

Special Council Meeting

Agenda for Monday 25 June 2018



**city of
kalamunda**

**NOTICE OF MEETING
SPECIAL COUNCIL MEETING**

Dear Councillors

Notice is hereby given that a Special Meeting of Council will be held in the Council Chambers, Administration Centre, 2 Railway Road, Kalamunda on **Monday 25 June 2018 at 6.30pm.**



Rhonda Hardy
Chief Executive Officer
20 June 2018



Core Values

- Service:** We deliver excellent service by actively engaging and listening to each other.
- Respect:** We trust and respect each other by valuing our differences, communicating openly and showing integrity in all we do.
- Diversity:** We challenge ourselves by keeping our minds open and looking for all possibilities and opportunities.
- Ethics:** We provide honest, open, equitable and responsive leadership by demonstrating high standards of ethical behaviour.

Aspirational Values

- Creativity:** We create and innovate to improve all we do.
- Courage:** We make brave decisions and take calculated risks to lead us to a bold and bright future.
- Prosperity:** We will ensure our District has a robust economy through a mixture of industrial, commercial, service and home based enterprises
- Harmony:** We will retain our natural assets in balance with our built environment

Our simple guiding principle will be to ensure everything we do will make Kalamunda socially, environmentally and economically sustainable.

www.kalamunda.wa.gov.au

**city of
kalamunda**



INFORMATION FOR THE PUBLIC ATTENDING COUNCIL MEETINGS

Welcome to this evening's meeting. The following information is provided on the meeting and matters which may affect members of the public.

If you have any queries related to procedural matters, please contact a member of staff.

Council Chambers – Seating Layout



Special Council Meetings – Procedures

1. Council Meetings are open to the public, except for Confidential Items listed on the Agenda.
2. Members of the public who are unfamiliar with meeting proceedings are invited to seek advice prior to the meeting from a City Staff Member.
3. Members of the public are able to ask questions at a Special Council Meeting during Public Question Time on matters relating to the functions of this meeting.
4. To facilitate the smooth running of the meeting, silence is to be observed in the public gallery at all times except for Public Question Time.
5. All other arrangements are in general accordance with Council's Standing Orders, the Policies and decision of the City or Council.

Acknowledgement of Traditional Owners

We wish to acknowledge the traditional custodians of the land we are meeting on, the Whadjuk Noongar people. We wish to acknowledge their Elders' past, present and future and respect their continuing culture and the contribution they make to the life of this City and this Region.

Emergency Procedures

Please view the position of the Exits, Fire Extinguishers and Outdoor Assembly Area as displayed on the wall of Council Chambers.

In case of an emergency follow the instructions given by City Personnel.

We ask that you do not move your vehicle as this could potentially block access for emergency services vehicles.

Please remain at the assembly point until advised it is safe to leave.

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- 1. Official Opening**
- 2. Attendance, Apologies and Leave of Absence Previously Approved**
- 3. Public Question Time**
- 3.1. 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 this meeting. For the purposes of Minuting, these questions and answers will be summarised.

- 4. Petitions/Deputations**
- 5. Announcements by the Member Presiding Without Discussion**
- 6. Matters for Which the Meeting may be Closed**
- 7. Disclosure of Interest**
- 7.1. Disclosure of Financial and Proximity Interests**
 - a. Members must disclose the nature of their interest in matter 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*.)
- 7.2. 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.

8. Reports to Council

8.1. Corporate Services Reports

8.1.1. Long Term Financial Plan

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

Previous Items

Directorate Corporate Services

Business Unit Finance & Risk

File Reference

Applicant N/A

Owner

Attachment 1. Kalamunda Accountable: Long Term Financial Plan to 2028 **[8.1.1.1]**

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to consider the amended City of Kalamunda's *Kalamunda Accountable: Long Term Financial Plan to 2028* (LTFP) (Attachment 1).
2. All local governments are required to produce a LTFP for the Future under *s5.56 (1)* of the *Local Government Act 1995*. The *Local Government (Administration) Regulations 1996* stipulates the minimum requirements for a LTFP.
3. The Integrated Planning Framework requires that the LTFP be reviewed in conjunction with reviews to the Strategic Community Plan.
4. It is recommended that Council adopts the amended LTFP (Attachment 1).

BACKGROUND

5. The LTFP is a key component of the Integrated Planning Framework which sets out the long-term strategic priorities and goals, based on the community's aspirations for the future. A long term financial plan is required to ensure these priorities can be funded in a sustainable manner.
6. The LTFP is a rolling ten year financial plan. As the Annual Budget is adopted each year, a new year is required to be added to the LTFP. The intention of the LTFP is to indicate the City's long term financial sustainability and to allow early identification of financial issues. This will be the fifth year that the City has reviewed its LTFP, taking into account issues such as changes in priorities, assumptions, funding, borrowings, financial sustainability and legislative changes.

7. The LTFP is a required element of the State's Integrated Planning Framework. Its place within the Framework is as an informing document of the Corporate Business Plan. The priority actions and projects that are set out in the Corporate Business Plan are dependent on the resources allocated within the Financial Plan.
8. The LTFP has been informed by the:
 - a) City's Local Planning Strategy - includes projections for development and population growth. Particular focus is being placed in preparing master planning and development of the identified precincts within Forrestfield North, Activation of the Kalamunda Central Business District and Pickering Brook Town Centre;
 - b) Asset Management Strategy and Plans - sets out the resource requirements for maintenance and management of existing assets at expected service levels;
 - c) Workforce Plan - identifies the human resources required to deliver the City's normal operations and proposed future actions and projects; and
 - d) Communities Facilities Plan - sets out the resources for the maintenance and development of community facilities.

DETAILS

9. The LTFP includes seven Key Financial Indicators. These indicators provide a measure of the City's sustainability and performance over the ten year span of the LTFP. Targets have been included to allow the projected ratios to be compared against a benchmark figure.
10. The LTFP also contains a Rate Setting Statement for the ten years. This sets out the projected revenues and expenditure, the estimated surplus or deficit at the end of each year and the amount that will be required to be raised from rates.
11. The LTFP has been developed based on a number of key assumptions, which are set out in the LTFP. For example, assumptions have been made about the interest rate for investments, inflation rate, and future population growth especially in the foothills with the coming new district centre and Transit Oriented Development (TOD) based around the new Forrestfield Train Station. The annual review of the LTFP will ensure that the projections are as accurate as possible, and that the assumptions are reasonable. Details as below:
 - a) LTFP covers the period 2018-28;
 - b) ABS Perth CPI of 1.9% increasing to 3% in the outer years and similarly, the Local Government Cost Price is at 2.2% initially and increase to CPI +0.5%-1% in the outer years;
 - c) Population at approximately 60,000 in 2018 increasing to 70,000 by 2028, or increasing at an average rate of 1.67% per year;
 - d) Rates Revenue Growth 2.5% increasing in outer years to 6-8% reflecting higher density developments for residential and industrial land mainly in the foothills;
 - e) Investment income starts at 2.5% and increases to 3-5% in the outer years;

- f) Employment costs – 3% includes growth in staff numbers;
 - g) Loan funding in 2019/20 \$2.35m to fund development of Ray Owen Master Plan ;
 - h) Various land asset sales from 2019/20 - 2022/23 used to fund upgrades to community facilities;
 - i) Capital works average spend \$16-18m per year, however, outer years have more “New” than “Renewal” impacting on the Asset Sustainability Ratio and Financial Health Indicator (FHI). This is regarded as acceptable for a growth council;
 - j) Overall FHI Benchmark of 70 exceeded in all years.
12. The Integrated Planning Framework requires that the LTFP be reviewed in conjunction with reviews to the Strategic Community Plan.

STATUTORY AND LEGAL CONSIDERATIONS

13. All local governments are required to produce a LTFP for the Future under *s5.56 (1)* of the *Local Government Act 1995*. The *Local Government (Administration) Regulations 1996* stipulates the minimum requirements for a LTFP.

POLICY CONSIDERATIONS

14. Council Policy FIN1 – Accounting Policies sets out accounting definitions and parameters.

COMMUNITY ENGAGEMENT REQUIREMENTS

Internal Referrals

15. The City has held several Budget workshops with Councillors to discuss various aspects of the LTFP with a focus on the projected capital works programme and ratios.

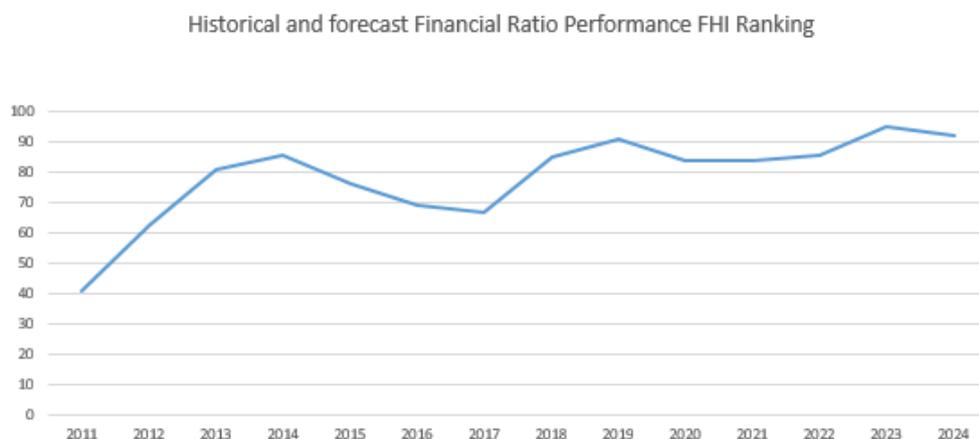
External Referrals

16. Public consultation was undertaken to formulate the various strategies which form this LTFP (i.e. the Strategic Community Plan). No specific public consultation was carried out in relation to the LTFP given the nature of the document.
17. Input from the Strategic Sport and Recreation Committee (SSRC) was considered in formulating the LTFP. The SSRC is made up of various sporting club representatives who have worked diligently with Councillors and staff providing valuable insights on where the sporting community needs are. Being the first year of operation, the focus has been on 2018/19 financial year, however it is envisaged that programmes that are extensive in nature will in future inform the Strategic Community Facilities Plan which is one of the components used in the formulation of the LTFP.
18. There is no requirement under State guidelines for the City to advertise or consult on the LTFP.

FINANCIAL CONSIDERATIONS

19. The LTFP sets a financial framework for the City's operations and projects. It includes indicators to measure and monitor the City's financial sustainability. In this regard, the City reviews the Financial Health Indicator (FHI) scores for all years, which are above the benchmark of 70. The FHI uses the 7 sustainability ratios required to be calculated by a local government which is then entered into a financial sustainability model formulated by the West Australian Treasury for the Department of Local Government and Communities.

As can be seen from the chart below, the City, which was in a vulnerable financial position in 2011, has been tracking on average above the benchmark of 70 since 2013 and into the future.



The financial projections for the outer years are reliant on a mix of funding sources including sale of surplus land parcels, loans and grants for large strategic projects which in this case is to deliver several master plans for community facilities. In addition, it is forecast that the rates revenue streams will increase at a greater rate with the infill coming from the developments in foothills in residential and industrial zones.

The administration has a heavy focus on restraining growth in operational expenditures and has multiple initiatives designed to introduce a mix of innovations, cost saving measures and new agile technology for efficient and effective management of its operations. A few examples of these efficiency/cost saving measures are:

- a) Fringe Benefits Taxation reduced by \$65K for 2017/18 and a cumulative saving of \$982K using 2011/12 as the base year which is a result of multiple measures in assessing the City's fleet requirements and staff compensation structures;
- b) Insurance savings of approximately \$150K in 2017/18 and \$250K in 2018/19 with the introduction of a commercial broker;
- c) Electricity savings of \$60K in 2017/18 and same for 2018/19 with the introduction of solar PV panels at three sites and a programme of conversion to LED lighting in council buildings;

- d) Interest income increases amounting to \$2.1M starting from the base year of 2011/12 due to better cash flow forecasting and introduction of default interest on outstanding rates;
- e) Cloud migration undertaken in 2017/18 will result in a \$83K saving from 2018/19 onwards as the City does not have to invest in server hardware;
- f) High Wycombe Recreation Centre with the facility becoming unstaffed from 2017/18 resulting in a saving of \$135K from 2018/19;
- g) Kalamunda Water Park savings of approximately \$135K from 2018/19 with a change in operators and a review of the revenue sharing contract;
- h) Other efficiency measures brought in to the City have been:
 - i. RFID conversion for Kalamunda Library;
 - ii. In house footpath sweeping;
 - iii. Altus collaboration - this is a consortia agreement with the City's Software provider and two other participating councils, City of Greater Geraldton and City of Kalgoorlie Boulder. The aim of the joint venture is to enable the software to be developed to meet the current needs of the City and in this aspect, the City estimates as a minimum, a saving of \$1-2m over the next 3-5 years of development.

STRATEGIC COMMUNITY PLAN

Strategic Planning Alignment

20. *Kalamunda Advancing Strategic Community Plan to 2028*

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.

SUSTAINABILITY

Social Implications

21. The Community Facilities Plan was considered in the development of the LTFP, meaning that resources for the maintenance and development of community facilities, as prioritised in the Facilities Plan, have been taken into account.

Economic Implications

22. The LTFP enables the City to model different levels of service and program delivery to set priorities and determine what can be afforded in the short and long term.
23. The financial sensitivity analyses various scenarios and the potential effect that changes within the economy will have on the LTFP.

Environmental Implications

24. The LTFP maintains an Environmental Reserve Fund and a direct annual Operational Budget over \$1 million per year throughout the length of the Plan.

RISK MANAGEMENT CONSIDERATIONS

25. A LTFP should allow the early identification of financial issues, so that they may be dealt with promptly. The Key Financial Indicators that have been included will identify any potential sustainability issues (i.e. over-reliance on grants or loans).

26.	Risk: Funding budgeted for from State and Federal Government does not eventuate		
	Likelihood	Consequence	Rating
	Possible	Significant	High
	Action/Strategy		
	Grant funded projects will only commence once written commitments are received. The City will continue to advocate strongly for grant support for significant projects.		
	Risk: Costings for capital works projects have been understated		
	Likelihood	Consequence	Rating
	Possible	Significant	High
	Action/Strategy		
	Improved Asset Management procedures to ensure that project designs are well costed prior to implementation. Closely manage projects and redirect savings through Budget Review process.		
	Risk: Non-compliance with Financial Regulations		
	Likelihood	Consequence	Rating
	Unlikely	Significant	Medium
	Action/Strategy		
	The budget report is scrutinized by the City to ensure that all statutory requirements are met.		

OFFICER COMMENT

27. The Long Term Financial Plan is formulated on the basis that the City of Kalamunda is operating in a tight economic environment. In response, the City of Kalamunda has maintained tight control over expenditure and has kept rate increases to a minimum.

28. The City will continue to review the Long Term Financial Plan in each year to reflect changes in economic circumstances.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. ADOPTS the amended *Kalamunda Accountable: Long Term Financial Plan to 2028* (Attachment 1).

8.1.2. Adoption of Budget 2018/2019

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

Previous Items	
Directorate	Corporate Services
Business Unit	Finance & Risk
File Reference	
Applicant	N/A
Owner	N/A
Attachments	<ol style="list-style-type: none">1. Budget 2018/2019 [8.1.2.1]2. Schedule of Fees and Charges - Statutory and Regulatory Charges 2018-2019 [8.1.2.2]3. Schedule of Fees and Charges - Community Facilities - 2018-2019 [8.1.2.3]

EXECUTIVE SUMMARY

1. The purpose of this report is to adopt the Municipal Fund Budget for the year ended 30 June 2019, representing the Financial Year 2018/2019, together with supporting schedules including striking of the Municipal Fund Rates, adoption of fees and charges and other consequential items arising from the budget papers (Attachments 1 and 2).
2. Section 6.2 of the *Local Government Act 1995* requires a local government to adopt its budget prior to 31 August each year.
3. Early adoption of the budget will enable the City to commence its extensive Capital works programme. It also ensures that the City maintains positive cash flows which is crucial for sustainable operations of the City.
4. It is recommended Council adopts the Municipal Budget together with supporting schedules for the 2018/2019 Financial Year.

BACKGROUND

5. The draft Budget has been compiled based on the principles and assumptions contained in Kalamunda Accountable: Long Term Financial Plan (LTFP) to 2028.

These principles and assumptions include:

- a) Balanced Operating Budget with Reserve Funds being set aside annually.
- b) Operating and Capital expenditure funded by rates, grants, reserve funds and loan borrowings.
- c) The net profit or proceeds from land sales are transferred to reserve funds.
- d) Freehold land for future sale and development accounted for and disclosed separately and shall include all costs of land development.
- e) Reserves used primarily to fund future capital expenditure or specifically for the purpose for which it was created.

- f) Operating costs are set either by zero based budgeting principles or taking into consideration the standard ABS Perth CPI and the Local Government cost index.
 - g) Domestic Rubbish Charges set at cost recovery plus overheads and contributions to reserves.
 - h) Interest on Investment calculated at 2.5%.
 - i) Operating Grants based on prior period experiences and available information from funding agencies.
 - j) Fees and Charges based upon statutory requirements or cost recovery indexed by standard Australian Bureau of Statistics for Perth CPI.
 - k) Insurance calculated based on quotation received from the City's insurers.
 - l) Salaries and Wages increases set in accordance with Enterprise Bargaining Agreements or contract market rates and adjusted for potential vacancies.
 - m) Workforce growth has been restricted to minimise creation of new positions apart from changes internally for minor re-alignments dependant on resource requirements or where the contract position is funded as part of a grant or external contribution.
 - n) Future population growth projections for calculating interim rates and planning approval revenues is based on 1-2% projected annual growth rate as detailed in the Kalamunda Accountable: Long Term Financial Plan to 2028.
6. The proposed differential rate basis within the Budget was presented to Council at its Budget workshops held on 8, 15, 21 and 29 May 2018.
7. Council at its meeting on 29 May 2018 resolved to advertise the proposed differential rates in line with the level of rate increase to be at 2.2% for the General Residential categories, 5% for the Vacant category and 2.2% for the Commercial/Industrial category. The respective rates in the dollar for the individual categories were advertised by public notice for 2018/2019. Growth in the rates base is predicted to be 0.97%.
8. In accordance with section 6.36 of the *Local Government Act 1995* the City advertised its intention to raise differential rates stating the purpose for each rate. This notice was advertised in local newspapers for 21 days from 2 June 2018. Three comments to the rate rise have been received and responded to accordingly. *Section 6.36(4)* of the *Local Government Act (1995)* provides that a rate different to that advertised, may be adopted.
9. The 2018/2019 draft Budget has been prepared in accordance with the presentations made to Councillors at a series of Budget Workshops.
10. The City's 2018/2019 draft budget has forecasted to receive \$2.4 million as operating grants and contributions and \$5.7 million under Capital grants and contributions.
- a) Under operating grants and contributions, general purpose financial assistance grants amounting to \$0.6 million and Roads assistance grants amounting to \$0.5million is expected to be received.
 - b) \$3.6 million is anticipated from State Government and the National Black Spot Program for 2018/2019 for roads new and renewal program.

11. Interest earnings will be slightly higher than the previous year's estimate due to:
- a) Incremental improvement in interest offerings from deposits with Approved Deposit taking Institutions (ADI's) as international borrowings become more expensive. The cash rate by the Reserve Bank of Australia (RBA) is forecast to remain at the low of 1.50% from the previous year due to significant pressures in the national economy and world risks with tariff wars between the United States and Europe and Asia; and
 - b) A recovering Western Australian economy which may result in additional ratepayers entering into installment payment or "smarter way to pay" arrangements as opposed to making full payment, reducing opportunities for front loaded investments.
12. The Budget includes a slight increase in utility charges as energy efficiency measures undertaken in the last two years are absorbed by increasing state government charges which are 3.2% for street lighting and 7% on general tariffs.
- Efficiency measures undertaken in the last two years are:
- a) Implementation of the Solar PV panels on three contestable sites to cover base load energy consumption,
 - b) Rollout of conversion of conventional lighting systems with LED systems;
 - c) Review of non-contestable sites tariff structures to use; and
 - d) Replacement of in-efficient air-conditioners or introduction of innovative cooling systems at the Ray Owen stadium.
- In addition to the above, the City's contestable sites contracts are coming up for renewal in the later part of the year and early indications are the City will not be able to obtain the current favourable rates.
13. Interest costs are slightly lower than the previous year even though there is an increase in the loan portfolio to fund heavy plant equipment replacement and planning expenditure for Forrestfield North and Wattle Grove South. The reason for this is due to two factors:
- a) That the new loan borrowings are factored in to be drawn in the later part of the year once the City's cash flows start depleting; and
 - b) Loans 207, 208 and 225 expired in 2017/18 and 215 will expire in October 2018.
14. The 2018/2019 estimated operating result stands at a closing surplus position of \$2,829,090 compared to the 2017/2018 Budget cash surplus of \$3,142,249. The maintenance of a budget operating surplus has been achieved through the leadership taken by the Council in maintaining strong control over growth in operating expenditure and growing revenue streams.
15. Notwithstanding the forecasted surplus it is still necessary, in the interim, that operating costs be funded from rate income. Accordingly, Council have proposed a rate increase as advertised and detailed in paragraph 7 which will yield an average of 2.15% rate increase inclusive of interims of \$350,000. In stating that, it should be noted that the City's General Residential rate increase is still very competitive as noted by the table below.

16. Proposed Rates 2018/2019 comparison table:

Name of Council	Proposed Rates increase in Residential Category
City of Kalamunda	2.20%
City of Swan	1.80%
City of Mundaring	3.10%
City of Rockingham	3.60%
City of Wanneroo	2.95%
City of Joondalup	2.95%

The above information was extracted from the West Australian and Local Community Newspapers.

DETAILS

17. This Budget has been set in accordance with the City's Ten Year Financial Plan 2018/2028 which forms a component of the Integrated Planning Framework as prescribed by the State Government under legislation introduced in 2013/2014. It is the sixth Budget drawn from the rolling 10-year programme designed to ensure that the City operates in a financially sustainable manner.

18. The Rate Setting Statement for the period ending 30 June 2019 shows the City's expenses have increased by 4.9% or \$2,896,291 compared to last year's budget.

Budget 2018/2019 -	\$61,617,571
Estimate 2017/2018 -	\$58,721,280
Budget 2017/2018 -	\$56,203,641

The main reason for the above increase relates to the Forrestfield Industrial Area project costs of \$1,268,320 made up of operational expenses and land acquisition costs. The expenditure is funded through the developer contribution collected and placed in a specific reserve for this purpose.

Other significant increases are:

- a) \$374,034 in salaries and wages which represents an increase of 1.6% made up of EBA award, step changes and staffing changes. It should be noted that when benchmarked against the other metro councils, the City sat at 27th percentile of employee costs per 1000 residents.
- b) \$1.4m related to Material and contracts of which
 - i. \$700K relates to increases in Waste Charges as a result of higher landfill and EMRC levies;
 - ii. \$412K various consultancies in the area of community engagement, facilities and roads infrastructure;
 - iii. \$300K in fire mitigation and reserves maintenance in the Parks and Environment areas due partly to the introduction of new playing fields in Hartfield Park and Woodlupine Brook Living Stream upgrade; and
 - iv. \$338K for IT licences and hardware costs.

19. Revenue from rates will generate revenue of \$36.6 million. This represents the City's largest single source of funds and is essential for the City to deliver services, undertake capital works and to maintain the current level of maintenance of community facilities and reserves.
20. The rates generated deliver a total yield of 2.15%. It is lower than the rate increases applied mainly as a result of a reduction in Gross Rental Values (GRV's) of some properties. The effect of these reductions means that the 2017/18 rates projections will be lower than budget estimates.
21. The threshold for capitalisation of assets has been amended to \$5,000 in line with updated Financial Management Regulations to better reflect the redundancy that occurs in technology, and also the cost of assets in the current market.
22. Specific comments on some elements of the draft 2018/2019 Budget are as follows:
 - a) Adoption of Percentage for Reporting Material Variances – each financial year, a local government is to adopt a percentage or value, calculated in accordance with Australian Accounting Standards, to be used in statements of financial activity for reporting material variances. The level proposed for 2018/2019 is 10% or \$50,000 whichever is the greater.
 - b) The Budget makes provision for 5 short term loans amounting to a total of \$2.52m made up as follows:
 - i. The first one being for a \$450,000 for a 10-year term deferred from 2017/18 to pay for technical studies required for the Forrestfield North area. In 2016/2017, an initial amount of \$500,000 has been drawn down. The area will be undergoing a significant transformation with higher density housing and retail/commercial zones. These will align with the Gateway project and the Transport Oriented Development in conjunction with the new Forrestfield public train line;
 - ii. The second being \$1,500,000 for a 3-5 year term again deferred from 2017/18 for heavy plant and equipment to replace some ageing operations vehicles. The administration has spent 2017/18 to assess, define and prepare appropriate business cases for the heavy plant required for the City's needs for the next 10 years which will drive the replacement cycle. The loan is intended to be used as a revolving fund to assist in cash flow cycles of the City;
 - iii. The third loan is a new request for \$300,000 for a 5-year term to develop master planning/zoning reviews of Wattle Grove South;
 - iv. The fourth is a new request for \$100,000 for a term of 12 months which is to fund a shortfall in reserve set aside for the Forrestfield Industrial Area Stage 1 – Road 2 construction costs; and
 - v. The fifth loan is a new request for \$170,000 for 3-5 year term to allow the City to provide funding to assist in the studies and works required in relation of the disposal of Heidelberg Park and Cambridge Reserve.

- c) The Capital Works Program (excluding overheads) has some key projects which are listed below:
- i. Parks projects including: \$1,815,541
 - A. Stirk Park Master Plan
 - B. Trails Loop Implementation – staged
 - C. Street Planting Program – Wattle Grove
 - D. Lenihan Corner Park – exercise station and half court basketball
 - E. Hartfield Park – Stage 2 implementation of managed Acquifer recharge project
 - F. Scott Reserve Reticulation Renewal (Oval 2)
 - G. Alan Anderson park restoration
 - H. Alan Anderson – Playground replacement
 - I. Water Tank replacements – various sites

 - ii. Environmental Reserves - \$50,000
 - A. Woodlupine Brook Restoration – Strelitzia Ave To Dawson Ave

 - iii. Buildings projects including: \$4,219,434
 - A. Kalamunda Community Centre – design and documentation
 - B. Forrestfield Skate Park toilet block
 - C. Hartfield Park – refurbish hockey clubrooms
 - D. Kalamunda History Village – Locomotive restoration
 - E. Ray Owen Recreation Reserve Master Plan
 - F. Administration Centre – solar panels
 - G. Kalamunda Library – roof replacement
 - H. Kalamunda Water Park – slide upgrade

 - iv. Major road construction projects including: \$8,615,320
 - A. Canning Rd – Pomeroy Rd to Welshpool Rd East
 - B. Mundaring Weir Rd – Widen and seal shoulder
 - C. Maida Vale/R
 - D. Roe Highway Off Ramp – roundabout
 - E. Mundaring Weir Rd – Bridge
 - F. Kalamunda Town Centre Streetscape Works – Design and documentation
 - G. Kalamunda Rd/Faye Cr to Gray Rd
 - H. Patterson Road – reconstruct and widen
 - I. Canning Road – reseal –commodity routes

 - v. Major drainage – Stirk Park Channel and Pond Improvements and installation of gross pollutant trap - \$760,000

 - vi. Major Lighting – Kostera Oval Sports Lights - \$570,000
- d) Sanitation and Household Refuse - Rubbish Rate.

Details of the costs of this service are shown separately in the attached Budget. Both the standard and the pensioner charges have increased by 1.5% and 2.6% to \$539 and \$309 respectively.

These increases are primarily necessitated by the significant increase by the State Government landfill levy on putrescible waste to \$70/Tonne from \$65/Tonne, inert waste to \$70/Tonne from \$60/Tonne effective from 1 July 2018 and an increase of EMRC gate fees at Redhill Landfill disposal site by \$7.50

The waste service charge pensioner discount which was capped in 2015/16 at \$230 is being retained and is funded through an increase in the waste charge to all non-pensioner properties. This ensures the waste budget is cost neutral and not funded from the rates levied.

As per SCM 12 June 2018, the City will commence an extensive community consultation in early 2018/19 with the residents to determine the future levels of the pensioner waste service charge discount.

It is proposed to reinstate a resident entry pass system for general and clean building waste at the Waste Transfer Station to stabilise the increasing volumes of waste collected. The City will maintain unlimited greens and recycling waste however commercial waste will be charged at EMRC rates as per Red Hill Landfill facility. In addition, the City will create a new permit system to enable local residents to use their signed commercial branded vehicles (less than 3.5 tonne Gross Vehicle Mass (GVM)) only for their domestic waste.

The City is also investing in its:

- i. Waste Transfer Station;
- ii. Educational awareness programmes; and
- iii. Maintaining a wide range of waste collection/disposal and resource recovery services; and
- iv. Improved recycling in the Kalamunda Central Business district, community groups, clubs and reserves.

e) Reserve fund movements back to Municipal Funds amount to \$10.8 million of which the significant ones are:

i. Building and maintenance projects -	\$580,608
ii. EDP IT Equipment -	\$471,988
iii. Long Service Leave -	\$519,050
iv. Nominated Annual Leave -	\$481,870
v. Asset Enhancement -	\$666,224
vi. Forrestfield Industrial Area Scheme Stage 1 -	\$2,339,801
vii. Un-expended Capital Works and Specific Grants -	\$5,175,092

Estimated Year End Position - 30 June 2018. The estimated unaudited year end (2017/2018) position is a cash surplus of \$3,581,226 against a 30 June 2019 forecasted closing position surplus of \$2,829,000 which shows the City is operating on a sustainable basis.

STATUTORY AND LEGAL CONSIDERATIONS

23. Section 6.2 of the *Local Government Act 1995* requires a local government to adopt its budget prior to 31 August each year.
24. Divisions 5 and 6 of Part 6 of the *Local Government Act 1995* refers to the setting of budgets and the raising of rates and fees and charges. The 2018/2019 Budget as presented is considered to meet these statutory obligations.

POLICY CONSIDERATIONS

25. The Budget has been developed based on the principles contained in the Kalamunda Accountable: Long Term Financial Plan to 2028.

COMMUNITY ENGAGEMENT REQUIREMENTS

Internal Referrals

26. The City has had extensive meetings with senior management and the executive team commencing in March and throughout May 2018 to closely review budget line items.
27. The City held a Strategic Service Review meeting with Councillors in February 2018 which was subsequently followed by a series of Budget workshops on 8, 15, 21 and 29 May discussing all aspects of the budget formulation.

External Referrals

28. The City has met its statutory obligations with respect to community consultation whereby a Notice of Intention to Levy Differential Rates was advertised in the local newspapers from 2 June 2018.

The Objects and Reasons for raising differential rates have been made available for inspection at the Administration Centre, City Libraries and the City's Website.

29. A period of 21 days was provided for public comment concluding on 22 June 2018. At the date of publishing the agenda for the Adoption of the Budget four objections to the rate rise have been received and responded to accordingly.
30. Specific financial implications are as outlined in the Details section of this report and in the attached 2018/2019 Budget document.

FINANCIAL CONSIDERATIONS

31. The budget is formulated on the basis of delivering a sustainable financial position, with a focus on achieving the financial sustainability ratio benchmarks set by the State. In this regard, the estimated Financial Health Indicator scores for the City are projected at 85. A score above 70 is the benchmark for a sustainable council.

The administration has a heavy focus on restraining growth in operational expenditures and is working hard to introduce a mix of innovations, cost saving measures and new agile technology for efficient and effective management of its operations.

STRATEGIC COMMUNITY PLAN

Strategic Planning Alignment

32. *Kalamunda Advancing Strategic Community Plan to 2028*

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.

SUSTAINABILITY

Social Implications

33. The Budget has been developed to align with the prioritised needs of community infrastructure and services. Long term plans such as the Strategic Asset Management Plan and the Community Facilities Plan will be the strategic documents that identify and prioritise community infrastructure. Ongoing service reviews will continue to ensure community services are relevant and efficient.

Economic Implications

34. The Budget has been developed to align with the economic indicators impacting on the City. The Budget addresses the ongoing development of future industrial land in Forrestfield, as well as land development opportunities throughout the City. The Budget is focused on meeting current service needs as well as providing for the future.
35. The Local Planning Strategy will guide development within the City over the next 20 years.

Environmental Implications

36. The Budget has been developed to align with the environmental priorities outlined in the City's Community Strategic Plan. Funding has been allocated for a range of environmental initiatives within the operating program. An Environmental Reserve has been established and additional funds from proceeds of land sales have been set aside to fund a greater level of environmental initiatives.

The City has committed to spending in excess of \$1m in 2018/19 in various environmental programmes and strategies.

RISK MANAGEMENT CONSIDERATIONS

37.	Risk: Declining economy adversely impacts capacity of Ratepayers to pay rates.		
	Likelihood	Consequence	Rating
	Possible	Significant	High
	Action/Strategy		
	Monthly management reports are reviewed by the City. Instalment options are in place to assist ratepayers manage their debts to the City. Cash flow forecasting is done regularly to match outgoings and investments		
	Risk: Understatement of capital works program		
	Likelihood	Consequence	Rating
	Possible	Significant	High
	Action/Strategy		
	Improved Project Management procedures to ensure that project designs are well costed prior to implementation.		
	Risk: Non-compliance with Financial Regulations		
	Likelihood	Consequence	Rating
	Unlikely	Significant	Medium
	Action/Strategy		
	The budget report is scrutinized by the City's Governance department to ensure that all statutory requirements are met.		
	Risk: Budget Adoption is delayed		
	Likelihood	Consequence	Rating
	Unlikely	Critical	Extreme
	Action/Strategy		
	Emergency spending is approved by Council until budget is adopted. All project and non-discretionary work is dis-continued. Staff affected by the delays in projects are sent on forced annual leave. Bank Overdraft facility is activated to supplement cash flows. Payments to suppliers may need to be re-negotiated.		

OFFICER COMMENT

38. The 2018/2019 Budget continues to reflect the direction taken by the Council to address the issue of the historic under funding of asset maintenance and renewal. It continues the objective of delivering a responsible budget that enables further improvements to the City's financial ratios.

A dedicated reserve called the Asset Enhancement Reserve was created in 2015/2016 to allow the City to reduce the infrastructure renewal gap.

39. The budget provides for funding of priority capital projects both in the areas of infrastructure assets and community assets. The budget provides a mix between asset new/upgrade and asset renewal.
40. The 2018/2019 Budget has been guided by the LTFP that provides a blueprint for effective long term financial planning which is in alignment with the State's Integrated Planning Framework.
41. Following three years of significant growth in capital works projects which resulted in a depletion of the City's Reserves in 2011/2012, the City implemented its alternative funding strategy to develop and sell land assets. The City has been able to transfer significant proceeds to the Land and Property Reserve through the course of the past three years. The City is ensuring this work continues and has reflected this in the LTFP. However, for 2018/2019 there are no sales budgeted in light of the saturated housing market allowing for further development of the targeted sites.
42. Continued cash flow management will be crucial in 2018/2019 to ensure the City's Reserves are maintained. The City will ensure its operating income growth continues to exceed cash operating expenditure by closely monitoring and managing activities and programs.
43. The Councillor fees and allowances for 2018/2019 have been set in accordance with the Salaries and Allowances Tribunal (SAT) determination of 10 April 2018. SAT determined there will be no increase in remuneration, fees expenses or allowances ranges provided to CEO's and elected members in light of the serious economic conditions facing Western Australia.

Voting Requirements: Absolute Majority

2018/2019 BUDGET RECOMMENDATIONS

Part 1 – Councillor Fees and Allowances for 2018/2019

That Council:

1. Pursuant to Section 5.99 of the *Local Government Act 1995* and Regulation 34 of the *Local Government (Administration) Regulations 1996* ADOPTS the following annual fees for the payment of Councillors in lieu of individual meeting attendance fees:-

City Mayor -	\$30,841
Councillors -	\$23,000

2. Pursuant to Section 5.99A (b) of the *Local Government Act 1995* and Regulations 34A and 34AA of the *Local Government [Administration] Regulations 1996*, ADOPTS the following annual allowances:-

Telecommunications, Communication and Technology Allowance -	\$3,500
Travel Allowance -	\$50

3. Pursuant to Section 5.98 (5) (b) of the *Local Government Act 1995* and Regulation 33 of the *Local Government [Administration] Regulations 1996*, ADOPTS the following annual local government allowance to be paid in addition to the annual meeting allowance:-

City Mayor - \$62,727

4. Pursuant to Section 5.98 (A) of the *Local Government Act 1995* and Regulation 33A of the *Local Government [Administration] Regulations 1996*, ADOPTS the following annual local government allowance to be paid in addition to the annual meeting allowance:-

Deputy City Mayor - \$15,682

Voting Requirements: Absolute Majority

2018/2019 BUDGET RECOMMENDATIONS

Part 2 – Schedule of Fees and Charges for 2018/2019

That Council:

1. ADOPTS pursuant to Section 6.16 of the *Local Government Act 1995*, the Hall Hire, Community Recreation Facilities Charges and Reserve Hire – Outdoor Activities Charges as per (Attachment 1).
2. ADOPTS the fees and charges for Regulatory and Other Services as per (Attachment 1).
3. ADOPTS pursuant to Regulation 53 of the *Building Regulations 2012*, a swimming pool inspection fee of \$44.80.
4. IMPOSES pursuant to Section 6.51 of the *Local Government Act 1995* and Regulation 70 of the *Local Government (Financial Management) Regulations 1996*, an interest charge of 11% on all rates and service charges including the refuse charge, Waste Avoidance and Resource Recovery Levy and swimming pool inspection fee that are not paid by the due date.

Voting Requirements: Absolute Majority

2018/2019 BUDGET RECOMMENDATIONS***Part 3 – Waste and Rubbish Charges for 2018/2019***

That Council:

1. ADOPTS pursuant to Section 67 of the *Waste Avoidance and Resources Recovery Act 2007*, the following charges for the removal and deposit of domestic and commercial waste:-
 - a) Domestic / Commercial Service
 - i. Ordinary domestic collection/disposal service including kerbside recycling service to be set at \$539 and any additional general waste bin at \$680 or recycling bin at \$165;
 - ii. Eligible pensioners – a concession rate for the domestic collection/disposal service including kerbside recycling service of \$309. Additional services will be as specified above in (a).
 - iii. Residential multi-unit service to be set at \$250.
 - iv. Residential multi-unit eligible pensioners – a concession rate for the service of \$215.
 - v. Credit for residential properties who cannot access the skip bin service \$(49).
 - vi. Commercial and Industrial – collection and disposal of both general and recyclable waste service of \$995 and additional service for both general and recycling bin at \$1,210.
 - vii. Community and sporting clubs – collection and disposal of general waste will be \$1.43 per litre for a 120 litre bin or \$0.29 for a 240 litre recyclable waste bin.
 - viii. Community Event – collection and disposal of general waste will be \$188 for a 240 litre general Waste bin, \$104.50 for a 240 litre recycling waste bin and a \$108.50 additional fee for disposal of contaminated recycling waste bin.
 - ix. Additional extra skip bin (general waste) \$105.50
 - x. Additional extra skip Bin (green waste) \$65.00
 - b) Walliston Transfer Station
The deposit of rubbish at Walliston Transfer Station and Collection of specific items will be charged as follows:-

Description –Resident Non-Commercial charges only	\$
Collection of Whitegoods or Mattresses (up to 2 items) (non-pensioner)	33.00
Collection of Whitegoods or Mattresses (up to 2 items) (pensioner)	16.50
Standard Car & Motor Cycle Tyre, each (maximum of 5/entry)	11.50
Four Wheel Drive Tyre, each (maximum of 5/entry)	20.70
Truck Tyres, each (maximum of 2/entry)	31.30
Compost Bin (including delivery)	54.00
Worm Farm (including Delivery)	149.50
Additional Resident Entry – (1)	50.00

Description –Resident Commercial charges only	\$
Clean Greenwaste per tonne (minimum charge 0.5t = \$21.50)	44.00
Mattress disposal fee (residents) (max 5/entry)	21.00
Standard Car & Motor Cycle Tyre, each (maximum of 5/entry)	12.85
Four Wheel Drive Tyre, each (maximum of 5/entry)	25.00
Truck Tyres, each (maximum of 2/entry)	37.20
The City charges commercial fees for any of the following situations: a) Commercial / trade waste b) Your Vehicle or trailer is commercially signed or badged (unless you have a valid permit) c) Your waste is from a work site d) You are transporting waste for a fee or reward The charges that apply are:	
Cars/Station Wagons	35.00
Small Vans/Utes	59.00
Trailers (6x4)	60.00
Trailers (7x5) with high sides	76.00
Small Trucks up to 3.5 tonnes Gross Vehicle Mass (GVM)	178.50

- c) Waste Avoidance and Resources Recovery Levy
Adopt a levy of \$0.0004180 against the Property's GRV valuation as provided by Landgate, with a minimum charge of \$20 on all properties.

Voting Requirements: Absolute Majority**2018/2019 BUDGET RECOMMENDATIONS*****Part 4 – General and Minimum Rates, Instalment Payment Arrangements and Incentives for Early Payments for 2018/2019***

That Council:

1. IMPOSES pursuant to Sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995* the following differential general and minimum rates on Gross Rental and Unimproved Values adopted for the purpose of yielding the deficiency disclosed by the Municipal Fund Budget at Item 15.
 - a) General Rates

i. General - Gross Rental Values (GRV)	5.9310 cents in the dollar
ii. Industrial/Commercial – GRV	6.6880 cents in the dollar
iii. Vacant Land – GRV	8.3930 cents in the dollar
iv. General - Unimproved Values (UV)	0.3390 cents in the dollar
v. Commercial – UV	0.4000 cents in the dollar
 - b) Minimum Rates

i. General - Gross Rental Values (GRV)	\$884
ii. Industrial/Commercial – GRV	\$1104
iii. Vacant Land – GRV	\$767
iv. General - Unimproved Values (UV)	\$884
v. Commercial – UV	\$1104
 - c) Instalment Arrangements
 - i. Pursuant to Section 6.45 of the *Local Government Act 1995* and Regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, nominate the following due dates for the payment of rates in full and by instalments:-

A. Full payment	17 August 2018
B. Two Payment Option	
i. First Payment	17 August 2018
ii. Second Payment	17 December 2018
C. Four Payment Option	
i. First Payment	17 August 2018
ii. Second Payment	17 October 2018
iii. Third Payment	17 December 2018
iv. Fourth (Final) Payment	18 February 2019
 - d) Incentives for Early Payment of Rates
 - i. Pursuant to Section 6.46 of the *Local Government Act 1995*, offers the following incentive prizes to ratepayers who have paid their rates in full:
 - A. 1 prize of \$4,000 donated by the City of Kalamunda.

Eligibility for inclusion in the rates incentive prize draw.

That ratepayers who make rates payment in full by a week before the due date, being 10 August 2018, will be eligible for inclusion in the rates incentive prize draw.

- ii. Pursuant to Section 6.46 of the *Local Government Act 1995*, offers the following incentive prizes to ratepayers who pay via instalments:
 - A. 2 prizes of \$1,000 donated by the City of Kalamunda towards the winners outstanding rates and charges amounts due.
 - B. 1 prizes of \$500 donated by the City of Kalamunda towards the winners outstanding rates and charges amounts due.
 - C. 2 double passes to a concert preformed and donated by the Western Australian Symphony Orchestra.
 - D. 2 \$250 passbook accounts donated by the Bendigo Bank - Forrestfield & High Wycombe Community Bank.

Eligibility for inclusion in the rates incentive prize draw.

That ratepayers who make a rates instalment payment by a week before the due date, being 10 August 2018, will be eligible for inclusion in the rates incentive prize draw for that category.

- iii. Pursuant to Section 6.46 of the *Local Government Act 1995*, offers the following incentive prizes to ratepayers who register to receive their future rates notices electronically:
 - A. 2 Apple (Series 3) Watches (38mm GPS Only)
 - B. 2 Garmin (Fenix 5) Sports Watches
 - C. 1 Garmin Vivosmart HR Activity Tracker

Eligibility for inclusion in the eRates incentive prize draw.

That ratepayers who registers to receive their future rates notices a week before the due date, being 10 August 2018, will be eligible for inclusion in the eRates incentive prize draw.

- iv. Pursuant to Section 6.46 of the *Local Government Act 1995*, offers the following incentive prizes to ratepayers who pay their rates either in full or an instalment option using the self-service Albert Terminals at the City's Administration office, Kalamunda Library or Hartfield park Recreation Centre:
 - A. 3 prizes of \$500 donated by the City of Kalamunda towards the winners outstanding Rates and Charges amount due.

Eligibility for inclusion in the self-service terminal prize draw. That ratepayers who make a rates Instalment or In Full payment by a week before the due date, being 10 August 2018, will be eligible for inclusion on the self-service terminal prize draw.

Eligibility of Elected Members and Staff to participate in rates incentive and eRates prize. Councillors and employees of the City of Kalamunda, government bodies and their related agencies, commercial property ratepayers and sponsoring organisations are

ineligible to win. These parties are ineligible as a sole or part owner of any property within the City of Kalamunda boundaries. Rates exempt properties such as schools and churches are also ineligible.

Decisions made by City Officers in regard to the awarding of prizes is final and no debate will be entered into.

Voting Requirements: Absolute Majority

2018/2019 BUDGET RECOMMENDATIONS

Part 5 – Material Variance Reporting for 2018/2019

That Council:

1. SETS the material variance level to be used in statements of financial activity in the year 2018/2019 for reporting variances at 10% or \$50,000, whichever is the greater, in accordance with Regulation 34 of the *Local Government (Financial Management) Regulations 1996*, and AAS 5.

Voting Requirements: Absolute Majority

2018/2019 BUDGET RECOMMENDATIONS

Part 6 – Capitalisation Threshold 2018/2019

That Council:

1. ADOPTS a capitalisation threshold of \$30,000 for Information Technology Software and \$5,000 for all other assets.

Voting Requirements: Absolute Majority

2018/2019 BUDGET RECOMMENDATIONS

Part 7 – Proposal to Borrow Loan Funds

That Council:

1. AUTHORISES the Chief Executive Officer to borrow \$2,520,000 pursuant to S6.20(1) of the *Local Government Act 1995*, to allow for:
 - a) \$450,000 for further technical studies in the Forrestfield North area;
 - b) \$1,500,000 for various plant and equipment;
 - c) \$300,000 develop master planning/zoning reviews of Wattle Grove South;
 - d) \$100,000 to fund a shortfall in reserve set aside for the Forrestfield Industrial Area Stage 1 – Road 2 construction costs; and
 - e) \$170,000 for the works required in relation of the disposal of Heidelberg Park and Cambridge Reserve.

8.2. Office of the CEO Reports

8.2.1. Kalamunda Achieving - Corporate Business Plan 2018-2022

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

Previous Items

Directorate Office of the CEO
Business Unit Human Resources
File Reference
Applicant
Owner

Attachment 1. 2018 Kalamunda Achieving - Corporate Business Plan - 2018-2022 [**8.2.1.1**]

EXECUTIVE SUMMARY

1. The purpose of this report is to seeks Council's endorsement of the *Kalamunda Achieving – Corporate Business Plan 2018-2022*.

BACKGROUND

2. In 2017 the City of Kalamunda worked extensively with the community to develop an aspirational vision – *Connected Communities, Valuing Nature and Creating the Future Together*.
3. To guide the allocation of resources and effort to achieve our vision, the community guided the City in the development of the *Community Strategic Plan 2017-2023*.
4. The *Kalamunda Achieving – Corporate Business Plan 2018-2022* is revised annually and provides the operating plan that translates the strategic plan into action.

DETAILS

5. The *Kalamunda Achieving – Corporate Business Plan 2018-2022* supports the City to achieve the City of Kalamunda vision and the *Community Strategy Plan 2017-2023*.

In this business plan the City translates strategy into action by describing how we will drive achievement, both in 2018/19 and in the coming 4 years.

6. A key focus of our action plan is directing further effort into community engagement, community facilities improvement and environmental management.
7. Community will remain involved in the development of plans and strategies that derive from this plan.

STATUTORY AND LEGAL CONSIDERATIONS

8. Section 5.56 of the *Local Government Act 1995* requires a local government to plan for the future of the district.
9. The *Local Government (Administration) Regulations 1996* requires each local government to adopt a Strategic Community Plan and a Corporate Business Plan.

POLICY CONSIDERATIONS

10. 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.

They reflect a nationally consistent approach to integrated planning as expressed by the Council of Australian Governments' Local Government Planning Ministers' Council.

COMMUNITY ENGAGEMENT REQUIREMENTS

Internal Referrals

11. This Corporate Business Plan has been developed with the cooperation of Business Unit Managers and the Executive Team.

External Referrals

12. This Corporate Business Plan operationalises the *Community Strategic Plan 2017-2023*. Ongoing community involvement will be facilitated as this plan is executed.

FINANCIAL CONSIDERATIONS

13. Achievement of the Corporate Business Plan assumes Council endorsement of the Budget 2018/19 and the Long Term Financial Plan.

STRATEGIC COMMUNITY PLAN

Strategic Planning Alignment

14. *Kalamunda Advancing Strategic Community Plan to 2027*

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

SUSTAINABILITY

Social Implications

- 15. The Corporate Business Plan provides for the delivery of community development initiatives

Economic Implications

- 16. The Corporate Business Plan provides for the delivery of the City’s Economic Development strategies

Environmental Implications

- 17. The Corporate Business Plan provides for the delivery of environmentally sensitive land management, and community awareness building.

RISK MANAGEMENT CONSIDERATIONS

18.	Risk: Council fails to endorse the Budget 2018/19, thereby inhibiting adequate resources to deliver the Corporate Business Plan.												
	<table border="1" style="width: 100%;"> <tr> <th style="width: 33%;">Likelihood</th> <th style="width: 33%;">Consequence</th> <th style="width: 33%;">Rating</th> </tr> <tr> <td>Unlikely</td> <td>Major</td> <td>High</td> </tr> <tr> <td colspan="3">Action/Strategy</td> </tr> <tr> <td colspan="3">Council involvement in budget development.</td> </tr> </table>	Likelihood	Consequence	Rating	Unlikely	Major	High	Action/Strategy			Council involvement in budget development.		
Likelihood	Consequence	Rating											
Unlikely	Major	High											
Action/Strategy													
Council involvement in budget development.													

OFFICER COMMENT

- 19. The Corporate Business Plan has had extensive involvement of Business Unit leaders to ensure plans are realistic and achievable.
- 20. Priority actions provide the community with clarity about the focus of what is to be delivered for the 2018/19 year.
- 21. The City’s officers will provide a quarterly report to Council, providing an update on progress against this plan.
- 22. The CEO and Directors are aligning individual employee performance plans to the achievement of the Corporate Business Plan.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

- 1. ENDORSES the Kalamunda Achieving – Corporate Business Plan 2018-2022.

9. Meeting Closed to the Public

10. Closure