



Ordinary Council Meeting

MINUTES

Tuesday 23 May 2023

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1. Official Opening

The Presiding Member opened the meeting at 6:30pm and welcomed Councillors, Staff and Members of the Public Gallery. The Presiding Member also acknowledged the Traditional Owners of the land on which we meet the Whadjuk Noongar people.

2. Attendance, Apologies and Leave of Absence Previously Approved

Councillors

South East Ward

John Giardina

Geoff Stallard

South West Ward

Mary Cannon

Brooke O'Donnell

North West Ward

Sue Bilich

Lisa Cooper

Dylan O'Connor

North Ward

Kathy Ritchie

Margaret Thomas JP (Mayor) Presiding Member

Members of Staff

Chief Executive Officer

Gary Ticehurst - Acting Chief Executive Officer

Executive Team

Chris Thompson - A/Director Asset Services

James Wickens - A/Director Community Engagement

Jamie Patterson - A/Director Corporate Services

Nathan Ritchie - Director Development Services

Management Team

Mandy Skeates - Manager Economic & Cultural Services

Administration Support

Darrell Forrest - Governance Advisor

Donna McPherson - Executive Assistant to the CEO

Members of the Public 1

Members of the Press Nil.

Apologies

Cr Janelle Sewell

Leave of Absence Previously Approved Nil.

3. Public Question Time

3.1. Questions Taken on Notice at Previous Meeting

3.1.1 Charles Dornan - Wattle Grove (taken on notice 18 April 2023)

Q. Once developments are completed within the Maddington Kenwick Strategic Employment Area will the City re-survey the area to ensure developers have not encroached on City land?

A. The City does not currently plan on undertaking a survey to confirm the boundaries between road reserves and private property in the Maddington Kenwick Strategic Employment Area.

As part of the finalisation of development processes and in the context of discharging conditions of approval, if hypothetically a potential encroachment is identified the City will determine the appropriate course of action in the circumstances in consultation with the landowner, which may include the completion of a survey.

3.2. Public Question Time

3.1 Nil.

4. Petitions/Deputations

4.1 Nil.

5. Applications for Leave of Absence

5.1 Nil.

6. Confirmation of Minutes from Previous Meeting

6.1 RESOLVED OCM 59/2023

That the Minutes of the Ordinary Council Meeting held on 18 April 2023, as published and circulated, are confirmed as a true and accurate record of the proceedings.

Moved: **Cr Kathy Ritchie**

Seconded: **Cr Lisa Cooper**

Vote: **CARRIED UNANIMOUSLY (10/0)**

7. Announcements by the Member Presiding Without Discussion

7.1 Councillor Resignation

The City of Kalamunda has received the resignation of Cr Kellie Miskiewicz.

I would like to thank Kellie for her time on Council and wish her all the best in his future endeavours.

8. Matters for Which the Meeting may be Closed

8.1 Item 10.1.1.Amendment 111 to Local Planning Scheme No. 3 - Proposed Rezoning of Lot 500 (3) Salix Way, Forrestfield – Submitters List

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

8.2 Item 10.6.9 Consideration of Easement Arrangements

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

Reason for Confidentiality: *Local Government Act 1995 (WA) Section 5.23 (2) (d) - "legal advice obtained, or which may be entered into, by the local government which relates to a matter to be discussed."*

9. Disclosure of Interest

9.1. Disclosure of Financial and Proximity Interests

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

9.1.1 Cr Sue Bilich declared a Proximity Interest on Item10.2.1 Submission for the 2024/2025 Metropolitan Regional Roads Group Road Improvement Projects Program. Cr Bilich’s family has two properties on Kalamunda Road near the proposed works.

9.2. Disclosure of Interest Affecting Impartiality

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

9.2.1 Nil.

10. Reports to Council

10.1. Development Services Reports

10.1.1. Amendment 111 to Local Planning Scheme No. 3 - Proposed Rezoning of Lot 500 (3) Salix Way, Forrestfield

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

Previous Items	OCM 143/2022
Directorate	Development Services
Business Unit	Approval Services
File Reference	SL-01/003
Applicant	City of Kalamunda
Owner	State of Western Australia

Attachments	1. Amenment 111 to Local Planning Scheme No. 3 [10.1.1.1 - 7 pages]
	2. Scheme Amendment Map [10.1.1.2 - 1 page]
	3. Submission Table [10.1.1.3 - 2 pages]

Confidential Attachments	1. Submitters List
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Reason for Confidentiality: Local Government Act 1995 (WA) Section 5.23 (2) (b) - "the personal affairs of any person."

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 1: Kalamunda Cares and Interacts

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

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

Priority 1: Kalamunda Cares and Interacts

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

Strategy - 1.2.1 Facilitate a safe community environment.

Priority 3: Kalamunda Develops

Objective 3.1 - To plan for sustainable population growth.

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

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to consider final adoption of Amendment 111 (A111) to Local Planning Scheme No. 3 (Scheme).
2. The Agreement of Sale conditions for the Forrestfield Library site at 3 Salix Way, included the requirement for the City of Kalamunda (City) to initiate and make all reasonable efforts to amend the Scheme to secure the future redevelopment of the site for the Forrestfield Police Station.
3. A111 proposes “Public Purpose – Police Station” reservation across the balance of Lot 500 (3) Salix Way, Forrestfield, in replacement of the “Residential R60” zone.
4. Council is recommended to adopt Amendment 111 without modification.

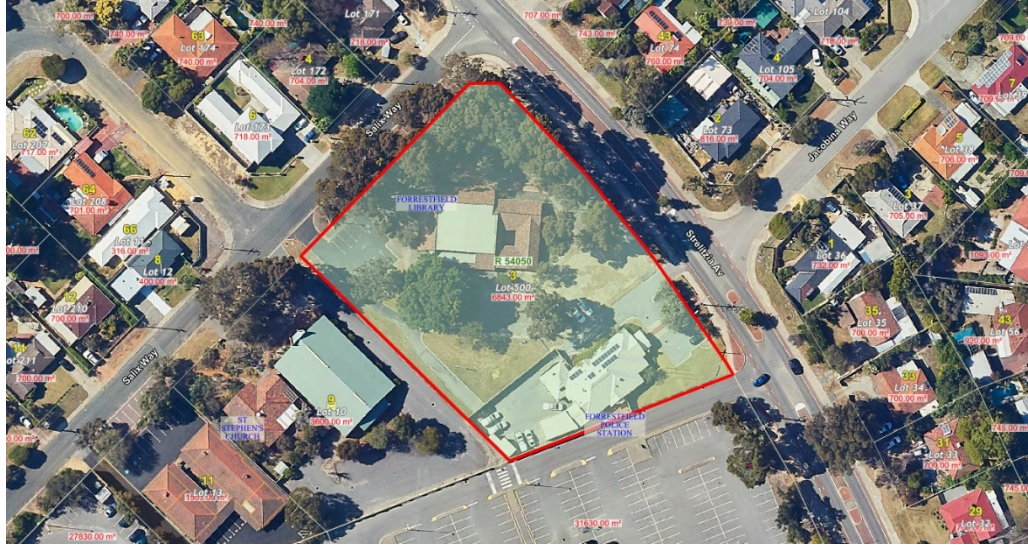
BACKGROUND

5. **Land Details:**

Land Area	6,843sqm
Metropolitan Region Scheme Zone	Urban
Local Planning Scheme Zone	Public Purpose, Residential R60

6.

Locality Plan:



7.

Zoning Map:



8.

Structure Plan:

The subject site is located within the Forrestfield District Centre Structure Plan 2012 (Structure Plan) area. It is identified in the Structure Plan as an 'opportunity' site. Opportunity sites have been identified as those areas or parcels of land within the centre which have characteristics suitable for new development.

9.



10. The site has been developed and used as the City's Forrestfield Library since its construction in 1979. It is included on the City's Municipal Inventory as a category 4, stating its Level of Significance is "little" and it should be photographically recorded prior to development or demolition, and to recognise and interpret the site if possible. The City completed a photographic record in early 2023.

11. Council considered the matter of the State Government's intent for a new Police Station at the February 2022 Ordinary Council Meeting in a confidential report. It resolved (OCM 21/2022) to adopt the recommendations within the report.
12. The Sale of the Library site to the State was executed by way of an Agreement for Sale on 18 May 2022.
13. The library facilities are being relocated to the Forrestfield Shopping Centre and approval has been granted for the demolition for the Library site.
14. Council determined to initiate A111 at its Ordinary Council Meeting 25 October 2022 for the purposes of commencing public advertising.

DETAILS AND ANALYSIS

15. The subject site has been sold to the West Australian Police (WAPOL) for the purpose of expanding the Forrestfield Police Station. The Agreement for Sale was signed on 18 May 2022, with settlement within 42 days of the agreement (29 June 2022).
16. One of the conditions of the Agreement for Sale is for the City, as vendor, within 6 months after settlement, to initiate an amendment to LPS 3 so that the land is reserved for Public Purposes – Police Station, and for the City to do all things reasonably within its power to have that amendment effected. The City complied with this condition by initiating this A111 on 25 October 2022.
17. A111 will result in the reclassification of the land from the current "Residential" R60 zone to a Reserve for "Public Purposes" for Police.
18. **Zoning**
The reserve objective "to provide for a range of essential physical and community infrastructure" will be consistent with the development of the new Forrestfield Police Station and ensure the zoning is consistent with the current zoning across the existing Police Station.
19. **Tree Retention**
The City's Local Planning Policy 33 – Tree Retention (LPP33) provides guidance on trees considered worthy of retention and exemptions to remove these trees. The future Police Station development will have due regard to the policy and enable the protection of trees across the site.

APPLICABLE LAW

20. **Planning and Development (Local Planning Schemes) Regulations 2015**

Regulation 50(3) of the *Planning and Development (Local Planning Schemes) Regulations 2015* (Regulations) requires the local government to pass a resolution by the end of the consideration period to support without modification, support with proposed modifications to address issues raised in the submissions, or not to support the amendment.

21. The local government must provide the advertised amendment to the Commission for consideration in accordance with Regulation 53 of the Regulations.

22. Under the Regulations the A111 is considered a “standard” amendment for the following reasons:

- a) An amendment that is consistent with a local planning strategy for the scheme that has been endorsed by the Commission.
- b) An amendment to the scheme map that is consistent with a structure plan or local development plan that has been approved under the scheme for the land to which the amendment relates if the scheme does not currently include zones of all the types that are outlined in the plan.
- c) The proposed amendment would have minimal impact on land in the scheme area that is not the subject of the amendment.
- d) The proposed amendment does not result in any significant environmental, social, economic or governance impacts on land in the scheme area.

23. A111 is neither complex nor basic, as defined under Part 5 of the *Planning and Development (Local Planning Schemes) Regulations 2015* and therefore is classified as standard under the regulations.

24. **Metropolitan Region Scheme**

A111 remains consistent with the Metropolitan Region Scheme (MRS) zoning of Urban for the subject site.

APPLICABLE POLICY

25. **State Planning Policy 4.2 – Activity Centres for Perth and Peel**

The subject site forms part of the Forrestfield District Activity Centre which is one of four (4) District Centres within the north-east sub-region. A111 is therefore consistent with this designation.

26. **Draft State Planning Policy 4.2 – Activity Centres**
Draft State Planning Policy 4.2 – Activity Centres states that ‘precinct structure plans’ (PSP) should be endorsed by the Western Australian Planning Commission (WAPC) prior to a ‘major development’ being approved to ensure the development of the activity centre is integrated, cohesive and accessible.
27. The proposal, which will ultimately involve the expansion of the existing police station, does not meet the threshold of additional activity centre use floorspace and therefore, the requirement for a PSP is not triggered by this proposal. Furthermore, the A111 is considered to address an immediate and demonstrated local need.
28. **City of Kalamunda Local Planning Strategy**
The Local Planning Strategy (LPS) acknowledges that the Forrestfield District Activity Centre has expansion potential owing to the residential and population growth in Wattle Grove and Forrestfield.
29. A111 does not alter the intent of the strategy, with the reclassification securing the future of the new Police Station and delivering appropriate resources to support the growth of Wattle Grove and Forrestfield.
30. **City of Kalamunda Activity Centres Strategy**
A111 and the new police station aligns with the City’s Activity Centres Strategy (ACS).
31. **Forrestfield District Centre Structure Plan**
The site the subject of the Amendment is notated as an “opportunity” site. The ultimate use of this site for the expansion of the police station aligns with the intent of the Structure Plan.

STAKEHOLDER ENGAGEMENT

32. **Public Advertising**
Pursuant to Regulation 47 of the Regulations and LPP11, A111 was advertised from 8 February 2023 to 22 March 2023 via the following methods:
- a) A notice on the City of Kalamunda’s website;
 - b) A notice in the local paper;
 - c) A sign on site;
 - d) Letters to surrounding landowners; and
 - e) Letters to relevant external agencies.

33. Five (5) submissions were received during the advertising of A111, comprising of 1 comment and 4 submissions from government agencies. Refer to attachment 3 which contains all the submissions received along with the City's response to each submission.
34. The one comment received had no objection to the proposal, however, wanted the retention of trees to be assessed and considered through the design of the Police Station. Noting the principles established under Local Planning Policy 33 – Tree Retention will be given due regard through the City's response to the development application, there is scope for tree retention to occur on-site.
35. Each of the four (4) government agencies who provided a submission had no objection or concerns with the proposal.

FINANCIAL CONSIDERATIONS

36. N/A

SUSTAINABILITY

37. **Social**
The proposed public purpose reserve will facilitate the upgrade of public infrastructure to allow the police station to adequately service the region. No issues were identified through the advertising period in relation to the expansion of the public purpose reserve.
38. **Economic**
The proposed amendment is a requirement of the Agreement of Sale, therefore supporting the amendment will fulfill the conditions. Limited external economic impacts will occur from the extension of the public purpose reserve.
39. **Environmental**
The subject site contains a significant number of trees worthy of retention. It is understood tree retention can be facilitated on site with additional trees also expected through the future development.

RISK MANAGEMENT

40.	Risk: The proposed amendment is not supported or deferred resulting in the City not fulfilling a condition of sale requirement.		
	Consequence	Likelihood	Rating
	Significant	Possible	High
	Action/Strategy		
	Ensure that the intent of the scheme amendment and requirements of sale of the site is understood.		

CONCLUSION

- 41. During the 2021 State Election, the McGowan Government made an election pledge to build a new Forrestfield Police Station.
- 42. The Council agreed to sell the current library site to WAPOL. An Agreement for Sale of the land was signed on 18 May 2022 and contains a condition requiring an amendment to LPS3 to change the classification of the land to a reserve for “Public Purposes” for a Police Station.
- 43. No objections were raised through the advertising period, with the development application process able to deal with any comments raised.
- 44. It is recommended that Council adopt the A111.

Voting Requirements: Simple Majority

RESOLVED OCM 60/2023

That Council:

- 1. NOTE the submissions received during the advertising of Scheme Amendment No. 111 to Local Planning Scheme No. 3 – (Lot 500 (3) Salix Way, Forrestfield).
- 2. ADOPT proposed Scheme Amendment No.111 to Local Planning Scheme No.3 – (Lot 500 (3) Salix Way, Forrestfield) pursuant to Regulation 50(3)(a) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.
- 3. NOTE the Amendment document may undergo minor formatting and administrative updates to ensure consistency with model requirements, prior to being referred to the Western Australian Planning Commission.

4. FORWARD to the Western Australian Planning Commission the summary of submissions and responses and all required Scheme amendment documentation pursuant to Regulation 53 (Standard) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.

Moved: **Cr Lisa Cooper**

Seconded: **Cr Brooke O'Donnell**

Vote: **CARRIED UNANIMOUSLY (10/0)**

10.2. Asset Services Reports

10.2.1. Submission for the 2024-2025 Metropolitan Regional Roads Group Road Improvement Projects Program

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

Cr Sue Bilich declared a Proximity Interest on Item 10.2.1 Submission for the 2024/2025 Metropolitan Regional Roads Group Road Improvement Projects Program. Cr Bilich’s family has two properties on Kalamunda Road near the proposed works. Cr Bilich left the meeting at 6:34pm and returned at 6:35pm. Cr Bilich did not vote on this recommendation.

Previous Items	OCM 72/2021; OCM 99/2022
Directorate	Asset Services
Business Unit	Asset Planning
File Reference	4.00011767
Applicant	N/A
Owner	N/A
Attachments	1. Kalamunda Rd - Hawkevale Project extent [10.2.1.1 - 1 page]

TYPE OF REPORT

	Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
P	Executive	When Council is undertaking its substantive role of direction setting and oversight (e.g. accepting tenders, adopting plans and budgets)
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STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

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

Strategy 3.2.3 - Provide and advocate for improved transport solutions and better connectivity through integrated transport planning.

EXECUTIVE SUMMARY

1. The purpose of this report is to seek endorsement of a submission for funding as part of the 2024/2025 Metropolitan Regional Roads Group (MRRG) Road Improvement Projects Program. The proposed project is to undertake the construction phase of Kalamunda Road Improvements from west of Roe Highway to east of Cyril Road including the Hawkevale intersection. This is referred to as the Kalamunda-Hawkevale Road Upgrade Project (Project).
2. Like its partner program (for road rehabilitation), the MRRG program provides the opportunity for local governments to seek a grant from the State Government of two thirds of the cost of projects for road improvement projects.
3. The recommendation is for Council to endorse the submission for the construction phase of the Kalamunda-Hawkevale Road Upgrade Project with the concept plan shown as Attachment 1, with an estimated construction cost of \$1.19 million.

BACKGROUND

4. Each year, Main Roads WA (MRWA) invites project submissions for funding consideration as part of the MRRG Road Improvement Projects Program.
5. At the July 2022 OCM Council endorsed a submission from the City of Kalamunda (City) to submit an application for 2023/2024 MRRG Road Improvement Funding for the Kalamunda - Hawkevale Road Upgrade Project. OCM 99/2022 refers.
6. The City's submission was for funding to undertake design and services relocation in Year 1 (2023/2024) with construction in Year 2 (2024/2025).

7. The City has received advice from MRRG that whilst our initial submission for funding over two financial years was received, they will only consider funding applications on a year-by-year basis. Accordingly, they are dealing currently with the funding application for 2023/2024 design works and require a fresh application for construction funding in 2024/2025.

DETAILS AND ANALYSIS

8. Road Improvement Projects are those proposed for existing or future roads, where an efficiency and safety gain can be realised.
9. The Project was identified as part of the Kalamunda Road Functional Review and Upgrade Plan (Abernethy to Roe) (the Plan) and adopted by Council in August 2020 (OCM 169/2020). The Project proposed for the MRRG Road Improvement Program is part of Section 3 from the Plan, being west of Roe Highway (adjoining existing interchange works), to just east of Cyril Road.
10. Attachment 1 shows the schematic design for the project. The main features are:
- a) a new roundabout at Hawkevale Road;
 - b) a new road connection at Range Court;
 - c) a closure of Range View Road at Kalamunda Road;
 - d) improved streetscaping treatments along Kalamunda Road and at the new intersections;
 - e) new cycling infrastructure and path upgrades to suit the new intersection; and
 - f) street lighting upgrades at the new intersections.
11. Notable project impacts include:
- a) the need to relocate power poles and potentially move some of the power cables underground; and
 - b) the removal of two small trees and one medium sized tree located at the end of Range Court.
12. The overall Project is estimated to cost \$1.968 million, of which the total grant will cover \$1.295 million with the City municipal funds providing \$0.673 million. The Project will be delivered in two stages during 2023/2024 and 2024/2025, subject to funding.
- a) Stage 1 in 2023/24 will involve all service relocations, and specifically the relocation of power poles and undergrounding of power services, with a total project cost estimated at \$777,810.
 - b) Stage 2 in 2024/25 will involve construction and the new road connections, with a total project cost estimated at \$1,189,880.

- c) Successful MRRG Improvement projects are funded on basis of MRRG funding of 2/3rd of Project cost with the City funding 1/3rd of the Project cost and internal overheads.
13. Budget funds have been provided in the draft 2023/2024 Capital Works program for design and services relocations.
14. The City has been advised that as yet formal approval for any 2023/2024 MRRG Improvement projects has not been given, however it is understood that the City submission is worthy of consideration.
15. This report now confirms the need to apply for construction funding in the 2024/2025 Financial Year under the MRRG Improvement program for State funding of \$793,253 matched with City funding of \$396,627 for a total of \$1,189,880.
16. Submissions were due on 19 May 2023, and the City has submitted already in order to meet this deadline. Council is requested to endorse the submission based on the concept design shown in Attachment 1. If the submission is not endorsed, then it can be withdrawn.

APPLICABLE LAW

17. The *Main Roads Act 1930* provides for the City to manage local roads, which includes road upgrades.

APPLICABLE POLICY

18. There is no policy directly relevant to this report.

STAKEHOLDER ENGAGEMENT

19. The community was consulted during the preparation of the Kalamunda Road Functional Review and Upgrade Plan (Abernethy to Roe). Further engagement is planned as detail design progresses.

FINANCIAL CONSIDERATIONS

20. The overall construction cost has been estimated at \$1,189,890. Should the City be successful with its submission, grant funding will be received at an estimated \$0.793 million, with municipal funding providing the remaining \$0.396 million plus overheads.
21. The project was listed on the City's Capital Works Program at a prior funding level and will now be updated and incorporated into the Long Term Financial Plan modelling.

22. Project budgets include allowances for contingency. Mechanisms exist within MRRG funding schemes that allow for some additional funding if at time of tender, insufficient funding exists to undertake the works.

SUSTAINABILITY

23. The change in arrangement of roads at the Hawkevale Road intersection, and improved streetscaping, pedestrian and cycling infrastructure will improve the social amenity for the majority of the community.

RISK MANAGEMENT

24.

Risk: The City fails to secure grant funding leading to additional rates funding needs.		
Consequence	Likelihood	Rating
Major	Possible	High
Action/Strategy		
The City continues to improve its submission quality, project estimating and project management to comply with grant funding requirements.		

25.

Risk: There is significant dissatisfaction from the community regarding the future change in road connections.		
Consequence	Likelihood	Rating
Major	Unlikely	Medium
Action/Strategy		
The City will be undertaking further consultation and will attempt to address all concerns as part of the design process in 2023/2024 (well before the project construction in 2024/2025).		

CONCLUSION

26. If successfully funded, the first project identified in the Kalamunda Road Functional Review (Abernethy–Roe) can be delivered at an estimated total cost of \$1.968 million with \$1.295 million grant funding (subject to 2023/2024 and 2024/2025 budget approvals).
27. The City will be consulting with the community in 2023/2024 while working on the detailed design thus ensuring we address as many concerns as we can around the changing road layouts.

28. As the submission was due by 19 May 2023, the submission has already been entered. Should Council not support the submission it can be withdrawn.

Voting Requirements: Simple Majority

RESOLVED OCM 61/2023

That Council ENDORSE the submission for the construction phase of the Kalamunda-Hawkevale Road Upgrade Project for the 2024/2025 Metropolitan Regional Roads Group Road Improvement Projects Program based on the concept design as shown in Attachment 1.

Moved: **Cr Dylan O'Connor**

Seconded: **Cr Lisa Cooper**

Vote: **CARRIED UNANIMOUSLY (9/0)**

10.3. Corporate Services Reports

No reports presented.

10.4. Community Engagement Reports

10.4.1. Service 9 Community Group Leases

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

Previous Items	OCM 302/2021
Directorate	Community Engagement
Business Unit	Economic and Cultural Services
File Reference	
Applicant	
Owner	City of Kalamunda
Attachments	{attachment-list-do-not-remove}

TYPE OF REPORT

	Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
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STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 1: Kalamunda Cares and Interacts

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

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

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

Strategy 1.1.3 - Facilitate opportunity to pursue learning.

Priority 1: Kalamunda Cares and Interacts

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

Strategy - 1.2.1 Facilitate a safe community environment.

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

Strategy 1.2.2 - Advocate and promote healthy lifestyle choices by encouraging the community to become more active citizens.

Priority 1: Kalamunda Cares and Interacts

Objective 1.3 - To support the active participation of local communities.

Strategy 1.3.1 - Support local communities to connect, grow and shape the future of Kalamunda.

Strategy 1.3.2 - Encourage and promote the active participation in social and cultural events in the City of Kalamunda.

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

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

Priority 4: Kalamunda Leads

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

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

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to consider undertaking public advertising draft policy "Service 9 – Sporting and Community Group Leases" (Attachment 1)
2. The draft policy has been developed utilising feedback received from Sporting Clubs and Community Organisations during the Leases and Licenses review.
3. The recommendation is to adopt the policy for the purposes of public advertising.

BACKGROUND

4. Policies form part of the Governance and Policy Framework. Section 2.7 (2)(b) of the *Local Government Act 1995* states that the Council is to 'determine the local government's policies'.
5. The Current Policy, Service 9 Community Group Leases, was adopted in October 2021. (Attachment 2)
6. The City undertook a leases and licenses review between December 2022 and February 2023, receiving feedback from all sporting clubs and community organisations that currently have leases in the City of Kalamunda.

DETAILS AND ANALYSIS

7. The City is committed to providing leased facilities to sporting clubs and community organisations within the City to support their activities for the benefit of the community.
8. The City is committed to providing available community spaces as hire facilities to sporting and community organisations, groups and the broader community on a casual basis for special events.
9. The Policy will guide the creation of leases which would include the basis community groups will be responsible for the consumables they use, minor maintenance and other nominal costs.
10. Similarly the Policy will recognise that Sporting and community organisations also have the option to hire a facility on a temporary, or regular basis, in accordance with the City's fees and charges and the Casual Facility Hire terms and conditions at the rate applicable.
11. The City encourages co-location and multipurpose usage of its community facilities, in order to maximise usage and increase the overall benefits to the community.
12. Seasonal lease agreements are the City's preferred lease arrangement for its active sporting reserves to allow season-based sharing of community facilities. In general, clubs will have exclusive access to facilities in their regular sporting seasons as the in-season club, with any out of season access to be negotiated and agreed between the users separately.

APPLICABLE LAW

13. Local Government Act 1995
14. Associations Incorporation Act 2015.

APPLICABLE POLICY

15. Service 9 – Community Group Leases

STAKEHOLDER ENGAGEMENT

16. The City of Kalamunda undertook a review into the way the Leases and Licences process operates between December 2022 and February 2023, this involved contacting all Lessees to ascertain information and input into the way the Leases and Licences process operates.
17. The draft Policy has now been developed, and the City proposed to undertake further community consultation with both lease holders and the wider community in regard to the draft.

FINANCIAL CONSIDERATIONS

18. Costs to advertise the draft Policy are included in the current operating budget, with no additional costs required.
19. The management and maintenance of sporting and community facilities provided by the City of Kalamunda represents a significant investment.
20. In recognition of the community benefit provided by sporting clubs and community organisations, the draft Policy proposes the lease fee applicable will be set at \$1,000 per annum for lessee's or as agreed via an expressions of interest process and report to Council.

SUSTAINABILITY

21. The draft Policy aims to ensure the management of community buildings is as sustainable as possible, noting a significant contribution for the provision of such facilities by local government, for the benefit of community.

RISK MANAGEMENT

22.	Risk: Development of the revised Policy not supported, leaving a dated policy position not aligned with requirements for regular review.		
	Consequence	Likelihood	Rating
	Moderate	Unlikely	Low
	Action/Strategy		
	Consider reasons for lack of support and review policy provisions where necessary		

CONCLUSION

23. The current policy has been reviewed considering all of the information received from current sporting and community organisations with leases in the City of Kalamunda.

Voting Requirements: Simple Majority

RESOLVED OCM 62/2023

That Council:

1. ADOPT Service 9 - Sporting and Community Group Leases for the purposes of public advertising.
2. NOTE advertising will take place for a period of 60 days.

Moved: **Cr Brooke O'Donnell**

Seconded: **Cr Lisa Cooper**

Vote: **CARRIED UNANIMOUSLY (10/0)**

10.5. Office of the CEO Reports

No reports presented.

10.6. Chief Executive Officer Reports

10.6.1. Monthly Financial Statements to 30 April 2023

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 for the period ended 30 April 2023 [10.6.1.1 - 1 page]
	2. Statement of Net Current Funding Position as at 30 April 2023 [10.6.1.2 - 1 page]
	3. Statement of Financial Activity for the period ended 31 March 2023 [10.6.1.3 - 1 page]
	4. Statement of Net Current Funding Position as at 31 March 2023 [10.6.1.4 - 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
^P Legislative	Includes adopting Local Laws, Town Planning Schemes, and Policies. When the Council determines a matter that directly impacts a person’s rights and interests where the principles of natural justice apply. Examples include town planning applications, building licenses, other permits or licenses issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

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

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with the Statutory Financial Statements for the period ended 30 April 2023.
2. The Statutory Financial Statements report on the activity of the City of Kalamunda (City) with the comparison of the period's performance against the mid-term budget review adopted by the Council on 28 March 2023 for the 2022/2023 financial year.
3. It is recommended Council receives the draft Monthly Statutory Financial Statements for the period ended 30 April 2023, which comprise:
 - a) Statement of Financial Activity (Nature or Type) for the period ended 30 April 2023;
 - b) Net Current Funding Position, note to financial report as of 30 April 2023;
 - c) Statement of Financial Activity (Nature or Type) for the period ended 31 March 2023;
 - d) Net Current Funding Position, note to financial report as of 31 March 2023;

BACKGROUND

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

DETAILS AND ANALYSIS

5. The Act requires the Council to adopt a percentage or value to be used in reporting variances against the Budget. Council has adopted the reportable variances of 10% or \$50,000 whichever is greater.
6. The opening funding position in the Statement of Financial Activity reflects the audited surplus carried forward from 2021/2022.

FINANCIAL COMMENTARY

Draft Statement of Financial Activity by Nature and Type for the period ended 30 April 2023

7. This Statement reveals a net result surplus of \$13,897,308 compared to the budget for the same period of \$9,178,401.

Operating Revenue

8. Total Revenue excluding rates is over budget by \$1,046,749. This is made up as follows:
- a) Operating Grants, Subsidies and Contributions are over budget by \$192,535. The variance is mainly attributable to the employee workers' compensation & other insurance claims that recouped \$379,535 to date.
 - b) Fees and Charges are over budget by \$550,916. The variance is mainly attributable to higher legal fees recovered through rates of \$221,357 and income from planning and building applications being higher than the budgeted income.
 - c) Interest income is over budget by \$333,350. The variance is mainly due to the higher interest income received from investments.
 - d) Other Revenue is under budget by \$41,746. The variance is mainly due to the fines & penalties from the planning being lower than the budget.

Operating Expenditure

9. Total expenditure is under budget by \$4,754,411. The significant variances within the individual categories are as follows:
- a) Employment Costs are under budget by \$1,041,313, which is primarily due to vacant positions and the aggregate result of minor variances in several business units.
 - b) Materials and Contracts are under budget by \$2,167,779. The variance is mainly attributed to:
 - I) Contaminated site management costs are under budget by \$321,035.
 - II) Infrastructure maintenance of various sites \$419,345
 - III) Building maintenance on various sites, \$201,393These are considered to be a timing variance.
 - c) Utilities are under budget by \$16,450, the variance is mainly due to a timing variance.
 - d) Depreciation, although a non-cash cost, is tracked under budget, reporting a variance of \$1,560,904.

- e) Interest and Insurance expenses are tracked below the reportable variance threshold.
- f) Other expenditure is under budget by \$22,326. The variance is primarily due to the timing of donations given to the community groups.

Investing Activities

Non-operating Grants and Contributions

- 10. The non-operating grants and contributions are over budget by \$9,970. The variance is mainly due to the timing of receipt of grant funding related to various road capital projects.

Capital Expenditure

- 11. The total Capital Expenditure on Property, Plant, Equipment, and Infrastructure Assets (excluding Capital Work in Progress) is under budget by \$1,835,479. This is considered to be a timing issue.
- 12. Capital works-in-progress expenditure of \$74,319 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

- 13. The amounts attributable to financing activities show a variance of \$1,377,061 which is mainly due to the developer contributions and reserve transfers.

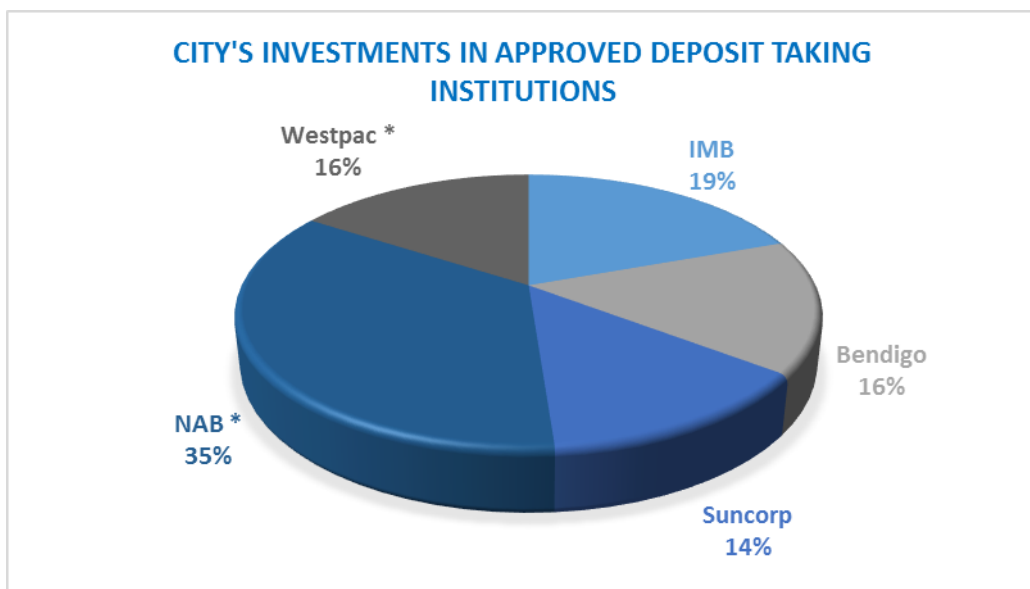
Rates Revenues

- 14. Rates generation is over budget with a variance of \$63,560.

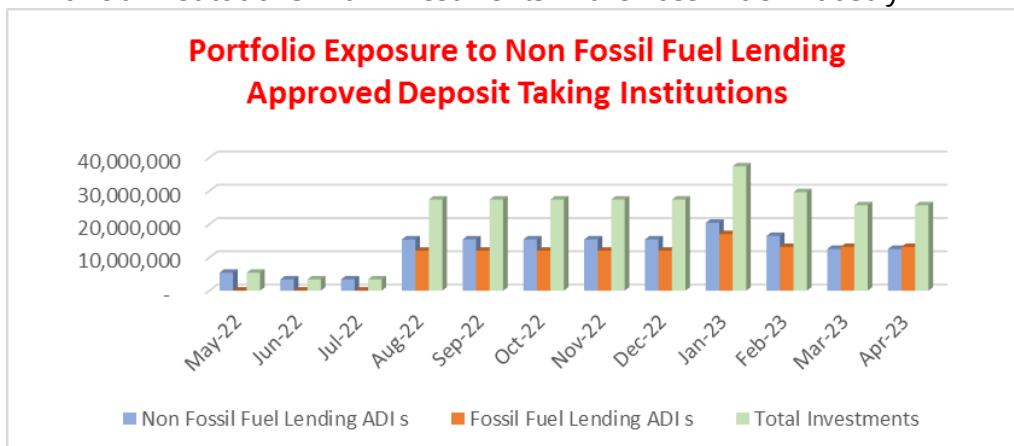
Statement of Net Current Funding Position as of 30 April 2023

- 15. The commentary on the net current funding position is based on a comparison of April 2023 to the April 2022 actuals.

- 16. Net Current Assets (Current Assets less Current Liabilities) total \$35.7 million. The restricted cash position is \$26.2 million which is higher than the previous year’s balance of \$25.0 million. The variance is mainly due to the timing of fund release from unexpended capital works and the specific purpose grants reserve.
- 17. The following graph indicates the financial institutions where the City has investments as of 30 April 2023;



- 18. *Financial Institutions with Investments in the Fossil Fuel Industry



- 19. Trade and other receivables outstanding comprise rates and sundry debtors totalling \$2.8 million.
- 20. Sundry debtors have increased from \$648,623 to \$691,247 of which \$391,413 consist of current debt due within 30 days. Details are contained in the Debtors and Creditors Report to Council.

21. Receivables Other represents \$1.6 million including:
a) Emergency Service Levy receivables \$0.4 million;
b) Receivables sanitation \$0.6 million
22. Provisions for annual and long service leave have increased by \$0.1 million to \$4.4 million when compared to the previous year.

APPLICABLE LAW

23. *The Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996.*

APPLICABLE POLICY

24. Nil.

STAKEHOLDER ENGAGEMENT

Internal Referrals

25. 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

26. As noted in point 23 above, the City is required to present to the Council a monthly statement of financial activity with explanations for major variances.

FINANCIAL CONSIDERATIONS

27. 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

28. Nil.

Economic Implications

29. Nil.

Environmental Implications

30. Nil.

RISK MANAGEMENT

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

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

CONCLUSION

33. The City's Financial Statements as at 30 April 2023 demonstrate the City has managed its budget and financial resources effectively.

Voting Requirements: Simple Majority

RESOLVED OCM 63/2023

That Council RECEIVE the Monthly Statutory Financial Statements for the period ended 30 April 2023 which comprises:

- a) Statement of Financial Activity (Nature or Type) for the period ended 30 April 2023;
- b) Net Current Funding Position, note to financial report as of 30 April 2023;
- c) Statement of Financial Activity (Nature or Type) for the period ended 31 March 2023;
- d) Net Current Funding Position, note to financial report as of 31 March 2023.

Moved: **Cr Lisa Cooper**

Seconded: **Cr Sue Bilich**

Vote: **CARRIED UNANIMOUSLY (10/0)**

10.6.2. Debtors and Creditors Report for the period ended 31 March 2023

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"> 1. Creditor Payments for the period ended 31 March 2023 [10.6.2.1 - 39 pages] 2. Summary of Debtors for the month of March 2023 [10.6.2.2 - 2 pages] 3. Summary of Creditors for month of March 2023 [10.6.2.3 - 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
P Legislative	Includes adopting Local Laws, Town Planning Schemes, and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licenses, other permits or licenses issued under other Legislation, or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with the list of payments made from Municipal and Trust Fund Accounts in March 2023, 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 for the month of March 2023.
3. It is recommended that Council:
 - a) Receive the list of payments made from the Municipal and Trust Fund Accounts in March 2023 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 2023.

BACKGROUND

4. Trade Debtors and Creditors are subject to strict monitoring and control procedures.
5. In accordance with *the Local Government (Financial Management) Regulations 1996* (Regulation 13) reporting on payments made from Municipal Fund and Trust Fund must occur monthly.

DETAILS AND ANALYSIS

Debtors

6. Sundry debtors as of 31 March 2023 were \$407,409. This includes \$326,486 of current debts and \$527 unallocated credits (excess or overpayments).
7. Invoices over 30 days total \$2,156, no debts of significance.
8. Invoices over 60 days total \$3,051, no debts of significance.
9. Invoices over 90 days total \$76,243, debts of significance:
 - a) Satterley Property Group, \$40,268, Bond / Admin Fee.
 - b) Municipal Workcare, \$9,725, Workers Compensation reimbursement.
 - c) Private Citizen, \$9,281, Fire Break – Reimbursement.
 - d) Optus, \$5,851, Telecommunications Tower – Lease.
 - e) Shire of York, \$4,170, Long Service Leave reimbursement; and
 - f) Private Citizen, \$4,070, Fire Break – Reimbursement.

Creditors

10. Payments totalling \$7,413,007 were made during the month of March 2023.

Standard payment terms are 30 days from the end of the month, with local businesses and contractors on 14-day terms.

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

Supplier	Purpose	\$
Department of Fire and Emergency Service (WA)	2022-23 Emergency Services Levy – Quarter 3	2,158,072.56
Australian Tax Office	PAYG payments	620,524.40
Fulton Hogan Industries Pty Ltd.	Road materials for various locations	425,657.94
Eastern Metropolitan Regional Council (EMRC)	Domestic waste charges – disposal fees	365,200.59
Main Roads (WA)	Refund of grant due to scope reduction for an Australian Government Black Spot Project – Railway Rd / Elizabeth St Intersection	285,560.00
AWARE Super Pty Ltd	Superannuation contributions	190,888.28
Beaver Tree Services	General Tree Services / Under powerlines Pruning – various locations	189,542.59
Synergy	Power charges – various locations	143,086.25
Belgravia Health & Leisure Group Pty Ltd	Management of Kalamunda Water Park – Operating Deficit for period Oct-Dec 2022	133,128.60
Western Australian Treasury Corp (WATC)	Repayment of loan (No. 227 & 228)	125,934.45
Daimler Trucks Perth	Supply of new vehicle	98,826.14
(A) POD Pty Ltd.	Design and documentation of the new Scott Reserves – Design Progress payment	82,487.79
Entire Fire Management	Asset Protection - Mulching, Rehabilitation and Firebreak – various locations	77,924.00
Cleanaway	Waste/recycling and bulk bin disposal services	68,501.65
Hill Top Group	Building Maintenance Services – various locations	67,072.36

360 Environmental Pty Ltd	Brand road contaminated site investigations - professional services from 26/11/22 - 27/01/23	66,940.50
Kalamunda Electrics	Electric repairs and maintenance work – various locations	58,729.65
Westside Retractable Tarps	Supply and fit tarps to rubbish bins	51,392.00
OCE Corporate Pty Ltd - Office Cleaning Experts	Cleaning services / consumables for various locations	51,034.82
McInerny Ford	Supply & delivery of new ford ranger vehicle	50,285.60

These payments total \$5,310,790.17 and represent 72% of all payments for the month.

Payroll

- 12. Salaries are paid in fortnightly cycles. A total of \$1,298,183.73 was paid in net salaries for the month of March 2023.
- 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) Public Open Space funds.
 - c) NBN Tower Pickering Brook Trust
- 15. The following payments (GST exclusive) were made from the Trust Accounts in Match 2023.

Cell 9		Amount (\$)
Date	Description	
24/03/2023	Beaver Tree Services - Tree removal from Woodlupine Brook Wattle Grove	47,105.00
24/03/2023	Equifax – Services of Suppliers’ Financial Performance Assessments - for Woodlupine Living Brook	669.00
24/03/2023	Echo Newspaper - Newspaper advertisement	350.00

APPLICABLE LAW

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

APPLICABLE POLICY

18. Debt Collection Policy S-FIN02.
19. Register of Delegations from Council to CEO.

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

23. Nil.

RISK MANAGEMENT

Debtors

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

Creditors

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

CONCLUSION

- 26. Creditor payments are above the normal trend range due to emergency services levy payment.

Voting Requirements: Simple Majority

RESOLVED OCM 64/2023

That Council:

- 1. RECEIVE the list of payments made from the Municipal Accounts in March 2023 (Attachment 1) in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996* (Regulation 13).

2. RECEIVE the outstanding debtors and creditors report (Attachments 2 &3) for the month of March 2023.

Moved: **Cr Lisa Cooper**

Seconded: **Cr Geoff Stallard**

Vote: **CARRIED UNANIMOUSLY (10/0)**

10.6.3. Debtors and Creditors Report for the period ended 30 April 2023

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"> 1. Creditor Payments for period ended 30 April 2023 [10.6.3.1 - 36 pages] 2. Summary of Debtors for the month of April 2023 [10.6.3.2 - 2 pages] 3. Summary of Creditors for month of April 2023 [10.6.3.3 - 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
P Legislative	Includes adopting Local Laws, Town Planning Schemes, and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licenses, other permits or licenses issued under other Legislation, or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with the list of payments made from Municipal and Trust Fund Accounts in April 2023, 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 for the month of April 2023.
3. It is recommended that Council:
 - a) Receive the list of payments made from the Municipal and Trust Fund Accounts in April 2023 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 April 2023.

BACKGROUND

4. Trade Debtors and Creditors are subject to strict monitoring and control procedures.
5. In accordance with *the Local Government (Financial Management) Regulations 1996* (Regulation 13) reporting on payments made from Municipal Fund and Trust Fund must occur monthly.

DETAILS AND ANALYSIS

Debtors

6. Sundry debtors as of 30 April 2023 were \$691,247. This includes \$391,413 of current debts and \$527 unallocated credits (excess or overpayments).
7. Invoices over 30 days total \$274,057, debts of significance:
 - a) Department of Infrastructure, \$200,000, Kalamaunda Community Centre construction final grant payment;
 - b) Municipal Workcare, \$31,830, Workers Compensation reimbursement;
 - c) Department of Education, \$21,291, Kostera Oval shared expenses;
 - d) Department of Education, \$10,038, Kalamunda Performing Arts Centre shared expenses;
 - e) WA Showmens Association, \$5,000, Bond – Kostera Oval; and
 - f) N-Com Pty Ltd, \$4,347, Lease Communications Tower.
8. Invoices over 60 days total \$496.16, no debts of significance:
9. Invoices over 90 days total \$25,808, debts of significance:
 - a) Private Citizen, \$9,281, Fire Break – Reimbursement;
 - b) Optus, \$5,851, Telecommunications Tower – Lease;
 - c) Shire of York, \$4,170, Long Service Leave reimbursement; and
 - d) Private Citizen, \$4,070, Fire Break – Reimbursement.

Creditors

10. Payments totalling \$4,423,113 were made during the month of April 2023. Standard payment terms are 30 days from the end of the month, with local businesses and contractors on 14-day terms.
11. Significant Municipal payments (GST inclusive – where applicable) made in the month were:

Supplier	Purpose	\$
Fulton Hogan Industries Pty Ltd	Supply of road materials for various locations	687,958.04
Australian Tax Office	PAYG payments	429,901.00
Eastern Metropolitan Regional Council (EMRC)	Domestic waste charges / disposal fees	387,947.81
Cleanaway	Waste / recycling and bulk bin disposal services	375,378.74
Advanteering Civil Engineers	Progress Payment 1 (Stirk Park Playground and Skate Park in Kalamunda)	229,988.31
AWARE Super Pty Ltd	Superannuation contributions	187,938.23
Synergy	Power charges – various locations	158,162.50
Dowsing Group Pty Ltd.	Supply of materials and services for works - various locations	145,906.20
TPG Network Pty Ltd.	One off connection charge	118,098.68
Beaver Tree Services	General tree services / under powerlines pruning services	85,987.44
McKay Earthmoving Pty Ltd.	Plant equipment and operator hire for works – various locations	68,337.93
OCE Corporate Pty Ltd – Office Cleaning Experts	Supply of cleaning services and consumables - various locations	56,361.43
A1 Plant Hire (Australia) Pty Ltd.	Kerbing works at Jacaranda Springs	53,903.79

These payments total \$2,985,870.10 and represent 68% of all payments for the month.

Payroll

- 12. Salaries are paid in fortnightly cycles. A total of \$1,260,586.09 was paid in net salaries for the month of April 2023.
- 13. Details are provided in (Attachment 1) after the creditors’ 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) Public Open Space funds;
 - c) NBN Tower Pickering Brook Trust
- 15. The following payments (GST exclusive) were made from the Trust Accounts in April 2023.

Cell 9		Amount (\$)
Date	Description	
27/04/2023	Main Roads Western Australia – Hale Rd / Wattle Grave Rd works	19,379.90
27/04/2023	Signarama - Sinage – Woodlupine Brook Wattle Grove	789.28
27/04/2023	McLeods Barristers and Solicitors - Infrastructure Agreement - Lot 42 Bruce Road, Wattle Grove	2,932.40

APPLICABLE LAW

- 16. Regulation 12(1) of the *Local Government (Financial Management) Regulations 1996*.
- 17. Regulation 13 of the *Local Government (Financial Management) Regulations 1996*.

APPLICABLE POLICY

- 18. Debt Collection Policy S-FIN02.
- 19. Register of Delegations from Council to CEO.

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

23. Nil.

RISK MANAGEMENT

Debtors

- 24.
- | | | |
|---|-------------------|---------------|
| Risk: The City is exposed to the potential risk of the debtor failing to make payments resulting in the disruption of cash flow. | | |
| Consequence | Likelihood | Rating |
| Insignificant | Possible | Low |
| Action/Strategy | | |
| Ensure debt collections are rigorously managed. | | |

Creditors

- 25.
- | | | |
|---|-------------------|---------------|
| Risk: Adverse credit ratings due to the City defaulting on the creditor. | | |
| Consequence | Likelihood | Rating |
| Insignificant | Possible | Low |
| Action/Strategy | | |
| Ensure all disputes are resolved in a timely manner. | | |

CONCLUSION

26. Creditor payments are within the normal trend range.

Voting Requirements: Simple Majority

RESOLVED OCM 65/2023

That Council:

1. RECEIVE the list of payments made from the Municipal Accounts in April 2023 (Attachment 1) in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996* (Regulation 13).
2. RECEIVE the outstanding debtors and creditors report (Attachments 2 &3) for the month of April 2023.

Moved: **Cr Lisa Cooper**

Seconded: **Cr Kathy Ritchie**

Vote: **CARRIED UNANIMOUSLY (10/0)**

10.6.4. Rates Debtors Report for the Period Ended 31 March 2023

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 2023 [10.6.4.1 - 1 page]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

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

EXECUTIVE SUMMARY

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

2. The City of Kalamunda (City) levied rates for 2022/2023 on 1 July 2022 totalling \$41,664,711. As of 31 March 2023, \$41,427,949 has been collected for current and prior year outstanding rates for the March 2023 period.
3. It is recommended that Council receive the Rates Debtors Report for the month of March 2023 (Attachment 1).

BACKGROUND

4. Rate Notices were issued on 15 July 2022 with the following payment options available:

Options	Payment Dates			
Full payment	19 August 2022			
Two instalments	19 August 2022	23 December 2022		
Four instalments	19 August 2022	21 October 2022	23 December 2022	24 February 2023

DETAILS AND ANALYSIS

5. A total of 23,828 notices were issued on 15 July 2022. This consisted of 20,773 mailed rate notices, and 3,055 eRates notices. Rates Levied and Collectable for the 2022/2023 Financial Year currently total \$44,676,454.
6. As of 31 March 2023, a total of \$41,427,949 has been collected since Rates Notices were released, representing a collection rate of 94.72%.
7. A total of 8,130 ratepayers have taken up an instalment option. This is an increase from 2021/2022 where 7,576 chose an instalment option. The first due date was 19 August 2022. A total of 350 ratepayers have chosen to pay via direct debit, a significant increase from 156 in 2021/2022. Refer to the table below:

Option	Description	Number
Option 2 on Rate Notice	Two instalments	1,645
Option 3 on Rate Notice	Four instalments	6,485
A Smarter Way to Pay	Pay by Direct Debit over a mutually agreed period.	227
Direct Debit	Payment to be received by April 2023	123
Total	Ratepayers on payment options	8,480

8. Interim rating has now commenced for 2022/2023. To 31 March 2023 \$398,173 has been raised for interim rating revenue.
9. Call recording software has been utilised in the Rates Department since 2015, primarily for customer service purposes, as it allows calls to be reviewed for training and process improvement purposes. For the period 1 March 2023 to 31 March 2023, there was a total of 388 incoming calls and 193 outgoing calls, equating to 17.51 hours call time.

APPLICABLE LAW

10. 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

11. The City's rates collection procedures are in accordance with the Debt Collection Policy S-FIN02.
12. The Financial Hardship Policy adopted by Council on 7 April 2020 enables the provision of Financial Assistance to those seriously impacted by Covid-19.

STAKEHOLDER ENGAGEMENT

Internal Referrals

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

External Referrals

14. The higher-level debt collection actions will be undertaken by AMPAC.

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

Economic Implications

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

Environmental Implications

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

RISK MANAGEMENT

20.

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

CONCLUSION

- 21. With a current collection rate for the financial year of 94.72% (compared to 93.10% last year), the City continues to effectively implement its rate collection strategy and recognises more ratepayers have chosen to pay their rates via instalments and direct debit options.

Voting Requirements: Simple Majority

RESOLVED OCM 66/2023

That Council RECEIVE the Rates Debtors Report for the Period ended 31 March 2023 (Attachment 1).

Moved: **Cr Lisa Cooper**

Seconded: **Cr Geoff Stallard**

Vote: **CARRIED UNANIMOUSLY (10/0)**

10.6.5. Rates Debtors Report for the Period Ended 30 April 2023

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 April 2023 [10.6.5.1 - 1 page]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

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

EXECUTIVE SUMMARY

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

2. The City of Kalamunda (City) levied rates for 2022/2023 on 1 July 2022 totalling \$41,664,711. As of 30 April 2023, \$41,851,431 has been collected for current and prior year outstanding rates for the April 2023 period.
3. It is recommended that Council receive the Rates Debtors Report for the month of April 2023 (Attachment 1).

BACKGROUND

4. Rate Notices were issued on 15 July 2022 with the following payment options available:

Options	Payment Dates			
Full payment	19 August 2022			
Two instalments	19 August 2022	23 December 2022		
Four instalments	19 August 2022	21 October 2022	23 December 2022	24 February 2023

DETAILS AND ANALYSIS

5. A total of 23,828 notices were issued on 15 July 2022. This consisted of 20,773 mailed rate notices, and 3,055 eRates notices. Rates Levied and Collectable for the 2022/2023 Financial Year currently total \$44,712,989.
6. As of 30 April 2023, a total of \$41,851,431 has been collected since Rates Notices were released, representing a collection rate of 95.61%.
7. A total of 8,130 ratepayers have taken up an instalment option. This is an increase from 2021/2022 where 7,576 chose an instalment option. The first due date was 19 August 2022. A total of 350 ratepayers have chosen to pay via direct debit, a significant increase from 156 in 2021/2022. Refer to the table below:

Option	Description	Number
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A Smarter Way to Pay	Pay by Direct Debit over a mutually agreed period.	227
Direct Debit	Payment to be received by April 2023	123
Total	Ratepayers on payment options	8,480

8. Interim rating has now commenced for 2022/2023. To 30 April 2023 \$423,880 has been raised for interim rating revenue.

9. Call recording software has been utilised in the Rates Department since 2015, primarily for customer service purposes, as it allows calls to be reviewed for training and process improvement purposes. For the period 1 April 2023 to 30 April 2023, there was a total of 256 incoming calls and 156 outgoing calls, equating to 13.50 hours call time.

APPLICABLE LAW

10. 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

11. The City's rates collection procedures are in accordance with the Debt Collection Policy S-FIN02.
12. The Financial Hardship Policy adopted by Council on 7 April 2020 enables the provision of Financial Assistance to those seriously impacted by Covid-19.

STAKEHOLDER ENGAGEMENT

Internal Referrals

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

External Referrals

14. The higher-level debt collection actions will be undertaken by AMPAC.

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 financial hardship and the City must ensure equity in its debt collection policy and processes.

- 17. The City has “a smarter way to pay” direct debit option to help ease the financial hardship to its customers. This has proved very effective with a growing number of ratepayers taking advantage of this option. A “Smarter Way to Pay” allows ratepayers to pay smaller amounts on a continuous basis either weekly or fortnightly, helping to reduce their financial burden.

Economic Implications

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

Environmental Implications

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

RISK MANAGEMENT

- 20.

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

CONCLUSION

- 21. With a current collection rate for the financial year of 95.61% (compared to 94.51% last year), the City continues to effectively implement its rate collection strategy and recognises more ratepayers have chosen to pay their rates via instalments and direct debit options.

Voting Requirements: Simple Majority

RESOLVED OCM 67/2023

That Council RECEIVE the Rates Debtors Report for the Period ended 30 April 2023 (Attachment 1).

Moved: **Cr Geoff Stallard**

Seconded: **Cr Lisa Cooper**

Vote: **CARRIED UNANIMOUSLY (10/0)**

10.6.6. Budget 2023/2024 - Differential Rates

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

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

Attachments 1. Objects and Reasons [**10.6.6.1** - 3 pages]

TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
P 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
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STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

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

EXECUTIVE SUMMARY

1. The purpose of this report is to consider the level at which to set and advertise differential rates and the Waste Avoidance and Resource Recovery (WARR) Levy as part of the 2023/2024 Budget process.

2. In accordance with the requirements of the *Local Government Act 1995* (the Act), s6.36, a local government is required to give a local public notice period of 21 days with the intention to impose differential general rates or a minimum rates payment.
3. It is recommended that Council approve the 2023/2024 rate in the dollar and the minimum rates to be advertised by public notice as per the following:

Category/Levy	Rate in \$	Minimum Rate \$
General GRV	0.063860	976
Industrial/Commercial GRV	0.076690	1227
Vacant GRV	0.097225	774
General UV	0.003726	976
Commercial UV	0.004540	1227
Waste Avoidance and Resource Recovery Levy (All Categories)	0.000443	21.20

4. Council is also requested to endorse the Objects and Reasons for the Proposed Differential Rate Categories for the 2023/2024 Financial Year (Attachment 1).

BACKGROUND

5. In accordance with the requirements of s6.33 of the Act, a local government may impose differential rates having met the characteristics prescribed.
6. In accordance with the requirements of s6.35 of the Act, a local government may impose a minimum payment that is greater than the general rate which would otherwise be payable on that land.
7. GRV's (Gross Rental Value) are provided to all local governments by Landgate and are assessed every three years by Landgate valuers. The triennial valuation ensures consistency and fairness in the allocation of rates.
8. The year 2023/2024 is subject to a triennial valuation. The new GRV values are effective from 1 July 2023, with the date of valuation being 1 August 2021. The overall change in the GRV valuations rolls was 17.38% increase based on 23,447 properties.
9. Properties not on a GRV will be rated based on an Unimproved Value (UV). These UV values are updated annually by Landgate.

10. Differential Rates have been part of the Budget for many years, with modifications to categories introduced over time to assist in spreading the rate burden fairly and equitably amongst the rates categories and providing opportunities for increases in overall rate income.

DETAILS AND ANALYSIS

Formulating the 2023/2024 Budget

11. In the process of forming a budget, at the first step, all costs required to meet the objectives of the City, all costs required to pay for services and all costs associated with maintaining and creating assets will be estimated. Also, the income from other revenue sources will be estimated. The difference between the total expenditure and other sources of revenue is the amount expected to be raised from rates. Once the amount to be raised from rates is calculated then a rate can be established against each rateable property across the City.
12. The City formulates its budget aiming to achieve positive results against the financial ratios that measure the City's financial performance and to ensure that it remains financially sustainable.
13. Financial ratios are designed to provide clearer interpretation of the performance and financial results of a local government and a comparison of trends over several years. These indicators provide a short term measure of the financial sustainability of the local government.
- The six ratios are:
1. Current Ratio.
 2. Asset Consumption Ratio.
 3. Asset Renewal Funding Ratio.
 4. Asset Sustainability Ratio.
 5. Debt Service Cover Ratio.
 6. Operating Surplus Ratio; and
 7. Own Source Revenue Coverage Ratio.
14. The City's Financial results for the year ending June 2022, highlighted a trend was occurring showing a deterioration in one of the ratios over the past few years – namely the Operating Surplus Ratio (OSR).
15. This trend was identified by the Office of the Auditor General (OAG) and a potential plan was developed and considered by Council to address this matter and bring rates revenue more aligned with operating costs.

16. Considering the declining OSR the 2023/2024 budget and future budgets will need to be focussed on addressing the declining OSR to ensure the City remains financially sustainable.

17. The following table provides results of the operating surplus ratio of the City for last four years.

Ratio	2022	2021	2020	2019	Benchmark Required
Operating surplus ratio	(0.08)	(0.04)	(0.10)	(0.04)	Between 0.01 and 0.15

18. **What is the Operating Surplus Ratio (OSR)?**

Operating Surplus Ratio Calculation

$$\frac{\text{(Operating Revenue MINUS Operating Expense)}}{\text{divided by Own Source Operating Revenue}}$$

19. This ratio is a measure of a local government's ability to cover its operational costs and have revenues available for capital funding or other purposes.

20. **Required Standards**

1. Basic Standard between 1% and 15% (0.01 and 0.15)
2. Advanced Standard > 15% (>0.15).

21. 'Operating Revenue' Means the revenue that is operating revenue for the purposes of the Australian Accounting Standards, excluding grants and contributions for the development or acquisition of assets.

22. 'Operating Expense' Means the expense that is operating expense for the purposes of the Australian Accounting Standards.

23. 'Own Source Operating Revenue' Means revenue from rates and service charges, fees and user charges, reimbursements and recoveries, interest income and profit on disposal of assets.

Why has the OSR declined?

24. A declining OSR basically means that the City doesn't earn enough operating revenue to pay for operational expenditure.

25. There are 3 key reasons that this ratio is in decline they are:
1. Rates revenue not matching operating expenditure
 2. Depreciation increases
 3. Increasing cost of providing services and assets
26. For the 2023/2024 year the City faces a significant economic issue being high inflation as a result of global and domestic economic issues generating high levels of economic uncertainty, and further upward pressure on costs.
27. Each of these issues is discussed in detail as follows.

Rates

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

RATES		
Year	Total Received	Annual Increase
2014	\$ 28,939,389.00	
2015	\$ 30,599,405.00	6%
2016	\$ 32,769,644.00	7%
2017	\$ 35,066,848.00	7%
2018	\$ 35,992,132.00	3%
2019	\$ 37,436,125.00	4%
2020	\$ 37,864,554.00	1%
2021	\$ 38,342,129.00	1%
2022	\$ 41,806,941.00	4.9%

30. Had the Long-Term Financial Plan been maintained with its rates projections being adopted annually, the City would likely have been in a stronger position to be covering its operating costs, as well as being able to build reserves that will provide capacity to fund future major facilities development and partially withstand unforeseen inflation impacts being experienced.

31. In the absence of significant alternative revenue streams, it is important to maintain rates increases in line with necessary expenditure to avoid deterioration of operating capacity.

Depreciation

32. The change in accounting standards to fair value accounting in 2017 is a key cause for the deterioration of the Operating Surplus Ratio. The City had no option but to comply to the change and now must deal with a legacy issue from the change.
33. As the City continues to add new assets and doesn't rationalise old underutilised assets, depreciation will continue to rise and negatively impact upon the financial viability of the City in the future.

DEPRECIATION		
YEAR	ACTUAL	% CHANGE
2016	\$ 6,043,120.00	
2017	\$ 10,130,153.00	68%
2018	\$ 10,237,301.00	1%
2019	\$ 10,986,630.00	7%
2020	\$ 11,316,721.00	3%
2021	\$ 13,327,727.00	18%
2022	\$ 13,764,916.00	3.3%

Revaluation of infrastructure assets is due by 30 June 2023 and it is expected that the depreciation will further increase following the new assets valuation.

Cost of Services and Assets

34. The City of Kalamunda has a significant asset base and a wide range of services delivered from the asset base.
35. The City's net assets equate to approximately \$549 million.
36. Maintaining and renewing such a large asset base and delivering a wide range of services requires revenue to match the recurrent operating costs required. The City's main revenue source is largely dependent on rates.

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

MATERIALS & CONTRACTS		
YEAR	ACTUAL	% CHANGE
2018	\$20,563,241.00	-11%
2019	\$20,391,297.00	-1%
2020	\$22,443,971.00	10%
2021	\$20,233,774.00	-10%
2022	\$23,253,381.00	15%

38. Whilst the City has, through annual cost cutting managed to balance its budget, over time this approach reached a point where costs cannot be reduced further without a corresponding reduction in services and service standards, an increase in rates, or introduction of new revenue streams.
39. It is clear that without reduction in services and assets or increases in rates the City will continue to erode its financial sustainability.
40. By way of example service areas that have increased over the past 5 years are as follows.

i) Community Engagement & Public relations

- a. In 2016/2017, in response to Council's direction for increased community engagement and communications, the City created the Customer and Public Relations Business Unit.
- b. Funding for resourcing was allocated by Council to expand this service area.

ii) Strategic Planning

- a. In line with Council's adoption of its Local Planning Strategy (LPS) and the City's obligation to meet its density targets, the City embarked on rezoning and structure planning of its special rural areas and around its activity centres.
- b. The City created the Strategic Planning Team to deliver the LPS and its ongoing reviews, as well as to manage Developer Contribution Plans for newly created areas and to facilitate the creation of aged care sites and land development opportunities.

iii) Economic Development & Tourism

- a. In 2017/18 the Council adopted its Economic Development Strategy and Tourism Strategy as well as Advisory Committees to support Economic

Development and Tourism. A Business unit was created to implement these strategies.

iv) Arts & Culture

- a. In 2017/2018 the Council adopted its Arts Strategy and created an Advisory Committee to support increased focus and service delivery for culture & the arts. Council allocated funding to deliver the strategy and support the Arts Advisory Committee.

v) Master Planning Community Facilities & Reserves

- a. Since 2013 the City has developed a masterplan approach for all of its major City reserves, district parks and community facilities precincts.
- b. The creation of a master plan approach has been to support the need to attract funding through advocacy. To date the City has received funding to upgrade sporting reserves, provide community facilities such as the Kalamunda Community Centre and more recently a \$60 million commitment to build the High Wycombe Aquatic and Recreation Centre.
- c. Masterplans have provided an effective approach to achieve proper planning and decision making based on usage, growth, needs, and priority. The management of master planning and ongoing implementation also required additional resourcing.

vi) Youth Services

- a. In 2015/2016 Council viewed the provision of services to youth was lacking. The City created a Youth Plan which outlined a series of strategies to improve youth engagement across the City.
- b. This plan required an increase in resources to implement the strategy.

Vii) Environment

- a. In 2022/2023 the Council adapted the "Climate change action plan" (CCAP). The purpose of CCAP is to ensure the City is prepared and ready to adapt to the climate challenges that lie ahead. The plan commits the City's support and advice to businesses and the community to help them meet the challenges.
- b. This plan requires an increase in resources to implement the actions.

41. Whilst the growth in services was viewed as necessary and has delivered significant benefits to the community there has also been a corresponding increase in human resourcing, depreciation, and maintenance costs into the City's budget. These increases have had to be mitigated through cost cutting in other service areas to balance the budget and deliver minimal rate increases. Whilst this approach is useful in the short term, it also has a deleterious effect in the longer term.

Inflation

42. Widespread economic uncertainty at an international and domestic level has seen record levels of inflation, with the most recent increases the greatest in 3 decades. This has been illustrated by:
- a. Perth CPI 7% (March 2023)
 - b. Fuel Prices increasing by 34% year on year
 - c. Building Construction cost increased by 10%
 - d. Western Power Street light tariff increase proposed by 43.85%
 - e. Significant supply chain disruption resulting in delays in procuring materials and putting further upward pressure on costs.
43. At the same time unemployment levels are also at historically low levels which is likely to put upward pressure on wages. Finally, the Reserve Bank of Australia recently increased the cash rate by 0.25% with further cash rate increases expected.
44. The Reserve Bank of Australia recently updated its forecast CPI to increase by up to 7.8% before reducing to 4% for the year ending 30 June 2024. In addition, the City is currently experiencing a significant uplift in building & construction and roads and bridges construction costs as a result of supply chain disruptions and upward pressure on oil prices.

Employee Costs

45. The City of Kalamunda is essentially a service-based organisation, hence its cost base mainly comprises of employee cost and materials and contracts to support service-related activities.
46. The Council is responsible for determining service levels and for determining the City's Capital Works Program that provides for the construction of new assets and the renewal of existing assets. The CEO has the responsibility to determine the resources both human and physical requirements needed to deliver the service and then Council will allocate the funding. These roles are clearly defined in the Act.

- 47. The City over the past five years has kept staffing requirements closely aligned to the services that Council has determined it wants delivered to its community.
- 48. The City, given the pressures imposed upon it from increasing depreciation and low rates increases has needed to undertake annual cost cutting, reallocating existing resources to services that need to be increased and reducing in other areas to fund the changes in Council direction or legislation without significantly increasing its cost base.
- 49. The following table highlights this approach and shows that human resources have reduced in the past 5 years due to cost pressures arising from depreciation increases, low rate increases and unavoidable annual inflationary cost pressures.

EMPLOYEE FULLTIME EQUIVALENTS				
YEAR	FTE	% CHANGE	\$ACTUAL	% CHANGE
2017	260	0.4%	\$25,907,535	
2018	259	-0.4%	\$24,026,597	-7%
2019	257	-0.8%	\$25,256,690	5%
2020	251	-2.3%	\$25,144,391	0%
2021	254	1.2%	\$24,892,251	-1%
2022	247	-2.7%	\$25,170,251	1%

What options Does Council have to Address the OSR?

- 50. **Option 1 Do Nothing**
 The do-nothing option comes with risk as previously outlined and is not a recommended approach that would be supported by the City's Administration and possibly the Department of Local Government, Sport & Cultural industries.
 However, if it was a decision that Council and the Community determined it would accept, this option would need to be discussed with the regulatory bodies that the City reports to and agreed upon.
- 51. **Option 2 Increase Revenues**
 The City has only two types of own source revenues it can increase these include:
 1. Increase Rates
 The Council can set a fixed rate increase for the period of the Operating Surplus Recovery Action Plan (OSRAP). This additional fixed rate would need to be levied on top of the LG cost Index to ensure business as usual can occur whilst also addressing the OSR.
 2. Increase fees & Charges

The City collects fees and charges for several of its services. The 2021-2022 year end actual result for fees and charges was \$17 million. Of this amount \$13 million was collected from waste fees. Waste fees are a charge that is based on cost recovery and hence raising waste fees will not address the OSR issue.

52. **Option 3 Decrease Operating Expenditure**

The City has undertaken a detailed operating expenditure review where each cost centre outlined opportunities where savings could be made.

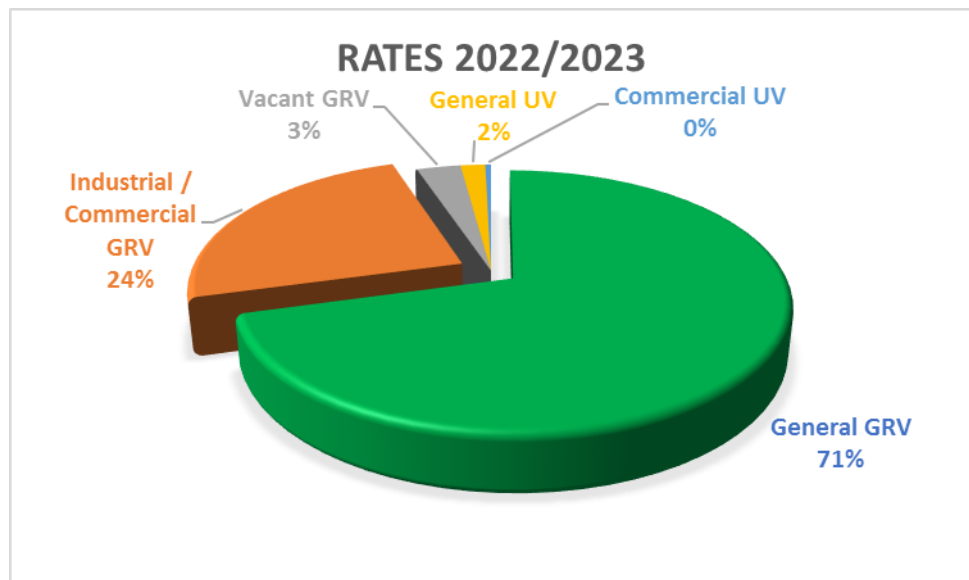
53. **Option 4 A combination of Option 2 and 3**

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

The Council has chosen option 4 which reflects the proposed increase to rates for 2023/2024 as well as further reductions in operating costs where possible.

54. **Rating categories**

Using the 2022/2023 Budget data, the makeup of the various rates categories was shown as depicted in the pie chart below. The data presented shows that two categories, General (Residential) and Commercial Industrial, make up 95% of all properties in the City with 71% and 24% being the respective percentages.



55. **Rate Increase 2023/2024**

The proposed increase in the Rate in the Dollar and Minimum Rates are 5.5% for GRV General (Residential), UV General, Vacant GRV Commercial/Industrial and UV Commercial categories. Pursuant to *the Local Government Act 1995* s6.35 the number of properties on minimum rates within a category cannot exceed 50% of the properties in that category.

56. The Rate revenue spread for budget 2023/2024 is similar to the current budget.

57. A comparison of the 29 metro local governments across the various rate categories shows that the City's rates for 2022/2023 were below the average in General Residential by 7%, Commercial/Industrial by 7% and Vacant by 32% for Rate In the Dollar's. This indicates that the City's rate in the dollar compares well in terms of other local governments.

58. **Budget Process**

Planning for the future and the various elements of the proposed budget for 2023/2024 commenced with Councillors in March 2023. Factors such as economic outlook, the need to ensure financial sustainability for the City and the need to maintain existing assets and service levels were all analysed closely before arriving at the rate increase.

59. Several budget workshops were undertaken to detail the various aspects of the City's budget including capital works, revenue and expenditure, fees and charges and rates modelling.

60. Throughout the budget process the City and the Council conducted detailed reviews of all expenditure lines before arriving at the proposed differential rate increase of 5.5% for the various categories. The proposed increase was derived following consideration of several economic metrics including CPI, Local Government Cost Index, Building Construction Index and Roads and Bridges Index and the impact thereof on the City's proposed works and services program for 2023/2024.
This report seeks to ratify the levels at which the City will advertise differential rates for the 2023/2024 financial year.

61. **Waste Avoidance and Resource Recovery**

The State Government, in 2007, introduced a *Waste and Resource Recovery Act* which allows for local governments to charge a levy to cover the cost of ongoing monitoring of closed land fill sites.

62. The City recommends the continuation of the WARR Levy to address the long-term remediation of former landfill sites that the City is responsible for. The Department of Water and Environmental Regulation is applying stringent control over monitoring and rehabilitation requirements for contaminated sites.
63. The proposed rate for 2023/2024 is \$0.000443 and a minimum charge of \$21.20 across all properties. The estimated amount to be raised from the levy is \$555,688.
64. Unspent funds are held in reserve and will be put towards remediation of the more significant sites such as Brand Road and Dawson/Pioneer Park once the detailed site investigations are complete, the extent of remediation works are defined and risks associated with the various sites are better understood.
65. The City has an estimated program of works totalling \$750,000 for 2023/2024 to undertake annual investigations, remediation, and ongoing management.

APPLICABLE LAW

66. Rates are levied on all rateable properties within the boundaries of the City in accordance with the Act. The overall objective of the proposed rates and charges in the 2023/2024 budget is to provide for the net funding requirements of the Council's activities and works programs.
67. In accordance with s6.36 of the Act, the City is required to ensure that a notice is published in sufficient time to allow submissions to be made by an elector or a ratepayer in respect of the proposed rate within 21 days of the publication of the notice.

The minimums used ensured compliance with S6.35 of the *Local Government Act 1995*.

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

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

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

- (6) *For the purposes of this section, a minimum payment is to be applied separately, in accordance with the principles set forth in subsections (2), (3) and (4) in respect of each of the following categories —*
- (a) *to land rated on gross rental value; and*
 - (b) *to land rated on unimproved value; and*
 - (c) *to each differential rating category where a differential general rate is imposed."*

APPLICABLE POLICY

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

STAKEHOLDER ENGAGEMENT

69. Subject to the approval of the recommendation of this report, a notice of the adopted figures will be advertised. A consultation period of 21 days will exist in which ratepayers can make comment or objection submissions to the proposed RID and minimums. This public consultation is done in line with the requirements of the *Local Government Act 1995*.

FINANCIAL CONSIDERATIONS

70. Throughout the 2023/2024 budget, the City will maintain tight control over expenditure.
71. The proposed rating structure is a critical element in ensuring ongoing financial sustainability. It is also vital in enabling the City to deliver its significant capital works program and provide the services required by the community.

SUSTAINABILITY

Social Implications

72. Increasing rates will generally have an adverse impact on lower income homeowners. The City has in this respect introduced several mechanisms in the past few years, to assist Ratepayers such as:
- a) "Smarter Way to Pay".
 - b) Direct Debit Payment arrangements.
 - c) Special payment arrangements; and
 - d) eRates.

Economic Implications

73. The rating structure is proposed to remain the same, with the aim to spread the rates generated in similar proportions compared to last year.

Environmental Implications

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

RISK MANAGEMENT

75.

Risk: Delay in approving proposed rates could result in rate notices being unable to be issued by mid July 2023 leading to cash flow problems		
Consequence	Likelihood	Rating
Critical	Possible	High
Action/Strategy		
Ensure that Council consensus is achieved by continuous briefing and updates on the budget.		
Ensure that the budget is adopted prior to 30 June 2023.		

76.

Risk: Community dissatisfaction with rate levels.		
Consequence	Likelihood	Rating
Moderate	Possible	Medium
Action/Strategy		
A comprehensive communication and information plan will be implemented to assist the community in understanding as part of issuing of the Rate Notices.		

77.

Risk: Council fails to implement measures within the budget that will improve the Operating Surplus Ratio.		
Consequence	Likelihood	Rating
Moderate	Possible	Medium
Action/Strategy		
Council is fully briefed on the implications of not addressing the declining OSR. The City puts in measures to incrementally improve the OSR.		

CONCLUSION

- 78. The City has undertaken a thorough analysis of its budget working proactively with Councillors to generate efficiencies and reduce operating costs. The City will continue to monitor and address its Operating Surplus Ratio in future years until the ratio is brought back in line with the acceptable standard.
- 79. The rates charges contained within this paper are necessary to enable the City to meet its current and future obligations, and to continue operating in a financially sustainable manner.
- 80. Based on the comparison across 29 metro Local Governments, the current City's rate in the dollar compares very favourably, in that the general residential Rate in the Dollar is 7% less than the average for the Metropolitan councils.
- 81. This report is submitted in order that the Council provides direction on the differential rates to be advertised for public comment as part of the 2023/2024 Budget process.

Voting Requirements: Simple Majority

RESOLVED OCM 68/2023

That Council:

- 1. APPROVE the City of Kalamunda 2023/2024 rate in the dollar and the minimum rates to be advertised by public notice as per the following:

Category/Levy	Rate in \$	Minimum Rate \$
General GRV	0.063860	976
Industrial/Commercial GRV	0.076690	1227
Vacant GRV	0.097225	774
General UV	0.003726	976
Commercial UV	0.004540	1227
Waste Avoidance and Resource Recovery Levy (All Categories)	0.000443	21.20

2. ENDORSE the City of Kalamunda Objects and Reasons for Proposed Differential Rate Categories for the 2023/2024 Financial Year provided as Attachment 1 to this report.

Moved: **Cr Lisa Cooper**

Seconded: **Cr Dylan O'Connor**

Vote: **CARRIED UNANIMOUSLY (10/0)**

10.6.7. Corporate Business Plan - Quarterly Update - January to March 2023

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

Previous
Items

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

Attachments	1. Quarterly Corporate Plan Report January- March 2023 [10.6.7.1 - 60 pages]
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TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with the progress on the City of Kalamunda's (City's) achievement against "Kalamunda Achieving: Corporate Business Plan 2022-2026" for the period January to March 2023.
2. On average, actions from the Corporate Business Plan are 74.3% complete at the end of the third quarter, 31 March 2023.
3. It is recommended that Council notes the quarterly report for the Corporate Business Plan for the period January to March 2023.

BACKGROUND

4. Kalamunda Achieving: Corporate Business Plan 2022-2026 (the CBP) was endorsed by Council at the Special Council Meeting on 27 June 2022.
5. The CBP outlines the major projects, including capital works and operational recurrent services for the City. It then links those projects and services to the Asset Plans, Long Term Financial Plan and Workforce Plan.
6. The CBP is a component of the City of Kalamunda's integrated planning and reporting framework.
7. The Chief Executive Officer, Directors and Managers have individual performance objectives that are directly linked to their achievement of the CBP in 2022/23.

DETAILS AND ANALYSIS

8. The CBP is comprised of 4 Strategic Priority areas, referred to as 'goals' in this report, being:
 1. Kalamunda Cares and Interacts
 2. Kalamunda Clean and Green
 3. Kalamunda Develops
 4. Kalamunda Leads
9. There are 127 individual actions set out within the CBP for the 2022/23 year. Progress reporting is provided as Attachment 1 to this report.
10. The report reflects the management progress report against the work schedule for each of the individual actions, as at 31 March 2023.
11. Most of the actions contained in the CBP are spread evenly across the year, so have a completion target at the end of the third quarter of 75%.

However, some actions start later in the year (such as the budget review or the Compliance Audit Return), so their targets are different. An action that starts in March, for example, may have a completion target of 0% up to the end of February, then 25% at the end of March, 50% at the end of April, 75% at the end of May and 100% by the end of June.

12. The CBP actions are on average 74.3% complete. The average target at the end of the second quarter is 72.6%, indicating that progress, on average, is slightly ahead of schedule.
13. Achievement of target is measured by comparing the target completion % to the actual completion %. For example, if the target is 25%, but the action is actually 50% complete, this represents an achievement of 200%. The average achievement of target across the actions is 127.0%, again indicating that progress is ahead of schedule.

APPLICABLE LAW

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

APPLICABLE POLICY

16. Nil.

STAKEHOLDER ENGAGEMENT

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

FINANCIAL CONSIDERATIONS

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

SUSTAINABILITY

20. Nil.

RISK MANAGEMENT

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

CONCLUSION

22. The City is working to carry out the actions listed in the Corporate Business Plan. On average, actions from the Corporate Business Plan are 74.3% complete at the end of the third quarter.

Voting Requirements: Simple Majority

RESOLVED OCM 69/2023

That Council NOTE the quarterly report for the Kalamunda Achieving: Corporate Business Plan 2022-2026 for the period January to March 2023.

Moved: **Cr Lisa Cooper**

Seconded: **Cr Sue Bilich**

Vote: **CARRIED UNANIMOUSLY (10/0)**

10.6.8. Election to Fill Councillor Vacancy

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

Previous Items	N/A
Directorate	Office of the CEO
Business Unit	Governance
File Reference	
Applicant Owner	City of Kalamunda
Attachments	Nil

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to decide upon how an election to fill a vacant councillor position in the South-West Ward will be undertaken.

2. Councillor Kellie Miskiewicz (South-West Ward) has submitted her resignation effective 28 April 2023. It is open to Council to determine to hold an extraordinary election to fill the vacancy or decide to leave the position unfilled until the 2023 Local Government Elections to be held on 21 October 2023.
3. It is recommended Council determine subject to the approval of the Western Australian Electoral Commissioner, that the vacant position will remain unfilled until the 2023 Local Government Elections.

BACKGROUND

4. If a Councillor resigns from their position on Council, actions have to be taken to elect a new Councillor to fill the vacancy for the unexpired term of council office created by the resignation.
5. In most cases these vacancies would be filled through an extraordinary Council election, however the Local Government Act does provide Council with direction and choice regarding any vacancy effective after the third Saturday in an ordinary election year. The current situation would bring these matters into play.
6. Local Government Elections are scheduled to be held on Saturday 21 October 2023.

DETAILS AND ANALYSIS

7. Councillor Kellie Miskiewicz submitted her resignations as a Councillor effective 28 April 2023.
8. As Councillor Miskiewicz's term is due to expire in 2025, Council can decide to hold an extraordinary election to fill the vacant positions. s4.9 of the *Local Government Act 1995* ('Act') provides for the manner of fixing of a date for an extraordinary election.
9. Practically speaking, the earliest an extraordinary election could be held is 16 August 2023.
10. As an alternative to compliance with s4.9 of the Act, as 2023 is an election year, s4.16 and s4.17 of the Act provide the parameters to allow a vacancy to remain unfilled until the Ordinary Council Elections on 21 October 2023.

11. Specifically, these sections provide if a councillor resigns after the third Saturday in January and before the third Saturday in July in an election year, Council can decide for the vacancy to remain unfilled until the next ordinary election subject to the approval of the Electoral Commissioner (in this case meaning the Western Australian Electoral Commissioner).
12. If the vacancy is effective after the third Saturday in July in an election year the Act determines the vacancy remain unfilled until the next ordinary election.
13. As 2023 is an election year and the vacancy in the South-West Ward has occurred after the third Saturday in January, but before the third Saturday in July, it is open to Council to resolve to determine, subject to the approval of the Western Australian Electoral Commissioner for approval, the vacancy to remain unfilled until the ordinary local government elections on 21 October 2023.
14. The City has been in contact with the Western Australian Electoral Commissioner who has advised such a request from Council would be approved.
15. The matter is further complicated by the situation of impending Local Government Reform. Whilst the City of Kalamunda has made its submission to the Local Government Advisory Board of a preference for 8 Councillors (plus a Mayor) and 4 Wards; there has been no determination from the Minister for Housing; Lands; Homelessness; Local Government as to the actual disposition of Councillors and Wards for the City to take effect at the 21 October 2021 election.
16. Once the resignation takes effect and until replacement, the Council will consist of 10 Councillors including the Mayor.
17. If an extraordinary election for the vacancy was held prior to October 2023, the newly elected Councillors would have terms expiring in October 2025; whereas if the vacancies were held over until the October 2023 election, the make-up and terms of all Councillor Officers would be determined at that time.
18. It is acknowledged that by deciding the vacancy remain unfilled will place additional workload and pressure on the remaining councillors. Due to the timing of a potential extraordinary election it is considered the early filling of the vacancy may have limited relief in workload on existing Councillors.

APPLICABLE LAW

19. *Local Government Act 1995*

APPLICABLE POLICY

20. N/A

STAKEHOLDER ENGAGEMENT

21. Community consultation is not required.

FINANCIAL CONSIDERATIONS

22. It is estimated there will be savings of \$4,500, in councillor fees and allowances in the current financial year.

23. It is anticipated holding an extraordinary election in the South-West Ward will incur a cost of between \$30,000 and \$35,000, whereas there would be minimal incremental cost incurred if the vacancy is filled in the October 2023 ordinary election.

SUSTAINABILITY

24. N/A

RISK MANAGEMENT

25.	Risk: Council is open to criticism for allowing vacancies not to be filled at the earliest opportunity						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;">Consequence</th> <th style="text-align: left; padding: 2px;">Likelihood</th> <th style="text-align: left; padding: 2px;">Rating</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">Moderate</td> <td style="padding: 2px;">Unlikely</td> <td style="padding: 2px;">Low</td> </tr> </tbody> </table>	Consequence	Likelihood	Rating	Moderate	Unlikely	Low
Consequence	Likelihood	Rating					
Moderate	Unlikely	Low					
	Action/Strategy						
	Responses detail the practical timeframe of holding an extraordinary election to fill vacancies compared to the October 2023 election date and limited benefits of holding the extraordinary election.						

CONCLUSION

26. It is considered appropriate, in the circumstances, to defer the extraordinary election to fill a vacancy in the South-WestWard until the Ordinary Local Government Elections in October 2023.

Voting Requirements: Absolute Majority

RESOLVED OCM 70/2023

That Council pursuant to section 4.16 (4) of the *Local Government Act 1995* DETERMINE, subject to the approval of the Western Australian Electoral Commissioner, the vacancy in the South-West Ward of the City of Kalamunda is to be filled in conjunction with the 2023 Ordinary Local Government Elections.

Moved: **Cr Geoff Stallard**

Seconded: **Cr Dylan O'Connor**

Vote: **CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (10/0)**

10.6.9. Consideration of Easement Arrangements

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

Reason for Confidentiality: Local Government Act 1995 (WA) Section 5.23 (2) (d) - "legal advice obtained, or which may be entered into, by the local government which relates to a matter to be discussed."

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

Previous Items	N/A
Directorate	Office of the CEO
Business Unit	
File Reference	
Applicant	
Owner	
Attachments	Confidential attachments provided under separate cover.

TYPE OF REPORT

	Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
P	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

RESOLVED OCM 72/2023

That Council ADOPT the recommendation outlined in Confidential Attachment 8 to this report.

Moved: **Cr Dylan O'Connor**

Seconded: **Cr John Giardina**

Vote: **CARRIED UNANIMOUSLY (10/0)**

11. Motions of Which Previous Notice has been Given

11.1 Nil.

12. Questions by Members Without Notice

12.1 Local Government Act (Cr Ritchie)

Q. Has the public been advised the City has received confirmation from the Local Government Advisory Board of the decision to maintain four wards within the City of Kalamunda?

A. The City is intending to advise the public through the upcoming Connect publication.

12.2 Compliance Issues (Cr O'Connor)

Q. Could a briefing and update be provided to councillors in relation to compliance issues taking place on Sultana Road bordering the High Wycombe South Residential Precinct?

A. This can be provided.

12.2 Clearing Welshpool Road East (Cr Stallard)

Q. I have been contacted by the public in relation to clearing between 720 and 780 Welshpool Road East. Can I have information in relation to this matter?

A. This matter is currently being investigated and an update will be provided to councillors following the investigation.

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

13.1 Nil.

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

14.1 Nil.

15. Meeting Closed to the Public

15.1 RESOLVED OCM 71/2023

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

Moved: **Cr Sue Bilich**

Seconded: **Cr Mary Cannon**

Vote: **CARRIED UNANIMOUSLY (10/0)**

The Meeting closed to the public at 6:45pm. All members of the public gallery left the Meeting and all elected members and staff remained.

15.2 RESOLVED OCM 73/2023

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

Moved: **Cr John Giardina**

Seconded: **Cr Brooke O'Donnell**

Vote: **CARRIED UNANIMOUSLY (10/0)**

The Meeting reopened to the public at 6:50pm. All members of the public gallery returned to the Meeting. The Presiding Member read the resolutions to the Meeting.

16. Tabled Documents

ROSCMC - Minutes – 04052023

Public Agenda Briefing Forum Notes 9 May 2023

KEDAC Minutes Final

17. Closure

There being no further business, the Presiding Member declared the Meeting closed at 6:55pm.

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

Signed: _____
Presiding Member

Dated this _____ day of _____ 2023.