



# Public Agenda Briefing Forum

Notes – 14 May 2024



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**1. Official Opening**

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

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

**Councillors**

**South East Ward**

Geoff Stallard

**South West Ward**

**North West Ward**

Lisa Cooper (Presiding Member)

Dylan O'Connor

**North Ward**

David Modolo (arrived at 6:33pm)

**Members of Staff**

**Chief Executive Officer**

Nathan Ritchie - Acting Chief Executive Officer

**Executive Team**

Sinead McGuire - Director Asset Services

Gary Ticehurst - Director Corporate Services

Chris Lodge - A/Director Development Services

**Management Team**

Scott Donaldson - Manager Strategic Planning

Brett Jackson - Strategic Project Director

**Administration Support**

Donna McPherson - Executive Assistant to the CEO

**Members of the Public 4**

**Members of the Press Nil.**

**Apologies**

Mayor Margaret Thomas JP

Cr John Giardina

Cr Mary Cannon

Cr Brooke O'Donnell

Cr Kathy Ritchie

Freya Ayliffe - A/Director Community Engagement

**Leave of Absence Previously Approved Nil.**

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**3. Declarations of Interest**

**3.1. Disclosure of Financial and Proximity Interests**

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

3.1.1 Nil.

**3.2. 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.

3.2.1 Nil.

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

4.1 Nil.

**5. Public Question Time**

Public questions will be allowed and received following the presentation of the report.

**6. Public Statement Time**

Public statements will be allowed and received following the presentation of the report.

**7. Public Submissions Received in Writing**

7.1 Nil.

**8. Petitions Received**

8.1 Nil.

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**9. Confidential Items Announced But Not Discussed**

- 9.1.1 Item 10.1.1 Wattle Grove Cell 9 - Infrastructure Cost Sharing Arrangement - 2023 Review - Final Adoption – Confidential Attachment – Legal Advice

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.*

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**10. Reports to Council**

**10.1. Development Services Reports**

**10.1.1. Wattle Grove Cell 9 - Infrastructure Cost Sharing Arrangement - 2023 Review - Final Adoption**


The A/Director Development Services provided a presentation on this item.

Cr Modolo sought clarification on the amount provided during the presentation. The A/Director Development Services advised the amount provided in the report was correct.

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

Previous Items	OCM 133/2023
Directorate	Development Services
Business Unit	Strategic Planning
File Reference	PG-DEV-013
Applicant	N/A
Owner	Various
Attachments	<ol style="list-style-type: none"> <li>1. 2023 Cell 9 Infrastructure Cost Sharing Arrangement Annual Report [<b>10.1.1.1</b> - 36 pages]</li> <li>2. Schedule 11 of Local Planning Scheme No. 3 (LPS3) [<b>10.1.1.2</b> - 5 pages]</li> </ol>

**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

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## STRATEGIC PLANNING ALIGNMENT

*Kalamunda Advancing Strategic Community Plan to 2031*

### Priority 3: Kalamunda Develops

**Objective 3.1** - To plan for sustainable population growth.

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

### Priority 3: Kalamunda Develops

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

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

## EXECUTIVE SUMMARY

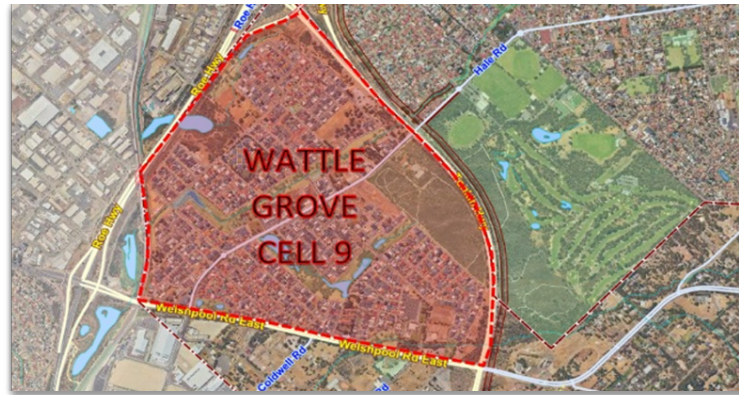
1. The purpose of this report is for the Council to consider the final adoption of the 2023 Infrastructure Cost Sharing Arrangement (ICSA) Report (ICSA Report 2023) (Attachment 1) for Wattle Grove Cell 9.
2. The ICSA Report sets out detailed information to facilitate the administration and delivery of the ICSA, a cost sharing arrangement to levy cost contributions for planned infrastructure that is required by, and to be shared across, Wattle Grove Cell 9. The ICSA Report is required to be reviewed annually.
3. The ICSA Report 2023 was advertised for a period of 30 days, commencing on 16 October 2023 and concluding on 15 November 2023. No submissions were received.
4. It is recommended that Council adopt the ICSA Report 2023 for Wattle Grove Cell 9 and the cost contribution rate of \$22,246 per lot.

## BACKGROUND

5. **Wattle Grove Cell 9 Outline Development Plan**  
The ICSA applies to land contained within the Wattle Grove Cell 9 Outline Development Plan (ODP) (see Attachment 2); an area generally bounded by Tonkin Highway, Roe Highway, and Welshpool Road East, as highlighted in red on the Locality Plan below.

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6. **Locality Plan:**



7. The Wattle Grove Cell 9 area operates as an ODP with administrative and ICSA provisions incorporated in Schedule 11 of Local Planning Scheme No. 3 (LPS3). ODPs pre-date the preparation of Local Structure Plans (LSP's), however operate with the same intent and in the same manner.

8. **Outline Development Plan (Attachment 1, Appendix A):**



9. **Relevant Planning History**

In 1997, the Cell 9 ODP was adopted by the Council, facilitating the urban redevelopment of the area to primarily residential land uses (at densities between R20-R40) supported by public open space, a primary school, community uses, and centralised commercial land uses.

10. As the area was historically used for rural and semi-rural land uses, redevelopment generated the provision of new infrastructure (i.e. public



open space) and upgrades to existing infrastructure (i.e. road infrastructure) that support residential land uses.

11. Due to the nature of fragmented land ownership, and the need to achieve the coordinated delivery of infrastructure, the ICSA was incorporated into Schedule 11 of LPS3 (Attachment 3), enabling cell infrastructure contributions to be levied for the subsequent delivery of infrastructure.
12. **Cell 9 Landscape Masterplan**  
 The Cell 9 Landscape Masterplan sets the principles and guidance for the design of Public Open Space (POS) and roads within the area. The character of POS within the subject area is predominantly linear parks that follow the waterways and environmental corridors.
13. The 2023 ICSA Review was considered at the September Ordinary Council Meeting (OCM) (OCM 133/2023) for consent to advertise. The 2023 Infrastructure Cost Sharing Arrangement (ICSA) Review was subsequently advertised for a period of 30 days closing on 15 November 2023 with no submissions received.

**DETAILS AND ANALYSIS**

14. **Statutory Basis**  
 Schedule 11 of LPS3 includes provisions enabling the statutory implementation of the ICSA.
15. **ICSA Report**  
 The ICSA Report further refines Schedule 11 through providing a comprehensive outline and annual status report for the ICSA. The ICSA Report does not form part of LPS3 as it is intended to be a dynamic document which maintains the currency of costs informed by annual reviews.
16. **Previous Reviews:**  
 Annual reviews of the ICSA Report allow the City of Kalamunda (City) to review the administration of the ICSA, status of infrastructure delivery, and have regard to infrastructure cost changes and rate of development.
17. Historical reviews of the ICSA were adopted on the following dates with the associated cost contribution rates:

DATE AMENDED	RATE
1 November 2001	\$7,100
1 November 2002	\$8,100
1 November 2003	\$10,000
1 November 2004	\$12,550
19 July 2005	\$13,550
1 March 2006	\$15,500

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1 September 2006	\$19,050
1 May 2007	\$22,050
1 May 2008	\$24,650
1 November 2008	\$25,500
1 November 2009	\$25,500
1 June 2011	\$26,450
1 January 2013	\$27,335
25 March 2014	\$27,315
27 August 2015	\$27,816
22 May 2017	\$26,588
27 August 2019	\$24,187
24 November 2020	\$22,275
28 February 2023 (draft)	\$21,639
26 September 2023 (draft)	\$21,264
May 2024	\$22,246

18. **Cell Infrastructure Costs**  
 The ICSA facilitates the coordinated provision of various cell infrastructure costs provided by Schedule 11 of the LPS3 (Attachment 2), and further informed through the ICSA Report (Attachment 1). In summary, the ICSA facilitates the coordination of the following:
- 19.

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<b>Common Infrastructure Items</b>	<b>Status</b>	<b>Summary of Outstanding Works</b>	<b>Anticipated Delivery</b>
a) Administration and project management costs	Ongoing	i) ICSA review and management ii) Project delivery	Ongoing until closure of ICSA.
b) Acquisition of land for public purposes.	Ongoing	i) Acquisition of land for public open space	Ongoing
c) Improvement to road infrastructure: i) Hale Road ii) Arthur Road iii) Sheffield Road	Complete	NA	NA
d) Woodlupine Brook Improvements	Ongoing	i) Earthworks. ii) Erosion and flow control measures. iii) Landscaping improvements and additions. iv) Construction of footpaths. v) Furniture. vi) Construction of fencing.	2023 - 2024
e) Developer Drainage Works	Ongoing	i) Gross pollutant traps Pipes ii) Manholes	Ongoing
f) POS Improvements* to the following POS sites: i) Yule Brook POS ii) Willow Lake POS iii) Woodlupine Brook Undeveloped Reserve	Preliminary Designs	i) Detailed Design. ii) Earthworks. iii) Landscaping improvements and additions. iv) Footpaths. v) Furniture.	2024 - 2026

*\*Indicates infrastructure works estimated for consideration through this review*

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20. **Priority of Delivery for Outstanding Infrastructure Items**  
As noted in the above table, several infrastructure items remain outstanding, with delivery contingent upon further development of land within Cell 9, and subsequent collection of cost contributions levied at the subdivision and/or development of land.
21. Subject to the availability of funding, the following order of priority is recommended:
- a) Woodlupine Brook Improvements.
  - b) Yule Brook POS Improvements and associated Land Acquisitions / Miscellaneous Land Costs.
  - c) Willow Lake POS Improvements and associated Land Acquisitions / Miscellaneous Land Costs.
  - d) Woodlupine Brook Undeveloped Reserve Improvements;
  - e) Developer drainage works (Ongoing).
  - f) Administration Cost (Ongoing).
  - g) Education Department Loan (refer to part 2.6 of the ICSA Report).
22. The priority list will be updated as part of the annual cost estimate review and associated ICSA Report update.
23. **2023 Annual Review**  
The below table provides a summary of the infrastructure costs and cost contribution liabilities, and key information supporting the 2023 Annual Review (as of 30 June 2023):

<b>Current Cost Contribution rate:</b>	\$22,275/lot created
<b>Forecast 2023 Cost Contribution rate:</b>	\$22,246 /lot created
<b>Number of cost contributions discharged 2020-2023 FY</b>	74 lots
<b>Number of forecasted lots with contribution obligations:</b>	296
<b>Estimated cost of remaining Cell Infrastructure Costs</b>	\$13,409,016
<b>Contributions levied in 2020-2023 FY</b>	\$1,709,534
<b>ICSA expenditure 2020-23 FY</b>	\$4,343,318
<b>Balance of funds available</b>	\$6,824,081
<b>Interest received in 2020-23 FY</b>	\$258,464

24. **Actions Since 2020 Annual Review**

Since the November 2020 Annual Review (OCM 229/2020) the following actions have occurred and reflected in the current review:

- a) Reduction in the Hale Road upgrade costs (-\$871,284).
- b) Estimates being prepared for the proposed use of Cell 9 ICSA funds for the following public open space (POS) improvements:
  - i. The Yule Brook POS (\$755,415);
  - ii. Willow Lake POS (\$345,101.24); and
  - iii. Woodlupine Undeveloped Reserve POS (\$78,918.40).
- c) The land acquisition rate, informed by an independent land valuation (refer Attachment 1, Appendix K), being updated from \$165/m<sup>2</sup> to \$175/m<sup>2</sup>.
- d) The development, and consequential discharge of cost contributions, from 74 lots, representing \$1,709,534.
- e) A consequential recalculation of the forecast rate applied; from \$22,275 to a forecast \$22,246.

25. **Reduction in Costs to Hale Road Improvements**

Hale Road was completed in 2022. Total actual costs for Hale Road decreased significantly from what was estimated in the previous review that concluded in November 2020. The reduction in costs for Hale Road represents \$871,284.

26. The significant reduction in upgrading costs for Hale Road was due to two main factors:

- a) Reduction in Western Power costs; and
- b) Changes to the scope of upgrades that occurred at final detailed design and delivery stage.

27. Western Power undertook works prior to the commencement of road construction works, which reduced the Western Power costs significantly, compared to the works being undertaken during or post road construction, as initially expected.

28. The scope of the Hale Road upgrade project was required to be adjusted at the detailed design and delivery phase due to constraints derived from final road reservation widths and existing infrastructure. The key changes are summarised as follows:

- a) Removal of an exclusive cycle lane.
- b) Removal of a path on the North-Western end of Hale Road –
  - i. Puddy Lane to Welshpool Road East (83m); and
  - ii. From 12 Hale Road to Welshpool Road East (230m).

- c) A reduction in the pavement width at construction than originally proposed, by minimum of 2m for full length.
- d) A reduction in the road reserve width at construction than originally proposed at 23.5m, with as-constructed ranges from approximately 17.0m to 21.0m.




29. **Woodlupine Brook Improvement Cost Estimates**

Total costs for Woodlupine Brook improvements have remained relatively consistent with the previous review.



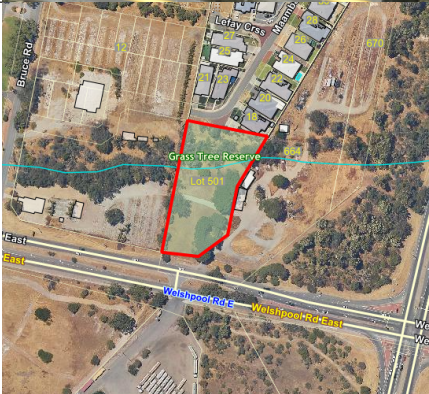

- 30. The design and delivery of Woodlupine Brook improvements were divided into three stages. Stages 1 and 2 were completed by 2019, therefore the remaining estimated costs provided in the ICSA relate to Stage 3.
- 31. Stage 3 includes areas in and surrounding the Woodlupine Brook watercourse under the care and control of the Water Corporation. It is therefore necessary for the City to obtain approval from the Water Corporation for works effecting the watercourse.
- 32. The City recommenced the preparation of detailed designs for Stage 3 in 2021 and liaised with the Water Corporation to ensure agreed functional outcomes of the Woodlupine Brook. The City became aware, during this engagement, that Water Corporation's design expectations had changed, which resulted in an extended design process and changes to the scope of improvements. Furthermore, the Water Corporation advised in mid-2021 that works were required to the drainage channel to remove Typha (a type of wetland vegetation) due to concerns about impacts on the hydrology and local flooding risks.
- 33. The above also resulted in delays to obtaining estimated costs for the purposes of completing the ICSA review in the 2021/2022 financial year.
- 34. Increased costs have been experienced due to significant inflation for materials and construction. There has also been additional costs added for amenity items such as park furniture and infill planting.
- 35. The scope of improvements to the Woodlupine Brook Stage 3 improvements have undergone the following key changes:
  - a) Removal of revegetation / planting in drainage basin and sides so as not to conflict with the Water Corporation's management processes.
  - b) Increased amenity improvements (e.g. park furniture and infill planting).
- 36. Stage 3 civil works (drainage) have commenced and were completed late 2023, with revegetation planned for the winter months of 2024.

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37. **Improvement Costs to Public Open Space**  
 While the ICSA has historically included acquisition costs for POS, improvement costs have only been identified and estimated for the Woodlupine Brook POS. This annual review is proposing to include improvements for three POS sites that are yet to be completed to an acceptable basic standard and utilise ICSA funds as originally intended.
38. The City has conducted a review of POS in the Cell 9 ODP which identified the following POS sites remain unimproved:

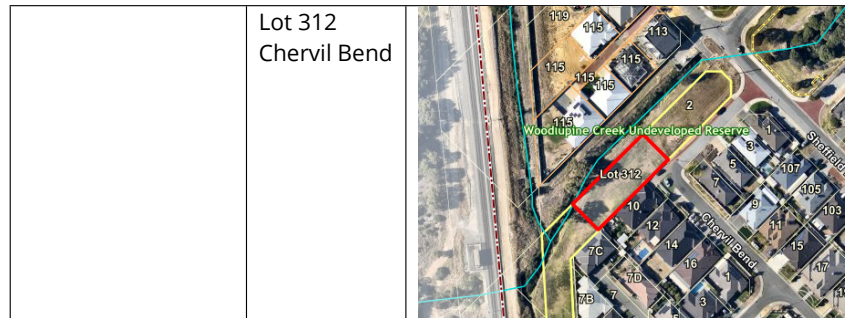
RESERVE NAME	LOT	AERIAL
a) Willow Lakes POS	Lot 26 St John Road (PART)	
	Reserve 50721	
b) Yule Brook POS	Reserve 47406 and Reserve 27722	

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	<p>Lot 60 Bruce Road (PART)</p>	
	<p>Lot 8000 Bruce Road</p>	
	<p>Reserve 50985 Grass Tree Reserve</p>	
<p>c) Woodlupine Creek Undeveloped Reserve POS</p>	<p>Lot 919 Chervil Bend</p>	



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39. While previous reviews of the ICSA have included acquisition costs for the remaining POS lots in the Cell 9 ODP area, associated improvement costs were not included (except for Woodlupine Brook POS).
40. The City proposes to utilise ICSA funds for POS infrastructure, in line with the prevailing intent established for Cell 9, towards the improvement of the following reserves:

RESERVE NAME	LOT DESCRIPTION	ESTIMATED COST
a) Woodlupine Creek Undeveloped Reserve	Lot 919 Chervil Bend	\$78,918
	Lot 312 Chervil Bend	
b) Willow Lake POS	Lot 26 (part) St John Road*	\$345,101
	Reserve No. 50721	
c) Yule Brook POS	Reserve No. 27722	\$755,415
	Reserve No. 47406	
	Lot 60 Bruce Road (part)*	
	Lot 8000 Bruce Road	
	Reserve No. 50985	
<b>TOTAL</b>		<b>\$1,179,435</b>

*\*Indicates POS yet to be acquired*

41. The standard of improvements will be in accordance with the WAPC Liveable Neighbourhoods Guidelines (2009), the City of Kalamunda's Local Planning Policy 32 Public Open Space (POS) (LPP32) and the design principles of the Cell 9 Landscape Masterplan. In summary, the POS will be improved with:
- a) Footpaths;
  - b) Pram ramps;

- c) Park benches;
- d) Hoop rails;
- e) Shelters;
- f) Revegetation; and
- g) Bins.

It is noted items such as play equipment and barbeques would need to be funded from municipal or other sources.

42. **Legal Advice and Rationale for Inclusion of POS Improvement Costs**  
The City reviewed the intent of the provisions of Schedule 11 of the Scheme as they relate to POS. Legal advice confirms the ability to include the POS improvements to Yule Brook POS, Willow Lake POS and Woodlupine Undeveloped Reserve. The intent of the Cell 9 ODP and Schedule 11 of LPS3 is for improvements to be delivered to POS, as identified on the Cell 9 ODP which includes the abovementioned sites. It is both reasonable and appropriate for contributions to be allocated to the improvement of POS across the Cell 9 ODP area to the benefit of all Wattle Grove Cell 9 residents. This conclusion is supported by the advice received in Confidential Attachment 1.
43. Due to the cost of delivering Hale Road upgrades being significantly less than estimated, the inclusion of the cost of these POS improvements largely balances out and therefore does not have a negative impact on the contribution rate. The rate is considered to remain fair and within a reasonably consistent range of recent reviews.
44. **Remaining Lot Yield**  
The future lot yield is expected to provide the contributions necessary to meet all of the outstanding ICSA costs.
45. Approximately 296 new lots are expected to be created, with 74 new lots created since the last annual review (November 2020 and 30 June 2023).
46. Cost contributions collected from the remaining undeveloped sites will provide the funds necessary to account for all infrastructure items and associated administration costs noted in the ICSA. Further information regarding the methodology applied to calculating the per lot rate are contained in Part 3 of the ICSA Report (Attachment 1).
47. **Land Costs Review**  
The ICSA provides for the acquisition of road reserve land and POS land as identified on the ODP. All road related land acquisition has been completed and, as of 30 June 2023, approximately 2.3 hectares of POS land is identified for acquisition through the ICSA.

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48. An independent land valuer assigns value to land required to be acquired for public purposes as outlined by the ICSA and in accordance with the ODP. A valuation report prepared for the current review (Attachment 1, Appendix K) has assigned a land valuation rate of \$175/m<sup>2</sup>, which represents \$4,055,800, to be utilised for determining estimated land acquisition costs for the remaining areas of POS land acquisition.
49. A twenty (20) percent contingency has been applied to the land cost, which represents \$811,160. The contingency rate was recommended by an independent land valuer due to land purchases undertaken by the City in Cell 9 that have included a 10% solatium compensation allowance and, following negotiations with landowners, have exceeded the estimated land purchase cost.
50. Miscellaneous land acquisition related works are costs that may be required through the course of detailed design work, such as compensation for improvements, servicing adjustments, and remediation work.
51. A nominal figure of \$200,000 has been applied to miscellaneous land acquisition related works, plus a 5% contingency of \$10,000. This figure will be reviewed when the City commences the remaining land acquisitions and receives a valuation from a quantity surveyor on miscellaneous land acquisition related works. This figure is consistent with the amount allocated in previous reviews.
52. **Remaining Infrastructure Works**  
The table below provides a summary of any remaining common infrastructure works.

Item	Remaining Cost
Hale Road	\$0
Arthur / Wimbridge / Sheffield Projects	\$0
Woodlupine Brook Improvements	\$1,614,458
Yule Brook Stage 1	\$423,372
Yule Brook Stage 2	\$252,604
Yule Brook Stage 3	\$79,439
Willow Lake	\$345,101
Woodlupine Undeveloped Reserve	\$78,918
Developer Drainage Works	\$792,000
<b>SUBTOTAL</b>	<b>\$3,585,893</b>
Contingency	\$318,272
Education Department Loan	\$3,909,092
Land for Roads	\$0
Land for Public Open Space	\$4,055,800

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Miscellaneous Land Acquisition Related Expenses	\$210,000
Land contingency	\$811,160
Administrative Items	\$518,800
<b>Total</b>	<b>\$13,409,016</b>

53. **Completed Works**  
 Since the last review the following works have been completed:
- a) Upgrade of Hale Road;
  - b) Civil works associated with Woodlupine Brook Improvements (Stage 3).

54. **Administration Costs**  
 The administration costs have been reviewed to reflect the project timeframe left for the ICSA to operate. This was calculated based on the length of the arrangement to date and the amount of lots developed in that time to determine the average number of lots developed each year. The remaining lots were then divided by the average lots developed each year to calculate the estimated number of years remaining in the ICSA. Based on this equation it is estimated there are four years remaining for the Infrastructure Cost Sharing Arrangement to operate. This will be reviewed on a yearly basis.

55. The estimated cost for future administrative items is estimated at \$518,800.

56. The administration of the ICSA includes, but is not limited to, the following key tasks:
- a) Legal/Land acquisition management;
  - b) ICSA annual review;
  - c) Land valuation; and
  - d) Planning related time and costs.

57. **Calculation Methodology**  
 The method for calculating contributions is as follows:

$$\begin{aligned} \text{Net outstanding costs} &= \text{remaining costs} - \text{funds held in bank} \\ \text{Remaining lot yield} &= R - \text{Code yield or Commercial zone equivalent} \end{aligned}$$

$$\text{Contribution Rate} = \frac{\text{Net outstanding costs } (\$)}{\text{Remaining lot yield}}$$

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$$\text{Contribution Rate} = \frac{(\$13,409,016.46 - \$6,824,080.44)}{296} = \$22,264 \text{ per lot}$$

<b>Remaining costs</b>	\$13,409,016.46
<b>Funds held in bank</b>	\$6,824,080.44
<b>Remaining lot yield</b>	296 lots or lot equivalent
<b>Contribution Rate</b>	\$22,246

**APPLICABLE LAW**

- 58. *Planning & Development Act 2005*
- 59. *Planning & Development (Local Planning Schemes) Regulations 2015*
- 60. City of Kalamunda Local Planning Scheme No. 3
- 61. The ICSA contributions are administered and determined in accordance with the provisions of Schedule 11 of LPS3.

**APPLICABLE POLICY**

- 62. The annual review has regard for State Planning Policy 3.6 Infrastructure Contributions (SPP3.6), noting that the Wattle Grove Cell 9 ICSA pre-dates the establishment of SPP3.6 and is administered in accordance with Schedule 11 of LPS3.

**STAKEHOLDER ENGAGEMENT**

- 63. Following the September 2023 OCM, the draft ICSA 2023 and associated development contribution rate was advertised for a period of 30 days; commencing on 16 October 2023 and concluding on 15 November 2023.
- 64. The advertising process involved:
  - a) Writing to all landowners within Wattle Grove Cell 9 ICSA area;
  - b) Copies being made available for viewing at the City’s Administration Building;
  - c) A notice on the City’s website.
- 65. No submissions were received during the advertising period.

**FINANCIAL CONSIDERATIONS**

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

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**SUSTAINABILITY**

- 67. The provision of infrastructure in a timely, coordinated and responsible manner can impact on amenity and provision of facilities for both existing and future residents. Impacts on the quality of life need to be considered along with community expectations. This review enables the proposed infrastructure to be delivered in an efficient and financially responsible manner.
- 68. The implementation of ICSA assists in the timely, efficient, and equitable provision of infrastructure that may in turn facilitate economic growth and employment creation.
- 69. The proposed ICSA provides upgrades to Woodlupine Brook POS, Yule Brook POS, Willow Lake POS and the Woodlupine Undeveloped Reserve. Landscaping upgrades will enable the area to be utilised for more active uses by the community and to reduce erosion.

**RISK MANAGEMENT**

- 70.
 

<b>Risk:</b> The ICSA does not generate enough funds to undertake works.		
<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
Major	Unlikely	Medium
<b>Action/Strategy</b>		
Ensure annual reviews account for the cost of infrastructure and the remaining development has the capacity to cover these costs. Ensure regular reviews of funding capacity.		
  
- 71.
 

<b>Risk:</b> Land and infrastructure within the ICSA remain undeveloped by the end of the predicted operational period (4 years – 30 June 2027).		
<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
Major	Unlikely	High
<b>Action/Strategy</b>		
Ensure the rate of development is monitored annually and the duration of the ICSA is evaluated during annual reviews.		
  
- 72.
 

<b>Risk:</b> Unimproved POS identified on the Cell 9 ODP remains unfunded.		
<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
Significant	Possible	High

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<b>Action/Strategy</b>
Include funding for unimproved POS in the ICSA.

73.	<b>Risk:</b> Stakeholders are dissatisfied with the proposed inclusion of POS Improvements.		
	<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
	Significant	Possible	High
	<b>Action/Strategy</b>		
	Confirm legal and governance responsibilities for the inclusion of POS improvements via the ICSA.		

**CONCLUSION**

74. In summary, the following updates have occurred since the 2020 ICSA review:
- a) Reduction in the Hale Road upgrade costs (-\$871,284).
  - b) Estimates being prepared for the proposed use of Cell 9 ICSA funds for the following public open space (POS) improvements:
    - iv. The Yule Brook POS (\$755,415);
    - v. Willow Lake POS (\$345,101.24); and
    - vi. Woodlupine Undeveloped Reserve POS (\$78,918.40).
  - c) The land acquisition rate, informed by an independent land valuation (refer Attachment 1, Appendix K), being updated from \$165/m<sup>2</sup> to \$175/m<sup>2</sup>.
  - d) The development, and consequential discharge of cost contributions, from 74 lots, representing \$1,709,534.
  - e) A consequential recalculation of the forecast rate applied; from \$22,275 to a forecast \$22,246.
75. The proposed minor reduction in rate is a consequence of a reduction in the total costs for Hale Road, which has been partially offset by the addition of POS improvement costs to Yule Brook POS, Willow Lake POS and the Woodlupine Brook Unimproved Reserve.
76. Legal advice has confirmed the ability to include the POS improvements. The intent of the Cell 9 ODP and Schedule 11 of LPS3 is for POS improvements to be delivered.
77. The ICSA has a positive cash flow at present, with a cash balance of \$6,824,080.44 as of 30 June 2023. There are several infrastructure projects planned as outlined in the works priorities, that will bring the cash balance down.

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78. Whilst not a requirement under LPS3 to undertake public advertising of the ICSA Report 2023, it was advertised in the interest of good governance and transparency. The proposed Cost Contribution Rate was applied immediately to ensure contributions are reflective of the latest and best estimates available.
79. It is recommended that Council adopt the revised Wattle Grove Cell 9 ICSA Report 2023 and associated development contribution rate of \$22,246 effective immediately.

<b>Voting Requirements: Simple Majority</b>
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**RECOMMENDATION**

That Council:

1. NOTE no submissions were received during public advertising.
2. ADOPT the Infrastructure Cost Sharing Arrangement Report 2023 for Cell 9 Wattle Grove (Attachment 1).
3. ADOPT the 2023 Cost Contribution Rate of \$22,264 for immediate application under the Local Planning Scheme No. 3.
4. AUTHORISE the Chief Executive Officer to:
  - a) notify relevant authorities (Department of Planning, Lands & Heritage and Department of Local Government, Sport and Cultural Industries) of the 2023 Annual Review Process.
  - b) to publish a copy of the Wattle Grove Cell 9 Infrastructure Cost Sharing Arrangement Report 2023 on the City's website, as contained in Attachment 1.



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### **10.1.2. Forrestfield High Wycombe Industrial Area: Development Contribution Plan: 2023 Annual Review - Final Adoption**

The A/Director Development Services provided a presentation on this item.

The Presiding Member acknowledged questions provided by Ms Diane English, High Wycombe, in writing. These questions are taken on notice and responses will be provided in the OCM Agenda of 28 May 2024.

Mr Michael Ryan, High Wycombe, asked the following questions:

- Q1. The definition of light industry used in local structure plans in WA is no noise emitted beyond the boundary. Can the Director Development Services please name each of the businesses in Stage 1 which at any time have operated in a way not consistent with the definition of light industry.
- Q2. Since August 2014, what monitoring systems has the City employed to collect and retain data for assessments of compliance with the definition of light industry Please list the locations of the current monitoring stations in the Minutes.
- Q3. The OCM on Tuesday 28 May 2024 will answer questions sent by Diane English about the Department of Transport approvals for Sultana Road West. The scheduled priorities listed in tonight's document has the widening of SRW to RAV 4 as priority No 5. When is this work scheduled? Is the date in this DCP Review, consistent with DoT requirements.
- Q4. A Community Submission for the DCP for High Wycombe South sets out why landowners in High Wycombe South are not required to pay 50% of the cost for the upgrade of Sultana Road West to RAV 4 standard. Refer pages 6 and 13 of that Submission. The amount of \$1,263,137.13 should be added into the DCP for Stage 1 at this Review. Councillors received their copy on 6 May 2024

Mr David Downing, High Wycombe, provided a statement in relation to a submission. Mr Downing asked the following questions:

- Q1. What makes Berkshire road a special case requiring it to have 2 footpaths or is it simply because others can be forced to pay for it?
- Q2. There are only 2 properties on Berkshire road that are yet to be developed so has the city measured pedestrian use of the existing DCP path on the north side of the road to prove a need as required by state planning policy?
- Q3. Is there a city of main roads policy that specifies when a path or 2 paths are required?


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

Previous Items	OCM 132/2023
Directorate	Development Services
Business Unit	Strategic Planning
File Reference	
Applicant	N/A
Owner	Various
Attachments	<ol style="list-style-type: none"> <li>1. Development Contribution Plan Report 2023 March 2024 [<b>10.1.2.1</b> - 62 pages]</li> <li>2. Submission Table [<b>10.1.2.2</b> - 7 pages]</li> <li>3. Forrestfield High Wycombe Industrial Area Stage 1 Local Structure Plan [<b>10.1.2.3</b> - 1 page]</li> </ol>

**TYPE OF REPORT**

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

**STRATEGIC PLANNING ALIGNMENT**

*Kalamunda Advancing Strategic Community Plan to 2031*

**Priority 3: Kalamunda Develops**

**Objective 3.1** - To plan for sustainable population growth.

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

**Priority 3: Kalamunda Develops**

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

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

**Strategy 3.3.2** - Attract and enable new investment opportunities.

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

**Priority 4: Kalamunda Leads**

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

**Strategy 4.1.1** - Provide good governance.

**EXECUTIVE SUMMARY**

1. The purpose of this report is for the Council to consider the final adoption of the 2023 Annual Review of the Development Contribution Plan Report (DCPR) (Attachment 1) for the Forrestfield High Wycombe Industrial Area Stage 1 (FFHWS1).
2. The DCPR sets out detailed information to:
  - a) facilitate the administration and delivery of the DCP;
  - b) to facilitate land use transition to industrial development;
  - c) coordinated new and upgraded infrastructure; and,
  - d) an equitable system to levy cost contributions.
3. The 2023 DCPR was advertised in October / November 2023 for a period of 30 days commencing 16 October 2023, concluding 15 November 2023. One (1) submission was received with responses provided in the submissions table (Attachment 2). The 2023 DCPR has been modified in response to the submission (Attachment 1).
4. It is recommended that Council adopt the DCPR 2023 Annual Review and the cost contribution rate be updated to \$23.16/m<sup>2</sup>.

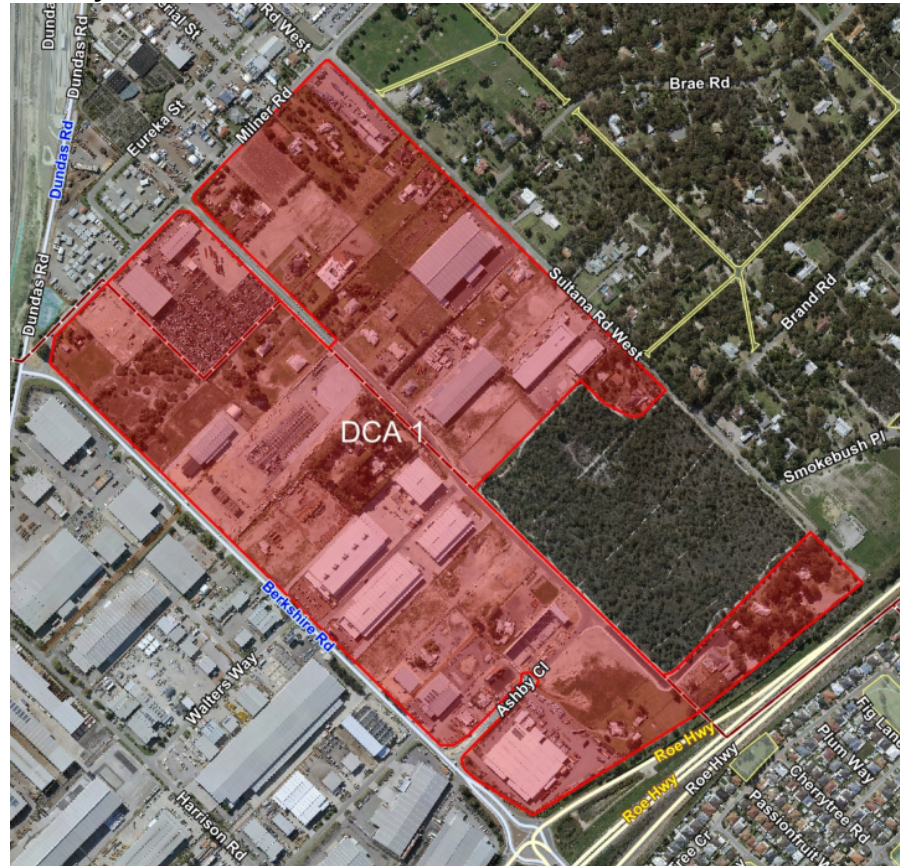
**BACKGROUND**

5. **Land Details:**

Land Area:	690,481m <sup>2</sup> (Gross) 664,715.75m <sup>2</sup> (Net)
Local Planning Scheme Zone:	Industrial Development
Metropolitan Regional Scheme Zone:	Urban
Local Structure Plan Zone:	Industry Light

6. **Location:**  
The FFHWS1 is generally bounded by Milner Road, Sultana Road West, Roe Highway, and Berkshire Road, in localities of Forreestfield and High Wycombe.

7. **Locality Plan:**



8. **Relevant Planning History**  
The FFHWS1 has historically been used for rural living and orcharding, however since 2012 the area has transitioned with the development of a range of light industrial development land uses, particularly logistics and transport-based industries.
9. In February 2012 the FFHWS1 was rezoned from 'Special Rural' to 'Industrial Development' through Amendment 34 to Local Planning Scheme No. 3 (LPS 3).
10. The Development Contribution Plan (DCP) was prepared to facilitate land use transition to industrial development, coordinated new and upgraded infrastructure and an equitable system to levy cost contributions. The DCP became operational in May 2013, following the gazettal of Amendment 48,

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which introduced the FFHWS1 DCP through Schedule 12 of LPS 3 and applied a Special Control Area – Development Contribution Area 1 – on the LPS 3 map.

11. The Forrestfield High Wycombe Industrial Area Local Structure Plan (LSP) (Attachment 3) was prepared to guide the redevelopment of the area and was endorsed by the Western Australian Planning Commission in November 2013.
12. The City of Kalamunda (City) is required to review the DCPR annually. The most recent annual review was adopted at the June 2022 Ordinary Council Meeting (OCM/74/2022).
13. The DCP was initially approved with a 10-year operational period. To enable the completion of infrastructure and the build-out of the FFHWS1 area, Amendment 110 to LPS 3 was introduced to extend the operational period by a further five years (to a total operational period of 15 years, ending in May 2028). Amendment 110 was gazetted in July 2023.
14. The 2023 DCPR was considered at the September Ordinary Council Meeting (OCM 132/2023) for consent to advertise. The 2023 DCPR was subsequently advertised for a period of 30 days. One (1) submission received with responses provided in the submissions table (Attachment 2). The 2023 DCPR has been modified in response to the submission (Attachment 1). Refer Stakeholder Assessment section for further information.

#### **DETAILS AND ANALYSIS**

15. This Report and the 2023 DCPR report utilise financial information from a snapshot in time, being 30 June 2023.
16. **Statutory Basis**  
Clause 6.5 and Schedule 12 of LPS 3 provide the statutory provisions that guide the administration of the DCP and set out the following details:
  - a) The area name;
  - b) Relationship to other planning instruments;
  - c) Infrastructure and administrative items to be funded through the DCP;
  - d) Method for calculating contributions;
  - e) Period of operation;
  - f) Timing and priority principles for infrastructure delivery; and
  - g) Review process and reporting obligations.

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17. **Development Contribution Plan Report:**  
A DCPR further refines Schedule 12 through providing a comprehensive outline and status report of the DCP. The DCPR and its appendices do not form part of the statutory framework as they are intended to be dynamic documents which maintain the status of completed and proposed infrastructure works and the currency of the costs informed by annual reviews.
18. **Common Infrastructure Items**  
The DCP facilitates the coordinated provision of various common infrastructure items as outlined in Schedule 12 of LPS3, and further informed through Part 2 of the DCPR (Attachment 1). In summary, the DCP facilitates the coordination of the following:
- a) Land for roads and intersections;
  - b) Road and intersection construction;
  - c) Administration costs.
19. **Previous Reviews**  
Annual reviews allow the City to review the administration of the DCP, status of infrastructure delivery, and have regard to infrastructure cost changes and rate of development. Historical reviews and associated contribution rates are summarised in the following table:

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

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20. **2023 Annual Review**

The below table provides a summary of the key information informing the 2023 Annual Review (as at 30 June 2023).

<b>DCA1 total area of:</b>	690,481m <sup>2</sup>
<b>DCA1 total Net Contribution Area:</b>	664,715.75m <sup>2</sup>
<b>Current Cost Contribution rate (adopted for advertising &amp; immediate application 2023)</b>	\$23.77/m <sup>2</sup>
<b>Forecast Cost Contribution rate:</b>	\$23.16/m <sup>2</sup>
<b>Total number of lots with cost contribution obligations:</b>	15
<b>Number of lots that have satisfied their cost contribution obligations:</b>	32
<b>Percentage of landowners who have contributed:</b>	68%
<b>Estimated cost of all infrastructure:</b>	\$13,990,831
<b>Estimated cost of all administration:</b>	\$1,402,701
<b>Cost contributions levied in 2022-23</b>	\$534,505
<b>Interest received in 2022-23</b>	\$31,758
<b>DCP expenditure 2022-23</b>	\$44,481
<b>Balance of funds available</b>	\$1,260,533

21. **Remaining Developable Land**

The future developable area is expected to provide the Cost Contributions necessary to account for the remaining infrastructure and administrative costs. As of 30 June 2023, 32 of the 47 lots (68%) in DCA1 had been developed, or have commenced development, and 15 lots (32%) are yet to be developed.

22. **2023 Review of Forecast Cost Estimates**

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

23. The City commissioned a review of cost estimates following the conclusion of the 2022/2023 financial year by:

- a) An independent land valuation to inform the land costs based on the fair market value of land within DCA1 (Attachment 1, Appendix K); and
- b) An independent civil engineer to inform the development infrastructure costs for all remaining infrastructure (Attachment 1, Appendix A-F).

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24. **2023 Land Costs Review**

In June 2023 an independent land valuer provided an estimated rate of \$310/m<sup>2</sup> to \$370/m<sup>2</sup> for which land should be acquired for public purposes through the DCP. The land valuation is informed by zoning designation, site characteristics and market evidence. For a detailed outline of the land costs please refer to Appendix J of Attachment 1.

25. While the assessed land value has increased in the current review from previous years, given most of the land has been acquired the change in land value has a relatively minor impact to the forecast cost contribution rate.

26. **Land Requiring Acquisition**

Land Status	Area (m <sup>2</sup> )	Cost (\$)
Acquired	16,167.50	\$6,579,485
Future Acquisition	258.06	\$85,491.80

27. **Status of Remaining Infrastructure Items (as of 30 June 2023)**

Item	Forecast Cost		Status	Summary of Changes 2023 Review
	2022	2023		
<b>Berkshire Road Upgrade</b>	\$122,691	\$150,570	Designs completed to 85%.  Commencement of works subject to finding and priority through DCP.	Based on review of civil and construction costs.
<b>Milner Road Upgrade</b>	\$1,027,455	\$1,362,074	Designs completed to 85%.  Commencement of works subject to finding and priority through DCP.	Based on review of civil and construction costs.



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<b>Nardine Close Extension (New Road) - Stage 2</b>	\$220,384	\$232,105	Stage 1: Completed 2019.  Stage 2: Detailed designs, pending commencement of works 2024.	Based on 50% Designs.
<b>Bonsor Road (New Road) - Stage 2</b>	\$76,691	\$90,214	Stage 1: Completed June 2020.  Stage 2: pending land acquisition.	Based on review of civil and construction costs.
<b>SULTANA ROAD WEST UPGRADE (50% Contribution)</b>	\$1,043,739 (50% of the total costs)	\$1,263,137 (50% of the total costs)	Designs completed to 85%.  Commencement of works subject to finding and priority through DCP.	Based on review of civil and construction costs.
<b>Berkshire Road / Ashby Close - Stage 2 (Seagull)</b>	\$28,094	\$33,713	Stage 1: Completed October 2019.  Stage 2: Commencement of works subject to finding and priority through DCP.	Based on review of civil and construction costs.

28. **2022-2023 Actions**

Since the 2022 Annual Review (OCM/74/2022) the following has occurred:

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- a) The acquisition of land required to formalise the Nardine Close cul-de-sac;
- b) The acquisition of land associated with the Nardine Close to Sultana Road West Emergency Access Way;
- c) The Agreement finalised with a landowner to undertake the works associated with Road 2A (Stage 2):
  - i. Nardine Close cul-de-sac; and
  - ii. The Emergency Access Way between Nardine Close and Sultana Road West.
- d) The City commissioned detailed designs for Road 2A (stage 2) to 50 per cent;
- e) The advertising of the 2023 DCP Annual Review; and
- f) Modifications to the 2023 DCP Annual Review in response to submissions.

29. **Priority of Infrastructure Works**

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

- a) Ongoing administrative costs, including legal, accounting, planning, engineering and other professional advice required to prepare and implement the DCP.
- b) Stage 2 of Road 2A which involves constructing the Nardine Close cul-de-sac to a permanent standard and the construction of an Emergency Access Way (EAW) between Nardine Close and Sultana Road West.
- c) Stage 2 of Bonser Road which involves constructing the truncations of Bonser Road to a permanent standard. The timing of outstanding works for Bonser Road is contingent upon the subdivision and/or development of adjoining Lots 16 and 17 Bonser Road; therefore subsequent priorities, as stated below, may also be progressed in advance of completing Stage 2 of Bonser Road.
- d) Milner Road.
- e) Sultana Road West.
- f) Berkshire Road footpath and associated adjustment to services.
- g) Berkshire Road / Ashby Close Intersection treatment (seagull island).

30. With regard to Milner Road, it should be noted that the Water Corporation is planning major upgrades to sewer infrastructure and there is a need to sequence the delivery to ensure the DCP does not fund abortive road works.

31. Furthermore, while Milner Road is identified as the next major infrastructure item for delivery, there is a potential opportunity to consider a broader design and upgrade strategy in collaboration with DevelopmentWA to facilitate needed improvements for the broader Milner Road connection between Maida Vale Road and Milner Road, to support the High Wycombe

South Transit Oriented Development Precinct and the High Wycombe Residential Precinct.

In this regard, the DCP contributions towards Milner Road could elevate the priority and timing of infrastructure in the broader precinct.

32. **Amendments Post Advertising**

The 2023 DCPR was modified as follows in accordance with a submission received during the advertising period:

- a) *Berkshire Road* – The quantity of overhead powerlines was reduced from three (3) to two (2). This modification represents a reduction of \$17,500 to the total infrastructure cost, reducing the cost contribution rate by \$0.026/m<sup>2</sup>.
- b) *Sultana Road West* – The unit applied to footpaths has been reduced from \$70/m<sup>2</sup> to \$50/m<sup>2</sup>. This modification represents a reduction of \$29,059 to the total infrastructure cost, reducing the contribution rate by \$0.04/m<sup>2</sup>.
- c) *Road 2A (Stage 2)* – The 2023 DCPR (pre-advertising) modified Road 2A (Stage 2) from a forecast cost of \$220,384 to \$584,349.75. This cost escalation was a direct consequence of an amended design, previously designed gravel base with no stormwater drainage, to an asphalt outcome with stormwater drainage. Concurrent with advertising, the City commissioned re-design of Road 2A (Stage 2) with the objective of reducing the cost through reverting back to a limestone road base with no formal stormwater drainage. The modified DCPR (post-advertising) has reduced the forecast cost for Road 2A (Stage 2) to \$232,105, representing a cost escalation of 5.32% since the last annual review. It is important to note this cost is informed by 50% Designs, currently being designed and re-costed to a 100% standard.

**APPLICABLE LAW**

33. *Planning & Development Act 2005*
34. *Planning & Development (Local Planning Schemes) Regulations 2015*
35. *City of Kalamunda Local Planning Scheme No. 3*

**APPLICABLE POLICY**

36. State Planning Policy 3.6 - Infrastructure Contributions
37. Local Planning Policy 24 - Development Contribution Arrangements

## STAKEHOLDER ENGAGEMENT

38. Following the September OCM, the Draft 2023 DCPR and associated development contribution rate was advertised for a period of 30 days; commencing 16 October 2023, concluding 15 November 2023.
39. The advertising process involved:
- a) Writing to all landowners within DCA1;
  - b) Writing to all adjacent landowners on the eastern side of Sultana Road West;
  - c) Copies being made available for viewing at the City's Administration Building;
  - d) A notice on the City's website.
40. One (1) submission was received which raised comments and objections to the 2023 DCPR. Refer to Attachment 2 for a copy of the submission received and the City's response to all matters raised.
41. The following summarises the key matters raised in the submission received, and the officer response.
- a) Bike Path along Berkshire Road is redundant**
42. Response:
- Berkshire Road is a 'Distributor B' classification of road, carrying 8,300 vehicles per day (measured 2020/21), with a high volume of heavy vehicles. The road has a 70 km/hr speed limit and carries Restricted Access Vehicles (RAVs).
43. When considering the need for pedestrian paths and facilities along any road, the City considers the characteristics of the road, future pedestrian demand and safety. In this case the information supports paths being provided on both sides of Berkshire Road.
44. The DCPR, which pre-dates the City's Bicycle Plan, includes the provision of dual use paths, now called shared paths, along the roads in the precinct. Berkshire Road was identified as having one path on the northern verge, and the City is supporting that commitment by the provision of a path on the northern side of Berkshire Road. The DCP provides a minimum standard of pedestrian facility for this industrial area however does not meet the desirable level of facility, being paths on both sides of the road.

45. The DCP outcome is for a 2.0m wide concrete path, which provides sufficient space for a cyclist and a pedestrian to pass, as provided by Austroads Guide to Road Design. The path width of 2.0m is the minimum width suitable to be provided as a shared path. The DCP Report includes cost estimates of \$50,000 for this path, or \$0.07/m<sup>2</sup>.
46. In 2017 the City prepared a Bicycle Plan to identify cycling routes through the City (and not just limited to the FF/HW Stage 1 Industrial Area) with aims of promoting healthy activities and active transport. This planning exercise identified a need for a strategic cycling route connecting the residential area to the east of Roe Highway, along Berkshire Road to reach the new High Wycombe Train Station.
47. As the Berkshire Road path project was further refined, it identified that the optimum location for the 3.0m wide shared path along Berkshire Road was on the southern side (noting that it logically and safely connects to Principal Shared Paths installed by Main Roads alongside the Roe Highway).
48. The City then sought, and was successful in receiving, 50% funding under the Department of Transport's WA Bike Network grant funding program. The path was approved as a shared path of 3.0m wide and is not a Principal Shared Path (which would be wider).
49. The City considers the shared path on the southern side to be an additional pedestrian facility that enhances Berkshire Road to meet contemporary objectives of pedestrian safety and active transport for the reasons set out above, as well as being designed for cycling.

**b) Costs associated with the relocation of powerlines (Berkshire Road) should be removed from the DCP**

50. Response:
- The upgrades to Berkshire Road provide for a RAV7 vehicle network throughout the precinct. Forecast costs include the undergrounding of remaining overhead powerlines, as the existing overhead powerlines obstruct the through movement of RAV7 vehicles. Undergrounding of powerlines occur when sites are redeveloped or as part of Western Power's Targeted Underground Power Program (TUPP), whichever occurs first. Neither Western Power nor the City can require landowners to underground their power connections in the absence of the aforementioned triggers. The status of the two (2) remaining connections will be monitored with each annual review, with the DCPR updated

accordingly. SPP3.6 considers the relocation of power lines a reasonable DCP infrastructure cost.

**c) Incorrect number of overhead power lines**

51. Response:

The 2023 DCPR noted three (3) existing overhead powerlines on Berkshire Road, however the submitter highlighted there are only two (2) existing overhead powerlines on Berkshire Road. Following receipt of the submission a site visit was undertaken confirming a stay wire crossing was inadvertently counted as a consumer aerial. The DCPR has been updated accordingly, with BOQ's updated to assume the removal of two (2) overhead powerlines, rather than the previously costed three (3). This change represents a reduction of \$17,500 to the total infrastructure cost or \$0.026/m<sup>2</sup>.

**d) Inconsistent material costs**

52. Response:

The submitter highlighted inconsistent material costs for different roads. More specifically, \$36/m<sup>2</sup> for Sultana Road West and \$25/m<sup>2</sup> for Milner Road. Whilst the City acknowledges the cost differences, they are justified due to the different road profiles for each of the roads. Sultana Road West has been designed for AC10 which means a 10mm aggregate size and is used for straight roads or subdivision roads, whereas Milner Road has been designed for AC14 which means a 40mm aggregate size and is used for heavier traffic roads and particularly intersections.

**e) Road 2A cost escalation**

53. Response:

The 2023 DCPR (pre-advertising) modified Road2A (Stage 2) from a forecast \$220,384 to \$584,349.75. This cost escalation was a direct consequence of an amended design, previously designed gravel base with no stormwater drainage, to an asphalt outcome with stormwater drainage. Concurrent with advertising, the City commissioned re-design of Road 2A (Stage 2) with the objective of reducing the cost through reverting back to a limestone road base with no formal stormwater drainage. The modified DCPR (post-advertising) has modified the forecast cost for Road 2A (Stage 2) to \$232,105. It is important to note this cost is informed by 50% Designs which are currently (at the time of writing this report) being designed and re-costed to a 100% standard.

**f) Cost escalations since 2022 review are too high**

54. Response:

The 2023 review of the total construction costs saw an average increase of 21% to forecast costs. This is due to the volatility in the construction industry which has seen a significant increase in demand and short supply of materials, as well an increase in both fuel and labour costs. The City is satisfied the cost escalations between the two reviews is reasonable in the current climate.

Infrastructure Item	Forecast Cost		Variation	
	2021	2023	\$	%
Berkshire Road	\$122,691	\$150,569	\$27,878	23%
Bonser Road	\$76,691	\$90,214	\$13,523	18%
Milner Road	\$1,027,455	\$1,362,074	\$334,619	33%
Sultana Road West	\$1,043,739	\$1,284,423	\$240,684	23%
Road 2A (Stage 2)	\$220,384	\$232,105	\$11,649	5%

**g) Administrative Costs are too high**

55. Response:

The administration cost forecast in the 2023 DCPR is informed by recent costs incurred, rather than an average of previous charges to the scheme.

56. While the administration costs throughout the lifetime of the DCP have averaged at \$85,270 per year, the charged administration costs have seen a range of \$15,736, in the 2015/2016 financial year, to \$147,522.39 in the 2020/2021 financial year. Variations to the charged administration costs are a consequence of under reported officer time and increased legal costs due to State Administrative Tribunal (SAT) Appeals, etc. The average cost is therefore not a reliable source to forecast the future administrative costs for the DCP. Forecasting costs based on the most recent costs incurred is considered more appropriate.

57. The 2023 DCPR forecast a future administrative cost of \$550,000, or \$110,000 annually, for the remaining lifetime of the DCP and this is attributed by estimated costs of:

- i. \$50,000 in planning / project management costs;
- ii. \$30,000 for legal fees;

- iii. \$25,000 for infrastructure reviews. This includes the annual BOQ reviews and Detailed Designs for the remaining infrastructure items; and
- iv. \$5,000 for the annual land valuation required to inform the forecast land costs.

**h) Wrong figures in the Bill of Quantities for Nardine Road (Stage 2)**

58. Response:

There was a formatting error in the reported figures for the Nardine Road Bill of Quantities (BOQs) where the figures didn't align with the description. This was a formatting error and did not impact the calculations and sub-totals, or the overall reported figures of the DCPR. This error has been rectified in Attachment 1.

**FINANCIAL CONSIDERATIONS**

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

**SUSTAINABILITY**

60. **Social Implications**

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

61. **Economic Implications**

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

62. **Environmental Implications**

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



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**RISK MANAGEMENT**

63.

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

64.

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

65.

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

## CONCLUSION

66. The DCP has been reviewed using audited and known land and infrastructure costs and estimates based on independent consultant advice. The 2023 DCPR has been prepared and documented with the required information to ensure accountability and equity. The recommended contribution rate is a product of this information.
67. While it is not a requirement under LPS3 or SPP 3.6 to undertake public advertising of a DCP Report, the DCP Review was advertised in the interest of good governance and transparency. The Cost Contribution Rate was applied immediately post support from Council to advertise the DCP Review, to ensure contributions are reflective of the latest and best estimates available, particularly in the context of rising construction costs and elevated development activity in the precinct.
68. The 2023 DCPR has been modified in response to the submission received during public advertising. In summary the following modifications have been made to the 2023 DCPR since Council's September 2023 consideration:
- a) *Berkshire Road* – The quantity of overhead powerlines was modified from three (3) to two (2).
  - b) *Road 2A (Stage 2)* – The forecast cost was reduced from \$584,349.75 (pre-advertising) to \$232,105. This cost reduction is a consequence of amended designs, asphalt outcome with stormwater drainage to a limestone road base with no stormwater drainage.
  - c) *Sultana Road West* – The unit applied to footpath has been modified to be consistent with other infrastructure items.
  - d) *Contribution rate* – Abovementioned modifications have a consequential impact on the contribution rate reduced from \$23.77/m<sup>2</sup> (pre-advertising) to \$23.16/m<sup>2</sup>.
69. It is recommended that Council adopt the revised 2023 DCPR and associated development contribution rate of \$23.16m<sup>2</sup> effective immediately.

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<b>Voting Requirements: Simple Majority</b>
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**RECOMMENDATION**

That Council:

1. NOTE the one (1) submission received during public advertising and the City of Kalamunda's response (Attachment 2).
2. ADOPT the 2023 Forrestfield / High Wycombe Industrial Area Development Contribution Plan Annual Review Report (Attachment 1).
3. ADOPT the 2023 Cost Contribution Rate of \$23.16/m<sup>2</sup>, for immediate application under the Local Planning Scheme No. 3.
4. NOTIFY relevant authorities (Department of Planning, Lands & Heritage and Department of Local Government, Sport and Cultural Industries) of the 2023 Annual Review Process.
5. AUTHORISE the Chief Executive Officer to publish a copy of the 2023 Forrestfield / High Wycombe Industrial Area Development Contribution Plan Annual Review Report on the City's website, as contained in Attachment 1.

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**10.2. Asset Services Reports**


**10.2.1. Ray Owen Oval Update**

The Director Asset Services provided a presentation on this item.

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

Previous Items	OCM 9/2015; OCM 22/2019; OCM 223/019
Directorate	Asset Services
Business Unit	Asset Planning and Delivery
File Reference	PR-PLN-001
Applicant	N/A
Owner	N/A
Attachments	<ol style="list-style-type: none"> <li>1. RO Oval 100% design [<b>10.2.1.1</b> - 7 pages]</li> <li>2. RO oval 100% design Club signatures 15.04.24 [<b>10.2.1.2</b> - 2 pages]</li> <li>3. RO Oval 100 lux [<b>10.2.1.3</b> - 4 pages]</li> </ol>

**TYPE OF REPORT**

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

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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.

### Priority 1: Kalamunda Cares and Interacts

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

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

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

### Priority 3: Kalamunda Develops

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

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

### Priority 3: Kalamunda Develops

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

## EXECUTIVE SUMMARY

1. The purpose of this report is to endorse the design and funding strategy for the Ray Owen Oval upgrade (Project).
2. The Project forms a key component of the implementation of the broader Ray Owen Master Plan.
3. The design for the Project was endorsed by user groups at a meeting held on 15 April 2024.
4. The Opinion of Probable Cost (OPC) has identified the cost to deliver the Project is \$4,700,000.
5. It is recommended the Project continues to finalise design, adopt the project budget, and proceed to tender and construction in 2024.

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## **BACKGROUND**

6. The City undertook the Ray Owen Master Plan (ROMP) in 2015 to investigate and clearly identify the specific needs of the current and future community for Ray Owen.
7. The City was successful in securing a \$3,700,000 grant through the Department of Local Government, Sport and Cultural Industries (DLGSCI) towards the project.
8. The 2022/23 Budget provided funding for the appointment of the design team to finalise the design and deliver construction tender documentation. This work has progressed to the stage of being able to adopt the design and project budget.

## **DETAILS AND ANALYSIS**

9. Design is ready for adoption to continue through to tender documentation. The design is provided in Attachments 1, 2 and 3.
10. In 2023 the City engaged SPORTENG to progress the detailed design development.  
Key elements include:
  - a) Sports oval layout for Football and Cricket including on field cricket pitches.
  - b) Detailed oval specifications including soils and turf selections and construction technique.
  - c) Subgrade Drainage designs
  - d) New Cricket Wicket on larger oval and new Cricket Wicket
  - e) Oval Reticulation designs
  - f) Sports oval lighting designs
  - g) Fencing designs
  - h) A demolition decommissioning plan for existing oval infrastructure including but not limited to, existing fences, goal posts, concrete cricket wicket, primary school hard courts, existing oval surface and any other infrastructure identified during the detailed design process.
  - i) Pretender estimates and tender price schedule, provided by a Quantity Surveyor engaged by the Consultant.
11. The overarching intent of the design was for the consultant team to provide Detailed Design and Documentation packages for the Ray Owen sports field redevelopment aligning with the current concept plan such that the City can undertake construction tender. SPORTENG was

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responsible for directly engaging and subcontracting all engineering / consulting disciplines to deliver one total package of work.

12. The original scope allowed for installation of 100 lux lighting as identified in the Ray Owen Master Plan. During the design process the Clubs expressed a desire for 300 lux competition lighting, noting that further grant funding for the lighting upgrade could be applied for through Cricket Australia/WACA. The Clubs agreed to pay 50% of the 300 lux lighting design, which is expected to be completed at the end of April.

The three options for the lighting installation are as follows:

- a) 100 lux – design complete, estimate at \$602,625.
- b) 300 lux future proofing – design underway, estimate at \$570,612.
- c) 300 lux full installation - design underway, estimate at \$650,600.

Prices for all three lighting options will be requested in the tender documentation, and the Clubs will progress with grant applications for the 300-lux lighting. During the tender review process the actual cost of each lighting option will be assessed along with the outcomes of the grant applications. A future report will be presented for Council’s consideration on which lighting design option to proceed with.

13. The proposed construction tender budget for the Project is \$4,700,000, inclusive of design fees, external consultant fees, project management costs and contingency. This project budget allows for the original 100 lux lighting design – the gap between the additional funds identified above and any approved grant funding will need to be allocated in order for the 300-lux future proofing or full installation options to be realised.

Element	Cost
Construction	\$4,123,369
Other Costs	\$ 145,000
Contingency	\$ 426,836
<b>Total Project Budget</b>	<b>\$4,695,205</b>

14. It is anticipated that tender documentation will be complete by the end of May 2024. Site works are anticipated to commence by September 2024.
15. To ensure that this Project can commence as soon as possible (given high level of community expectations and optimum construction program), it is proposed that Council delegate authority to the Chief Executive Officer to award the construction contract as a means of starting works during the Spring of 2024. It is proposed that Council are briefed on the construction contract tender outcome prior to the Chief Executive Officer exercising this proposed delegation.

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16. It is anticipated that construction (from award of contract to completion) will take approximately ten months.

**APPLICABLE LAW**

17. *Local Government Act 1995.*

**APPLICABLE POLICY**

18. Risk Management Policy C-HR06  
 Purchasing Policy C –PP01

**STAKEHOLDER ENGAGEMENT**

19. Extensive consideration has been undertaken to identify the requirements of the development for the oval upgrade and further User Group consultation. A consultation summary is as follows:
- a) Master Plan – 2015
  - b) 15% Design consultation #1 – December 2023
  - c) 50% Design Consultation #2 – February 2024
  - d) 85% Design Consultation #3 – March 2024
  - e) 100% Final design and Club endorsement – April 2024
20. The DLGSCI as the grant funding body has been engaged through regular progress reporting. An additional update on the City’s current timeframes and funding strategy will be provided following the award of the contract.

**FINANCIAL CONSIDERATIONS**

21. The City received grant funding from the DLGSCI of \$3,700,000.

The City proposes to allocate a further \$1,000,000 from the Asset Enhancement Reserve to fund the balance of the project.

The project is proposed to be funded as follows:

Funding	Budget
Department of Local Government, Sport, and Cultural industries	\$3,700,000
Asset Enhancement Reserve	\$1,000,000
<b>Total Budget</b>	<b>\$4,700,000</b>



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- 22. As noted above this project budget allows for the original 100 lux lighting design – the gap between the additional funds identified above and any approved grant funding will need to be allocated in order for the 300-lux future proofing or full installation options to be realised.
- 23. A future report will be presented for Council's consideration following the completion of the Request for Tender (RFT) process. Council will be presented with the lighting option prices and outcomes of the grant applications to decide which lighting option to proceed with and confirm the funding strategy prior to proceeding with the award of the contract.

**SUSTAINABILITY**

- 24. **Social Implications**  
 Investment in Ray Owen Oval with updated sporting and recreational facilities enhances the City's assets, provides benefits to the local community, improves community safety and enhances the user and player experiences for their training and game competitions.
- 25. **Economic Implications**  
 The implementation of this project will assist in providing benefit to local businesses with possible benefits of employment opportunities. It may provide increased economic activity to the Lesmurdie community during the construction phase.
- 26. **Environmental Implications**  
 The loss of existing vegetation is required to accommodate the oval extension, this will be offset at other sites deemed appropriate in the city. A tree clearing permit from the Department of Water and Environmental Regulation is underway.

**RISK MANAGEMENT**

27.	<b>Risk:</b> Construction Tenders exceed Budget allowance necessitating additional funding or reduction in project scope.		
	<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
	Significant	Possible	High
	<b>Action/Strategy</b>		
	A thorough and recent project construction cost estimate has been completed prior to finalizing the proposed budget. There is an allowance of contingency in the budget to cater for abnormal tender outcomes.		

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28.	<b>Risk:</b> That construction delays lead to further disruption to clubs		
	<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
	Significant	Possible	Medium
	<b>Action/Strategy</b>		
	A thorough program will allow for a seven-month construction program (plus three months turf establishment).		

**CONCLUSION**

- 29. An extensive community consultation process was undertaken to develop the designs and cost estimates for the project.
- 30. The delivery of the oval will deliver much needed community infrastructure and improve playing surface and community amenity.

**Voting Requirements: Absolute Majority**

**RECOMMENDATION**

That Council:

- 1. ENDORSE the design for the Ray Owen Oval upgrade (Attachment 1) for purposes of finalising tender documents.
- 2. APPROVE project budget of \$4,700,000 (excluding GST) comprising:
  - a) Department of Local Government, Sport, and Cultural industries - \$3,700,000.
  - b) Asset Enhancement Reserve - \$1,000,000.
- 3. PROCEED to final design and call construction tenders for the Project.
- 4. NOTE that the lighting design prices and funding strategy will be presented to Council for consideration prior to proceeding with the award of the contract.
- 5. In accordance with s5.42(1) of the *Local Government Act 1995* DELEGATE to the Chief Executive Officer the authority to award the construction contract for the Project up to a value of \$4,700,000 plus GST (inclusive of contingency) SUBJECT to Council being briefed on the outcomes of the construction tender prior to award.

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**10.3. Corporate Services Reports**

**10.3.1. Corporate Business Plan - Quarterly Update - January to March 2024**

The Director Corporate Services provided a presentation on this item.


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

Previous  
 Items

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

Attachments	1. Quarterly Progress Report January- March 2024 [10.3.1.1 - 61 pages]
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**TYPE OF REPORT**

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

**STRATEGIC PLANNING ALIGNMENT**

*Kalamunda Advancing Strategic Community Plan to 2031*

**Priority 4: Kalamunda Leads**

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

**Strategy 4.1.1** - Provide good governance.

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### **EXECUTIVE SUMMARY**

1. The purpose of this report is to provide Council with the progress on the City of Kalamunda's (City) achievement against "Kalamunda Achieving: Corporate Business Plan 2023-2027" for the period January to March 2024.
2. On average, actions from the Corporate Business Plan are 72.1% complete at the end of the third quarter, 31 March 2024.
3. It is recommended that Council notes the quarterly report for the Corporate Business Plan for the period January to March 2024.

### **BACKGROUND**

4. Kalamunda Achieving: Corporate Business Plan 2023-2027 (CBP) was endorsed by Council at the Special Council Meeting on 26 June 2023.
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 directly linked to their achievement of the CBP in 2023/24.

### **DETAILS AND ANALYSIS**

8. The CBP is comprised of 4 Strategic Priority areas, being:
  1. Kalamunda Cares and Interacts
  2. Kalamunda Clean and Green
  3. Kalamunda Develops
  4. Kalamunda Leads
9. There are 132 individual actions set out within the CBP for the 2023/24 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 2024.

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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 second quarter of 75%. However, some actions may start later or finish earlier in the year, so their target at 31 March might not be 75%.
12. The CBP actions are on average 72.1% complete. The average target at the end of the third quarter is 71.0%, indicating that progress, on average, is on or 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 95.9%.

**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.

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**RISK MANAGEMENT**

21.	<b>Risk:</b> The City lacks transparency in its achievement of the statutory requirements of the Corporate Business Plan leading to reputational impacts		
	<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
	Moderate	Unlikely	Low
	<b>Action/Strategy</b>		
	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 72.1% complete at the end of the third quarter of 2023/2024.

<b>Voting Requirements: Simple Majority</b>
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**RECOMMENDATION**

That Council NOTE the quarterly report for the Kalamunda Achieving: Corporate Business Plan 2023-2027 for the period January to March 2024.

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**10.4. Community Engagement Reports**

No reports presented.

**10.5. Office of the CEO Reports**

**10.5.1. High Wycombe Community Hub: Community Reference Group**

The Strategic Projects Director provided a presentation on this item.

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

Previous  
 Items  
 Directorate Office of CEO  
 Business Unit Strategic Projects  
 File Reference  
 Applicant  
 Owner

- Attachments 1. HW Community Hub - Community Reference Group  
 - Draft Terms of Reference [**10.5.1.1** - 4 pages]

**TYPE OF REPORT**

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

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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, facilitates and provides quality lifestyles choices.

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

### Priority 4: Kalamunda Leads

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

**Strategy 4.1.1** - Provide good governance.

### 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 to seek Council approval to create a Community Reference Group (Group) for the High Wycombe Community Hub (Hub) Project.
2. The purpose of the Group would be to add value to the design of the Hub via an engaged community working group.
3. It is recommended Council endorse the creation of such a Group and endorse the Terms of Reference for the Group such that the City of Kalamunda (City) can commence filling the positions within the Group.

## BACKGROUND

4. The Hub project will be the largest single community facility in value that the City has undertaken. The functionality of the facility must not only meet current needs but also require flexibility to be able to adapt to future needs over the life of the Hub.
5. Engagement with key user groups alongside community members and Elected Members would assist the Design Team in meeting the objectives of a functional and flexible facility design.



### **DETAILS AND ANALYSIS**

6. The creation of the Kalamunda Community Centre Community Reference Group during the design of the Kalamunda Community Centre in Jorgensen Park provided benefits to the City and its design team through effective local resident engagement, user groups and relevant user group engagement and Elected Member engagement. Taking this initiative to the Hub project appears a sound decision.
7. The Group would have a multi-faceted role including:
  - a) collaboration with the design team, providing local knowledge and advice to the design team;
  - b) assist the City's community engagement team in developing effective communication channels for the project; and
  - c) to champion the project through their broader networks.
8. The draft Terms of Reference are provided as Attachment 1 to this report for consideration by Council.
9. It is not intended that the Group will be the sole means of community engagement for the Hub project. Broader engagement with the community will occur during design and construction of the Hub.
10. It is not intended that the Group is created as a formalised Committee of Council and not have any delegated decision-making powers.
11. The City would advertise in the Local Press and through its digital media channels for persons or bodies to nominate for membership to the Group. It is envisaged that a 30-day nomination period would be adequate. Once nominations are received and assessed in accordance with Policy, a subsequent report to Council to appoint members will be undertaken.

### **APPLICABLE LAW**

12. Local Government Act 1995

### **APPLICABLE POLICY**

13. Governance 13 - Appointment of Community Members to Advisory Committees and Reference Groups  
Service 5 - Communication and Engagement

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**STAKEHOLDER ENGAGEMENT**

- 14. In parallel with the operation of the Group, the City will engage with the Community on a much broader front during the design and construction phases of the project.

**FINANCIAL CONSIDERATIONS**

- 15. There would be relatively minor costs involved in the working of the Group primarily in advertising to seek members and minor catering expenses during meetings. These would be met from the project budget.

**SUSTAINABILITY**

- 16. It is expected that the Group may add value to developing sustainability initiatives during the design of the Hub.

**RISK MANAGEMENT**

17.

<b>Risk:</b> Insufficient interest from community representatives to join the Group reduces the value of the Group		
<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
Critical	Possible	High
<b>Action/Strategy</b>		
If this outcome transpires, Council will be asked to reconsider the need for the Group		

<b>Risk:</b> The Group or individual members breach the requirements of confidentiality of matters discussed leading to reputational impacts		
<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
Moderate	Possible	Medium
<b>Action/Strategy</b>		
Group or Group members are required to abide by the required behaviours set out in the Terms of Reference or risk being removed from the Group		

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## **CONCLUSION**

18. The creation of a Community Reference Group for the High Wycombe Community Hub project is seen as one more tool that would be used to ensure that the City provides the best possible outcomes for the project.

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

## **RECOMMENDATION**

That Council:

1. DETERMINE to create a High Wycombe Community Hub Community Reference Group.
2. ENDORSE the Terms of Reference for the High Wycombe Community Hub Community Reference Group as provided in Attachment 1 to this report.
3. APPROVE actions commence to seek nominations for community members for this a High Wycombe Community Hub Community Reference Group with a subsequent report to Council to appoint members.

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**10.5.2. Hartfield Park Master Plan Stage 2A - Foothills Mens Shed Design Approval**

The Strategic Projects Director provided a presentation on this item.

A Councillor sought clarification in relation to the project budget.

The Presiding Member sought clarification in relation to the plans as presented. The Strategic Projects Director advised the designs presented were indicative and detail designs would be required when applying for the building permit.

Cr Stallard sought clarification in relation to the increase in costs. The Strategic Projects Director indicated explanation of this was provided in paragraph 16 of the report. The Mens Shed are aware of the cost increases and the reasons for this including delays in the grant allocation.

Cr Modolo sought clarification in relation to terminology used within the report.

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

Previous  
 Items

Directorate Office of CEO  
 Business Unit Strategic Projects

File Reference

Applicant  
 Owner

- Attachments
1. Indicative Layouts [**10.5.2.1** - 3 pages]
  2. Club Request - 19 March 2024 [**10.5.2.2** - 1 page]
  3. FMS Meeting Minutes [**10.5.2.3** - 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 (eg accepting tenders, adopting plans and budgets)
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Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

## STRATEGIC PLANNING ALIGNMENT

*Kalamunda Advancing Strategic Community Plan to 2031*

### Priority 1: Kalamunda Cares and Interacts

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

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

## EXECUTIVE SUMMARY

1. The purpose of this report is to seek Council endorsement of the indicative design of the new Foothills Mens Shed noting the Pre Tender Construction Cost estimate such that construction tenders can be called.
2. This project forms one of the six projects being collectively designed & constructed within the Hartfield Park Master Plan Stage 2A (HP MP 2A) works.
3. It is recommended that Council endorse the indicative plans and that Tenders be called for construction.
4. It is to be noted that grant funding for this project is insufficient to complete the project and additional municipal funding will be needed.

## BACKGROUND

5. The Hartfield Park Master Plan Stage 2 was adopted by Council in August 2021 (OCM 259/2021) which included the relocation of the Foothills Mens Shed from its facility in Anderson Road Forrestfield to Hartfield Park.
6. The need for a new Mens Shed in a relocated location was due to two primary drivers:
  - a) The existing sheds are well past their useful life and no longer fit for purpose. The sustainability of the Foothills Mens Shed is compromised due to lack of proper facilities; and
  - b) Reconstruction of new facilities at the Anderson Road Site is unable to be conducted due to the land tenure arrangements that do not facilitate these new works. Relocation to Hartfield Park is seen as the most viable alternative for the long term sustainability of the Foothills Mens Shed.

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7. At the April 2023 OCM, Council endorsed a series of Stage 2 projects to commence design & construction (Stage 2A projects) based on the availability of a Federal Government Election Pledge of \$5.4m to augment existing grant funding arrangements in place for Hartfield Park (OCM 52/2023 refers). The six projects approved were:
1. New AFL / Little Athletics Pavilion, associated car park and oval access;
  2. Little Athletic Long Jump Pits and Shot Put throwing circle;
  3. New Change Rooms and Store for Forrestfield United Football Club;
  4. New Change Rooms and refurbishment of Rugby League Pavilion;
  5. Colocation of Tennis & Bowls Clubs and;
  6. New Foothills Mens Shed
8. Project 2 (Long Jump) has been completed. Projects 1, 3, 4 & 5 are in design phase.

**DETAILS AND ANALYSIS**

9. The Foothills Mens Shed (FMS) building was originally envisaged as a relatively modest metal clad building predominantly containing workshops (woodwork and metalwork), storage and attached amenities / meeting area for Club members.
10. The nature of the project lends itself to a 'design and construction' type delivery model rather than having a fully documented design and separate construction contract which has been practice for other City facilities.
11. The Design Team engaged by the City on the other Stage 2 projects have developed an appropriate performance / minimum requirements specification for this 'Design and Construct' contract. The indicative layouts for the FMS are shown as Attachment 1.
12. The Mens Shed executive has been heavily consulted on this project and have requested changes to the design (shown as mark ups to the floor plan as Attachment 2).
13. The relocation of the external sliding door requested by the Club has no cost impact to the Project.

The Mens Shed request for the amenities / kitchenette area be extended by a further 25m<sup>2</sup> and ensuing layout changes to allow for better amenity and meeting facility has been reviewed. This extra space would come at an estimated cost of \$65,000. The Mens Shed have advised that they could contribute up to \$40,000 towards this cost.

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14. A copy of the minutes of the Foothills Mens Shed meeting of 2 April 2024 is provided as Attachment 3.
15. The project budget originally identified for this project was \$725,000 with funding as follows:
  - a) \$415,000 as part of the \$5.4m Commonwealth grant for HP MP2A works
  - b) \$290,000 from Lottery West
  - c) \$20,000 of Municipal funds
16. Since design has commenced, several matters have come to light which weren't considered when the original budget was set. These include:
  - a) Necessary building fabric enhancements beyond a 'metal clad shed' to meet the requirements of the current National Construction Code for this class of building.
  - b) The need to 'lay up' infrastructure such as sewer, water, power and the like wasn't fully understood when the budget was set
  - c) Significant time delay between the announcement of the \$5.4m funding grant as part of the May 2022 Federal Election Campaign and eventual grant execution in November 2023
  - d) Cost escalation during this delay period
  - e) Cost escalation forecasts from now to completion of works (February 2025)
17. The proposed budget for this project is now \$ 1.168m comprising:

Element	Cost Estimate
Pre Tender Construction Estimate	\$ 840,000
Fees & associated Costs	\$ 68,000
Design & Construction Contingency	\$ 177,000
Escalation to end February 2025	\$ 61,000
Public Art	\$ 11,000
Allowance for ESD initiatives	\$ 11,000
<b>Total Project Costs</b>	<b>\$ 1,168,000</b>

This excludes the \$65,000 variation requested by the Mens Shed. If this was included in the Project Budget, the revised total Project Cost would be \$ 1,233,000.

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18. It is to be noted that contingency budget is an allowance for unforeseen needs during the works and may not be fully drawn down.
19. It is proposed that funding be allocated within the draft 2024/2025 Capital Works Budget for the full project budget of \$1.233m. The Draft Budget will subsequently identify the means by which the funding sources will be made up.
20. It is anticipated that Construction will be tendered May – June 2024 with award of contract soon thereafter. An indicative 6 - 8 month build is being allowed for.
21. A condition of the Commonwealth Grant funding is that Construction contract must be awarded before 31 December 2024. Any substantial delay in calling Construction tenders will compromise this grant funding condition.

**APPLICABLE LAW**

22. Local Government Act 1995  
Local Government (Functions and General) Regulations

**APPLICABLE POLICY**

23. Nil

**STAKEHOLDER ENGAGEMENT**

24. The Foothills Mens Shed as lessee of the FMS have been consulted on this design and are in concurrence.

**FINANCIAL CONSIDERATIONS**

25. The draft 2024/2025 capital works budget will include consideration of further funding of \$443,000 of City funding to augment grants provided for this project and \$20,000 of City funding approved in 2023/2024.
26. It is recognised that this project is now estimated to cost above original expectations. This is symptomatic of previous cost estimations being incomplete. The Administration has discussed with Council process improvements to ensure detailed business cases are developed to reduce project risks.
27. A review of the probable budgets for the remaining HP MP 2A projects is underway.



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- 28. Development of this project will see an uplift in the City's Buildings Assets by the Project Budget which will in turn increase the City's ongoing depreciation by approximately \$23,000 pa. Maintenance of the facility would be in the order of \$5,000 pa. This would be offset through relatively minor ongoing depreciation and maintenance savings through the demolition of the existing aged sheds currently used by the FMS (which are part of the larger Anderson Rd Community Centre facility).
- 29. As an indication, over the life of the facility it would be expected that life cycle costs may be incurred for Maintenance (~ \$2m) and Operational costs (~ \$2m). This would be firmed up once long term Asset Management Plan is developed for the FMS once constructed.

**SUSTAINABILITY**

- 30. The Project Budget provides an allowance of \$11,000 towards sustainability and energy efficiency measures beyond what is mandatory within the National Construction Code. In parallel, subject to success of a City grant funding application from the Community Energy Upgrade Fund further sustainability measures such as Solar PV and Battery Storage may be available at a later date.
- 22. The FMS have requested that the City design the roof drainage system to allow capture of rainwater which they will store in rainwater tanks (at their cost) for use in the garden beds and vegetation. This roof drainage initiative would be included in the base build.

**RISK MANAGEMENT**

31.	<b>Risk:</b> That construction tenders are received well beyond the Pre Tender Estimate and contingency allowance		
	<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
	Moderate	Possible	Medium
	<b>Action/Strategy</b>		
The Quantity Surveyor engaged for the Stage 2A projects has prepared a robust cost plan and professional expertise in forecasting construction cost escalation in conjunction with the Building Surveyor identifying the base build needs beyond a simple shed.			

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## **CONCLUSION**

32. The existing facilities used by the FMS are well past service life and not fit for purpose. Relocation of the FMS to a new fit for purpose facility will allow the FMS to continue the social capital benefit of Mens Sheds as well as encourage new membership and growth. Whilst the project budget cannot be sustained within the original budget it is viewed that the additional investment by the City into the Mens Shed is warranted.

<b>Voting Requirements: Simple Majority</b>
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## **RECOMMENDATION**

That Council

- 1) ENDORSE the indicative plans for the Foothills Mens Shed as provided in Attachment 1.
  
- 2) APPROVE the expansion of the Foothills Mens Shed by 25 metres squared as requested by the Foothills Mens Shed SUBJECT to the Foothills Mens Shed contributing \$ 40,000 to this expansion.
  
- 3) NOTE the Draft 2024/25 Capital Works Budget will detail the manner in which funding for this project is proposed.

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**11. Closure**

There being no further business, the Presiding Member declared the Meeting closed at 7:08pm.