection rate of 95.5% which is better than the previous year of 94.03%. For reference, below is a chart comparing the April collection rates for the last three years.

7.



8.

From the above chart the following observations are made:

- a) The quantum of collectable and collected rates is higher in 2024/25 than previous years because the base amount is higher each year.
- b) It is noted the amount collected is back to 2022/23 year end levels. The City now has a stable Rates Team with seasoned professionals who are actively managing the debt outstanding.
- c) The % collectable at 30 April 2025 is 4.41% which will be a point of focus for the Rates Team to work towards. In this regard, work is being done to review and update the City's collection and hardship policies and procedures. The City has reviewed and performed market testing on its contractual obligations with the City's debt collection agency with no changes needed prior to going legal on defaults identified.
- d) The City has finalised and identified properties whose debt is over \$2,000 and the City's debt collection agent has been instructed to commence General Procedure Claims in April 2025. There are approximately 39 properties who are in default.

9.

The interim rating has commenced for 2024/2025. To 30 April 2025 \$513,744 has been raised for the interim rating Revenue.

10. The first instalment due date was 20 August 2024. The following observations should be noted:

- a) A total of 16,498 properties representing 60.76% of the total number of rateable properties were noted to have paid in full or were in credit.
- b) A total of 9,817 ratepayers have taken up an instalment option or have entered into a payment arrangement. This is an increase of 1% from 2023/2024 where 9,657 chose an instalment option or a payment arrangement.

The following table showing Properties choosing to pay by instalments or payment arrangements:

Option	Description	2025/25 Number	2023/24 Number
Option 2 on Rates Notice	Two instalments	1,797	1,732
Option 3 on Rates Notice	Four instalments	6,694	6,880
Direct Debit	Pay by direct debit	1,068	941
Payment Arrangeme nt	Pay by payment Arrangement	258	104
Total	Ratepayers on payment options	9,817	9,657

11. Call recording software has been utilised in the Rates Department since 2015, primarily for customer service purposes, as it allows calls to be reviewed for training and process improvement purposes. For the period 1 April 2025 to 30 April 2025, there was a total of 453 calls, equating to 17.07 hours of call time.

APPLICABLE LAW

12. The City collects its rates debts in accordance with the *Local Government Act 1995* Division 6 – Rates and Service Charges under the requirements of Subdivision 5 – Recovery of unpaid rates and service charges.

APPLICABLE POLICY

13. The City's rates collection procedures are in accordance with the Debt Collection Policy CEO Direction 5.5.

STAKEHOLDER ENGAGEMENT

Internal Referrals

14. The City's Governance Unit has been briefed on the debt collection process.

External Referrals

15. The higher-level debt collection actions will be undertaken by an external collection agency.

FINANCIAL CONSIDERATIONS

16. The early raising of rates in July allows the City's operations to commence operations without delays improving cashflow, in addition to earning additional interest income.

SUSTAINABILITY

Social Implications

17. Debt collection can have implications upon those ratepayers facing financial hardship and the City must ensure equity in its debt collection policy and processes.
18. The City has "a smarter way to pay" direct debit option to help ease the financial hardship to its customers. This has proved very effective with a growing number of ratepayers taking advantage of this option. A "Smarter Way to Pay" allows ratepayers to pay smaller amounts on a continuous basis either weekly or fortnightly, helping to reduce their financial burden.

Economic Implications

19. Effective collection of all outstanding debtors leads to enhanced financial sustainability for the City.

Environmental Implications

20. The increase in the take up of eRates, as a system of Rate Notice delivery, will contribute to lower carbon emissions due to a reduction in printing and postage.

RISK MANAGEMENT

21.

Risk: Failure to collect outstanding rates and charges leading to cashflow issues within the current year.		
Consequence	Consequence	Rating
Moderate	Possible	Medium
Action/Strategy		
Ensure debt collections are rigorously maintained.		

CONCLUSION

22. The current year collection rate is higher at 95.59% compared to 94.03% last year. The City continues to effectively implement its rate collection strategy.

Voting Requirements: Simple Majority

RESOLVED OCM 2025/70

That Council RECEIVE the Rates Debtors Report for the Period ending 30 April 2025.

Moved: **Cr Lisa Cooper**

Seconded: **Cr David Modolo**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

10.6.4. Budget 2025/2026 - Differential Rates

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	Nil.
Directorate	Director Corporate Services
Business Unit	Financial Services
File Reference	FI-RTS-012
Applicant	N/A
Owner	N/A

Attachments 1. Objects and Reasons 2025-26 [**10.6.4.1** - 3 pages]

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
 Executive	When Council is undertaking its substantive role of direction setting and oversight (e.g. accepting tenders, adopting plans and budgets)
Information	For Council to note
Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

Strategy 4.1.2 - Build an effective and efficient service-based organisation.

EXECUTIVE SUMMARY

- The purpose of this report is to consider the level at which to set and advertise differential rates and the Waste Avoidance and Resource Recovery (WARR) Levy as part of the 2025/2026 Budget process.

2. In accordance with the requirements of the *Local Government Act 1995* (the Act), s6.36, a local government is required to give a local public notice period of 21 days with the intention to impose differential general rates or a minimum rates payment.
3. It is recommended that Council approve the 2025/2026 rate in the dollar and the minimum rates to be advertised by public notice as per the following:

Rating Category	Rate in the Dollar (\$)	Minimum Rate
Gross Rental Valuation Rating Categories		
General GRV	\$0.070124	\$1,240
Industrial/Commercial GRV	\$0.087115	\$1,344
Vacant GRV	\$0.140199	\$1,240
Unimproved Rating Categories		
General UV	\$0.004030	\$1,240
Commercial UV	\$0.005015	\$1,344
Levies		
Waste Avoidance & Resource Recovery (All Categories)	\$0.0005600	\$26.80

4. Council is also requested to endorse the Objects and Reasons for the Proposed Differential Rate Categories for the 2025/2026 Financial Year (Attachment 1).

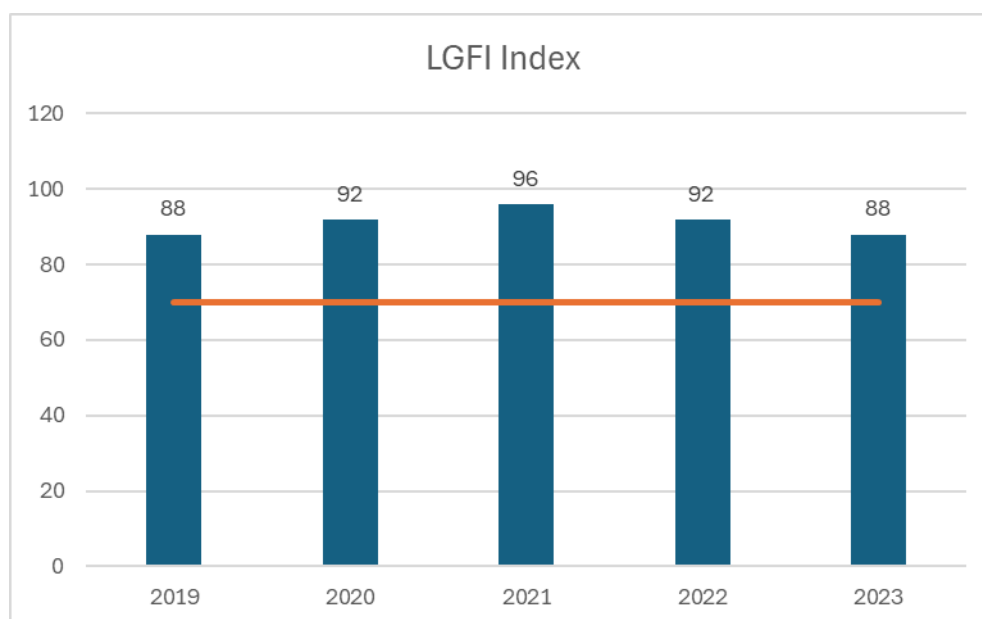
BACKGROUND

5. In accordance with the requirements of s6.33 of the Act, a local government may impose differential rates having met the characteristics prescribed.
6. In accordance with the requirements of s6.35 of the Act, a local government may impose a minimum payment that is greater than the general rate which would otherwise be payable on that land.
7. GRV's (Gross Rental Value) are provided to all local governments by Landgate and are assessed every three years by Landgate valuers. The triennial valuation ensures consistency and fairness in the allocation of rates, with the next revaluation to be undertaken next year.
8. Properties not on a GRV will be rated based on an Unimproved Value (UV). These UV values are updated annually by Landgate.
9. Differential Rates have been part of the Budget for many years, with modifications to categories introduced over time to assist in spreading the rate burden fairly and equitably amongst the rates categories and providing opportunities for increases in overall rate income.

DETAILS AND ANALYSIS

Formulating the 2025/2026 Budget

10. In the process of forming a budget, at the first step, all costs required to meet the objectives of the City, all costs required to pay for services and all costs associated with maintaining and creating assets will be estimated. Also, the income from other revenue sources will be estimated. The difference between the total expenditure and other sources of revenue is the amount expected to be raised from rates. Once the amount to be raised from rates is calculated then a rate can be established against each rateable property across the City.
11. The City formulates its budget aiming to achieve positive results against the financial ratios that measure the City's financial performance and to ensure that it remains financially sustainable. The City is responsible for the management of more than \$975 million (gross replacement cost) of assets and the cost to replace our assets are more than \$17 million per annum. This requires a well-considered plan for the maintenance and repair of City assets.
12. The Department of Local Government, Sport and Cultural Industries (DLGSCI) has worked with stakeholders to design a new Local Government Financial Index (LGFI) with a benchmark of 70. The LGFI will provide at a glance insights about local government financial positions and will replace the previous Financial Health Indicator. The new LGFI is comprised of four key ratios:
 1. Debt Services Cover Ratio
 2. Current Ratio
 3. Operating Surplus Ratio
 4. Net Financial Liability Ratio



13. Notwithstanding the adoption of new ratios, the City will continue monitoring its asset sustainability ratio which measures capital expenditure on replacement or renewal of assets relative to the annual depreciation expense
14. The City's Financial results for the year ending June 2023 as seen in the chart below, highlighted a trend was occurring showing a deterioration in one of the ratios over the past few years – namely the Operating Surplus Ratio (OSR).
15. This trend was identified by the Office of the Auditor General (OAG) and a proposed plan was developed and considered by Council to address this matter and bring rates revenue more aligned with operating costs.
16. Considering the declining OSR the 2025/2026 budget and future budgets assisted via the updated Long Term Financial Plan will need to be focussed on addressing the declining OSR to ensure the City remains financially sustainable.
17. The following table provides results of the operating surplus ratio of the City for last four years.

With the benchmark being 0.00, 2022/23 shows its just above at 0.02 whilst the chart states it “improving” as determined by the Department, the trend shows clearly a declining trend which needs to be addressed.

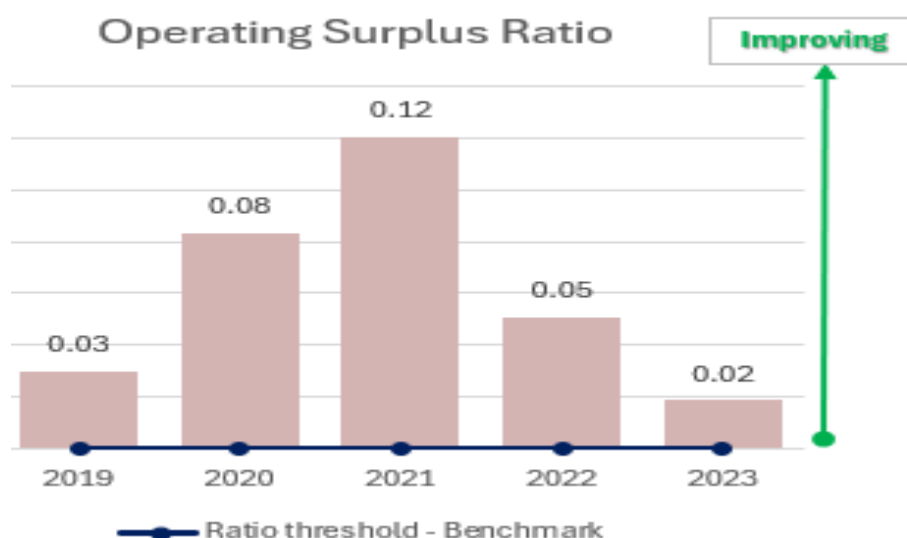


Table is an extract from the FHI Calculations as provided by the Department.

What is the Operating Surplus Ratio (OSR)?

18. Operating Surplus Ratio Calculation has been revised from previous determination of the OSR. The new formula is per below:

Adjusted Operating Surplus
divided by Adjusted Operating Revenue

19. This ratio is a measure of a local government's ability to cover its operational costs and have revenues available for capital funding or other purposes.
20. The required standard is to meet the threshold of 0.00 with no determination of what is a basic, intermediate or advanced threshold.
21. 'Operating Surplus' is determined by adjusting Operating Revenue to include non-operating grants and contribution reduced by Operating Expenditure adjusted by excluding finance costs.

Why is the OSR declining?

22. A negative OSR means that the City doesn't earn enough operating revenue to pay for operational expenditure.

23. There are 3 key reasons that this ratio is in decline they are:
1. Revenue is not matching operating expenditure
 2. Depreciation expense has increased following the revaluation of City assets.
 3. Increasing cost of providing services and assets, with costs pressures experienced especially in building and construction costs and their ongoing maintenance.
24. For the 2025/2026 year the City continues to see volatility in several categories of construction costs placing pressure on building and construction projects. In addition, most of the City's maintenance services are outsourced and recent tender results have come in at significantly higher rate than the previous tender prices. In specific, the rise in traffic management costs is now surpassing the \$1 million mark which has impacted some of the City's services.
25. Each of these issues are discussed in detail as follows.

Revenue not meeting Operating Expenditure

26. In 2013/2014 when the inaugural Long Term Financial Plan (LTFP) was adopted by Council, it was predicated on rates increases set at 7% over the 10 years to fund the growth in asset renewals and new assets. This was in recognition of the backlog of assets renewals and aging facilities that the City was carrying on its books. Furthermore, the City has grown its population base with many new development fronts being created and demand for services increasing subsequently in line with growth.
27. Since 2018 the Council adopted rate increases which were well below the 7% per annum target what was set out in the LTFP, which has resulted in a cumulative loss of revenue over the past 4 years as shown in the table below:

RATES		
Year	Total Received	Annual Increase
2014	\$ 28,939,389	
2015	\$ 30,599,405	6%
2016	\$ 32,769,644	7%
2017	\$ 35,066,848	7%
2018	\$ 35,992,132	3%
2019	\$ 37,436,125	4%
2020	\$ 37,864,554	1%
2021	\$ 38,342,129	1%
2022	\$ 41,806,941	4.9%
2023	\$43,866,164	4.5%
2024	\$47,628,912	5.5%

28. Had the Long-Term Financial Plan been maintained with its rates projections being adopted annually, the City would likely have been in a stronger position to be covering its operating costs, as well as being able to build cash reserves providing capacity to fund future major facilities development and partially withstand the impacts of rising building construction costs.
29. In the absence of significant alternative revenue streams, it is important to maintain rates increases in line with necessary expenditure to avoid deterioration of operating capacity.

Depreciation

30. The change in accounting standards to fair value accounting in 2017 is a key cause for the deterioration of the Operating Surplus Ratio. The City was required to comply to the change and now must deal with a legacy issue from the change.
31. As the City continues to add new assets and doesn't rationalise old, underutilised assets, depreciation will continue to rise and negatively impact upon the financial viability of the City in the future.

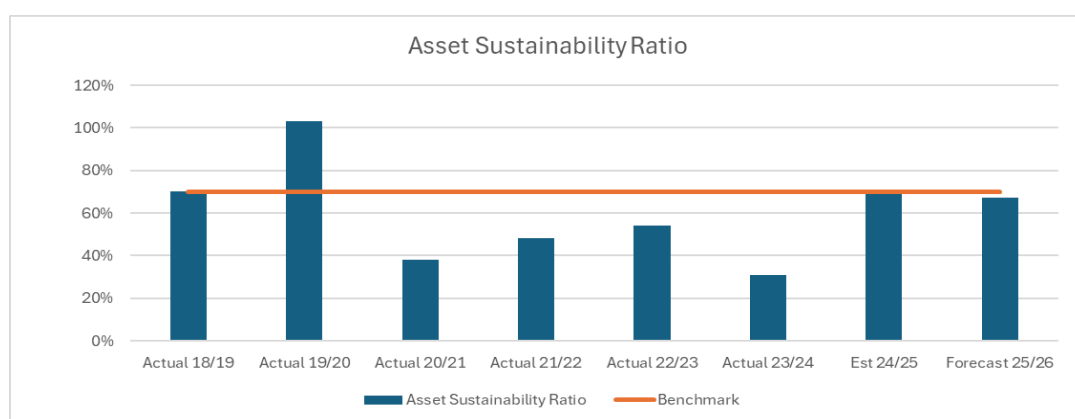
DEPRECIATION		
FINANCIAL YEAR	ACTUAL	% CHANGE
2015/16	\$ 6,043,120.00	
2016/17	\$ 10,130,153.00	68%
2017/19	\$ 10,237,301.00	1%
2018/19	\$ 10,986,630.00	7%
2019/20	\$ 11,316,721.00	3%
2020/21	\$ 13,327,727.00	18%
2021/22	\$ 13,764,916.00	3.3%
2022/23	\$ 14,349,530.00	4.2%
2023/24	\$16,875,730.00	17.6%
2024/25	\$17,140,236.00*	15.70%

*Forecasted

Revaluation of infrastructure assets was completed in by 30 June 2023 resulting in an increase in the depreciation charge to \$17.1 Million in 2024/2025 Budget. This is a 19% change from 2023 financial year.

Cost of Services and Assets

32. The City of Kalamunda has a significant asset base and a wide range of services delivered from the asset base. Currently, the City's net assets equate to approximately \$975 million, Gross Replacement Cost. Managing such an asset base is challenging and requires sound asset management strategies, a clear understanding of lifecycle costing, an overall maturity of asset management competencies within the business.
33. Maintaining and renewing such a large asset base and delivering a wide range of services requires revenue to match the recurrent operating costs required. The City's main revenue source is heavily dependent on rates.
34. As noted above, the City is closely monitoring its Asset Sustainable Ratio for which it has set a benchmark of 70% (90% benchmark applies for developed Councils) with the chart below showing that although improving, we are not investing enough to meet the benchmark.



35. The following table shows the increasing trend in materials and contracts costs after post pandemic service reinstatements.

MATERIALS & CONTRACTS		
FINANCIAL YEAR	ACTUAL	% CHANGE
2017/18	\$20,563,241.00	-11%
2018/19	\$20,391,297.00	-1%
2019/20	\$22,443,971.00	10%
2020/21	\$20,233,774.00	-10%
2021/22	\$23,253,381.00	15%
2022/23	\$27,702,293.00	19%
2023/24	\$24,586,015.00	-11%
2024/25	\$28,266,259.00*	15%

*Forecasted

36. The City has undertaken a thorough review of its cost structures, revenue generation opportunities and service levels in order to formulate a financially responsible budget.
37. The City's financial sustainability will be critically dependent upon maintaining close scrutiny over costs., leveraging commercial opportunities and developing sustainable rate setting strategies.
38. However, the City is facing significant headwinds in the area of Asset Services in the following areas which has greatly impacted the materials and contracts expenditure.
- i. Traffic Management costs which is a compliance requirement when crews are working on road and drainage infrastructure is estimated to cost at least a \$1Million annually. With the State Government awarding significant increases to their contractors on Metro projects resulting in the City's own contractors having to match these pay rates to retain staff causing the significant increase in costs.
 - ii. The City has received new Parks with the increase in sub-divisions such as the Hales in Bushmead. These new parks will require maintenance.
 - iii. The City has recently upgraded some of its parks, such as, Stirk Park and Magnolia Park with community expectation that they provide higher amenities which have significant cost impacts.
 - iv. Tender results for outsourced services show significant increases such as:
 - Parts for reticulation of the Reserves have gone up above CPI with some increases by 20% to 50%.
 - Powerline pruning has increased by 100% partially due (i) above
 - Asphalt resurfacing costs have increased by 14.5%
39. Whilst the growth in services was viewed as necessary and has delivered significant benefits to the community there has also been a corresponding increase in human resourcing and depreciation into the City's budget.

Inflation and Local Government Cost Index LGCI

40. Whilst the previous year's record levels of CPI growth have subsided from 7% in March 2023, to around 3.2%, we are still seeing high variability amongst cost components such as bricks and tiles (20%) and concrete and sand products around 10%. In addition, rising housing costs together with significant growth in rents continue to put pressure on inflation.

41. The domestic construction materials sector and the broader building industry continue to be impacted by a lack of new capital investment, labour construction shortages, an increased number of building business insolvencies.
42. The underlying inflation rate has fallen to 3.2% and is moving towards the RBA's target band of 2-3%. Notwithstanding, the rising costs of housing and rents continue to drive inflation in Western Australia.
43. More recently, global uncertainty continues to impact financial markets, with the impacts of trade tensions and tariff policies unclear.

Local Government Cost Index (LGCI)

44. The LGCI is developed by WALGA and provides an indication of those changes in the WA Economy relating more closely to the functions of Local Government. The LGCI is calculated on the weighted average of a number of component indices, published by the Australian Bureau of Statistics and forecast by State Treasury. The following indices are used to calculate the Local Government Cost Index:

LGCI Table

Component	Weighting	2023-24 (actual)	2024-25 (forecast)	2025-26 (forecast)	2026-27 (forecast)	2027-28 (forecast)
Employee costs	35%	4.2	3.8	3.5	3.0	3.0
Materials and contracts	28%	3.2	4.0	3.8	3.5	3.3
Furniture	1%	4.7	3.7	3.5	3.2	2.0
Non-residential building	5%	4.6	3.5	3.0	2.3	2.1
Machinery and Equipment	5%	2.0	4.0	2.5	1.4	2.2
Non-road infrastructure	9%	3.2	2.8	2.7	2.6	2.3
Road and bridge construction	10%	2.1	2.8	2.7	2.8	2.5
Utilities	3%	2.5	3.0	3.0	3.0	3.0
Insurance	1%	13.1	8.6	6.0	4.0	6.0
Other	3%	4.6	3.5	3.0	2.8	2.5
LGCI	100%	3.6	3.6	3.3	3.0	2.9

WALGA Economic Briefing March 2025

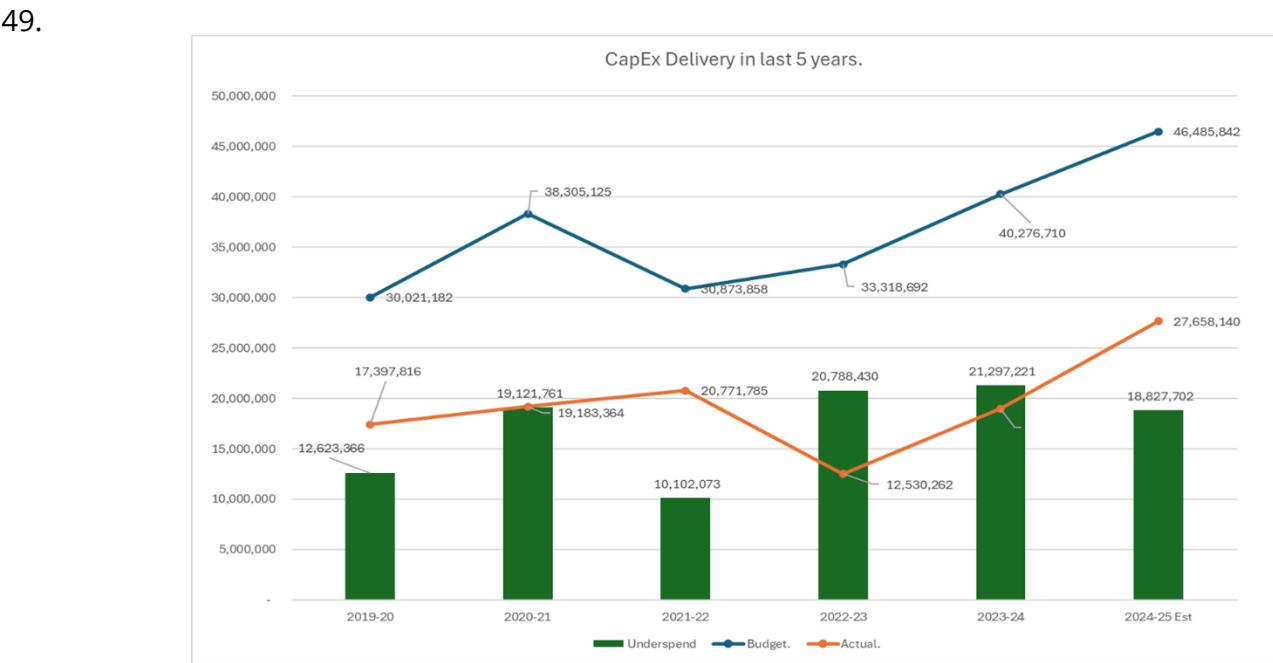
Employee Costs

45. The City of Kalamunda is essentially a service-based organisation, hence its cost base mainly comprises of employee cost and materials and contracts to support service-related activities.
46. The States labour market features low unemployment, strong jobs growth and high levels of labour force participation, with wages growth slightly above the national average having grown 3.4% as of April 2025.

47. Council is responsible for establishing service levels and for determining the City's Capital Works Program for the construction of new assets and the renewal of existing assets. The CEO has the responsibility to determine the resources both human and physical required to deliver the service and then Council allocate the funding. These roles are clearly defined in the Act.

Capital Works Program Delivery

48. The City over the past five years has experienced significant growth in the capital works program. However, in response to the increases experienced in building and construction costs and staff numbers having remained relatively static, this has resulted in high levels of unspent capital works jobs being carried over into each subsequent financial year. The table below illustrates this trend.



50. The development of the Capital Works program has focused strongly on the City's capacity to deliver the program within the current budget year and includes a budget for forward planning and design works so as to mitigate against the risk of having large unplanned carryovers.

Human Resources

51. The City's employee costs grew slowly between 2019/20 and 2022/23.

The City is cognisant of the rapid cost of increases and commenced re-investing in staff which will help in ensuring manageable retention levels which peaked in 2022/2023 at 32% turnover.

For 2024/25, further resourcing was sought mainly in the asset and compliance areas of the City. In addition, other resourcing has been sought to support development of new revenue streams to offset the current heavy reliance on rating income.

For 2025/26, the focus is improving the City's Governance and Organisation Development and investing capacity building through additional training.

52.

FINANCIAL YEAR	\$ACTUAL	% CHANGE
2016/17	\$25,907,535	
2017/18	\$24,026,597	-7%
2018/19	\$25,256,690	5%
2019/20	\$25,144,391	0%
2020/21	\$24,892,251	-1%
2021/22	\$25,170,251	1%
2022/23	\$26,093,369	3.6%
2023/24	\$27,559,877	5.6%
2024/25	\$31,384,014*	13.8%

**Forecasted*

What Options Does Council Have to Address the OSR?

53.

Option 1 - Do Nothing

The do-nothing option comes with risk as previously outlined and is not a recommended approach that would be supported by the City's Administration and possibly the DLGSCI. It's a financially un-sustainable path. This action will likely be unviable.

However, if it was a decision that Council and the Community determined it would accept, this option would need to be discussed with the regulatory bodies that the City reports to and agreed upon.

54.

Option 2 - Increase Revenues

The City has only two types of own source revenues it can increase these include:

1. Increase Rates

The Council can set a fixed rate increase for the period of the Operating Surplus Recovery Action Plan (OSRAP). This additional fixed rate would need to be levied on top of the LG cost Index to ensure business as usual can occur whilst also addressing the OSR.

2. Increase Fees & Charges

The City collects fees and charges for several of its services. The 2023/24-year end actual result for fees and charges was \$18.8 million.

Of this amount \$14.4 million was collected from waste fees. Waste fees are a charge that is based on cost recovery and hence raising waste fees will not address the OSR issue.

3. Introduce New Sources of Income

The City is actively looking to grow new revenues and has invested resourcing internally its property division. This is a long-term strategy with the benefits realised in the outer years. In addition, the City has cross functional teams looking at various opportunities such as exploring improved offerings at Kalamunda Performing Arts Centre, Carbon Trading with the implementation of FOGO, etc.

Service areas were asked to benchmark their fees against other Local Government's to identify gaps in their current fee structure.

55. **Option 3 - Decrease Operating Expenditure**

The City has undertaken a critical review of its operating expenditure. In the review, the focus has been on providing sufficient funding to meet community expectations especially in areas such as maintenance.

56. **Option 4 - Decrease Capital Expenditure – New**

The City should focus on renewable expenditure and target external funding where possible to assist in this regard. Advocating for new capital spend should be targeted to consolidate and co-locate facilities to ensure optimal utilisation but also allowing the City then to retire tired assets. This strategy has been successful but there is a reluctance to retire old assets resulting in duplication of services and increased maintenance costs.

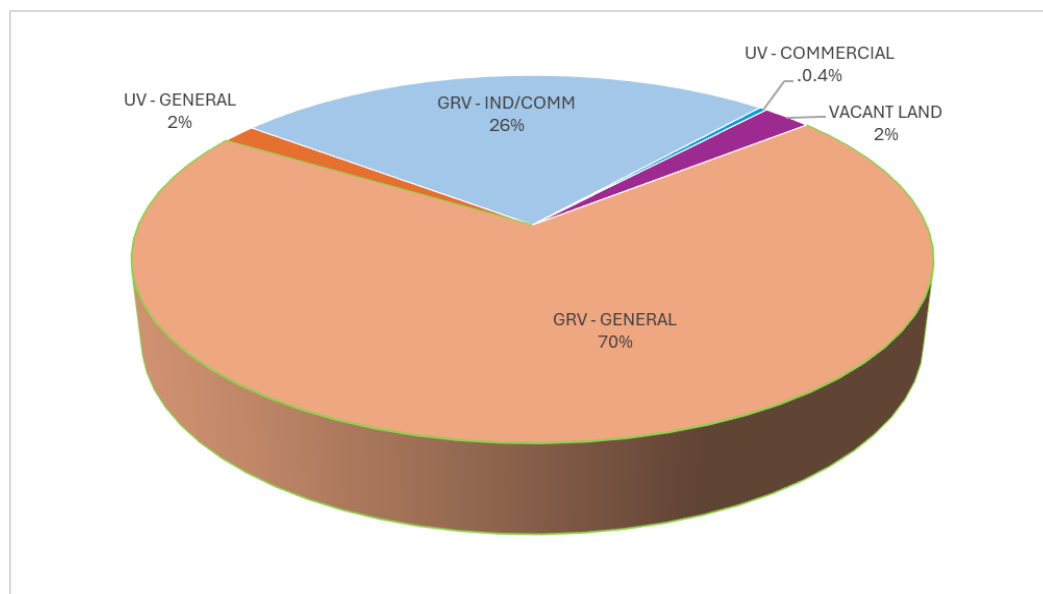
57. **Option 5 - A Combination of Option 2, 3 and 4**

This is the most preferred option as it reduces pressure on service reduction whilst also ensuring that the impact of addressing the OSR is equally borne by all ratepayers.

The Council has chosen option 5 which reflects the proposed increase to rates for 2025/2026.

58. **Rating Categories**

Using the 2024/2025 data, the makeup of the various rates categories was shown as depicted in the pie chart below. The data presented shows that two categories, General (Residential) and Commercial Industrial, make up 96% of all properties in the City with 70% and 26% being the respective percentages.



Rate Increase 2025/2026

59. The proposed increase in the Rate in the Dollar and Minimum Rates are for the main categories are 5% for GRV General (Residential), UV General, and 7% GRV Commercial/Industrial and UV Commercial categories.
60. Pursuant to *the Local Government Act 1995* s6.35 the number of properties on minimum rates within a category cannot exceed 50% of the properties in that category.
61. The City as part of its budget deliberations identified that the Minimum Rates for the General GRV (which mainly covers Residential properties) need to be increased to deliver a more equitable rating structure.

Benchmarking was undertaken across all metro Councils and also against specific Band 2 councils to review the minimums.

The findings were as follows:

- Against all metro councils, the Minimum was 15% below the average.
- Against Band 2 Councils, the Minimum was 17% below the average.
- Minimum in the City generated rates revenue worth 2.22% against the average for band 2 which sat at 9.82% with most above 10%.

In line with the above, the minimum proposed for 25/26 is \$1,240 which will re-align back to the benchmark and also ensure that this sub-category is contributing its fair share of rates.

62. The Rate revenue spread for budget 2025/2026 is similar to the current budget with GRV General providing 68.9% and GRV Industrial/Commercial at 26.01%.

Budget Process

63. Planning for the future and the various elements of the proposed budget for 2025/2026 commenced in March 2025 and has continued through a series of budget workshops with Elected Members. These workshops have considered detailed analysis of the City's:
- a. Operating Expenditures
 - b. Capital Works Program
 - c. Operating Revenues
 - d. Maintenance and renewal program relating to facilities and assets.
 - e. Reserves and borrowings
 - f. Consolidated Position with a review on capital carry forwards and associated funding impacts
64. Within the budget process, the City has focused on balancing the community expectations around maintenance of core City assets and facilities, together with the costs escalations facing the City, particularly regarding building and construction costs.

The City is working on diversifying its revenue base in order to reduce the present reliance on rates as an income source. The proposed rate increase was derived following consideration of several economic metrics including CPI, Local Government Cost Index, Building Construction Index and Roads and Bridges Index and the impact thereof on the City's proposed works and services program for 2025/2026.

This report seeks to ratify the levels at which the City will advertise differential rates for the 2024/2025 financial year.

Waste Avoidance and Resource Recovery

65. The State Government, in 2007, introduced the *Waste and Resource Recovery Act* which allows for local governments to charge a levy to cover the cost of ongoing monitoring of closed land fill sites.
66. The City recommends the continuation of the WARR Levy to address the long-term remediation of eight former landfill sites consisting of eighteen parcels of land that the City is responsible for. The Department of Water and Environmental Regulation is applying stringent control over monitoring and rehabilitation requirements for contaminated sites.

67. The proposed rate for 2025/2026 is \$0.000560 and a minimum charge of \$26.80 across all properties. The estimated amount to be raised from the levy is \$719,720.
68. Unspent funds are held in reserve and will be put towards remediation of the more significant sites such as Brand Road and Dawson/Pioneer Park once the detailed site investigations are complete, the extent of remediation works is defined and risks associated with the various sites are better understood.
69. The City has an estimated program of works including staff costs totalling approximately \$778,000 for 2025/2026 to undertake annual investigations, remediation, and ongoing management.

APPLICABLE LAW

70. Rates are levied on all rateable properties within the boundaries of the City in accordance with the Act. The overall objective of the proposed rates and charges in the 2025/2026 budget is to provide for the net funding requirements of the Council's activities and works programs.
71. In accordance with s6.36 of the Act, the City is required to ensure that a notice is published in sufficient time to allow submissions to be made by an elector or a ratepayer in respect of the proposed rate within 21 days of the publication of the notice.

The minimums used ensured compliance with s6.35 of the *Local Government Act 1995*.

"(2) A minimum payment is to be a general minimum but subject to subsection (3), a lesser minimum may be imposed in respect of any portion of the district.

(3) In applying subsection (2) the local government is to ensure the general minimum is imposed on not less than —

- (a) 50% of the total number of separately rated properties in the district; or*
- (b) 50% of the number of properties in each category referred to in subsection (6), on which a minimum payment is imposed.*

(6) For the purposes of this section, a minimum payment is to be applied separately, in accordance with the principles set forth in subsections (2), (3) and (4) in respect of each of the following categories —

- (a) to land rated on gross rental value; and*
- (b) to land rated on unimproved value; and*
- (c) to each differential rating category where a differential general rate is imposed."*

APPLICABLE POLICY

72. The City's Rates Policy continues to be based around differential rates.

STAKEHOLDER ENGAGEMENT

73. As noted above, senior staff from all operational areas and the Elected Members have been consulted in the determination of the annual budget.
74. Subject to the approval of the recommendation of this report, a notice of the adopted figures will be advertised. A consultation period of 21 days will exist in which ratepayers can make comment or objection submissions to the proposed RID and minimums. This public consultation is done in line with the requirements of the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations Act 1996*.

FINANCIAL CONSIDERATIONS

75. Throughout the 2025/2026 budget, the City will maintain tight control over expenditure.
76. The proposed rating structure is a critical element in ensuring ongoing financial sustainability. It is also vital in enabling the City to deliver its significant capital works program and provide the services required by the community.

SUSTAINABILITY

Social Implications

77. Increasing rates will generally have an adverse impact on lower income homeowners. The City has in this respect introduced several mechanisms in the past few years, to assist Ratepayers such as:
- a) "Smarter Way to Pay".
 - b) Direct Debit Payment arrangements.
 - c) Special payment arrangements.
78. Based on the 2024/2025 comparison across 29 metropolitan local governments, the City's current minimum rates for the General GRV category is mis-aligned, in that the minimum amount being charged is 15% less than the average for the metropolitan councils.

Economic Implications

79. The rating structure proposed aims to achieve an equitable yield in rates revenue.

Environmental Implications

80. The continuation of the WARR Levy will enable the City to meet its community expectations and statutory requirements to remediate and manage contaminated sites.

RISK MANAGEMENT

- 81.
- | | | |
|--|-------------------|---------------|
| Risk: Delay in approving proposed rates could result in rate notices being unable to be issued by mid July 2025 leading to cash flow problems | | |
| Consequence | Likelihood | Rating |
| Critical | Possible | High |
| Action/Strategy | | |
| Ensure that Council consensus is achieved by continuous briefing and updates on the budget. | | |
| Ensure that the budget is adopted prior to 30 June 2025. | | |
- 82.
- | | | |
|---|-------------------|---------------|
| Risk: Community dissatisfaction with rate levels. | | |
| Consequence | Likelihood | Rating |
| Moderate | Possible | Medium |
| Action/Strategy | | |
| A comprehensive communication and information plan will be implemented to assist the community in understanding as part of issuing of the Rate Notices. | | |
- 83.
- | | | |
|---|-------------------|---------------|
| Risk: Council fails to implement measures within the budget that will improve the Operating Surplus Ratio. | | |
| Consequence | Likelihood | Rating |
| Moderate | Possible | Medium |
| Action/Strategy | | |
| Council is fully briefed on the implications of not addressing the declining OSR. The City puts in measures to incrementally improve the OSR. | | |

CONCLUSION

84. The City has undertaken a thorough analysis of its budget working proactively with Elected Members to generate efficiencies and reduce operating costs. The City will continue to monitor and address its Operating Surplus Ratio in future years until the ratio is brought back in line with the acceptable level.
85. The rates charges contained within this paper are necessary to enable the City to meet its current and future obligations, and to continue operating in a financially sustainable manner.
86. Based on the 2024/2025 comparison across 29 metropolitan local governments, the City's current rate in the dollar for GRV General Category compares very favourably, in that the general residential Rate in the Dollar is 7% less than the average for the metropolitan councils.
87. This report is submitted in order that the Council provides direction on the differential rates to be advertised for public comment as part of the 2025/2026 Budget process.

Voting Requirements: Simple Majority

RESOLVED OCM 2025/71

That Council:

1. APPROVE the City of Kalamunda 2025/2026 rate in the dollar and the minimum rates to be advertised by public notice as per the following:

Rating Category	Rate in the Dollar (\$)	Minimum Rate
Gross Rental Valuation Rating Categories		
General GRV	\$0.070124	\$1,240
Industrial/Commercial GRV	\$0.087115	\$1,344
Vacant GRV	\$0.140199	\$1,240
Unimproved Rating Categories		
General UV	\$0.004030	\$1,240
Commercial UV	\$0.005015	\$1,344
Levies		
Waste Avoidance & Resource Recovery (All Categories)	\$0.0005600	\$26.80

2. ENDORSE the City of Kalamunda Objects and Reasons for Proposed Differential Rate Categories for the 2025/2026 Financial Year as Attachment 1.

Moved: **Cr David Modolo**

Seconded: **Cr Lisa Cooper**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

10.6.5. Corporate Business Plan - Quarterly Update - January to March 2025

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous Items	
Directorate	Corporate Services
Business Unit	Director Corporate Services
File Reference	3.009509
Applicant	City of Kalamunda
Owner	City of Kalamunda

Attachments	1. Quarterly Progress Report January- March 2025 [10.6.5.1 - 73 pages]
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TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
Executive	When Council is undertaking its substantive role of direction setting and oversight (eg accepting tenders, adopting plans and budgets)
 Information	For Council to note
Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person’s rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with the progress on the City of Kalamunda's (City) achievement against "Kalamunda Achieving: Corporate Business Plan 2023-2027" for the period January to March 2025.
2. On average, actions from the Corporate Business Plan are 71.2% complete at the end of the third quarter, 31 March 2025.
3. It is recommended that Council notes the quarterly report for the Corporate Business Plan for the period January to March 2025.

BACKGROUND

4. Kalamunda Achieving: Corporate Business Plan 2023-2027 (CBP) was endorsed by Council at the Special Council Meeting on 26 June 2023.
5. A new Corporate Business Plan for 2024-2028 is currently under review. Any changes made to the CBP and adopted by Council will be reported on in the following quarter.
6. The CBP outlines the major projects, including capital works and operational recurrent services for the City. It then links those projects and services to the Asset Plans, Long Term Financial Plan and Workforce Plan.
7. The Chief Executive Officer's KPIs for 2024-2025 have also been added to the document, to provide Council with information on progress towards achieving these goals.
8. The CBP is a component of the City of Kalamunda's integrated planning and reporting framework.

DETAILS AND ANALYSIS

9. The CBP is comprised of 4 Strategic Priority areas, being:
 1. Kalamunda Cares and Interacts
 2. Kalamunda Clean and Green
 3. Kalamunda Develops
 4. Kalamunda Leads
10. There are 136 individual actions set out within the CBP. Progress reporting is provided as Attachment 1 to this report.
11. The report reflects the management progress report against the work schedule for each of the individual actions, as at 31 March 2025.

12. The CBP actions are on average 71.2% complete. The average target at the end of the second quarter is 69.3%, indicating that progress, on average, is ahead of schedule. The average target is less than 75% because some actions commence later in the year or have been deferred to future years, so the target for the current quarter is 0%.

APPLICABLE LAW

13. All local governments are required, by legislation, to develop a Corporate Business Plan to fulfil the statutory obligations of section 5.56 of the *Local Government Act 1995 (WA)*, which is effectively the City's 'plan for the future'.
14. The *Local Government (Administration) Regulations 1996* provides detail as to the content of the Corporate Business Plan.

APPLICABLE POLICY

15. Nil.

STAKEHOLDER ENGAGEMENT

16. This report reflects input from Directors and Managers throughout the City.
17. Various external stakeholders and community members have been involved in the achievement of the CBP.

FINANCIAL CONSIDERATIONS

18. This plan is delivered within the City's approved Annual Budget and Long Term Financial Plan.

SUSTAINABILITY

19. Nil.

RISK MANAGEMENT

20.	Risk: The City lacks transparency in its achievement of the statutory requirements of the Corporate Business Plan leading to reputational impacts		
	Consequence	Likelihood	Rating
	Moderate	Unlikely	Low
	Action/Strategy		
	Quarterly reports are provided to Council of progress against the CBP and are publicly available		

CONCLUSION

21. The City is working to carry out the actions listed in the Corporate Business Plan. On average, actions from the Corporate Business Plan are 71.2% complete at the end of the third quarter of 2024/2025.

Voting Requirements: Simple Majority

RESOLVED OCM 2025/72

That Council NOTE the quarterly report for the Kalamunda Achieving: Corporate Business Plan 2023-2027 for the period January to March 2025.

Moved: **Cr Dylan O'Connor**

Seconded: **Cr Lisa Cooper**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

10.6.6. Kalamunda Achieving 2024- 2028

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Previous
Items
Directorate Office of the CEO
Business Unit All
File Reference
Applicant
Owner

Attachments 1. KALAMUNDA ACHIEVING 2024-2028 - Final Copy
13.5.25 [**10.6.6.1** - 32 pages]

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency.
Executive	When Council is undertaking its substantive role of direction setting and oversight (eg accepting tenders, adopting plans and budgets)
Information	For Council to note
 Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

Strategy 4.1.2 - Build an effective and efficient service-based organisation

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

Strategy 4.1.2 - Build an effective and efficient service-based organisation.

EXECUTIVE SUMMARY

1. The purpose of this report is to seek Council's endorsement of the Kalamunda Achieving – Corporate Business Plan 2024/2028.
2. The City of Kalamunda (City) has undertaken an extensive review of its Corporate Business Plan (CBP) to ensure it aligns to the Strategic Community Plan 2021-31 and annually reviewed the Corporate Business Plan to ensure it is in alignment with current directions.
3. This report recommends Council adopt Kalamunda Achieving Corporate Business Plan 2024/28 shown as Attachment 1 to this report.

BACKGROUND

4. In 2020/21 the City worked extensively with the community to undertake the major 4 yearly review of its Strategic Community Plan – Kalamunda Advancing. The Corporate Business Plan serves to guide the allocation of resources and effort to achieve the vision and strategies adopted in Community Strategic Plan.
5. The City will be undertaking a comprehensive review of the Strategic Community Plan during the 2025/26 year as it seeks to improve alignment with community expectations.
6. The Kalamunda Achieving – Corporate Business Plan 2024/28 is revised annually and provides the operating plan that guides the organisation in achieving its objectives.

DETAILS AND ANALYSIS

7. The Kalamunda Achieving – Corporate Business Plan 2024/28 supports the City to achieve the City of Kalamunda vision and the Community Strategic Plan 2021/31 objectives. The CBP demonstrates how the objectives and strategies outlined in KALAMUNDA ADVANCING 2031: Strategic Community Plan will be achieved.
8. The purpose of the Plan is to outline the major projects, including capital works and operational recurrent services. The CBP translates strategy into high level action by describing how the City will drive achievement over the next 4 years.
9. Many of the actions in the CBP are derived from informing strategies and plans such as asset plans, environmental plans, social plans, workforce and economic plans. It also supports the City's annual planning and budgeting processes by setting out detailed actions over four years, which provide the starting point for the annual planning and the budget process.

10. The annual program of works is monitored, and progress is reported on a quarterly basis to Council and the Community through the Quarterly Progress Report and Monthly Financial Report.
11. A key inclusion in the CBP is the development and monitoring of the Operating Surplus Ratio Action Plan (OSRAP). As outlined in the budget the City has to deal with a declining Operating Surplus Ratio, and this will be achieved through a comprehensive plan that examines where cost savings can be found and where revenues can be increased to progressively improve the City's Operating Surplus Ratio and its long-term financial sustainability.
12. The annual review process enables the City to frequently assess its progress, as well as provide flexibility to respond to the emergent issues or worthy opportunities that will continue to be a characteristic of the local government landscape.

APPLICABLE LAW

13. Section 5.56 of the *Local Government Act 1995* requires a local government to plan for the future of the district.

The *Local Government (Administration) Regulations 1996* requires each local government to adopt a Strategic Community Plan and a Corporate Business Plan.

APPLICABLE POLICY

14. This Corporate Business Plan has been developed in accordance with the 'Integrated Planning and Reporting Framework and Guidelines' developed as part of the State Government's Local Government Report Program and the City's Governance & Policy Framework.

STAKEHOLDER ENGAGEMENT

15. This Corporate Business Plan operationalises the Community Strategic Plan 2021/31 and does not require community consultation.
16. Ongoing community involvement will be facilitated as this plan is executed. Projects and activities that are community facing will be subject to community engagement in line with the City's Community Engagement Strategy.

FINANCIAL CONSIDERATIONS

17. The Corporate Business Plan actions are funded through the annual budget process and the Long-Term Financial Plan.

SUSTAINABILITY

Social Implications

18. The Corporate Business Plan provides guidance to deliver social, environmental, and economic outcomes for the City.

Economic Implications

19. The Corporate Business Plan provides guidance to deliver social, environmental, and economic outcomes for the City.

Environmental Implications

20. The Corporate Business Plan provides guidance to deliver social, environmental, and economic outcomes for the City.

RISK MANAGEMENT

- 21.
- | | | |
|--|-------------------|---------------|
| Risk: Noncompliance with the <i>Local Government Act 1995</i> may result in action by the Department of Local Government. | | |
| Consequence | Likelihood | Rating |
| Moderate | Unlikely | Low |
| Action/Strategy | | |
| Ensure the City has a currently adopted Corporate Business Plan. | | |
- 22.
- | | | |
|---|-------------------|---------------|
| Risk: A lack of strategic direction through effective integrated planning will result in failures in achieving the Strategic Community Plan. | | |
| Consequence | Likelihood | Rating |
| Moderate | Possible | Medium |
| Action/Strategy | | |
| Ensure the City has a current adopted Corporate Business Plan, and the plan is resourced, actioned, and monitored. | | |

CONCLUSION

23. The Corporate Business Plan has had extensive involvement of Business Unit leaders to ensure plans are realistic and achievable. Priority actions provide the community with high level clarity about the focus of what is to be delivered for the 2025/26 year.
24. The CBP is a key performance driver for the City and the City will provide a quarterly report to Council, providing an update on progress against this plan.
25. The CEO and Directors will align individual employee performance plans to ensure the entire organisation is focused on the achievement of the Corporate Business Plan.

Voting Requirements: Simple Majority

RESOLVED OCM 2025/73

That Council ADOPT Kalamunda Achieving Corporate Business Plan 2024/28 shown as Attachment 1 to this report.

Moved: **Cr Lisa Cooper**

Seconded: **Cr David Modolo**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

10.6.7. High Wycombe Community Hub - Project Update and Funding Strategy

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Reason for Confidentiality: "Local Government Act 1995 (WA) Section 5.23 (2) (c) - "a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting."

Previous Items	OCM 157/2022, OCM 40/2024, SCM 87/2024, OCM 159/2024
Directorate	Development Services
Business Unit	City Transformation
File Reference	3.010520
Applicant Owner	N/A

Attachments

RESOLVED OCM 2025/76

That Council:

1. AGREE to a maximum funding contribution of \$10 million subject to approximately \$20 million additional funding contribution from other government sources.
2. AGREE to establish a community facilities reserve, with the amount to be contemplated through the budget process.
3. AGREE to the City progressing designs for development application lodgement by July 2025.
4. REQUEST the Chief Executive Officer to approach State and Federal Government members for additional project funding.
5. NOTE an approximate six-month delay on the project schedule and communicated this with the project partners State and Federal Government.

6. NOTE the City will engage with relevant committees and advisory groups of Council rather than form a Community Reference Group for this specific project.

Moved: **Cr Dylan O'Connor**

Seconded: **Cr Kathy Ritchie**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper and Cr Kathy Ritchie**

Against: **Cr John Giardina and Cr David Modolo**

CARRIED (6/2)

11. Motions of Which Previous Notice has been Given

Nil.

12. Questions by Members Without Notice

Nil.

13. Questions by Members of Which Due Notice has been Given

13.1 Item 10.4.2 Consultation - Cr O'Donnell (taken on notice PABF 13 May 2025)

Q. Was dog exercise area included in the consultation undertaken in relation to POS in Willow Lakes and Woodlupine Reserve?

A. This consultation relates to Cell 9 Wattle Grove, a residential area with an Infrastructure Cost Sharing Arrangement (ICSA) in place to facilitate infrastructure upgrades required to transition the area from a former rural area. Among other things, the ICSA plans for Local Open Space (LOS) improvement to three sites, including the referenced Willow Lakes and Woodlupine Reserves. The ICSA does not forecast costs for, or include scope for a fenced dog exercise area. In 2024/2025 the City commissioned Detailed Designs for these sites to facilitate a forecast delivery in 2025/2026. Community consultation forms part of this design process and will help inform the design of public open space. The final designs will be incorporated into the 2025 ICSA Report which will be reported to Council in late 2025.

14. Urgent Business Approved by the Presiding Member or by Decision

Nil.

15. Meeting Closed to the Public

RESOLVED OCM 2025/74

That the Meeting be closed to the public to consider confidential items.

Moved: **Cr Mary Cannon**

Seconded: **Cr David Modolo**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

The Meeting closed to the public at 7.11pm. All members of the public gallery left the Meeting and all elected members and staff remained.

16. Meeting Reopened to the Public

RESOLVED OCM 2025/77

That the Meeting be reopened to the public after consideration of confidential items.

Moved: **Cr David Modolo**

Seconded: **Cr Mary Cannon**

Vote: For: **Mayor Margaret Thomas, Cr Dylan O'Connor, Cr John Giardina, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

The Meeting reopened to the public at 7.18pm. All members of the public gallery returned to the Meeting. The Presiding Member read the resolutions to the Meeting.

17. Tabled Documents

Public Agenda Briefing Forum – Notes – 13 May 2025

18. Closure

There being no further business, the Presiding Member declared the Meeting closed at 7.21pm.

I confirm these Minutes to be a true and accurate record of the proceedings of this Council.

Signed: _____
Presiding Member

Dated this _____ day of _____ 2025.