



# Ordinary Council Meeting

AGENDA

Tuesday 28 April 2020

## NOTICE OF MEETING ORDINARY COUNCIL MEETING

Dear Councillors

Notice is hereby given that the next Ordinary Meeting of Council will be held in the Council Chambers, Administration Centre, 2 Railway Road, Kalamunda on **Tuesday 28 April 2020 at 6.30pm.**



Rhonda Hardy  
**Chief Executive Officer**  
23 April 2020



**Our Vision**

**Connected Communities, Valuing Nature and Creating our Future Together**

**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**

[kalamunda.wa.gov.au](http://kalamunda.wa.gov.au)

City of Kalamunda

## **Information for the Public Attending**

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.

### **Ordinary Council Meetings – Procedures**

1. Council Meetings are open to the public, except for Confidential Items listed on the Agenda.
2. To limit the risk of infection due to COVID-19 Council meetings will be isolated within the Council chambers and the public gallery will be situated in the adjoining function centre limited per Federal Government requirements.
3. Members of the public who are unfamiliar with meeting proceedings are invited to seek advice prior to the meeting from a City Staff Member.
4. Members of the public are able to ask questions at an Ordinary Council Meeting during Public Question Time. Members of the public are encouraged to submit questions in writing prior to the meeting.
5. 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.
6. 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.**

## INDEX

<b>1. Official Opening</b>	<b>6</b>
<b>2. Attendance, Apologies and Leave of Absence Previously Approved</b>	<b>6</b>
<b>3. Public Question Time</b>	<b>6</b>
<b>4. Petitions/Deputations</b>	<b>6</b>
<b>5. Applications for Leave of Absence</b>	<b>6</b>
<b>6. Confirmation of Minutes from Previous Meeting</b>	<b>6</b>
<b>7. Announcements by the Member Presiding Without Discussion</b>	<b>7</b>
<b>8. Matters for Which the Meeting may be Closed</b>	<b>7</b>
<b>9. Disclosure of Interest</b>	<b>7</b>
<b>10. Reports to Council</b>	<b>8</b>
<b>10.1. Development Services Reports</b>	<b>8</b>
10.1.1. Draft Local Planning Policy 29 (LPP29) – UnHosted Holiday Houses - Adoption for the Purposes of Advertising	8
10.1.2. Draft Activity Centres Strategy - Adoption for Public Advertising	13
<b>10.2. Asset Services Reports</b>	<b>28</b>
10.2.1. Consideration of Tenders for the Construction of Maida Vale Road/Roe Highway Off Ramp Roundabout (RFT 2002)	28
10.2.2. Consideration of Tenders for the Provision of Mowing Services (RFT 2006)	34
10.2.3. Department of Transport Long Term Cycle Network (LTCN)	39
<b>10.3. Chief Executive Officer Reports</b>	<b>43</b>
10.3.1. Draft Monthly Financial Statements to March 2020	43
10.3.2. Debtors and Creditors Report for the period ended March 2020	51
10.3.3. Rates Debtors Report for the period ended March 2020	58
10.3.4. Delegations of Authority from Council to the Chief Executive Officer - Temporary Amendments	63
<b>11. Motions of Which Previous Notice has been Given</b>	<b>68</b>
<b>12. Questions by Members Without Notice</b>	<b>68</b>
<b>13. Questions by Members of Which Due Notice has been Given</b>	<b>68</b>
<b>14. Urgent Business Approved by the Presiding Member or by Decision</b>	<b>68</b>
<b>15. Meeting Closed to the Public</b>	<b>68</b>
<b>16. Tabled Documents</b>	<b>68</b>
<b>17. Closure</b>	<b>68</b>

**1. Official Opening**

**2. Attendance, Apologies and Leave of Absence Previously Approved**

**3. 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.*

**4. Petitions/Deputations**

**5. Applications for Leave of Absence**

**6. Confirmation of Minutes from Previous Meeting**

- 6.1 That the Minutes of the Ordinary Council Meeting held on 24 March 2020, as published and circulated, are confirmed as a true and accurate record of the proceedings.

Moved:

Seconded:

Vote:

**Statement by Presiding Member**

*"On the basis of the above Motion, I now sign the Minutes as a true and accurate record of the meeting of 24 March 2020."*

- 6.2 That the Minutes of the Special Council Meeting held on 7 April 2020, as published and circulated, are confirmed as a true and accurate record of the proceedings.

Moved:

Seconded:

Vote:

**Statement by Presiding Member**

*"On the basis of the above Motion, I now sign the Minutes as a true and accurate record of the meeting of 7 April 2020."*

**7. Announcements by the Member Presiding Without Discussion**

**8. Matters for Which the Meeting may be Closed**

8.1 Item 10.2.1 Consideration of Tenders for the Construction of Maida Vale Road/Roe Highway Off Ramp Roundabout (RFT 2002) – CONFIDENTIAL ATTACHMENT - Tender Evaluation Report  
*Reason for Confidentiality: Local Government Act 1995 s5.23 (c) "a contract entered into, or which may be entered into, by the local government which relates to a matter to be discussed at the meeting."*

8.2 Item 10.2.2 Consideration of Tenders for the Provision of Mowing Services (RFT 2006) – CONFIDENTIAL ATTACHMENT - Tender Evaluation Report  
*Reason for Confidentiality: Local Government Act 1995 s5.23 (c) "a contract entered into, or which may be entered into, by the local government 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*.)

**9.2. 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.

**10. Reports to Council**

**10.1. Development Services Reports**

The recommendations of reports 10.1.1 and 10.1.2 inclusive be adopted by Council en bloc.

Moved:

Seconded:

Vote:

**10.1.1. Draft Local Planning Policy 29 (LPP29) – UnHosted Holiday Houses - Adoption for the Purposes of Advertising**

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

Previous Items	Nil
Directorate	Development Services
Business Unit	Approval Services
File Reference	3.009297
Applicant	N/A
Owner	N/A

Attachments	1. Draft Local Planning Policy 29 (LPP29) – UnHosted Holiday Houses [ <b>10.1.1.1</b> - 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 2027*

### **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 industry and businesses.

### **Priority 3: Kalamunda Develops**

**Objective 3.4** - To be recognised as a preferred tourism destination.

**Strategy 3.4.1** - Facilitate, support and promote, activities and places to visit.

## **EXECUTIVE SUMMARY**

1. The purpose of this report is for Council to consider the adoption of Draft Local Planning Policy 29 Holiday Houses (LPP29) for the purpose of public advertising (Attachment 1).
2. LPP29 will ensure Holiday Houses are determined in a manner that maintains the amenity and character of the area while providing an opportunity for landowners to use residential properties for short-term accommodation.
3. It is recommended Council adopt LPP29 for public advertising.

## **BACKGROUND**

4. The City of Kalamunda (the City) periodically reviews, revokes, and adds new policies to provide a level of consistency and transparency in decision-making and to ensure Council has a clear policy position regarding various planning matters.
5. The City has seen a recent increase in applications for Holiday Houses, which warrants consideration of a policy to guide the use of delegation and set expectations for the community.

## **DETAILS AND ANALYSIS**

6. The objectives of this Policy are to:
  - a) Ensure unhosted Holiday Houses maintain the amenity and character of the areas where they are proposed
  - b) Ensure operators of unhosted Holiday Houses can effectively manage the impact of short-term accommodation
  - c) Ensure unhosted Holiday Houses are effectively serviced in areas where reticulated sewer connection is not available
  - d) Streamline the assessment process for unhosted Holiday Houses
7. The matters to be given due regard reflect concerns raised during the consultation process for existing applications for Holiday Houses.
8. The Policy has been drafted to provide consistency with the approach taken by many local governments to provide a policy framework for assessing un-hosted holiday houses in the Perth Metropolitan Region. It is also noted that the State Government has recently announced its intention to regulate short term accommodation such as Airbnb across the State.
9. The Policy will ensure Holiday Houses are determined in a manner that maintains the amenity and character of the area while providing an opportunity for landowners to use residential properties for short-term accommodation.

## **APPLICABLE LAW**

10. *Planning and Development (Local Planning Schemes) Regulations 2015*
  - i. Schedule 2, Part 2, Clause 3(1) – The local government may prepare a Local Planning Policy
  - ii. Schedule 2, Part 2, Clause 4(1)(a)(i)(ii)(iii)(iv)-Procedure for advertising a local planning policy
  - iii. Schedule 2, Part 2, Clause 4(2) – 21 day advertising requirement

## **APPLICABLE POLICY**

11. Nil

**STAKEHOLDER ENGAGEMENT**

- 12. Should Council resolve to adopt the Policy for the purposes of public advertising, the Policy will be advertised for public comment in accordance with Local Planning Policy 11 - Public Notification of Planning Proposals for a period of 21 days, which is consistent with the period specified in Schedule 2, Part 2 Clause 4 (2) of the Regulations.

**FINANCIAL CONSIDERATIONS**

- 13. All costs incurred during the advertising of the Policy will be met through the Approval Services budget.

**SUSTAINABILITY**

**Social Implications**

- 14. If the Policy is adopted, the City and Council will be provided with guidance in the assessment and determination of Holiday House proposals to ensure the amenity and character of the areas are maintained.

**Economic Implications**

- 15. The use of residential properties for Holiday Houses, provides landowners with an opportunity to diversify their income base and more broadly supports the tourism industry.

**Environmental Implications**

- 16. Nil.

**RISK MANAGEMENT**

17.	<b>Risk:</b> Holiday Houses may impact on the residential amenity of the area		
	<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
	Moderate	Possible	Medium
	<b>Action/Strategy</b>		
	Ensure the development application demonstrates acceptable impact with respect to the residential amenity of the local area.		

18.

<b>Risk:</b> The Policy is not adopted resulting in inconsistent application of planning principles and decisions.		
<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
Moderate	Unlikely	Low
<b>Action/Strategy</b>		
Ensure Council is aware of the importance of having sound and robust planning policies to support the Scheme when assessing applications.		

**CONCLUSION**

19. Noting the aforementioned comments, it is recommended that Council adopt Local Planning Policy 29 – Unhosted Holiday Houses for public advertising.

<b>Voting Requirements: Simple Majority</b>
---

**RECOMMENDATION**

That Council ADOPTS the proposed Local Planning Policy 29 – Unhosted Holiday Houses for the purposes of advertising for a period of 21 days pursuant to Schedule 2, Part 2, Clause 4(1) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.

## 10.1.2. Draft Activity Centres Strategy - Adoption for Public Advertising

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

Previous Items	Nil
Directorate	Development Services
Business Unit	Strategic Planning
File Reference	PG-STU-041
Applicant	City of Kalamunda
Owner	N/A

Attachments	1. Draft Activity Centres Strategy Report [10.1.2.1 - 153 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

### EXECUTIVE SUMMARY

1. The Activity Centres Strategy (Strategy) will inform the future planning and land use decisions that will influence economic growth and employment opportunities within the City of Kalamunda (City). See Attachment 1 for the Strategy document.
2. The Strategy has been prepared by the City and expands upon the planning implications discussed in the existing Local Planning Strategy 2010. The Strategy will form a part of the future Local Planning Strategy and will ultimately inform the preparation of a new Local Planning Scheme No 4.
3. It is recommended Council adopt the Strategy for the purposes of public advertising.

## **BACKGROUND**

4. The Strategy will form a component of the City's new Local Planning Strategy.
5. At present, there is no Activity Centres Strategy endorsed by the City. It is considered important to have a Strategy of this kind to guide future strategic and statutory planning decision making for commercial, mixed use, and surrounding land use and development. The City's Economic Development Strategy, adopted in December 2017, has helped to inform the Strategy.
6. Planning strategies of this nature are recommended to be reviewed every five years.

## **DETAILS AND ANALYSIS**

7. The Strategy has been prepared in accordance with the Western Australian Planning Commission (WAPC) Local Planning Manual 2010 (Manual).
8. The Manual forms a guide to the preparation of local planning strategies and schemes in Western Australia. The Strategy incorporates the relevant activity centre and commercial development considerations from the Manual. The key considerations are outlined as follows:
  - a) Context for assessment of future growth and land allocation requirements as well as the hierarchy of urban centres where there is more than one.
  - b) Characteristics of the local economy, including economic base, inter-relationships and resource requirements; for example, human, material, energy.
  - c) Key industrial and business locations, including their nature and servicing requirements; for example transport, communications, water, energy.
  - d) Workforce participation by employment sectors (proportion and comparison with state and regional average).
  - e) Past and likely future changes in the economy, including changes to the economic base, employment and workforce.
  - f) Pattern of regional, district and local centres including the nature, composition, location, scale and associations (between uses and with transport).
  - g) Current and future retail and commercial floor space requirements, with reference to commercial services, population growth, employment and accessibility.
  - h) Transport assessment impact of the retail and commercial activity.

9. The Strategy has the following overarching goal:  
*The City of Kalamunda will have a network of commercial activity centres that are characterised by their diversity, flexibility and unique character.*
10. The Strategy has the following overarching objectives:
- a) To respond to the change and growth of population.
  - b) To ensure an equitable spatial distribution of facilities so that communities are not geographically disadvantaged from activity centres.
  - c) To improve the aesthetics of activity centre environments.
  - d) Reflect best practice land use planning and provide a robust framework for local commercial and activity centres.
11. An activity centre hierarchy has been prepared for the City based on the level of centres established through State Planning Policy 4.2 – Activity Centres Perth and Peel 2010 (SPP4.2). The City believes a variety of activity centres should be provided to meet the diverse requirements of the community. A summary of the hierarchy is outlined below:

Hierarchy	Role / Description
<b>District Activity Centre (DAC)</b>	District Centres have a greater focus on servicing the daily and weekly needs of residents. Their relatively smaller scale catchment compared to Regional Centres enables them to have a greater local community focus and provide services, facilities and job opportunities that reflect the needs of their catchments.  Example – Kalamunda District Centre
<b>Neighbourhood Activity Centre (NAC)</b>	Neighbourhood Centres have a more limited role in providing convenience retailing and community facilities for an immediate surrounding catchment. Usually, these centres are anchored by a supermarket. In some cases, these centres also serve a tourist market.  Example – Sanderson Road Neighbourhood Centre
<b>Local Activity Centre (LAC)</b>	Local Centres consist of a small group of shops that typically serve a local, walkable catchment, and provide for the daily convenience and ‘top-up’ needs of residents and passing motorists. Less than 1500m <sup>2</sup> net lettable area (NLA). Some of these small centres contain a limited number of community facilities and other uses.

	Numerous Local Centres are located throughout City of Kalamunda, mainly in the urban region.  Example – Gooseberry Hill (Railway Road) Local Centre
<b>Convenience Centres</b>	Convenience Centres provide the day to day convenience needs of local communities. Example - Walliston (Walliston Deli, Grove Road / Canning Road)

12. The Strategy establishes strategic guidance for activity centres within the City which will assist agencies, community groups, developers, businesses and residents understand the City’s direction with regard to strategic activity centre planning, development and management. It will also provide an integral reference document for the City.
  
13. The Strategy takes into consideration current and future population projections, housing and other demographic factors. The key trends and projections influencing the Strategy are:
  - a) The City’s forecasted population is expected to increase from 60,739 in 2018 to 76,179 people by 2036;
  - b) The suburbs of Forrestfield, High Wycombe and Wattle Grove are anticipated to have the greatest population increases over this period;
  - c) The increased population in these suburbs will, in turn, increase the local commercial workforce providing a challenge to cater for an increased demand for population driven commercial uses; and
  - d) An expansion of existing centres and new activity centres is a likely response to an increased population.
  
14. It should be noted that the City’s 2018 ABS Estimated Resident Population is stated as being 58,946. This demonstrates that current forecasts are not being achieved to date.
  
15. The Strategy takes into consideration current and future socioeconomic trends. Compared with the Greater Perth metropolitan area and Western Australia, the City has:
  - a) Higher median individual income.
  - b) Higher median household income.
  - c) A much higher proportion of separate houses and much lower proportion of medium and higher density housing.
  - d) A lower proportion of houses being rented and a higher proportion of owner-occupied houses.
  - e) Generally, more cars per dwelling.



- f) A lower proportion of people with a bachelor degree / diploma or higher educational qualifications, but a higher proportion of Certificate III – IV qualifications.
- g) A lower proportion of managers and professionals in the resident workforce, but a higher proportion of clerical & sales workers, technicians & trades workers and machinery operators & drivers.
- h) A much higher proportion of people working in Transport, Postal and Warehousing industries.
- i) Lower rate of employment self-sufficiency.
- j) Lower unemployment rate.

16. The Strategy considers the demand to provide for an anticipated future growth in the workforce. At current rates of workforce participation there will be an additional 8,500 City residents in the workforce by 2036. To maintain the current employment self-sufficiency ratios around 4,500 – 4,800 new jobs will be required in the City and more if employment self-sufficiency is to be increased. Some of this employment will be in commercial centres and public purpose centres (schools, hospitals, aged care) as they expand to serve the local population. Their scale is correlated with population growth. New jobs in these centres and complexes might be expected to account for up to 40% of new jobs.

17. A number of factors will affect the success and functionality of the City's activity centres in the future. The key considerations for future activity centre planning are described below.

18. **Demographic Changes**

- a) Population growth is often associated with increased economic growth and employment opportunities in a region.
- b) It is expected to impact on several industries in the City, particularly education and training, health care and social assistance and retail trade.
- c) This will create a demand for job opportunities, developing a pool of labour from which businesses can source, while driving demand for a range of goods and services to support household consumption.

19. **Consumer Behaviour**

- a) Consumer expenditure is increasingly trending towards households reducing debt, paying down mortgages and embracing the 'sharing economy'.
- b) The retail sector is constantly changing as consumer preferences shift in response to new trends and economic factors, such as online shopping and increased demand for ready to consume products.
- c) Shifts in consumer preferences and the emergence of online shopping will continue to erode the need for traditional "bricks and mortar" store-based retail.
- d) Online shopping enables consumers to access goods and services from across the globe rather than being reliant on local retailers, which will likely negatively impact on demand in the City's retail trade industry.

20. **Innovation and Technology**

- a) Innovation has contributed to consumer demands shifting from purchasing physical objects to a preference for digital content, which is changing the way people both access and store information and entertainment.
- b) This has resulted in reduced and changed demand for a range of goods and services, such as physical printed content (e.g. books, magazines, newspapers, CDs and DVDs), and also for service providers that leased space for this content (e.g. libraries, DVD hire), and entertainment/ leisure activities.
- c) A growing trend amongst consumers that will slightly offset some of the changes being driven by technology is the desire to have locally based authentic experiences. This trend will drive more people to want to shop locally, and if unique and authentic experiences are developed it will also attract visitors to the region from the broader Perth metropolitan area.
- d) Mobile internet, automation of knowledge work, machine-based learning, cloud technology, advanced robotics and autonomous vehicles, next generation genomics, energy storage, 3D printing, advanced materials and renewable energy are just some of the known technologies that will change the face of how we do business and live into the future.

21. **Major Development and Infrastructure Delivery**

Major projects and infrastructure developments in the City include:

- a) Perth Airport and Freight Access Project (Gateway WA)
- b) Forrestfield-Airport Link
- c) Forrestfield North
- d) Maddington-Kenwick Strategic Employment Area (MKSEA)
- e) Maida Vale South

- f) Wattle Grove South (Potential)
- g) Forrestfield-Thornlie Link

22. These projects will provide access to services, infrastructure and amenity for local residents and businesses, and have the potential, if promoted and facilitated proactively, to generate quality investment attraction outcomes for the City.

23. **Local Attributes**

- a) The City's centres are generally small and specialised. Most centres are limited to groceries, takeaway and a few specialty stores that service the community.
- b) The City has no centres above the District Activity Centre category, and have very limited bulky goods retail stores or opportunities for these.
- c) The City's centres are heavily influenced by the Strategic Metropolitan Centres (SMC) and Secondary Activity Centres (SAC) of surrounding local governments, such as Midland SMC, Cannington SMC and Belmont SAC which cater for a broad range of retail and commercial services and limit the demand for a variety of retail types occurring in the City.
- d) The Kalamunda DAC is an example of a centre that is heavily influenced by its local attributes, with additional demand coming from the tourism and recreation (cycling in particular) market.

24. **Retail Analysis**

The City engaged MGA Planners to undertake a Retail Analysis to provide an indication of appropriate retail scale and distribution over time. The Retail Analysis uses a retail gravity model (model) to inform the future planning implications for activity centres. The outputs of the model are for the predicted net lettable area (NLA) of activity centres for the years 2026 and 2036.

25. **District Centres**

Planning and improvements for the City's DAC's will be subject to Activity Centre Plans. The Kalamunda Activity Centre Plan was adopted by Council in March 2020, and the Forrestfield Activity Centre Plan is anticipated to be developed in 2021-2022.

26. For District Centres the model predicts that:

- a) By 2036 there be an additional 4044 NLA to the Forrestfield DAC (Map Ref – 2); and
- b) There will be an additional 20006 NLA to the Kalamunda DAC by 2036 (Map Ref – 14).

27. **Neighbourhood Centres**

An action of the draft Local Housing Strategy 2019 will be to investigate appropriate zoning surrounding neighbourhood centres, subject to community engagement.

28. Existing Townscape Improvement Plans to be reviewed and, for centres that don't have Townscape Improvement Plans, new plans to be considered for development. The implementation of these plans will need to be budgeted for and programmed on a rolling basis over several years.

29. **Local Centres**

Forrestfield LAC (Map Ref – 3) located on Berkshire Road is the only local centre considered for expansion. The City's Public Open Space Strategy identifies Berkshire Road Reserve, which neighbours Forrestfield LAC for potential transfer to enable the expansion of Forrestfield LAC.

30. **Future Activity Centres**

Retail modelling by MGA Planners predicts that:

- a) By 2026, 5000m<sup>2</sup> NLA will be established in Forrestfield North. Retail modelling undertaken for the Forrestfield North Local Structure Plans (LSP) by AEC (consultant part of the Forrestfield North project team) has estimated a retail floorspace of 1,250m<sup>2</sup> by 2026 and 9,150m<sup>2</sup> by 2036.
- b) A NAC in Maida Vale South won't be supported by 2026. The NAC may however be feasible in 2036.
- c) Depending on the direction of Wattle Grove South established by community engagement, concept and detailed planning, retail modelling by MGA Planners predicts that a NAC in Wattle Grove South wouldn't be supported by 2026, however may be feasible by 2036.

31. A site on the corner of Midland Road and Kalamunda Road (Maida Vale NAC) in Maida Vale has had a MRS Amendment initiated in 2014 for rezoning to enable the development of a NAC. The site is currently zoned Rural under the MRS and Special Use under the City's Local Planning Scheme No. 3.

32. The site will also require a Local Planning Scheme Amendment for a NAC to be possible. The MRS Amendment is with the WAPC, with no determination provided to date. Although analysis by MGA Planners found the inclusion of 5,000m<sup>2</sup> at the Maida Vale NAC would be feasible in the short-term, the impacts on the development of Forrestfield North were considered significant. It is recommended an activity centre at Maida Vale NAC be considered post 2026 and subject to retail sustainability assessment being prepared at an earlier date to support its establishment.

33. A site on Maida Vale Road in Maida Vale is identified as commercial by the Cell 6 LSP. The size of the site will be able to support a LAC. Analysis by MGA Planners concluded that a LAC will be able to be supported in that location and will have minimal impacts on the other activity centres. A development application for a commercial development at the site was approved by the Metro East Development Assessment Panel in 2019.
34. In March 2018 the State Government's North East Sub-Regional Framework identified the Pickering Brook Townsite for planning investigation. In June 2018 the State Government announced a taskforce to assist with the future planning and tourism initiatives for the area. In conjunction with the City's Rural Strategy the work of the taskforce will investigate the opportunities for an activity centre. The scale and site of this activity centre will be determined during these detailed investigations.
35. For the other activity centres the predicted outputs of the model may also be above or below what eventuates due to additional considerations. The model should only be considered as a guide when informing future planning decisions and any significant planning decisions should include a site-specific retail demand analysis.
36. **Existing Activity Centres**
- Assessing the catchments of the City's existing activity centres will be considered as part of the Local Housing Strategy 2019. Community engagement will be required as part of any activity centre investigation process. The planning of activity centres is based on contemporary planning principles and philosophies outlined in SPP4.2 and Liveable Neighbourhoods. The following key principles generally apply. They:
- a) Are of a Neighbourhood Centre or higher status.
  - b) Are in proximity to public transport routes.
  - c) Have readily available sewer or are in close proximity to existing sewer services.
  - d) Are not impacted by the ANEF aircraft noise contour.
37. Local centres and lower order convenience retail nodes are generally not considered suitable for land use improvements or increased densities because the scale of commercial development and amenities, from a planning perspective, did not warrant increased densities. Additionally, many areas surrounding local centres or retail nodes were recently increased in density as part of the City's Local Housing Strategy 2014 and Local Planning Scheme Amendment 82.

38. **Public and Private Realm**

Many of the City's Activity Centres haven't received upgrades or development for a period of time and have deficient landscaping and infrastructure in the surrounding private and public domain. The lack of appropriate design guidelines and development controls has resulted in poor built form outcomes.

39. A number of townscape improvement plans for local and neighbourhood centres were developed in 2010. There has been limited implementation of these plans since they were developed. The Strategy recommends that these Townscape Improvement Plans be considered for review, and those centres that don't have Townscape Improvement Plans be considered for plans to be developed.

40. Townscape Improvement Plans to be considered for review are as follows:

- a) Sanderson Road NAC (Map Ref – 17)
- b) Edinburgh Road NAC (Map Ref – 1)
- c) High Wycombe East LAC (Map Ref – 10)
- d) High Wycombe East NAC (Map Ref – 9)

Townscape Improvement Plans to be considered for development:

- a) High Wycombe West NAC (Map Ref – 12)
- b) Wattle Grove NAC (Map Ref – 26) (A Local Development Plan may be most appropriate for this activity centre to ensure future development fits within the existing built environment)

41. It is recommended that as funding and resources allow the City should aim to improve the public realm of one of the centres, subject to an adopted townscape improvement plan, every three years.

42. Currently the City's Long-Term Financial Plan only includes Sanderson Road NAC improvements in the budget. The Long-Term Financial Plan will be required to be reviewed to include the public realm improvements of other activity centres, subject to a townscape improvement plan, in accordance with Action 3.1.3 of the Strategy.

43. **Car Parking**

Car parking provisions are detailed within the Local Planning Scheme No. 3 and outline the parking requirements for different uses. Cash-in lieu can be accepted where car parking requirements are not met and, if the City so agrees, contribute to the cost of land acquisition and development by the local government of a public car park.

44. It is recommended the City investigates the need for a Car Parking Strategy to determine the best provisions and use for cash-in-lieu within Local Planning Scheme No. 3.

45. **Key Strategies and Actions**

The Strategy has recommended a number of key strategies and actions, these are outlined in detail in Section 9 of the document.

## **STATUTORY AND LEGAL CONSIDERATIONS**

46. **Metropolitan Region Scheme**

The MRS is a broad land use planning tool that defines the future use of land in broad zones and reservations. The City's Local Planning Scheme must be consistent with the MRS. Activity Centres will usually be zoned as Urban under the MRS.

47. **Local Planning Scheme No. 3**

The Strategy is applicable to the areas within the City that are zoned under the Local Planning Scheme No. 3 (LPS3) as Commercial, District Centre, Mixed Use, Service Station and some Special Use Zones.

48. This Strategy will form a part of the future Local Planning Strategy which will be developed in 2019. This will ultimately provide guidance and rationale for changes to any zoning, land use classification and development standards under the LPS3 and will inform the preparation of a new Local Planning Scheme No 4.

## **POLICY CONSIDERATIONS**

49. **State Planning Policy 4.2: Activity Centres for Perth and Peel**

Sets the framework for the planning and development of activity centres throughout Perth and Peel. The main purpose of the policy is to specify broad planning requirements for the planning and development of new activity centres and the redevelopment and renewal of existing centres in Perth and Peel.

50. The City's existing district centres in Forrestfield and Kalamunda are currently in the process of having Activity Centre Plans (ACP) prepared in accordance with the requirements of SPP4.2.

51. The Local Housing Strategy 2019 will take into consideration that SPP4.2 states 200m is the appropriate walkable catchment for increased residential targets for neighbourhood centres.
52. **Liveable Neighbourhoods Operational Policy**
- Sets out the planning framework for achieving liveable communities. Of particular relevance is Element 7: Activity centres and employment which sets out the framework for the appropriate planning of activity centres.
53. The Local Housing Strategy 2019 will take into consideration that Liveable Neighbourhoods states that a substantial majority of dwellings should be within 400m to 500m of a centre.

## **COMMUNITY ENGAGEMENT REQUIREMENTS**

### **Internal Referrals**

54. The draft Strategy was referred to internal departments and comments provided have been incorporated into the draft Strategy.

### **External Referrals**

55. The Retail Analysis and Demographic Analysis information was provided by MGA Planners.
56. The City engaged Essential Economics to review the Retail Analysis and Retail Gravity Model undertaken by MGA Planners.
57. In the context of the Strategy forming a component of the City's Local Planning Strategy it is recommended the Strategy is advertised in a similar manner to a Local Planning Strategy.
58. If the Council decide to adopt the proposed Strategy, it will be advertised for public comment for not less than 28 days. A Communications and Engagement Strategy will be developed to assist with guiding the public advertising process. Consultation will target the City's commercial and retail businesses, landowners and developers and those properties impacted by the recommendations of the Strategy.

## **FINANCIAL CONSIDERATIONS**

59. Costs associated with the preparation and public advertising of the document are met through the Development Services annual budget.



60. Some actions and strategies detailed within the document will be required to be funded as separate decisions of Council as part of future budgeting processes. Identification in the Strategy does not imply that all actions will be funded, these are separate future budget considerations and decision of Council.

## **STRATEGIC COMMUNITY PLAN**

### **Strategic Planning Alignment**

61. *Kalamunda Advancing Strategic Community Plan to 2027*

#### **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 industry and businesses.

## **SUSTAINABILITY**

### **Social Implications**

62. Expansion of activity centres and new activity centres will provide further employment opportunities for the local community.
63. Expansion of activity centres and new activity centres will provide further social spaces for the community to interact.

### **Economic Implications**

64. Expansion of activity centres and new activity centres will increase economic output of the City.
65. Expansion of activity centres and new activity centres will provide further employment opportunities for the local community.

### **Environmental Implications**

66. The Strategy aims to improve the public realm surrounding activity centres, which may include environmental enhancement of road reserves and adjacent land.
67. Impacts of any future commercial developments on natural vegetation will be required to be considered and may need to be referred to the relevant State agencies. Environmental management, protection of vegetation and/or offsets may be required as part of the conditions of development approval.

**RISK MANAGEMENT CONSIDERATIONS**

68.

<b>Risk:</b> The community disagrees with the strategic directions and actions of the Strategy.		
<b>Likelihood</b>	<b>Consequence</b>	<b>Rating</b>
Possible	Moderate	Medium
<b>Action/Strategy</b>		
Undertake community engagement and appropriately respond to submissions received and adjust the document as part of the finalisation of the Strategy.		

69.

<b>Risk:</b> By not having a Strategy that coordinates the development of activity centres, centres develop in an uncoordinated manner.		
<b>Likelihood</b>	<b>Consequence</b>	<b>Rating</b>
Likely	Significant	High
<b>Action/Strategy</b>		
Adopt the draft Strategy for the purpose of public advertising.		

70.

<b>Risk:</b> Expectations for the delivery of townscape improvements are too high and cannot be achieved.		
<b>Likelihood</b>	<b>Consequence</b>	<b>Rating</b>
Possible	Significant	High
<b>Action/Strategy</b>		
Budget for improvements to the public realm with an aim of improvements every three years (Adopted Improvement Plans to be in place). The Strategy to be reviewed after five years which will provide an opportunity to review the deliverables of this action.		

71.

<b>Risk:</b> The assumptions of the retail model are proven to be inaccurate in the future.		
<b>Likelihood</b>	<b>Consequence</b>	<b>Rating</b>
Possible	Significant	High
<b>Action/Strategy</b>		
Retail assessments to be undertaken for individual structure plans and development applications to ensure that assumptions are accurate at that more defined scale. The Strategy to be reviewed every five years to ensure retail modelling assumptions are updated.		

## **CONCLUSION**

72. The Strategy has been prepared in accordance with the relevant activity centre and commercial development considerations from the Local Planning Manual.
73. The Strategy establishes a retail gravity model which assists with predicting the future demand and growth of activity centres and establishing the strategic directions for activity centres over the next 20 years.
74. The Strategy considers a number of factors including demographic, innovation and technology, consumer behaviour and future infrastructure delivery that will affect the future success and functionality of the City's activity centres and influence the planning for activity centres over the next 20 years.
75. The Strategy will inform the future planning and land use decisions that will influence economic growth and employment opportunities within the City.
76. It is noted the draft Strategy will benefit from the information provided by landowners and business owners within the City's Activity Centres together with the community generally to inform and refine opportunities, strategies and actions for activity centres.
77. In order to undertake the actions recommended in the Strategy, project specific briefs will need to be undertaken to rationalise the recommended actions.

<b>Voting Requirements: Simple Majority</b>
---

## **RECOMMENDATION**

That Council ADOPT the draft Activity Centre Strategy for the purposes of public advertising for not less than 28 days (Attachment 1)

## 10.2. Asset Services Reports

The recommendations of reports 10.2.1 to 10.2.3 inclusive be adopted by Council en bloc.

Moved:

Seconded:

Vote:

### 10.2.1. Consideration of Tenders for the Construction of Maida Vale Road/Roe Highway Off Ramp Roundabout (RFT 2002)

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

Previous Items	OCM 131/2017
Directorate	Asset Services
Business Unit	Asset Delivery
File Reference	AD-TEN-005
Applicant	N/A
Owner	N/A

Attachments Nil

Confidential Attachment Reason for Confidentiality: Local Government Act 1995 s5.23 (c)  
*"a contract entered into, or which may be entered into, by the local government which relates to a matter to be discussed at the meeting."*

#### 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

*Kalamunda Advancing Strategic Community Plan to 2027*

**Priority 3: Kalamunda Develops**

**Objective 3.2** - To connect community to quality amenities.

**Strategy 3.2.1** - Optimal management of all assets.

**Strategy 3.2.2** - Provide and advocate for improved transport solutions and better connectivity through integrated transport planning.

**EXECUTIVE SUMMARY**

1. The purpose of this report is to consider the acceptance of a tender for construction of Maida Vale Road/Roe Highway Off Ramp Roundabout, Maida Vale.
2. The City of Kalamunda (City) issued the Request for Tender inviting tenders for Maida Vale Road/Roe Highway Off Ramp Roundabout (RFT 2002). Tenders were received and assessed.
3. It is recommended Council accepts the tender from JEK Pty Ltd ACN 008 942 783 trading as HAS Earthmoving for the works for a lump sum price of \$448,150.63 (excluding GST).
4. It is also recommended that Council note that this project will be continued into the 2020/21 Financial Year and that additional funding will be needed in the 2020/21 Budget to complete the works.

**BACKGROUND**

5. The project involves the construction of a new roundabout at the current intersection of Maida Vale Road and Roe Highway off ramp. It includes earthworks and a new pavement treatment on all approaches, with drainage and streetlighting upgrades.

**DETAILS AND ANALYSIS**

6. The City issued RFT 2002 seeking to engage a contractor to undertake the construction of a new roundabout at Maida Vale Road/Roe Highway Off Ramp. Tenders closed on 25 February 2020. Four tenders were received by the closing date.

7. Tenders received by the closing date were from the following companies (in alphabetical order):

- a) Advantearing Civil Engineers;
- b) HAS Earthmoving;
- d) TRACC Civil; and
- e) West Coast Profilers.

8. An Evaluation Panel was convened of suitably qualified City officers to assess the tenders received.

9. Tenders were assessed in a staged process of firstly checking for compliance to matters set out in the tender invitation. Compliant tenders were then assessed against qualitative criteria (again set out in the tender invitation). The Qualitative Criteria and weighting were determined as follows:

<b>Qualitative Criteria</b>	<b>Weighting</b>
Relevant Experience	30%
Tenderer's Resources	20%
Key Personnel Skills & Experience	20%
Demonstrated Understanding of the Requirements	30%

10. Tenders which met or exceeded the qualitative pass mark of 60% were then assessed for price.

11. All tenders received met the compliance criteria.

12. The four compliant tenders were ranked as follows regarding the Qualitative Criteria:

<b>Tenderer</b>	<b>Score</b>	<b>Rank</b>
Advantearing Civil Engineers	72%	1
West Coast Profilers	72%	2
HAS Earthmoving	69%	3
TRACC Civil	57%	4

13. Three tenders achieved the required minimum of 60% as a Qualitative Pass Mark.

14. A price assessment was then undertaken for these three tenders to determine the best value for money outcome for the City.
15. The tender evaluation report is provided as Confidential Attachment 1 to this report.
16. The recommended tender best satisfied the City's requirements in terms of:
  - a) meeting or exceeding the qualitative assessment benchmark;
  - b) proven capacity and capability to the undertake the work;
  - c) satisfying reference checks from previous clients;
  - d) satisfying independent financial reference checks of the proposed contractor; and
  - e) providing the best value for money outcome.
17. The Evaluation Panel has recommended HAS Earthmoving as the preferred Tenderer for its lump sum price of \$448,150.63 (excluding GST) to undertake the construction of a new roundabout at Maida Vale Road/Roe Highway Off Ramp.

#### **APPLICABLE LAW**

18. Section 3.57 of *Local Government Act 1995*. Part 4 of the *Local Government (Functions and General) Regulations 1996*.

#### **APPLICABLE POLICY**

19. Policy C-PP01 – Purchasing, has been followed and complied with.

#### **FINANCIAL CONSIDERATIONS**

20. The original budget for this project was \$343,000 with \$228,667 to be funded from the State Metropolitan Regional Road Group (MRRG) project fund and \$114,333 from City Municipal Funds on the standard 2/3<sup>rd</sup>, 1/3<sup>rd</sup> funding model.
21. As the project design phase evolved, several significant changes to the overall design were necessary to meet Main Roads approvals. During this process, the MRRG agreed to a revised project budget of \$462,448 with their funding increased proportionally.
22. Tenders were called on the basis of this revised project budget which encompassed a construction pre-tender estimate of \$403,547. The recommended tender sum of \$448,150.63 is ~11% above pre-tender estimate.

- 23. A review of the tenders and pre-tender estimate suggests that some underestimation of unit rates for this project has occurred.
- 24. It is proposed that a revised project budget be adopted of \$535,000 which includes design, superintendence, traffic management, lines and signs, and this contract cost and a project construction contingency. This will necessitate additional funding of \$75,552. The City will be unable to seek further funding from MRRG for this work.
- 25. The project is anticipated to be completed during November 2020. It is proposed that the additional funding for the revised project budget is dealt with within the 2020/2021 Budget process in terms of Municipal Funds or Reserves.
- 26. From time to time during the construction works, there may be the need to approve variations to the construction contract to meet the design intent. These variations to the construction contract would be funded from the project contingency. In awarding this contract, Council also approves any increases in the contract sum necessary from variations as determined by the Superintendent of the Contract. If the project budget cannot be maintained, further approval from Council will be sought.

**SUSTAINABILITY**

- 27. Nil.

**RISK MANAGEMENT**

28.	<b>Risk:</b> The Contractor fails to fulfil the requirements of the contract (in terms of scope, time or quality) leading to increased costs to the City or delays in project completion.		
	<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
	Unlikely	Moderate	Low
	<b>Action/Strategy</b>		
	a) clearly defined scope of works and specifications have been developed; b) construction to be supervised by the City to validate quality; and c) the contract to be entered into provides for claims against the contractor for remedial action if needed.		

**CONCLUSION**

- 29. The City is satisfied that the recommended tenderer has the capability and capacity to undertake the works to the required scale of scope, time and cost.



<b>Voting Requirements: Simple Majority</b>
---

**RECOMMENDATION**

That Council:

1. ACCEPT the tender for construction of Maida Vale Road/Roe Highway Off Ramp Roundabout, Maida Vale (RFT 2002) from JEK Pty Ltd ACN 008 942 783 trading as HAS Earthmoving for its lump sum price of \$448,150.63 (plus GST);
2. APPROVE the use of project contingency funding if required within the approved project budget for any variations to the works contract necessary to achieve the intent of the contract; and
3. NOTE that additional project funding of \$75,552 will be required as part of the 2020/2021 Budget deliberations.

## 10.2.2. Consideration of Tenders for the Provision of Mowing Services (RFT 2006)

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

Previous Items	OCM 183/2012
Directorate	Asset Services
Business Unit	Parks & Environmental Services
File Reference	AD-TEN-005
Applicant	N/A
Owner	City of Kalamunda
Attachments	Nil
Confidential Attachment	Tender Evaluation Report <u>Reason for Confidentiality:</u> <i>Local Government Act 1995 s5.23 (c) "a contract entered into, or which may be entered into, by the local government which relates to a matter to be discussed at the meeting."</i>

### 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 2027*

#### **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 3: Kalamunda Develops**

**Objective 3.2** - To connect community to quality amenities.

**Strategy 3.2.1** - Optimal management of all assets.

**EXECUTIVE SUMMARY**

1. The purpose of this report is to seek Council approval to award a tender seeking to engage a contractor to provide Mowing Services (RFT 2006).
2. This will be a services contract providing labour and materials to undertake the mowing services of selected sports grounds, reserves and residential verges throughout the City of Kalamunda (City) to augment services undertaken in house.
3. It is recommended Council accept the tender from LLS Australia Pty Ltd (T/A Lochness Landscape Services) ACN 606 751 366 based on the schedule of rates for an initial three-year period with the option to extend for two single year extensions.

**BACKGROUND**

4. The City's tendered contract for reserve mowing lapsed on 12 February 2020.
5. Since this time, a request for quote for the work has been in place. This arrangement is due to cease on 17 May 2020.
6. It was decided to undertake a Tender for General Mowing Services for both programmed and ad hoc services to better meet demand in accordance with agreed service standards.

**DETAILS AND ANALYSIS**

7. The City issued RFT 2006 seeking to engage a contractor to provide mowing services for selected sports grounds, reserves and residential verges, for an initial three-year period, with two optional single year extensions at the City's discretion. Tenders closed on 27 February 2020, with ten tenders received by the closing date.

8. Tenders received by the closing date were from the following companies (in alphabetical order):
- a) Environmental Industries;
  - b) GAS Assets Pty Ltd T/A Gekko Contracting & Turf & Landscape Services
  - c) Green Options;
  - d) Gro-turf Pty Ltd;
  - e) Landscape and Maintenance Solutions;
  - f) LD Total Pty Ltd;
  - g) Lochness Landscape Services;
  - h) Skyline Landscape Services Pty Ltd
  - i) Turf Care WA Pty Ltd; and
  - j) Turfmaster Facility Management.
9. An Evaluation Panel was convened of suitable qualified City officers to assess the tenders received.
10. Tenders were assessed in a staged process of firstly checking for compliance to matters set out in the tender invitation. The Tender from Turfmaster Facility Management was non-compliant.
11. Compliant tenders were then assessed against the Qualitative Criteria (again set out in the tender invitation). The Qualitative Criteria and weighting were determined as follows:

Qualitative Criteria	Weighting
Demonstrated Experience	30%
Tenderer's Resources	70%

12. Five tender submissions met the required Qualitative Pass Mark (QPM).
13. The nine compliant tenders were ranked as follows regarding the Qualitative Criteria:

Tenderer	Score	Rank
Turf Care WA Pty Ltd	70%	1
Landscape and Maintenance Solutions	60%	=2
Lochness Landscape Services	60%	=2
GAS Assets Pty Ltd T/A Gekko Contracting Turf & Landscape Services	60%	=2
Environmental Industries Pty Ltd	60%	=2
Skyline Landscape Services Pty Ltd	54%	6
Gro-Turf Pty Ltd	53%	7

LD Total Pty Ltd	46%	8
Green Options	40%	9

14. Tenders which met or exceeded the qualitative pass mark of 60% were then assessed for price.
15. The contract has been constructed essentially as a fixed price contract for a variety of services required, their locations and frequencies. The City has the flexibility in the contract to scale up/down the services in response to matters such as changed growing conditions, service standards and change in mix between in-house and contracted services.
16. The tender evaluation report is provided as Confidential Attachment 1 to this report.
17. The recommended tender best satisfied the City's requirements in terms of:
- a) meeting or exceeding the qualitative assessment benchmark;
  - b) proven capacity and capability to undertake the work;
  - c) satisfying reference checks from previous clients;
  - d) satisfying independent financial Corporate Scorecard check; and
  - e) providing the best value for money outcome.
18. For the purposes of evaluation of the tender prices, assessment was undertaken based on the fixed set of services set out in the tender invitation. The actual spend, year on year, will vary depending on circumstances.

#### **APPLICABLE LAW**

19. Section 3.57 of *Local Government Act 1995* and Part 4 of the *Local Government (Functions and General) Regulations 1996*.

#### **APPLICABLE POLICY**

20. Policy C-PP01 – Purchasing, has been followed and complied with.

#### **FINANCIAL CONSIDERATIONS**

21. It is estimated that this Contract will be in the order of \$1,254,531 annually depending on approved budgets in each Financial Year.

#### **SUSTAINABILITY**

22. Nil.

**RISK MANAGEMENT**

23.

<b>Risk:</b> The Contractor fails to fulfil the requirements of the contract, leading to increased costs to the City through re-tendering.		
<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
Insignificant	Unlikely	Low
<b>Action/Strategy</b>		
a) Corporate scorecard confirms financial viability of contractor.		
b) Formal and detailed Qualitative criteria within Tender minimise risk.		

**CONCLUSION**

24. After evaluating all the submissions from the various tenderers and taking all the risks into consideration, it is believed that Lochness Landscape Services proved to be the best value for money for the provision of Mowing Services for the City.

<b>Voting Requirements: Simple Majority</b>
---

**RECOMMENDATION**

That Council ACCEPT the tender for Mowing Services (RFT 2006) from LLS Australia Pty Ltd (T/A Lochness Landscape Services) ACN 606 751 366 as per the schedule of rates set out in Confidential Attachment 1 to this report for an initial three-year term with two further single year extensions at the City of Kalamunda’s discretion.

### 10.2.3. Department of Transport Long Term Cycle Network (LTCN)

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

Previous Items	OCM 251/2019; OCM 107/2018
Directorate	Asset Services
Business Unit	Asset Planning
File Reference	EG-CMP-033
Applicant	N/A
Owner	N/A
Attachments	1. LTCN Map [ <b>10.2.3.1</b> - 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 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 2027*

##### **Priority 3: Kalamunda Develops**

**Objective 3.2** - To connect community to quality amenities.

**Strategy 3.2.2** - Provide and advocate for improved transport solutions and better connectivity through integrated transport planning.

## **EXECUTIVE SUMMARY**

1. The purpose of this report is to consider the adoption of the Department of Transport's Long-Term Cycle Network (LTCN) developed by the Department in consultation with the City of Kalamunda (City).
2. Council endorsement of the LTCN is required in order to remain eligible for the Western Australian Bicycle Network (WABN) Program grant funding for cycling infrastructure projects.
3. It is recommended the LTCN be endorsed by Council.

## **BACKGROUND**

4. At the Ordinary Meeting of Council of 26 June 2018, the City of Kalamunda Bicycle Plan – Technical Report (2017) and City of Kalamunda Bicycle Plan – Summary Report (2017) were adopted for implementation.
5. The City's Bicycle Plan included a plan of works covering over twenty years, as well as identifying actions to undertake advocacy, and communicate behaviour change and community awareness.

## **DETAILS AND ANALYSIS**

6. The Department of Transport (Department) has developed a LTCN which will provide direction in the planning for bicycle infrastructure across the metropolitan Perth and Peel regions. As part of the development of this Plan, the Department is seeking endorsement of the LTCN by all metropolitan local governments.
7. As of July 2020, all WABN Program funding for local governments within Perth and Peel will be linked to the LTCN. The LTCN has been developed to also assist in state and federal funding decisions and applications.
8. Only bicycle routes shown in the LTCN and endorsed by the respective Council of the local government will be eligible for grants from July 2020.
9. The LTCN reflects the mapping of proposed bicycle routes only.
10. The City of Kalamunda Bicycle Plan (2017) has been used by the Department of Transport in the development of the LTCN.
11. The mapping has been reviewed by the City and there are some minor additions and changes to bicycle routes within the City of Kalamunda. A map of the LTCN routes, showing the additions, is shown in Attachment 1.



12. The additions to the routes provided in the City of Kalamunda Bicycle Plan are:
- a) a Secondary Cycling Route along Crystal Brook Road from Kelvin Road to Welshpool Road East;
  - b) a Secondary Cycling Route along Welshpool Road East from Crystal Brook Road past Tonkin Highway to Hale Road;
  - c) a Local Cycling Route passing Mary's Mount Catholic Primary School along Davies Crescent and other local streets; and
  - d) a Local Cycling Route passing Gooseberry Hill Primary School along Huntley Street and other local streets.
13. The changes to the routes provided by the City's Bicycle Plan are that LTCN does not include training routes.
14. The LTCN does not require the City of Kalamunda to alter the priority of delivery or timing of bicycle infrastructure. It also does not commit Council or the Department of Transport to deliver all, or any part, of the LTCN within a specific timeframe.
15. There are also no commitments to funding the routes within the LTCN.
16. Endorsement by Council will confirm the support for local and state government agencies to work collaboratively in delivering the aspirational LTCN over the longer term.

#### **APPLICABLE LAW**

17. The *Road Traffic Code* (2000) applies to any works in the road reserve.

#### **APPLICABLE POLICY**

18. There are no Council policies which directly relate to this subject.

#### **STAKEHOLDER ENGAGEMENT**

19. Community consultation will be undertaken as required as part of the detailed planning and delivery of actions arising from the City's Bicycle Plan.

#### **FINANCIAL CONSIDERATIONS**

20. In 2018, Council endorsed funding in the order of \$500,000 per annum to deliver the actions outlined in the City of Kalamunda Bicycle Plan.

**SUSTAINABILITY**

**Social Implications**

- 21. The LTCN will allow for consistent funding, planning and delivery of bicycle infrastructure throughout Perth and Peel to support cycling infrastructure for local communities.

**Economic Implications**

- 22. Improvements in cycling infrastructure support cycling-related tourism activities, alternative transport mode considerations and development opportunities.

**Environmental Implications**

- 23. Improvements in cycling infrastructure support increased cycling activities, leading to reduction in fossil fuel use, congestion, noise and emissions.

**RISK MANAGEMENT**

24.	<b>Risk:</b> That the LTCN does not meet the needs of the community, resulting in resource and funding commitments that do not provide expected benefits.		
	<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
	Moderate	Unlikely	Low
	<b>Action/Strategy</b>		
	Further consultation will be undertaken for individual projects to establish detailed needs as projects arise, where relevant and required.		

**CONCLUSION**

- 25. The LTCN aligns well with the City of Kalamunda Bicycle Plan, and the endorsement of the LTCN will ensure the City of Kalamunda can continue to access the WABN Program grant funding in the future.

**Voting Requirements: Simple Majority**

**RECOMMENDATION**

That Council ENDORSE the Long-Term Cycle Network developed by the Department of Transport.

### 10.3. Chief Executive Officer Reports

The recommendations of reports 10.3.1 to 10.3.3 be adopted by Council en bloc. Report 10.3.4 to be considered separately as an absolute majority vote is required.

Moved:

Seconded:

Vote:

#### 10.3.1. Draft Monthly Financial Statements to March 2020

*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 Financial Activity 31 March 2020 [10.3.1.1 - 2 pages]
	2. Statement of Net Current Funding Position as of 31 March 2020 [10.3.1.2 - 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 (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 2027*

### **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 Statements for the period ended 31 March 2020.
2. The Statutory Financial Statements report on the activity of the City of Kalamunda (City) with comparison of the period's performance against the mid-term review budget adopted by the Council on 24 March 2020 for the 2019/2020 financial year.
3. It is recommended that Council receives the draft Monthly Statutory Financial Statements for the period ended 31 March 2020, which comprise:
  - a) Statement of Financial Activity (Nature or Type);
  - b) Statement of Financial Activity (Statutory Reporting Program);
  - c) Net Current Funding Position, note to financial report.

## **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 (WA)* and Regulation 34 of the Local Government (Financial Management) Regulations 1996 (WA).
5. During the Special Council meeting held on 7 April 2020 the Council adopted the City's COVID 19 Financial Hardship policy, changes to budget 2019/2020 and recommendations to relieve the financial distress experienced by the community as a result of the current global situation. The following key measure are adopted in order to provide financial support to the Community:
  - a) Suspend lease rental for City owned buildings estimated impact of \$66,000.
  - b) Provide a full refund on all COVID-19 related cancelled bookings at City

- properties or facilities estimated impact of \$372,000.
- c) Suspend debt recovery through the courts for outstanding rates payments. This relates to General Procedure Claims that have been lodged for outstanding rates debtors. This will reduce incurring additional legal expenses to ratepayers during this time, with debt recovery to recommence subsequent to the COVID-19 crisis. This does not have a financial impact on the City as the legal costs are recovered from the ratepayer.

In total the above measures will result in an estimated reduction of \$438,000 of revenue for the 2019/20 financial year. It should be noted the statutory budget review was adopted by Council at its Ordinary Council Meeting on 24 March 2020 reporting a year end estimated accumulated surplus of \$3.5 million, which is sufficient to fund the financial relief efforts mentioned.

6. The opening funding position in the Statement of Financial Activity reflects the audited surplus carried forward from 2018/2019. The adjustment to fees and charges and the accumulated surplus as a result of the special council meeting on 7 April 2020, will be incorporated into the April 2020 month end results.

## **DETAILS AND ANALYSIS**

7. The Local Government Act 1995 (WA) requires Council to adopt a percentage or value to be used in reporting variances against Budget. Council has adopted the reportable variances of 10% or \$50,000 whichever is greater.

## **FINANCIAL COMMENTARY**

### **Statement of Financial Activity by Nature and Type for the period ended 31 March 2020**

8. This Statement reveals a net result surplus of \$14,818,728 compared to budget for the same period of \$11,817,388.

### **Operating Revenue**

9. Total Revenue excluding rates is under budget by \$73,471. This is made up as follows:
- a) Operating Grants, Subsidies and Contributions are over budget by \$13,117. The variance is within the reporting threshold.
  - b) Fees and Charges are under budget by \$100,198. This is an aggregate result of minor variances in individual fee categories.

- c) Interest Income is over budget by \$26,921. This is primarily due to, majority of the term deposits matured during February 2020.
- d) Other Revenue is under budget by \$16,799. This is mainly due to the lower than projected revenue from fines and enforcements.

### **Operating Expenditure**

10. Total expenditure is under budget by \$2,698,430. The significant variances within the individual categories are as follows:
- a) Employment Costs are under budget by \$853,815, which is primarily due to vacant positions and aggregate result of minor variances in various business units.
  - b) Materials and Contracts are under budget by \$1,466,557. The work programmes and planned projects are currently under review due to the prevailing economic situation.
  - c) Utilities are under budget by \$10,297, which mainly relates to street lighting costs which is lower than projected;
  - d) Depreciation, although a non-cash cost, is tracking under budget, reporting a variance of \$299,654. During the mid-term review budgeted depreciation has been reduced by \$500k to align to actuals.
  - e) Interest and Insurance expense are tracking below the reportable variance threshold.
  - f) Other expenditure is under budget by \$102,901. The variance is due to the timing difference of planned donations and contributions to various community groups.

### **Investing Activities**

#### **Non-operating Grants and Contributions**

11. The non-operating grants and contributions are under budget by \$847,214. During the mid-term review, non-operating grants income was decreased by \$2.1 million mainly due to rephasing of the Kalamunda Community Centre project. These grants will be provided in 2020/21 to align with the construction program. Further, the timing of the works programme will be effected by the current macro-economic situation.

## Capital Expenditure

12. The total Capital Expenditure on Property, Plant and Equipment and Infrastructure Assets (excluding Capital Work in Progress) is under budget by \$3,148,399. The management is currently reviewing the capital works programme to identify the projects that could potentially be deferred to the next financial year.
13. Capital works-in-progress expenditure of \$1,486,690 represents the costs expended on Forrestfield Industrial Area Scheme Stage 1 and CELL 9 Wattle Grove development. The relevant expenditure is funded by the Forrestfield Industrial Area Scheme Stage 1 reserve account and the CELL 9 trust account. These assets once constructed will be passed over to the City for management.

## Financing Activities

14. The amounts attributable to financing activities shows a variance of \$17,825 which is mainly due to the reserve movements and developer contributions.

## Rates Revenues

15. Rates generation is under budget with a variance of \$1,645,252. The variance is mainly due to the advance rates payment adjustment and timing of interim rates. The variance will be addressed during the end of the year financial process.

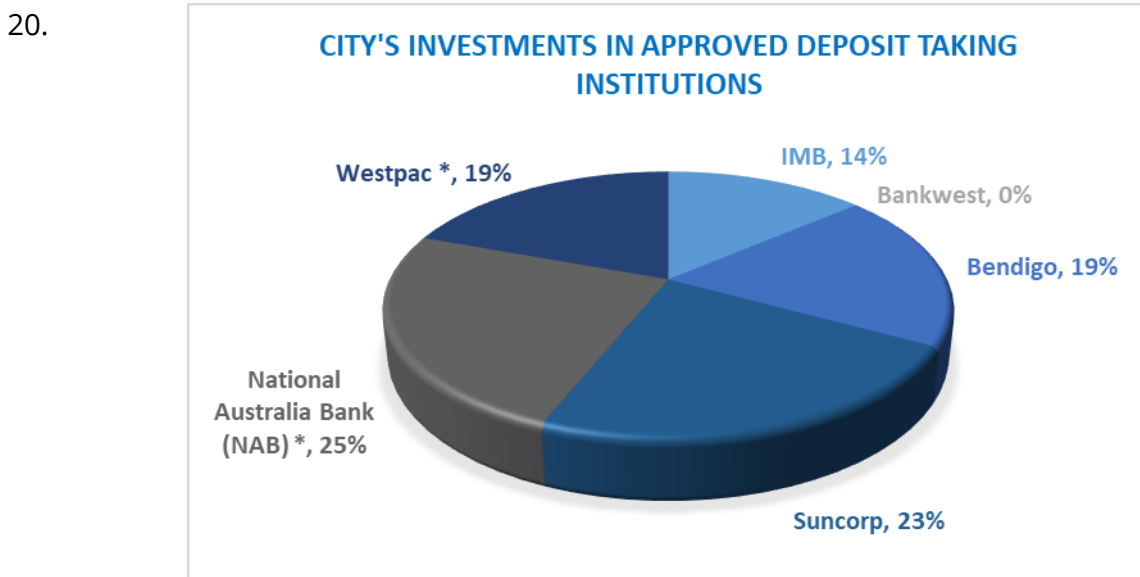
## Statement of Financial Activity by Program for the period ended 31 March 2020

16. Generally, the net result of each Program is within the accepted budget except for 'Community Amenities' and 'Recreation & Culture'. Major variances have been reported by Nature and Type under points 8 to 15 above.

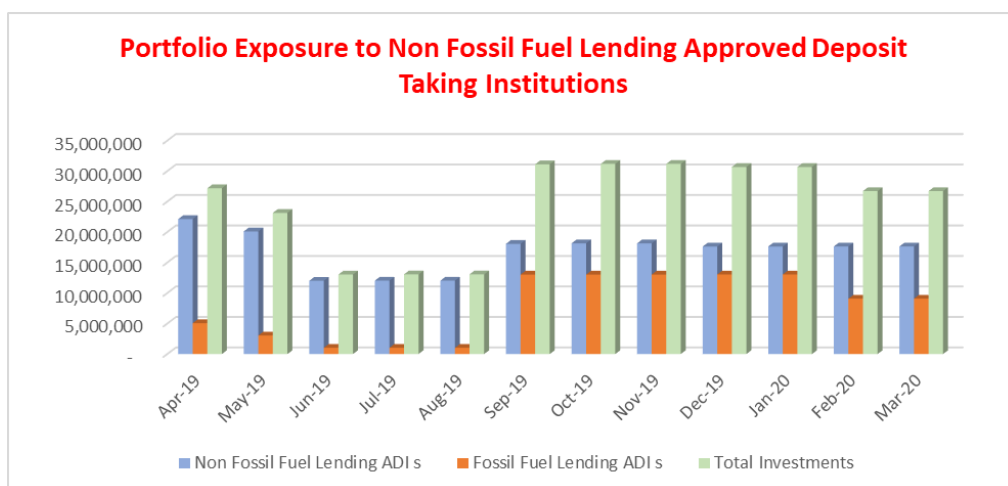
## Statement of Net Current Funding Position as at 31 March 2020

17. The commentary on the net current funding position is based on comparison of the March 2020 to the March 2019 actuals.
18. Net Current Assets (Current Assets less Current Liabilities) total \$27.7 million. The restricted cash position is \$16.3 million which is higher than the previous year's balance of \$12.9 million. This is mainly attributed to the timing of releasing funds from an expended capital works reserve to the general funds.

19. The following graph indicates the financial institutions where the City has investments as of 31 March 2020;



\*Financial Institutions with Investments in Fossil Fuel Industry



21. Trade and other receivables outstanding comprise rates and sundry debtors totalling \$3.2 million.

22. Sundry debtors have decreased from \$584,151 to \$403,390, of which \$306,106 consists of current debt due within 30 days.

23. Receivables Other represents \$1.8 million including:  
 a) Emergency Service Levy receivables \$0.6 million; and  
 b) Receivables sanitation \$0.7 million.



24. Provisions for annual and long service leave have increased by \$391,837 to \$3.4 million when compared to the previous year. The increase was mainly due to the increase in the leave provisions subsequent to the 2018/19 year-end adjustments.

#### **APPLICABLE LAW**

25. The Local Government Act 1995 (WA) and the Local Government (Financial Management) Regulations 1996 (WA) require presentation of a monthly statement of financial activity.

#### **APPLICABLE POLICY**

26. Nil.

#### **STAKEHOLDER ENGAGEMENT**

##### **Internal Referrals**

27. 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**

28. As noted in point 25 above, the City is required to present to the Council a monthly statement of financial activity with explanations for major variances.

#### **FINANCIAL CONSIDERATIONS**

29. 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**

30. Nil.

##### **Economic Implications**

31. Nil.

**Environmental Implications**

32. Nil.

**RISK MANAGEMENT**

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

34.	<b>Risk:</b> Non-compliance with Financial Regulations		
	<b>Likelihood</b>	<b>Consequence</b>	<b>Rating</b>
	Unlikely	Moderate	Low
	<b>Action / Strategy</b>		
	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**

35. The City’s Financial Statements as at 31 March 2020 demonstrate the City has managed its budget and financial resources effectively.

**Voting Requirements: Simple Majority**

**RECOMMENDATION**

That Council RECEIVE the Draft Monthly Statutory Financial Statements for the period ended 31 March 2020 which comprises:

- a) Statement of Financial Activity (Nature or Type);
- b) Statement of Financial Activity (Statutory Reporting Program);
- c) Net Current Funding Position, note to financial report.

## 10.3.2. Debtors and Creditors Report for the period ended March 2020

*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	<ol style="list-style-type: none"> <li>1. Creditor Payments for the period ended 31 March 2020 [<b>10.3.2.1</b> - 36 pages]</li> <li>2. Summary of Debtors for the month ended 31 March 2020 [<b>10.3.2.2</b> - 2 pages]</li> <li>3. Summary of Creditors for the month ended 31 March 2020 [<b>10.3.2.3</b> - 1 page]</li> </ol>

### TYPE OF REPORT

- -
- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>● Advocacy</li> <li>⚙ Executive</li> <li>● Information</li> <li>● Legislative</li> </ul> | <p>When Council is advocating on behalf of the community to another level of government/body/agency</p> <p>When Council is undertaking its substantive role of direction setting and oversight (eg accepting tenders, adopting plans and budgets)</p> <p>For Council to note</p> <p>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</p> |
|---|--|

### STRATEGIC PLANNING ALIGNMENT

*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.

## EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with the list of payments made from Municipal and Trust Fund Accounts in March 2020, in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996* (Regulation 13).
2. The Debtors and Creditors report provides Council with payments made from Municipal and Trust accounts together with outstanding debtors and creditors for the month of March 2020.
3. It is recommended that Council:
  - a) receive the list of payments made from the Municipal and Trust Fund Accounts in March 2020 in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996* (Regulation 13); and
  - b) receive the outstanding debtors and creditors report for the month of March 2020.

## BACKGROUND

4. Trade Debtors and Creditors are subject to strict monitoring and control procedures.

During the Special Council Meeting held on 7 April 2020 the Council adopted the City's COVID-19 Financial Hardship Policy and recommended to relieve the financial distress experienced by the community as a result of the current global situation.

Effective from 1 April 2020 the following principles are endorsed by the Council in order to provide financial assistance to the community which will have an impact on future income and debt collection.

- a) Suspend lease rental for City owned buildings estimated impact of \$66,000.
  - b) Provide a full refund on all COVID-19 related cancelled bookings at City properties or facilities estimated impact of \$372,000.
5. In accordance with *the Local Government (Financial Management) Regulations 1996* (Regulation 13) reporting on payments made from Municipal Fund and Trust Fund must occur monthly.

## DETAILS AND ANALYSIS

### Debtors

6. Sundry debtors as of 31 March 2020 were \$403,390. This includes \$306,106 of current debts and \$13,178 unallocated credits (excess or overpayments).
7. Invoices over 30 days total \$52,751, debts of significance:
  - a) Shire of Serpentine/Jarrahdale, \$16,626, Reimbursement long service leave;
  - b) High Wycombe Amateur Football Club, \$10,954, Player Fees;
  - c) Hartfield Country Club, \$8,656, Lease Fees;
  - d) Salini Impregilo – NRW, \$9,423, Road Wear;
  - e) Zig Zag Gymnastics, \$3,014, Lease Fees; and
  - f) Dome Coffees Australia, \$1,058, Utility Expenses.
8. Invoices over 60 days total \$3,015, no debts of significance.
9. Invoices over 90 days total \$54,697, debts of significance:
  - a) Berkshire Hathaway, \$30,716, Insurance – Employee claim;
  - b) Zig Zag Gymnastics, \$6,736, Lease Fees
  - c) Kalamunda & District Rugby Union, \$5,192, Player Fees;
  - d) Forrestfield Sisdac, \$3,708, Hall Hire;
  - e) Private Citizen, \$1,500, Contribution to removal of verge tree; and
  - f) High Wycombe Amateur Football Club, \$1,226, Utility Fees.
10. Payments totalling \$6,401,581 were made during the month of March 2020. Whilst standard payment terms are 30 days from the end of the month, with local businesses and contractors on 14-day terms, following Council's direction at the Special Council Meeting on 7 April 2020 all payments are now 14days until further notice.

11. Significant Municipal payments (GST inclusive – where applicable) made in the month were:

Supplier	Purpose	\$
Department of Fire and Emergency Services (DFES)	Emergency services levy – 3 <sup>rd</sup> quarter payment.	2,153,772.35
Australian Tax Office	PAYG payments	416,032.36
Eastern Metropolitan Regional Council (EMRC)	Domestic waste charges – disposal fees	361,352.60
Cleanaway	Waste recycling and bulk bin disposal fees	265,216.34
WA Local Government Superannuation Plan	Superannuation contributions	191,682.50
Western Australian Treasury Corporation	Loan instalments repayments loan 224 and 227	176,535.78
Asphaltech Pty Ltd	Road materials for various locations	175,171.36
Synergy	Power Charges – various locations	146,611.66
Pindan Contracting Pty Ltd	Kalamunda Community Centre construction – progress claim 2	128,511.68
Castle Civil Pty Ltd	Installation of gross pollutant trap – Stirk Park	114,884.00
360 Environmental Pty Ltd	Various works are contaminated sites – Brand Road, Ledger Road, Dawson Avenue	98,752.50
HAS Earth Moving	Earth moving equipment for Patterson Road stage 2	68,778.74
Belgravia Health and Leisure Group Pty Ltd	Kalamunda water park – contribution from July 2019 to September 2019	63,549.04
Dowsing Group Pty Ltd	Bus shelter upgrades and supply and install new concrete pathways – various locations	60,870.41
Kennedy Tree services	Tree removal and power line pruning – various locations	58,087.70

These payments total \$4,479,809.02 and represent 70% of all payments for the month.

**Payroll**

- 12. Salaries are paid in fortnightly cycles. A total of \$1,835,107.70 was paid in net salaries for the month of March 2020.
- 13. Details are provided in (Attachment 1) after the creditor’s payment listing.

**Trust Account Payments**

- 14. The Trust Accounts maintained by the City of Kalamunda (City) relate to the following types:
  - a) CELL 9 Trust;
  - b) POS Trust;
- 15. The following payments (GST exclusive) were made from the Trust Accounts in the month of March 2020.

CELL 9		Amount (\$)
Date	Description	
25/03/2020	City of Kalamunda – reimbursement of project management costs.	13,837.00

**APPLICABLE LAW**

- 16. Regulation 12(1) of the *Local Government (Financial Management) Regulations 1996 (WA)*.
- 17. Regulation 13 of the *Local Government (Financial Management) Regulations 1996 (WA)*.
- 18. This report is prepared in accordance with the requirements of *Regulation 13 the Local Government (Financial Management) Regulations 1996 (WA)*.

**APPLICABLE POLICY**

- 19. Debt Collection Policy S-FIN02.

**STAKEHOLDER ENGAGEMENT**

**Internal Referrals**

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

## External Referrals

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

## FINANCIAL CONSIDERATIONS

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

## SUSTAINABILITY

### Social Implications

23. Nil.

### Economic Implications

24. Nil.

### Environmental Implications

25. Nil.

## RISK MANAGEMENT

### Debtors

26.

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



**Creditors**

27.

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

**CONCLUSION**

28. Creditor payments for March 2020 are above the normal trend range due to the emergency service levy payments.

<b>Voting Requirements: Simple Majority</b>
---

**RECOMMENDATION**

That Council:

1. RECEIVE the list of payments made from the Municipal Accounts in March 2020 (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 the Trust Fund Accounts in March 2020 as noted in point 15 above in accordance with the requirements of the Local Government (Financial Management) Regulations 1996 (Regulation 13).
3. RECEIVE the outstanding debtors and creditors reports (Attachments 2 and 3) for the month of March 2020.

### 10.3.3. Rates Debtors Report for the period ended March 2020

*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 1. Rates Report March 2020 [**10.3.3.1** - 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 (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 2027*

##### **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 recovery actions.
2. The City of Kalamunda (City) levied rates for 2019/2020 on 1 July 2019 totalling of \$37,459,034, and as at 31 March 2020 \$35,924,054 has been collected for current and outstanding rates for the 30 June 2020 period.
3. It is recommended that Council receive the Rates Debtors Report for the month of March 2020 (Attachment 1).

**BACKGROUND**

4. Rate Notices were issued on 12 July 2019 with the following payment options available:

Options	Payment Dates			
Full Payment	16 August 2019			
Two Instalments	16 August 2019	18 December 2019		
Four Instalments	16 August 2019	17 October 2019	18 December 2019	19 February 2020

**DETAILS AND ANALYSIS**

5. A total of 23,544 Rate Notices, which included 3,050 electronic notices via BPAY View and eRates were issued on 12 July 2019. Rates Levied and Collectable for the 2019/20 Financial Year currently total \$39,253,564. As at 31 March 2020, a total of \$35,924,054 has been collected. This represents a collection rate of 93.34%.
6. Three additional services have been introduced in recent years to better assist ratepayers in paying amounts due. These are:
  - a) A Smarter Way to Pay – with approximately 922 ratepayers signed up. It is expected that this will further increase as debt collection processes continue.
  - b) eRates – there are a total 2,360 properties signed up for email delivery, compared to 2,116 in the previous year.
  - c) BPay View – approximately 998 ratepayers have signed up for this service.
7. It is expected eRates registrations will increase throughout the year, as the City continues a promotional campaign to encourage ratepayers to register to receive their future rates notices electronically.

8. Interim Rating has commenced for 2019/20 and will continue throughout the financial year, as at 31 January 2020 a total of \$116,976 has been raised for 2019/20 and \$5,503.00 for 2018/19.
9. Due to the current COVID-19 pandemic all Debt Recovery for outstanding rates has been put on hold until further notice as per the COVID-19 Financial Hardship Policy adopted by Council on 7 April 2020 (SCM 44/2020)
10. 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 improvements. For the period 01 March 2020 to 31 March 2020 there was a total of 383 incoming calls and 128 outgoing calls, equating to 26 hrs call time.

### **APPLICABLE LAW**

11. 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**

12. The City's rates collection procedures are in accordance with the Debt Collection Policy S-FIN02.

### **STAKEHOLDER ENGAGEMENT**

#### **Internal Referrals**

13. The City's General Counsel has been briefed on the debt collection process.

#### **External Referrals**

14. The higher-level debt collection actions are undertaken by the City's Debt Collection firm Illion (formerly Dun and Bradstreet) with all legal work in this area undertaken by Commercial Litigation and Insolvency Lawyers.

### **FINANCIAL CONSIDERATIONS**

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

**SUSTAINABILITY**

**Social Implications**

- 16. Debt collection can have implications upon those ratepayers facing hardship and the City must ensure equity in its debt collection policy and processes.
- 17. The City has introduced “a smarter way to pay” 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 the financial burden.

**Economic Implications**

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

**Environmental Implications**

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

**RISK MANAGEMENT**

20.

<b>Risk:</b> Failure to collect outstanding rates and charges.		
<b>Likelihood</b>	<b>Consequence</b>	<b>Rating</b>
Likely	Moderate	Medium
<b>Action/Strategy</b>		
Ensure debt collections are rigorously maintained.		

**CONCLUSION**

- 21. The City’s debt collection strategy remains effective with the 2018/19 collection as at the end of June 2019 at 96.24%.  
  
The City maintained an effective rates collection ratio above the average of all the Local Governments that participated in the Australasian LG Performance Excellence Survey (Source: Australasian LG Performance Excellence Survey, 2019).

<b>Voting Requirements: Simple Majority</b>
---

**RECOMMENDATION**

That Council RECEIVE the Rates Debtors Report for the Period Ended 31 March 2020 (Attachment 1).

### 10.3.4. Delegations of Authority from Council to the Chief Executive Officer - Temporary Amendments

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

Previous Items	N/A
Directorate	Chief Executives Office
Business Unit	Governance and Legal
File Reference	LE-ACT 006
Applicant	N/A
Owner	N/A
Attachments	1. Letter from Minister for Planning [10.3.4.1 - 2 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 2027*

##### **Priority 4: Kalamunda Leads**

**Objective 4.1** - To provide leadership through transparent governance.

**Strategy 4.1.1** - Provide good governance.

#### EXECUTIVE SUMMARY

1. To consider temporary amendments to a number of delegations from Council to the Chief Executive Officer (CEO).

2. The temporary amendments are considered necessary to enable quick responses to issues arising from the current declared State and Public Health Emergency to combat COVID-19.
3. It is recommended Council approve the temporary amendments to the delegations identified.

## **BACKGROUND**

4. In order to carry out its functions efficiently and effectively, Council has the ability to delegate its powers and duties to the CEO (or to another staff member, in some cases).
5. The current delegations were approved by Council at the Ordinary Council Meeting (OCM) of 25 June 2019 following the statutory annual review.

## **DETAILS AND ANALYSIS**

6. Due to the current State and Public Health Emergency declarations it is considered prudent to assess whether any temporary amendments should be made to the current delegations from Council to the CEO to facilitate the quickest response possible to issues arising from COVID-19.
7. The following amendments to approved thresholds of certain delegations are proposed:
  - a) LGA2 – Tenders and Expressions of Interest – increase from \$350,000 to \$500,000.
  - b) LGA 7 – Write-off of General Debts – increase from \$1,000 to \$5,000.
  - c) LGA 10 – Write-off of Interest imposed on Outstanding Rates – increase from \$5 to \$500.
  - d) LGA 11 – Write-off of Rates Debts – increase from \$100 to \$2,000.
  - e) Misc. 4 – Write-off of Interest imposed on Outstanding Emergency Services Levy (ESL) payments – increase from \$2 to \$100.
  - f) PLN1 – Planning Matters – Approve Planning Applications where there is no more than a 30% deficiency in the parking bays required to be provided by the applicant.

Of the above matters the only matter not within total control of the City is the Emergency Services Levy which the City has been directed to collect by and on behalf of the State Government.



8. With respect to points (b) to (e) above, the possible financial impact of these temporary changes is difficult to quantify due to the unique nature of the current situation and the effectiveness to date of the City's Debt Collection process. As at 30 March 2020 general debts amount to \$403,390, with \$306,106 of that amount being current (30 days) with remainder being up to over 90 days. The list of monthly debtors is reported to Council each month via the Debtors and Creditors report. Any write off of debts, above the CEO delegation, are reported through the Audit and Risk Committee.
9. Requests for assistance due to COVID-19 financial hardship will be required to meet the principles of the financial hardship criteria established in the Financial Hardship Policy adopted by Council on 7 April 2020.
10. The proposed amendment to PLN1 accords with the request from the Minister for Planning as outlined in a letter of 25 March 2020 (Attachment 1).
11. It is intended these temporary amendments are effective until the cessation of the current State and Public Health declaration of Emergency.  
  
Council will be required to consider the statutory annual review of delegations at the June 2020 Ordinary Meeting at which time a review of the temporary changes to the delegations can be made.

#### **APPLICABLE LAW**

12. Delegations to the CEO - Section 5.42 of the *Local Government Act 1995*.  
  
Limits on delegations to CEOs – S.5.43.
13. There are also similar delegation provisions in the *Building Act 2011*, *Local Planning Scheme No 3*, *Health Act 1911*, *Dog Act 1976*, *Cat Act 2011* and *Graffiti Vandalism Act 2016*.

#### **APPLICABLE POLICY**

14. Where appropriate, Policies will reflect the principles and conditions included in any delegation.

#### **STAKEHOLDER ENGAGEMENT**

15. The proposed changes are supported by the Administration.

16. Community engagement is not undertaken with respect to delegation matters.

**FINANCIAL CONSIDERATIONS**

17. The financial implications associated with providing amended delegations will depend on the amount of assistance and relief requested by residents of the City.

**SUSTAINABILITY**

**Social Implications**

18. The exercise of some of the delegated powers may have a positive impact for residents of the City.

**Economic Implications**

19. There is potential to provide economic support to City businesses and residents.

**Environmental Implications**

20. N/A

**RISK MANAGEMENT**

21.	<b>Risk:</b> The Council does not implement strategies to facilitate the provision of assistance to residents of City in the quickest possible time during the COVID 19 pandemic		
	<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
	Moderate	Likely	Medium
	<b>Action/Strategy</b>		
	Ensure strategies are in place to meet the expectations of City residents.		

**CONCLUSION**

22. The recommendations reflect a balanced approach that will provide the opportunity for the Administration to respond quickly and effectively to members of the community who have suffered financial hardship as a consequence of the COVID 19 pandemic.

**Voting Requirements: Absolute Majority**

**RECOMMENDATION**

That Council

1. APPROVE with immediate effect until the cessation of the declarations of State or Health Emergency, amendment to the thresholds of the following delegations to the Chief Executive Officer:
  - a) LGA2 – Tenders and Expressions of Interest – increase from \$350,000 to \$500,000.
  - b) LGA 7 – Write-off of General Debts – increase from \$1,000 to \$5,000.
  - c) LGA 10 – Write-off of Interest imposed on O/S Rates – increase from \$5 to \$500.
  - d) LGA 11 – Write-off of Rates Debts – increase from \$100 to \$2,000.
  - e) Misc. 4 – Write-off of Interest imposed on O/S ESL payments – increase from \$2 to \$100.
  - f) PLN1 – Planning Matters – Approve Planning Applications where there is no more than a 30% deficiency in the parking bays required to be provided by the applicant.
  
2. REQUEST the Chief Executive Officer provide at least monthly reports of the decisions made under the above delegations.

- 11. Motions of Which Previous Notice has been Given**
- 12. Questions by Members Without Notice**
- 13. Questions by Members of Which Due Notice has been Given**
- 14. Urgent Business Approved by the Presiding Member or by Decision**
- 15. Meeting Closed to the Public**
- 16. Tabled Documents**
  - 16.1 SSRC Minutes 17 February 2020 (Confidential Minutes provided under separate Cover)
  - 16.2 SSRC Minutes 4 March 2020 (Confidential Minutes provided under separate Cover)
  - 16.3 SSRC Minutes 11 March 2020 (Confidential Minutes provided under separate Cover)
- 17. Closure**