

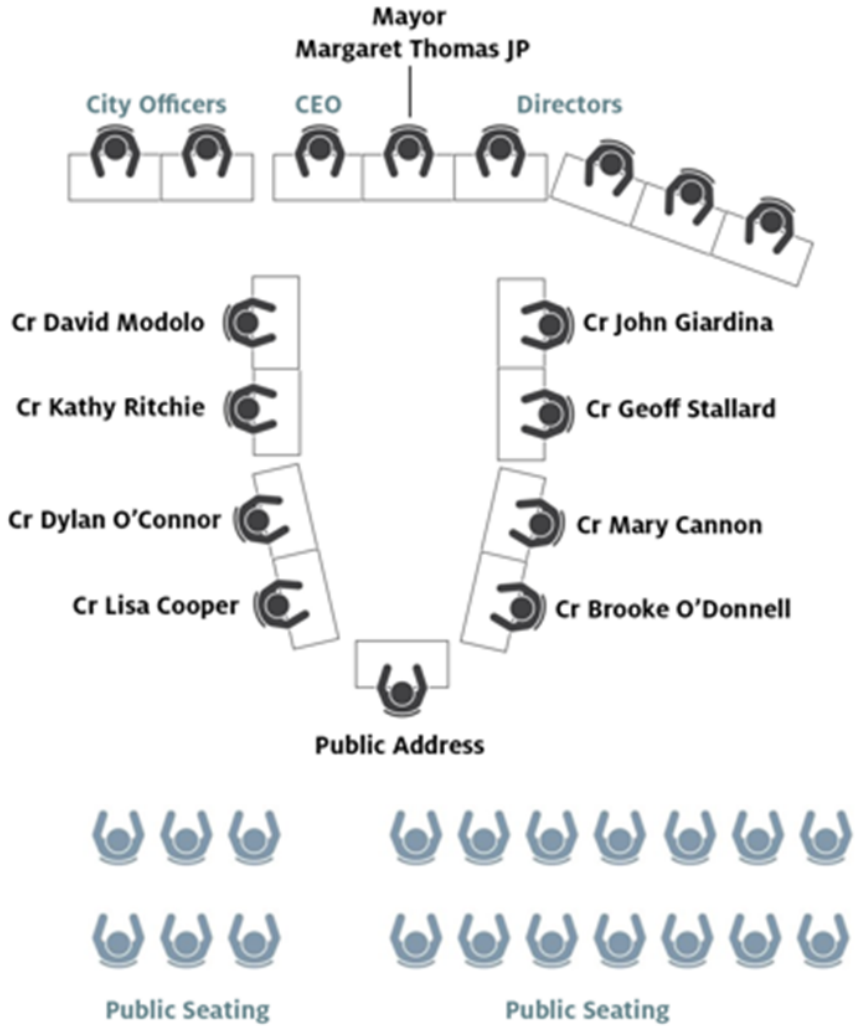


Ordinary Council Meeting

MINUTES

Tuesday 24 September 2024

Council Chambers Seating Plan



INDEX

1. Official Opening.....	4
2. Attendance, Apologies and Leave of Absence Previously Approved	4
3. Public Question Time	5
4. Petitions/Deputations	10
5. Applications for Leave of Absence	11
6. Confirmation of Minutes from Previous Meeting	11
7. Announcements by the Member Presiding Without Discussion.....	11
8. Matters for Which the Meeting may be Closed	13
9. Disclosure of Interest.....	13
10. Reports to Council.....	15
10.1. Development Services Reports	15
10.1.1. Amendment 113 to Local Planning Scheme No. 3 - High Wycombe South (Residential Precinct) Development Contribution Plan.....	15
10.2. Asset Services Reports	45
10.2.1. RFT 2413 Supply and Lay of Major Asphalt - Award of Tender	45
10.2.2. Elizabeth Street Railway Road Safety Treatment.....	50
10.3. Corporate Services Reports	59
10.4. Community Engagement Reports.....	59
10.5. Office of the CEO Reports	59
10.6. Chief Executive Officer Reports	59
10.6.1. Monthly Financial Statements to 31 August 2024	59
10.6.2. Debtors and Creditors Reports for the month of August 2024	69
10.6.3. Rates Debtors Report for the Period Ended 31 August 2024.....	77
10.6.4. Draft Local Planning Policy 35 - Hatch Court Light Industrial Precinct	83
10.6.5. Potential Acquisition - Property Matter	95
10.6.6. Disposal of Landfill Services - Extension.....	96
11. Motions of Which Previous Notice has been Given	97
12. Questions by Members Without Notice	97
13. Questions by Members of Which Due Notice has been Given.....	97
14. Urgent Business Approved by the Presiding Member or by Decision.....	100
15. Meeting Closed to the Public	100
16. Tabled Documents	100
17. Closure	100

1. Official Opening

The Presiding Member opened the meeting at 6:31pm and welcomed Councillors, Staff, Members of the Public Gallery and those watching via live stream. The Presiding Member also acknowledged the Traditional Owners of the land on which we meet the Whadjuk Noongar people.

2. Attendance, Apologies and Leave of Absence Previously Approved

Mayor

Margaret Thomas JP (Presiding Member)

Councillors

South East Ward

John Giardina

Geoff Stallard

South West Ward

Mary Cannon

Brooke O'Donnell

North West Ward

Lisa Cooper

North Ward

David Modolo

Kathy Ritchie

Members of Staff

Chief Executive Officer

Anthony Vuleta - Chief Executive Officer

Executive Team

Sinead McGuire - Director Asset Services

Freya Ayliffe - A/Director Community Services

Gary Ticehurst - Director Corporate Services

Nathan Ritchie - Director Development Services

Management Team

Regan Travers - Manager Approval Services

Administration Support

Darrell Forrest - Governance Advisor

Donna McPherson - Executive Assistant to the CEO

Members of the Public 26

Members of the Press Nil.

Apologies

Cr Dylan O'Connor

Leave of Absence Previously Approved Nil.

3. Public Question Time

3.1. Questions Taken on Notice at Previous Meeting

3.1.1 Peter Forrest, Kalamunda (taken on notice 27 August 2024)

Q. Would council consider the idea of transplanting the roses in garden beds on Canning Road to another location to assist with road safety for pedestrians and improve visibility when turning on and off Canning Road into and out of the town centre?

A. Although roses are not a recommended species within our recently adopted Local Biodiversity Strategy and are no longer considered for landscape planting by the City, there are no current plans to transplant or remove the roses throughout the Kalamunda townsite, including Canning Road.

The appropriateness of any landscape planting is subjective, but the roses are currently in situ and the cost to remove and replace them with another treatment would be relatively high. It is estimated that the cost to maintain any alternative landscape treatment at the same locations are similar, considering labour and traffic management.

It is noted the City receives several compliments on the roses each year when they flower, and it is likely that any plans to remove them would be unpopular with the community.

Our onsite traffic investigations reveal the following:

1. A motorist at the line marked median of Canning Road before turning to Heath Road from Canning Road can see a southern approach vehicle about 150m away (near Mead Street), which is nearly twice the required Stopping Sight Distance of 81m in a 50km/h speed zone.

Stopping Sight Distance (SSD) is the viewable distance required for a driver to see so they can make a complete stop to avoid a collision in the event of an unforeseen hazard. SSD is made up of two components: Braking Distance and Perception-Reaction Time.

2. About two months in a year, the roses in the central section of the raised island can grow up to 600mm high. This may cause some sightline impediment, as the right turn lane is on an uphill gradient to the Intersection. However, a motorist can see the southern approach traffic on Canning Road due to the roses around the peripheral of the median are of low species.

3. The Town Centre encourages a low-speed environment, thereby enhancing road safety.
4. Main Roads crash data over five years (January 2019 to December 2023) show no record of right-angle crashes at this Intersection. This indicates that the turning movements of traffic at this Intersection have a history of safety. If there were Stopping Sight Distance issue at this intersection, right-angle crashes would have occurred.

In order to balance safety and amenity considerations, the City will commit to pruning the roses to a height of 500mm to promote site lines.

3.1.2 Diane English (taken on notice 10 September 2024)

- Q. Why isn't the buffer along the interface in Sultana Road West, which will protect the residential housing from General industry noise in Stage 1, mentioned in the DCP for High Wycombe South.
A 100 metre wide buffer is 4.5 hectares along the interface. DCP for HWS increases to \$82/m².
A 200 metre wide buffer is 9 hectares. DCP for HWS increases to \$90/m².
Our property is part of the buffer.
- A. The Development Contribution Plan for High Wycombe South may only include infrastructure strategically identified for, and needed by, development in the Local Structure Plan area. A buffer has not been identified as being required in the adopted High Wycombe South Residential Precinct Local Structure Plan. Therefore, a buffer is not within the scope of infrastructure included in the draft High Wycombe South Development Contribution Plan proposed under Amendment 113 to Local Planning Scheme No. 3. There is insufficient information to verify or provide a response to the rates cited in this question.

3.1.3 Michael Ryan (taken on notice 10 September 2024)

- Q1. Please provide a list of the pages and paragraph in the 377 page DCP report which address complying with the legal obligations of a duty of care owed to us, and the health and welfare of people in this precinct. Most submissions from landowners for the DCP included a focus of these issues. My view is the draft DCP document is terminally flawed without satisfactory commentary about this included in the DCP.

A document should not be put before Council if is tainted in this way.

The average age of the 90% (oldest) group, is around 75 years. The DCP says 30 years duration. The Government has used us as a landbank for 20 years and wants to extend that to 55 years. It is immoral and possibly illegal. We aren't broadacres sitting idle. There are houses, elderly people and families.

People who trusted the word of State Government in 2004 and 2006.

A1.

Amendment 113 to Local Planning Scheme No. 3 operates within the Western Australian Planning system, with an overarching purpose to implement efficient and effective land use planning which promotes sustainable use and development of land.

Amendment 113 and associated DCPR have been drafted pursuant to the relevant planning framework. The City of Kalamunda is not the approval authority; following a Council's resolution, A113 will be formally assessed by the Department of Planning, Lands and Heritage, with a recommendation made to the Western Australian Planning Commission and ultimately the Minister for Planning for formal approval.

Whilst the planning framework (SPP 3.6) suggests a maximum lifespan of 10 years, it also acknowledged the lifespan should be linked to completion of development or subdivision to ensure infrastructure costs are shared equitably amongst all beneficiaries. The DCP proposed through A113 is proposed to have a 30-year lifespan, reflecting the scale and complexity of development, infrastructure provision, and anticipated build out horizon of the HWS Residential Precinct. Refer to Section 1.8 of the draft DCPR (Attachment 2) for detailed justification for the protracted lifespan of 30 years.

It is important to understand the nominated lifespan does not impact upon the priority and timing of infrastructure delivery, nor does it preclude development from occurring. Infrastructure is delivered through the DCP as funds become available, through levied development contributions, or at times sooner through alternative funding mechanisms (i.e. loaning from municipal funds, advocacy funding etc.). While alternative pre-funding mechanisms can positively influence the priority and timing of infrastructure delivery, the levying of development contributions rate is contingent upon the rate of development in the HWS Residential Precinct. It is important for the DCPs lifespan to be sufficient to ensure development contributions are received from all future urban development in the HWS Residential Precinct, upholding equity in the application of the DCP. All sites within DCA2 could commence development today, subject to appropriate conditional approvals to ensure compliance with the statutory

framework and adequate servicing (i.e. staged road upgrades, connection to deep sewer).

Q2. Do the City Executive and Councillors agree they must always comply with the law.

Duty of care, health and welfare are legal prerequisites of every document published or enforced by the City's Executive or approved by Councillors

The City's Executive Team and Councillors are obliged to reject proposals which do not comply with the law.

- WA legislation says 10 years lifespan for a residential DCP.
- WA legislation says health and welfare are the highest legal objectives and are also State Planning Policy objectives.
- Elected persons vote on legislation in Parliament and establish the law
- Salaried Public servants - State and Local Government - administer the law

A2. While the planning framework (SPP3.6) suggest a 10 year lifespan for DCPs, it is also acknowledged a greater lifespan could be appropriate when linked to completion of development or subdivision to ensure infrastructure costs are shared equitably amongst all beneficiaries:

"The lifespan of a DCP should be linked to completion of development or subdivision...A lifespan of longer than 10 years will only be considered in limited circumstances... Determining an appropriate lifespan should take into consideration strategic and infrastructure planning, and financing cycles; reflect anticipated development growth rates; and provide certainty that the identified infrastructure items can be delivered within the stipulated timeframe of the DCP." (Source: SPP 3.6, Section 6.10.6).

The nominated timeframe of 30 years provides both current and future landowners with certainty for infrastructure delivery. The City is only able to levy cost contributions once the DCP has been approved by the Minister and at the time of development; that is when the land is subdivided and/or the site is improved through development.

Consequently, the collection of DCP funds is contingent upon the rate of development within the HWS Residential Precinct, and should the nominated lifetime be inadequate to ensure all contributions are collected, it would result in a shortfall of funds required for the delivery of infrastructure.

Amendment 113 and associated DCPR have been drafted pursuant to the relevant planning framework which includes a requirement to adhere to the Planning and Development Act 2005. The City of

Kalamunda is not the approval authority; following a Council's resolution, A113 will be formally assessed by the Department of Planning, Lands and Heritage, with a recommendation made to the Western Australian Planning Commission and ultimately the Minister of Planning for formal approval. As a complex planning scheme amendment, 113 has multiple assessments through various levels of government, with the ultimate decision at the discretion of the Minister.

Q3. *Para 36 of Item 10.1.1 ".. A similar approach was successfully taken with the City's Forrestfield /High Wycombe DCP (Amendment 101) in 2023 (OCM08/2023)".*

Please provide a copy of the Minister for Planning's approval of 20 years mentioned in para 36.

A3. Paragraph 36 does not state the Minister approved a lifespan of 20 years through A110, rather than a complex amendment to extend a DCPs lifespan was approved by the Minister. A110 was gazetted with a five (5) year extension to the lifespan of the Forrestfield High Wycombe DCP, resulting in a total lifespan of 15 years. For further information regarding this extension, please refer to the OCM Minutes for A110 as referenced in the A113 Agenda.

As noted above, the nominated timeframe of 30 years does not preclude development from occurring today; all sites within DCA2 are currently eligible for development, subject to appropriate conditional approvals to ensure compliance with the statutory framework and adequate servicing (i.e. staged road upgrades, connection to deep sewer).

Please refer to above commentary and the DCPR for further justification regarding the nominated 30 lifespan.

3.2. Public Question Time

3.1 [Diane English, High Wycombe](#) (Supplementary Question for the OCM 24 September 2024)

Q. Given the current circumstances, why isn't the buffer along the interface in Sultana Road West, which will protect the residential housing from General industry noise in Stage 1, mentioned in the DCP for High Wycombe South?

A. Taken on Notice.

4. Petitions/Deputations

4.1 A deputation was provided by from Mr Mick Fox, representing the Pickering Brook Masters Football Club, in relation to the Pickering Brook Lighting Project presented in Item 10.6.1 Monthly Financial Statement to 31 August 2024. Mr Fox spoke in support of the project.

4.2 A deputation was provided by from Mr Michael Fernie, Pickering Brook, in relation to the Pickering Brook Lighting Project presented in Item 10.6.1 Monthly Financial Statement to 31 August 2024. Mr Fernie spoke in support of the project.

5. Applications for Leave of Absence

5.1 Nil.

6. Confirmation of Minutes from Previous Meeting

6.1 RESOLVED OCM 115/2024

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

Moved: **Cr Lisa Cooper**

Seconded: **Cr Geoff Stallard**

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

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

7. Announcements by the Member Presiding Without Discussion

It's wonderful to be with you all tonight. Since our last meeting, it's been an incredibly busy and productive time, filled with events that truly show the vibrancy of our community

At the end of August, we had the pleasure of welcoming the Hon. David Littleproud MP, Federal Leader of the National Party, and the Hon. Darren Chester MP. Their visit gave us a valuable opportunity to discuss important issues impacting our region, like agriculture and regional infrastructure

We also met with Mia Davis, the candidate for Bullwinkle, and Lisa Logan, the candidate for Kalamunda. It's always encouraging to see so much engagement from both federal representatives and local candidates in our area

Councillors had the privilege of attending a Student Leadership Council meeting, which was both insightful and inspiring. These young leaders are full of ideas, energy, and a deep commitment to making our City even better. Supporting them is a privilege – they are, after all, the future of our community

Earlier this month, we hosted another Citizenship Ceremony, which is always a special highlight. Welcoming new citizens into our community reminds us of the rich diversity and spirit of inclusion that defines Kalamunda. Congratulations to all those who took that significant step in becoming Australian citizens

On the 4th of September, we celebrated the official opening of the newly revitalised Magnolia Way Reserve All Abilities Playground. This fantastic space provides a beautiful place for families to gather and enjoy, and I want to thank everyone involved for their hard work in bringing this project to life. Local spaces like this add so much to the liveability of our City

I was also honoured to attend the Rugby WA VIP Grand Final event. It was an exciting day filled with local talent and community spirit. Sports have a unique way of bringing people together, and it was fantastic to see so much support for the teams that made it to the grand final

Another inspiring moment was attending the Earthcare Expo at Mary's Mount Primary School, where students showcased their projects on sustainability and environmental care. Their passion for protecting the environment is truly motivating and gives me hope for our planet's future

On the 16th of September, we reached an exciting milestone with the sod-turning for the new Forrestfield Men's Shed at Hartfield Park. Thank you to Stephen Price, Member for Forrestfield, and Zaneta Mascarenhas, Federal Member for Swan and the many Men's Shed members for joining us to celebrate the milestone. This long-awaited project will provide a wonderful

space for men in our community to connect, share skills, and contribute to local projects.

Last week, I had the pleasure of opening and attending the Inaugural Small Town Reinvention Conference in Pickering Brook. It brought together people passionate about shaping the future of small towns across Australia. I'm proud that our City continues to play a key role in initiatives that support the wellbeing of our residents

Thank you all for your continued hard work and dedication to making our City such a wonderful place to live, work, and play

Let's keep up the great work as we head into the busy months ahead

8. Matters for Which the Meeting may be Closed

- 8.1 Item 10.1.1 Amendment 113 to Local Planning Scheme No. 3 - High Wycombe South (Residential Precinct) Development Contribution Plan - Final Adoption – **Confidential Attachments** – 1. Amendment 113 to Local Planning Scheme No. 3 - Submitter table; 2. Amendment 113 to Local Planning Scheme No. 3 - Submitters Map

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

- 8.2 Item 10.2.1 RFT 2413 Supply and Lay of Major Asphalt - Award of Tender – **Confidential Attachment** -

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

- 8.3 Item 10.6.4 Disposal of Landfill Services – Extension

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

- 8.4 Item 10.6.5 Potential Acquisition - Property Matter

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

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

- 8.5 Item 10.6.6 Draft Local Planning Policy 35 - Hatch Court Light Industrial Precinct

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

9. Disclosure of Interest

9.1. Disclosure of Financial and Proximity Interests

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

9.2. Disclosure of Interest Affecting Impartiality

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

9.2.1 Mayor Margaret Thomas declared an Interest Affecting Impartiality on Item 10.6.1 Monthly Financial Statements to 31 August 2024. Mayor Thomas is a member of the Pickering Brook Sports Club and Council will consider funding a project at the club.

9.2.2 Cr Geoff Stallard declared an Interest Affecting Impartiality on Item 10.6.1 Monthly Financial Statements to 31 August 2024. Cr Stallard is a member of the Pickering Brook Sports Club and Council will consider funding a project at the club.

9.2.3 Cr John Giardina declared an Interest Affecting Impartiality on Item 10.6.4 Draft Local Planning Policy 35 ; Hatch Court Light Industrial Precinct. Cr Giardina has a cousin who owns a property on Stirling Road, close to the Precinct.

9.2.4 Mr Anthony Vuleta declared an Interest Affecting Impartiality on Item 10.2.1 RFT 2413 Supply and Lay of Major Asphalt - Award of Tender. Mr Vuleta has a family member associated with an organisation who submitted a tender.

10. Reports to Council

10.1. Development Services Reports

10.1.1. Amendment 113 to Local Planning Scheme No. 3 - High Wycombe South (Residential Precinct) Development Contribution Plan


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

Previous Items OCM 14/2015, SCM 05/2015, OCM 15/2017, SCM 67/2018, SCM 231/2018, OCM 280/2019, OCM 243/2019, OCM 304/2021, OCM 37/2022, OCM 45/2022, OCM 46/2023, OCM 103/2023, OCM 179/2023,

Directorate Development Services
 Business Unit Strategic Planning
 File Reference PG-LPS-003/113
 Applicant N/A
 Owner N/A

- Attachments
1. Proposed Scheme Amendment 113 [**10.1.1.1** - 8 pages]
 2. High Wycombe South Development Contribution Plan Report 2024 (September) [**10.1.1.2** - 377 pages]
 3. Submission Table [**10.1.1.3** - 84 pages]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 1: Kalamunda Cares and Interacts

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

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

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

Priority 1: Kalamunda Cares and Interacts

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

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

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

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

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 whether to support the proposed modified Amendment 113 (A113) to the City of Kalamunda (City) Local Planning Scheme No. 3 (LPS3) - High Wycombe South (HWS) Residential Precinct Development Contribution Plan (DCP) and forward its recommendation to the Western Australian Planning Commission (WAPC), and ultimately the Minister for Planning (Minister) for consideration.
2. A DCP is required to facilitate the coordinated delivery of infrastructure necessary for the implementation of the Residential Precinct Local Structure Plan (LSP) which will activate and transition the former rural lifestyle area into high-quality medium to high density residential

development, public open space, environmental conservation, and community infrastructure (future primary school and sporting facilities). The DCP and LSP together will form an important part of the planning framework to realise the vision to create a liveable, vibrant and accessible urban community in HWS.

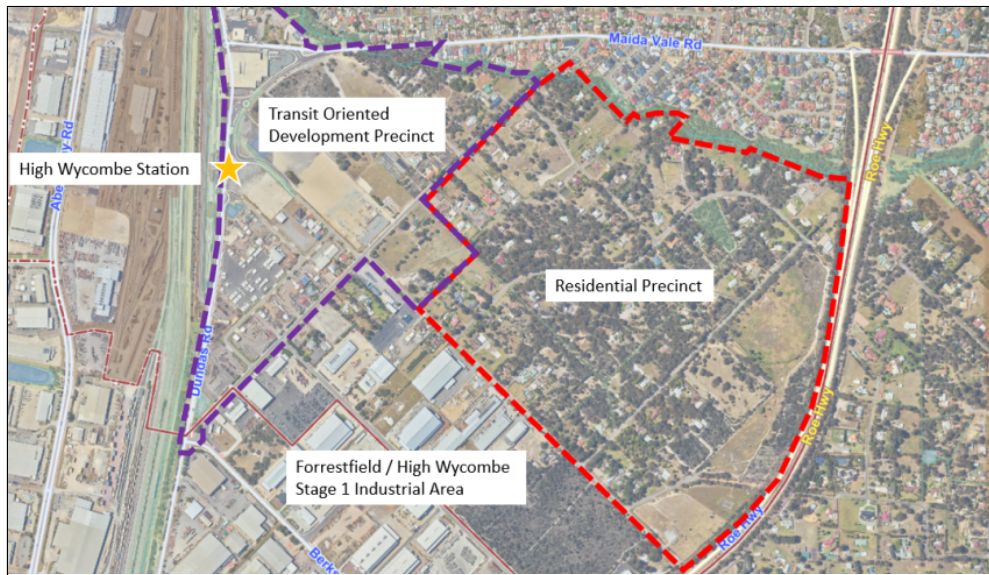
3. It is recommended that the Council resolve to:
- a) Note the submissions received and responses to submitters in relation to A113 and the draft DCP Report (DCPR).
 - b) Support A113 to the LPS3 (Attachment 1), which will establish the statutory provisions to give effect to the DCP;
 - c) Support with modified DCP Report (DCPR) (Attachment 2) for the HWS Residential Precinct, which provides the detailed provisions required for ongoing management of the DCP (i.e. needs analysis, designs and quantities) and variable information (i.e. rate estimates and priority of delivery);
 - d) Note the updated forecast contribution rate of \$76.52/m²;
 - e) Note the City will continue to make representations to the WAPC regarding the City’s MRS Amendment request in relation to the Green Link, seeking to reclassify urban zoned land under the MRS to Parks and Recreation; and
 - f) Note the City’s continued advocacy campaign focused on minimising the infrastructure costs in the DCP.

BACKGROUND

4. **Land Details**

Gross DCA2 Land Area:	994,266m ² or 99.43 hectares
Net Contribution Area:	594,129m ² or 59.41 hectares
Metropolitan Region Scheme Zone:	Urban
Local Planning Scheme Zone:	Urban Development
Local Structure Plan Land Use Classification:	High Wycombe South Residential Precinct Local Structure Plan <ul style="list-style-type: none"> - Environmental Conservation - Local Open Space - Public Purposes (Primary School) - Residential Medium Density (R30-R60) - Residential High Density (R60-R100)

5. **Locality Plan**



6. The subject area is identified by the red boundary on the locality plan above.

7. **HWS Structure Planning**

In September 2016 the WAPC approved the HWS District Structure Plan (DSP). The DSP identified the need to introduce a DCP to coordinate the delivery of infrastructure upgrades required to facilitate the development envisaged by the DSP. Further planning has occurred refine in the Transit Oriented Development (TOD) Precinct and Residential Precincts to identify localised development opportunities and associated infrastructure requirements.

8. In August 2023, the WAPC endorsed the Amended HWS Residential Precinct LSP to coordinate and guide urban development. The Residential Precinct is the same area the subject to A113, the draft DCP, and consequently this report.

9. A draft METRONET East High Wycombe Structure Plan (HWSP), formerly referred to as the TOD Activity Centre Structure Plan has been prepared to guide development in the TOD Precinct, and support planning direction for implementation by DevelopmentWA in the TOD Precinct (immediately surrounding the High Wycombe Train Station).

10. The proposed HWS DCP applies only to the Residential Precinct LSP requirements.

11. **Requirement for a DCP**
A DCP is a planning tool designed to support landowners and developers in areas in land use/development transition with fragmented land ownership, that require infrastructure to support development. A DCP enables the collection of funds (cost contributions) and coordinated delivery of infrastructure.
12. The City's preparation of the DCP has been a significant undertaking which, together with the preparation of structure plans, has been an important strategic investment towards further development in the area. The DCP will facilitate the coordinated and equitable funding and delivery of essential infrastructure and will establish a framework for the progressive development in line with the vision established through HWS Residential Precinct LSP.
13. The HWS DCP comprises two key parts:
a) Proposed Amendment 113, that establishes the statutory provisions to operationalise the DCP, including a Special Control Area (Development Control Area – DCA 2) on the LPS3 map and provisions in Schedule 12; and
b) The DCPR, which provides the background (i.e. needs analysis, designs and quantities) and variable information (i.e. rate estimates and priority of delivery).
14. **2023 Metropolitan Region Scheme Amendment – the Green Link**
Pursuant to the April 2023 resolution (OCM 46/2023), the City also lodged a Metropolitan Region Scheme (MRS) Amendment request with the Department of Planning Lands and Heritage (DPLH) to reclassify areas of Local Open Space (LOS) areas in the 'Green Link' (a regionally significant ecological corridor transecting the LSP area) from the existing zoning of Urban to be reserved as 'Parks and Recreation'. Further detailed discussion and background regarding the Green Link is provided in the Ordinary Council Meeting reports to April and December 2023 (OCM 46/2023; OCM 179/2023).
15. The City will continue to liaison with the DPLH with a view to progressing the MRS Amendment request, which has significant relevance to A113 and the draft HWS DCP.
16. The draft HWS DCP omits the land costs for approx. 7.35ha of LOS currently identified in the 'Green Link' as it is expected the subject land will be reclassified to 'Parks & Recreation under the MRS, pursuant to the City's current MRS amendment request.

DETAILS AND ANALYSIS

17. **Development Contribution Plan Report**

The City has prepared a draft DCPR (Attachment 2) to accompany A113 and inform the draft DCP. Collectively, these documents set out the calculation of the cost contributions applicable for future development in the DCA, in accordance with the methodology to be outlined in LPS3 through A113. While A113 will be a fixed part of LPS3 until formal review, the draft DCPR is intended to be a dynamic document that is reviewed annually and accordingly does not form part of LPS3.

18. **Draft 2024 HWS Residential Precinct DCP Summary**

DCA2 total gross area:	994,266m ²
DCA2 Net Contribution Area (NCA):	594,129m ²
Estimated cost of DCP funded infrastructure:	Construction: \$33.56m or \$56.48/m ² Land: \$9.35m or \$15.73/m ²
Estimated cost of administration:	\$2.56m or \$4.31/m ²
Proposed Cost Contribution Rate:	\$76.52/m ²
Operational period:	30 years

19. **DCP Infrastructure**

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

- a) Road and intersection construction;
- b) District drainage infrastructure;
- c) Land for public purposes (i.e. roads and intersections, LOS and drainage areas outside of the Green Link); and
- d) Administration costs.

20. **Infrastructure Designs**

The estimated costs identified in the draft DCP are based on a concept level of design (15 per cent design status) to inform the cost estimates of infrastructure. Refer to the draft DCPR (Attachment 2) appendices for all current infrastructure designs.

21. In 2024/25 the City has identified budget to further progress the infrastructure designs and investigations for all infrastructure in the DCP. Detailed Designs will further refine the quantities informing the DCP, thereby providing further confidence regarding the cost estimates and acquisition areas (land costs). The City's 2024/25 Budget includes \$300,000 for detailed planning in High Wycombe South to undertake these further investigations and design work.
22. Detailed designs provide an opportunity to determine cost implications with greater confidence. This process enables more meaningful engagement with servicing authorities (e.g., Western Power, Water Corporation and ATCO Gas) and could identify alternative design solutions that impact on estimates costs in the DCP.
23. The quantum of work and costs to prepare detailed designs (85%) is significant and it would not have been appropriate use of resources to prepare a draft DCPR with that level of design, however as greater certainty is provided regarding the inclusion of infrastructure in the DCP, it is appropriate to undertake further detailed design at this juncture to inform early reviews of the DCPR.
24. **Bill of Rates and Quantities (BOQs)**
The planning framework requires the costs of infrastructure to be transparent, appropriate and reviewed at least annually. The draft DCPR and appended BOQs provide a comprehensive breakdown of the above costs in the form of BOQ's and Estimates, including apportionment where relevant.
25. The BOQs were initially developed in 2022, and further peer reviewed in 2023 by independent and suitably qualified consultants having regard to:
- a) the concept designs to inform the rates; and
 - b) market evidence to inform the cost estimates.
26. In 2024 the City engaged an independent quantity surveyor to:
- a) Establish an appropriate percentage of escalation figure to be applied to the 2023 Bill of Quantities; and
 - b) Undertake a comparative peer review of the Drainage and public open space (POS) BOQ's to ensure no duplications in quantities.

27. The below table summarises the findings, and any modifications made to the DCP as a consequence of the 2024 BOQ review:

RECOMMENDATION/FINDING	CITY COMMENT	RATE IMPACT
a) Recommended cost escalation percentage of +2.13% for Roads and Intersections.	a) Recommended rate applied to 2024 DCP.	+0.72/m ²
b) Recommended cost escalation percentage of +6.60% for Public Open Space.	b) Recommended rate applied to 2024 DCP.	+2.84m ²
c) Recommended cost escalation percentage of +6.39% for Drainage.	c) Recommended rate applied to 2024 DCP	-0.11/m ²
d) Identified a reduced assumption for clearing and earthworks within the Drainage BOQ's, to align with the POS Concept Plans.	d) Drainage BOQ's updated as recommended.	

28. **2024 Infrastructure Cost Estimates**
 The 2024 BOQs informing and appended to the DCPR have been updated with the recommended cost escalation.
29. A comprehensive breakdown of the 2024 cost estimates and appended BOQ's informing the proposed DCP are provided in the draft DCPR (Attachment 2).
30. The updated infrastructure cost estimated result in an forecast contribution rate of \$76.52/m².
31. **2024 Land Cost Estimates**
 The DCP imbeds \$9.35 million in land estimates, intended to facilitate the acquisition of land required to enable the delivery of DCP infrastructure. The rate informing the estimates will be reviewed annually, informed by independent land valuations and pursuant to the City's statutory obligations. Part 3.5 of the draft DCPR (Attachment 2) provides comprehensive detail regarding land estimates.
32. **Operational Period (30 Years)**
 A DCPs lifespan commences following the gazettal of the Ministers approval of the scheme amendment to introduce the DCP and concludes when all development throughout the HWS Residential Precinct has occurred, or all infrastructure has been delivered, and all cost contributions are accounted for.

33. The City is only able to levy cost contributions once the DCP has been approved by the Minister and at the time of development; that is when the land is subdivided and/or the site is improved through development. Consequently, the collection of DCP funds is contingent upon the rate of development within the HWS Residential Precinct, and should the nominated lifetime be inadequate to ensure all contributions are collected, it would result in a shortfall of funds required for the delivery of infrastructure.
34. Whilst the planning framework (SPP 3.6) suggests a maximum lifespan of 10 years, it also acknowledged the lifespan should be linked to completion of development or subdivision to ensure infrastructure costs are shared equitably amongst all beneficiaries.
35. The DCP proposed through A113 is proposed to have a 30-year lifespan, reflecting the scale and complexity of development, infrastructure provision, and anticipated build out horizon of the HWS Residential Precinct. Refer to Section 1.8 of the draft DCPR (Attachment 2) for detailed justification for the protracted lifespan of 30 years.
36. It is acknowledged that the current planning framework enables, at the discretion of the Minister, an inadequate lifespan (i.e. 20 years) to be further extended in the future. There is however no assurance that the relevant Minister of the day will approve an extension. A similar approach was successfully taken with the City's Forrestfield /High Wycombe DCP (Amendment 110) in 2023 (OCM08/2023).
37. The nominated lifespan of the DCP does not impact upon the priority and timing of infrastructure delivery. Infrastructure is delivered through the DCP as funds become available, through levied development contributions, or at times sooner through alternative funding mechanisms (i.e. loaning from municipal funds, advocacy funding etc.). While alternative pre-funding mechanisms can positively influence the priority and timing of infrastructure delivery, the levying of development contributions rate is contingent upon the rate of development in the HWS Residential Precinct. It is important for the DCPs lifespan to be sufficient to ensure development contributions are received from all future urban development in the HWS Residential Precinct, upholding equity in the application of the DCP.
38. ***Nominated Lifespan Impact on Administrative Cost***
The DCP includes costs for its administration, which are directly informed, and thereby variable, by the DCP's nominated lifespan:
- a) 10-year operational period = \$1.02 million, or \$1.72/m²
 - b) 20-year operational period = \$1.79 million, or \$3.01/m²
 - c) 30-year operational period = \$2.56 million, or \$4.31/m²

39. Whilst a reduced lifespan (<30-years) would reduce administration costs for early developers, it is likely that there would be future requests for extension to the operational life, which would re-introduce those administration costs later. Such an approach would result in a deficit of funds at the end of the DCP. Should development occur at a rate faster than forecast, the DCP can be closed / terminated earlier than forecast with any surplus funds redistributed throughout the HWS Residential Precinct.
40. Clause 6.5.17 of LPS3 outlines the required actions where there is a shortfall or excess of funds when all cost contributions have been made or accounted for in the DCP. In summary:
- a) Shortfall – the local government may make good the shortfall (municipal funds), enter into agreements with landowners to fund the shortfall, and/or loan fund the shortfall.
 - b) Excess – the local government is required to identify owners and their entitled amount and refund excess funds to contributing landowners. If it is not reasonably practical to identify owners and/or the entitled amount, funds should be applied to the provision of additional facilities or improvements throughout DCA2.
41. The financial risk of future amendments to the lifespan needs to be understood at the time of preparing and approving the DCP. The methodology for calculating development contributions applies a static estimate of costs. It is therefore important for the operational period to be accurate at commencement, to ensure equity and certainty throughout the lifetime of the DCP. Should the forecast lifespan be inadequate at the commencement of the DCP, it would result in an under collection of administrative costs at the start, thereby exposing the City to financial risk and compromising the certainty of infrastructure delivery due to a shortfall of funds at the end of the DCP.
42. **POS land costs in the DCP**
- The planning framework requires ten per cent of gross subdividable area (9.32 hectares of the HWS Residential Precinct) to be POS at the time of development, provided through.
- a) Directly vesting the land to the crown; or
 - b) Alternatively, a cash-in-lieu contribution.

43. The LSP identifies a surplus of LOS throughout the HWS Residential Precinct. Excluding the 'Green Link', 15% (14.42 hectares) of the HWS Residential Precinct is comprised of LOS, of which:
- a) 10% (9.95 hectares) exists under public tenure (City of Kalamunda).
 - b) 5% (4.48 hectares) exists under fragmented private tenure, proposed to be acquired through the DCP.
44. Due to fragmented distribution and ownership of LOS throughout the HWS Residential Precinct, the DCP proposes to coordinate the acquisition of 5% of LOS land remaining in private tenure. This will provide a total of approximately 15% of LOS within the HWS Residential Precinct and represents \$6.88m, or a cost contribution of \$11.57/m².
45. **Method of Calculating Cost Contributions (\$/m²)**
There are two conventional approaches to calculating a unit of charge under a DCP:
- a) Density rate - per dwelling/lot unit; or
 - b) Development area rate - land area (ha or m²) unit.
46. State Planning Policy 3.6 (SPP3.6) recommends that cost apportionment for residential areas is based on a per dwelling unit of charge, rather than per land area unit, to scale the contribution according to the demand on infrastructure. This methodology provides a greater degree of equity applying a strict principle of 'beneficiary pays'. For example, higher density development would generate more residents/users than a medium density development, which would generate higher demand on roads infrastructure, POS and drainage. This methodology is appropriate where there is greater certainty regarding development yields and the rate of development.
47. In the context of this DCP, with a proposed 30-year lifespan, and a range of densities provided under the LSP, applying a density rate has the risk that varying development yields will result in a surplus or deficiency of development contribution funds over time.
48. There is uncertainty with applying a density-based rate. With the potential to create an inequitable environment for landowners and developers, and a financial risk to the City if additional municipal funds are required to supplement the provision of infrastructure.
49. A development area rate (e.g. per m²) provides a certain outcome, as the NCA will not change over the lifespan of the DCP, and therefore a consistent unit of charge will be applied through each review and recalculation period. This will reduce the risks of under or over collecting contributions.

50. For the reasons outlined above, there is strong justification under the principles established under SPP 3.6 (certainty and consistency) for a development area rate (per m²).
51. **Development Feasibility**
In 2023 the City engaged the services of an independent property advisory consultancy, to undertake a Feasibility Analysis. The Feasibility Analysis provided an evidence-based approach to satisfy SPP 3.6 requirements against the core principle of ensuring reasonable cost for the DCP. It recommended an appropriate threshold for the forecast cost contribution levy while maintaining feasibility and supporting densities and development product in line with the HWS Residential Precinct LSP.
52. In 2024 the City obtained updated advice to the Feasibility Analysis, further testing the developed financial model under the following variables:
- a) Consideration of *Operational Policy 2.4* which provides a framework for an additional development levy for government schools.
 - b) Further consideration of the land acquisition costs for POS within the Green Link.
 - c) Reducing the proposed lifespan of the DCP; from 30 to 20 years.
53. Together, the 2023 and 2024 Feasibility Analysis' make the following findings and recommendations notable to the current review:
- a) It was viewed by stakeholders that fragmented land ownership and land price expectations are the biggest constraints to development in the area.
 - b) Land costs associated with LOS within the 'Green Link' would significantly impact on the viability of development.
 - c) Reducing the lifespan of the DCP (30 to 20 years) would not provide the critical mass of contributions required to deliver all infrastructure within the DCP without alternative funding mechanisms (i.e. grant funding, municipal funds). Should a reduction be applied, a reduced NCA (contribution base), is encouraged to ensure the collection of all funds required to deliver all infrastructure proposed through the DCP.
 - d) Development in the precinct is highly sensitive to any cost increases to land value and construction costs.
54. It is important to note the costs presented in the 2024 Feasibility Analysis is based on preliminary information available at the time of undertaking the investigation and preparing the report (i.e. 2023 cost estimates). These costs have since been further refined and validated for the purposes of presenting A113 and associated draft DCPR within the consideration period specified by the *Planning and Development (Local Planning Schemes) Regulations 2015*. The discrepancies are noted and reflect information at a "point in time", however the appropriate detail associated with the DCP, the subject of the Council's consideration, are contained in the draft DCPR.

55. **2024 Actions**

Since the December 2023 update Report (OCM 179/2023) the following has occurred:

- a) A public consultation period of 97 days (refer to stakeholder engagement section of this report for further information).
- b) Modifications to the DCP in response to submissions.
- c) The rates applied to land costs have been updated, pursuant to the 2024 Land Valuation.
- d) A peer review and update of all Bill of Quantities and estimates from a Quantity Surveyor.
- e) The City has engaged with state agencies and key decision makers advocating with the intent to minimise the infrastructure costs in the DCP.
- f) All estimates have been updated to reflect the above actions/findings.

56. **Modifications to Amendment 113 & the draft DCPR**

The following notable modifications have been made to the 2024 DCP:

- a) Removal of improvement costs to the TOD Boulevard LOS.
- b) Updated land rate, pursuant to external advice received from an independent Land Valuer.
- c) Applied percentage of escalations to all 2023 BOQ's, pursuant to advice received from an independent Quantity Surveyor.
- d) Applied a reduced assumption for clearing and earthworks within the Drainage BOQ's, to align with the POS Concept Plans.
- e) Rephrased the NCA definition in the DCPR.

57. For completeness, each of the above noted modifications are discussed below including commentary on the potential risks, long term consequences and impacts associated with each modification.

58. **Modification A: removal of improvement costs for the TOD Boulevard LOS**

The TOD Boulevard POS is a 5,824m² lineal site identified as LOS on the LSP, designed to run parallel to the eastern and western reservations of the TOD Connector (New road - RD04).

59. Location of TOD Boulevard LOS (Source: POS Conceptual Designs):



60. The 2023 DCP proposed to include improvement costs for the TOD Boulevard POS; with a total improvement cost of \$538,871, which equated to \$0.91/m² (2023 estimates).
61. Submissions were received objecting to the inclusion of this cost to the DCP, noting the site will not function as a POS site, and rather a landscaped verge.
62. The City has modified the 2024 DCP in response to this concern; removing improvement costs for the TOD Boulevard POS.
63. Modification A has reduced the DCP infrastructure estimates by \$574,436 or \$0.97/m² (2024 cost escalation applied).
64. **Modification B:** Updated land rate, from \$140/m² (R30-R60) and \$145/m² (R60-R100), to \$150/m² (R30-R60) and \$155/m² (R60-R100), pursuant to external advice received from an independent Land Valuer (Attachment 2, Appendix J).
65. Modification B has increased the forecast DCP land estimates by \$610,019 or \$1.03/m².

66. **Modification C:** Pursuant to advice received from an independent Quantity Surveyor, applied percentage of escalations to all 2023 BOQ's.
67. Modification C has increased the DCP infrastructure estimates by \$2.05 million or \$3.45/m².
68. **Modification D:** Refined drainage quantities in the BOQ's to align with the spatial assumptions applied through the LOS Concept Plans, pursuant to external advice received from an independent Quantity Surveyor.
69. **Modification E: rephrasing of the NCA methodology**
The Net Contribution Area (NCA) methodology has been modified in Section 4.2 of the DCPR (Attachment 2) as follows (modifications are in bolded text):
- "In calculating a landowners NCA and the total area of land in the DCA that is liable to this DCP, the following land is identified as unviable for development and therefore excluded from the NCA:*
- a) *Classification as 'Environmental Conservation'.*
 - b) *Classification as 'Local Open Space'.*
 - c) **Existing approved roads** *All roads identified on the High Wycombe South Local Structure Plan Map, inclusive of widening and realignment requirements.*
 - d) *Drainage basis in required in accordance with the approved Local Water Management Strategy.*
 - e) **Land** *identified for other public purposes (i.e. primary school site).*
 - f) *Portions of land which are otherwise constrained for development due to their size, shape, tenure and access limitations. "*
70. **High Wycombe South Advocacy Priority**
Through effective advocacy and planning, Council is creating a future for High Wycombe and broader district that supports employment opportunities, good connections and liveability for its residents.
71. The City's Advocacy Strategy – Kalamunda Advocates is a structured process of influencing others to create change. It is often aimed at decision makers to make positive changes to public policy or resourcing for community benefit. The strategy seeks to drive effective change at Government policy and steer investment towards ensuring local priorities are supported.
72. There is a strong evidence base of Council strategies and plans that support this initiative being considered as a strategic priority for the City, including the Local Planning Strategy, Strategic Community Plan and suite of technical documents.

73. Having regard to the potentially significant risks, long term consequences and impacts on the City's current and future community enabled via the draft DCP, there is a role for the City to detail this project as a priority project for its future advocacy strategy, particularly as it relates to the transition and early activation of the HWS Residential Precinct.
74. The development of appropriate supporting documentation and approach to help make positive decisions and changes will require expenditure on consultant services and development of advocacy material. Budget allocation has been set aside for detailed planning in High Wycombe South. Any expenditure on advocacy material is unlikely to be cost recovered through the DCP.
75. The DCP will provide a clear and accountable instrument for the City to seek external grand funding from third parties (e.g. State Government) to support the delivery of all infrastructure identified in the DCP and to supplement municipal funding. In particular, there is strong justification to advocate for State and Federal funding to facilitate affordable and diverse housing in the HWS Residential Precinct, leveraging off significant infrastructure investment (e.g. Gateway WA and the Metronet Airport Link Railway).

APPLICABLE LAW

76. **Planning and Development (Local Planning Schemes) Regulations 2015 (LPS Regulations)**
- Part 7 of the LPS Regulations establishes that a DCP must set out the development contribution area, items of infrastructure included, method of determining the cost contribution, priority and timing for infrastructure, review frequency and the operation period.
77. Regulation 37(4) of the *Planning and Development (Local Planning Schemes) Regulations 2015* (LPS Regulations) required the WAPC to examine Amendment 113 documents and advise the City if the Commission considers that any modification to the documents is required before the amendment is advertised.
78. Scheme amendments for DCPs are required to be progressed as a 'complex amendment', requiring additional approval requirements from the WAPC prior to an extended advertising period (60 days). It is noted that the City sought, and received approval from the WAPC for, an extended advertising period of 90 days.

79. Once Amendment 113 is approved and published in the Government Gazette, it will have effect of law and will enable the levying of contributions triggered by development, for infrastructure identified in the DCP.
80. Should the City determine development or subdivision applications within the HWS Residential Precinct prior to the gazettal of A113, Regulation 73 of the *LPS Regulations* further supplemented by *Local Planning Policy 25 (Interim Development Contribution Arrangements)*, enables the City to require interim development contribution arrangements to secure a future contribution upon gazettal of Amendment 113.
81. **City of Kalamunda Local Planning Scheme No. 3 (LPS 3)**
A113 proposes to establish the DCP in LPS3 through:
a) Introducing a Special Control Area on the LPS3 Scheme Map, known as DCA2; and
b) Amending Schedule 12 of LPS3 to include the DCP for the HWS Residential Precinct as DCA2.
82. Proposed Schedule 12 of LPS3 provide the statutory provisions to enable 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 future infrastructure delivery.
g) Review process and reporting obligations.
Refer to Attachment 1 for the proposed LPS3 modifications.
83. Schedule 12 is to be read in conjunction with Clause 6.5 (Development Contribution Areas) of LPS3; which sets out the establishment, implementation and operation of DCPs operable within the City.

APPLICABLE POLICY

84. **Liveable Neighbourhoods**
Liveable Neighbourhoods 2009 is an operational Policy of the WAPC for the design and assessment of new urban development within Western Australia. The Policy has guided specifications for infrastructure forecast by the DCP, for instance, road classifications.
85. **State Planning Policy 3.6 – Infrastructure Contributions**
SPP 3.6 provides the State’s policy control and guidance to DCPs, setting out a framework for the coordination and delivery of infrastructure in new

and established urban areas throughout WA. The central intent of SPP 3.6 is to establish the eight (8) core principles to be applied when preparing and administering a DCP.

86. **WAPC Development Control Policy 2.3 – Public Open Space in Residential Areas**
DC 2.3 establishes the principles of 10% of gross subdividable area being provided as Public Open Space (POS), and seeks to ensure that all residential development is complemented by adequate areas of POS that will enhance the amenity of development and provide for recreational needs of residents.
87. **WAPC Development Control Policy 2.6 – Residential Road Planning**
DC 2.6 outlines the WAPC’s specifications and requirements for the planning and design of roads in residential areas.
88. WAPC Operational Policy 1.1 – Subdivision of Land (General Principles)
89. WAPC Development Control Policy 2.2 Residential Subdivision
90. WAPC Development Control Policy 2.3 – Public Open Space in Residential Areas establishes the principles of 10 per cent of gross subdividable area being provided as POS.
91. City of Kalamunda Local Planning 11 – Public Notification of Planning Proposals
92. City of Kalamunda Local Planning Policy 24 - Development Contribution Arrangements
93. City of Kalamunda Local Planning Policy 25 - Interim Development Contribution Arrangements

STAKEHOLDER ENGAGEMENT

94. The City concurrently advertised Amendment 113 (Attachment 1) and the modified draft DCP Report (Attachment 2) for a period of 97 days (31 January 2024 to 6 May 2024) via the following methods:
- a) A publication on the City’s website;
 - b) A copy of documents available for inspection at the City’s Administration Centre;
 - c) Letters to all landowners within and adjacent to DCA2;
 - d) Letters to all relevant public authorities and utility agencies; and
 - e) A newspaper advertisement.

95. A total of 42 submissions were received during the advertising period. In summary:
- a) 3 were from public authorities.
 - b) 2 were re-submitted multiple times by different landowners.
 - c) 37 submitted objections.

96. **Summary of Public Submissions**
Attachment 3 provides a copy of all verbatim submissions, alongside the City's response to each individual submission.

97. The following common themes were identified throughout the submissions:
- a) The DCP is economically unviable.
 - b) The Contribution Rate is too high in comparison to other residential DCPs.
 - c) The DCP lifespan should be 10 years.
 - d) Disagreement with the road acquisition methodology.
 - e) Further information is required in the DCPR.
 - f) Improvement costs for POS sites 3-5 (Green link) and the TOD Boulevard site should be removed from the DCP.
 - g) The delivery of the TOD Connector (road item) should not be wholly borne by the DCP.
 - h) DCP is not the appropriate mechanism.
 - i) DCP fails to consider the financial implications of WAPC Operational Policy 2.4 (Planning for School Sites) (OP2.4).
 - j) Other matters not relevant to Amendment 113 and associated DCP.

98. For completeness, each of the above noted themes are discussed in further detail below.

Theme A: The DCP is economically unviable

99. The City commissioned an independent Feasibility Analysis in 2023 to test the viability of the contribution rate, which was further extended and updated in 2024. Ultimately, the Feasibility Analysis concluded, using financial modelling, that the proposed contribution rate (\$76.52/m²) is viable to enable the development of the HWS Residential Precinct, however, is highly sensitive to development cost shock or higher land values.

Theme B: The Contribution Rate is too high in comparison to other residential DCPs.

100. No two DCPs are alike; consequently, accurate comparisons aren't possible. Rather than compare the proposed contribution rate to others with the Perth Metropolitan Region, the City has commissioned the 2023 and 2024 Feasibility Analysis', which have ultimately determined that the proposed contribution rate is viable to enable the development of the HWS Residential Precinct.
101. Nonetheless, the following table outlines the findings of a desktop analysis, which ultimately concluded the proposed contribution rate is not only comparable, but at times lower, than comparative residential DCPs in the Perth Metropolitan Region.

DCP	EST.	RATE
a) City of Gosnells DCA No. 4 - Central Maddington Structure Plan	2013	R20 - \$44.31/m ² R30 - \$66.47/m ² R40 - \$88.62/m ² R80 - \$177.24/m ²
b) City of Armadale - DCA No. 4 Anstey Keane Urban Precinct in Forrestdale	2019	\$45.60/m ²
c) City of Armadale - DCA No. 8 West of Rail Redevelopment Area (Draft)	2021	\$65.83/m ²

Theme C: The DCP lifespan should be 10 years

102. The forecast development rates suggest that 25% of the HWS Residential Precinct will be developed, and consequently make a development contribution within the first ten years. A 10-year lifespan would therefore be insufficient to collect funds necessary for substantial infrastructure delivery to service the HWS Residential Precinct and will not provide the required certainty for delivery of infrastructure items, inconsistent with SPPP 3.6.

103. The City has reconsidered the proposed lifespan of 30 years, concluding the protracted lifespan is imperative to ensure an equitable and feasible DCP.

Theme D: Disagreement with the road acquisition methodology

104. Following the Public Agenda Briefing Forum on 10 September 2024, additional commentary has been provided within this report under Theme D.

105. The City is required to apply equitable methodologies as part of the preparation of a DCP. The DCP provides for the funds to upgrade or construct Neighbourhood Connector Roads and above, as recommended through the TMR and road concept designs.
106. It is a longstanding practice and policy position of the WAPC to require, where access streets (also referred to as local roads) are needed, subdividers to dedicate, construct and drain these roads at their cost as part of the subdivision process. In this regard, the proposed DCP does not include costs for access streets as DCP funded infrastructure.
107. A similar methodology is applied to the acquisition of land required to facilitate higher order road infrastructure. The draft DCP assumes the land, that would have otherwise been provided as an access street (15m width), is to be ceded free of cost, with only the acquisition beyond this reservation width acquired through the DCP. Therefore, only apportioning costs in the DCP for land required, over and above what otherwise should have been provided for, by the subdivider.
108. In calculating the estimated costs for road land, this methodology has been applied to the new roads RD03 (Raven Street) and RD04 (TOD Connector). For example, Raven Street requires a 24.4m road reserve width, however 15m of that road reserve width, calculated proportionately for each lot, will be ceded free of cost and will not form a cost to the DCP, however the balance 9.4m road reserve width will be acquired by the DCP.
109. Section 159 of the *Planning and Development Act* (Section 159) allows an earlier subdivider of land, who has constructed or upgraded a road in connection with their subdivision, to recover one half of the costs of constructing or upgrading that road from a later subdivider of land.
110. Section 159 provides that a claim will not arise where the later subdivider has already contributed to the costs of establishing the road in some way, which could, for example, be in the form of making a cost contribution in accordance with a gazetted DCP. Therefore, DCP infrastructure would be ineligible for a Section 159 claim.
111. It is not considered that the DCP, as proposed, would impact on eligibility for a Section 159 claim for costs associated with road provision/upgrades not facilitated through the DCP. This includes the local road cross section (15m) not acquired through the DCP to facilitate RD03 and RD04.

Theme E: Further information is required in the DCPR

112. The City has acknowledged the feedback and updated the DCPR to provide further information as appropriate. Please refer individual responses to submissions (Attachment 3) for specific modifications.

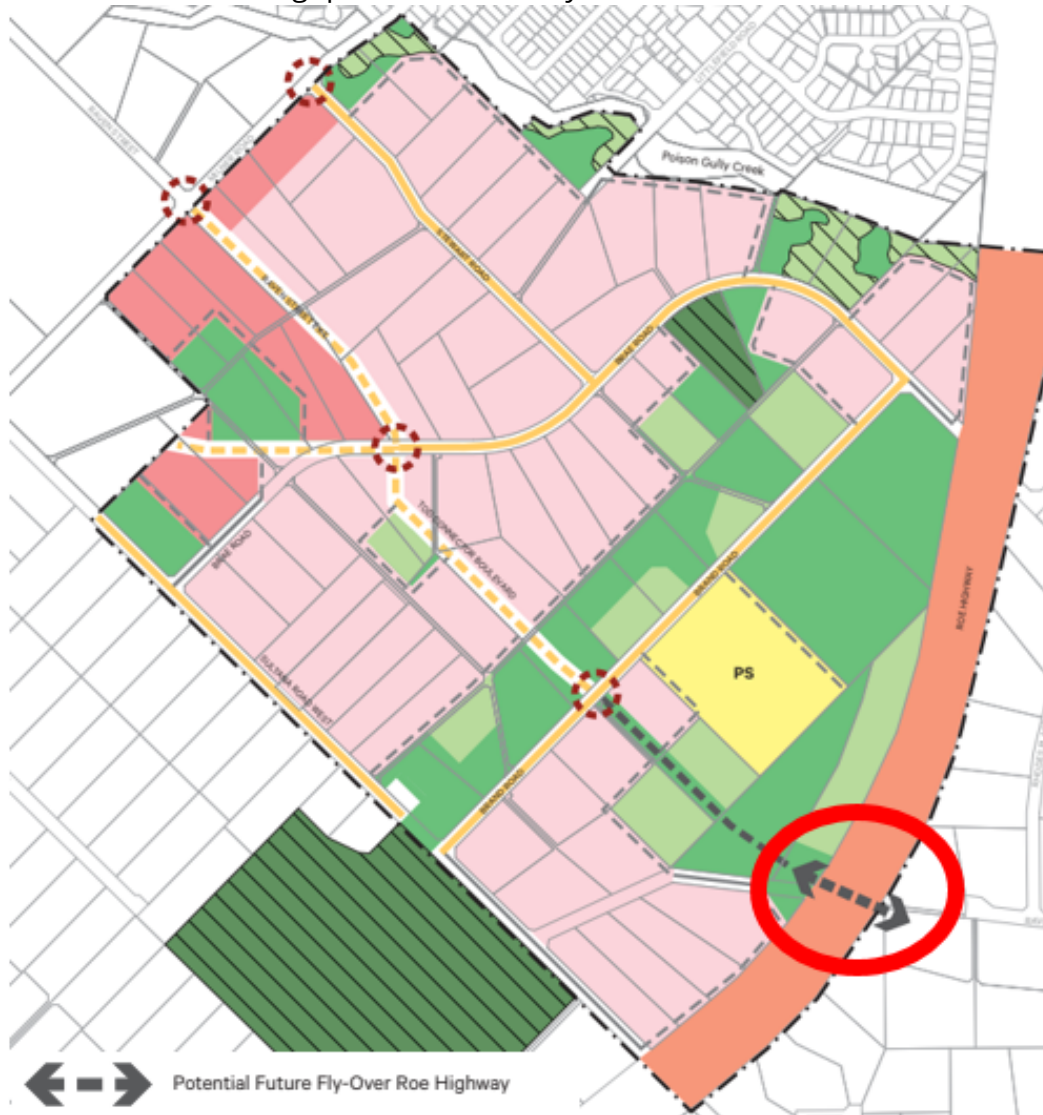
Theme F: Improvement costs for POS sites 3-5 (Green link) and the TOD Boulevard site should be removed from the DCP.

113. The improvement costs have been included given that, notwithstanding the environmental values that exist in the Green Link, and the justification for acquisition of this corridor to be funded through the MRIF, there are small areas of this corridor that will function as recreational parks that will serve the needs of the local community. The State Planning Framework provides for land reserves for Parks and Recreation to be used for an appropriate local (as well as a regional) purpose and therefore it is possible for any local improvement costs to be identified within the DCP.
114. As noted above in the LOS section of this report, the improvement costs associated with the TOD Boulevard have been removed as an item funded by the future DCP.

Theme G: The delivery of the TOD Connector should not be wholly borne by the DCP.

115. The TOD Connector (RD04) is a new road (neighbourhood connector A – two way, one lane divided carriageway) modelled to be required by 2031.
116. The 2024 DCP estimates \$2.65 million, or \$4.47/m² to deliver RD04; with the DCP proposed to fund 100% of the cost.
117. Submissions were received objecting to the proposed apportionment of 100%, suggesting the apportionment is not representative of future traffic distribution, once the “potential future flyover” identified on the LSP is delivered.

118. Extract of LSP showing “potential future flyover”:



119. The “potential future flyover” is intended to connect the HWS Residential Precinct with the future Maida Value South urban area, on the other side of Roe Highway.

120. At the time of writing this report, the “potential future flyover”, while identified on LSP documentation, is not approved or proposed for delivery within the proposed lifespan of the DCP (30 years). The demand for the “future flyover” will be explored as part of planning for Maida Vale South.

121. To inform the DCP and to ensure compliance with the need and nexus principles outlined in SPP 3.6, road infrastructure costs contained within the DCP have been apportioned, where appropriate, in accordance with the percentage of demand informed by the TMR (Attachment 2, Appendix A). The TMR determines the origin of demand or generator for upgrades to, or the provision of, the various established infrastructure items.

122. Acknowledging there are no approvals, and therefore no certainty, for the “future flyover” into Maida Vale South, the TMR models 100% of traffic on the TOD Connector Boulevard being generated from the HWS Residential Precinct.
123. Should the “future flyover” be approved in the future, the apportionment of this infrastructure item (RD04) could be modified, through a complex scheme amendment, in accordance with demonstrated modelling.
124. Nonetheless, the City actively continues its Advocacy Campaign for alternative funding for the HWS Residential Precinct, with the intent of reducing costs to the DCP.

Theme H: a DCP is not the appropriate mechanism

125. Alternative funding mechanisms were explored by the City in late 2022, with the findings summarised in the Feasibility Analysis. Ultimately, it was determined that a DCP provides the most equitable an outcome.
126. *Theme I: the DCP fails to consider the financial implications of WAPC Operational Policy 2.4 (Planning for School Sites) (OP2.4)*
127. OP2.4 establishes a framework for a state-wide development levy, used to develop new (public) schools throughout the state.
128. OP2.4 establishes that all new residential lots created through the subdivision process (including survey strata) generate demand for a public primary school sites based on a ratio of one 4-hectare primary school site for every 1,500 dwellings and each new eligible lot will contribute 1/1500th the value of a 4-hectare site. In the case of DCA2, this represents \$9 million for DCA2 or +\$15.19/m² (informed by the 2023 land valuation of \$140/m²).
129. This development levy is not included in the DCP and is an additional development cost when exploring feasibility of development in the HWS Residential Precinct.
130. The financial model developed to inform the 2024 Feasibility Analysis did consider the implications of OP2.4.
131. The implications of OP2.4 on development feasibility in DCA2 was further explored through the 2024 Feasibility Analysis. The analysis concluded that the current DCP remains viable with the additional development levy for school sites, although sensitive to development cost shock and higher land values.

FINANCIAL CONSIDERATIONS

- 132. Costs associated with public advertising were met through the Development Services annual budget.
- 133. There are significant long term financial uncertainties discussed in the Details and Analysis and Risk Management sections of this Report. In summary, these uncertainties include:
 - a) Future costs of acquiring land within the Green Link
 - b) Future costs of improving LOS; and
 - c) Long term financial and capital expenditure planning regarding the operational life of the DCP.
- 134. The City’s 2024/25 Budget identifies \$300,000 to undertake further investigation and design work for infrastructure in support of the DCP.
- 135. It is noted the updated forecast contribution rate is identified to be \$76.52/m².

SUSTAINABILITY

- 136. The DCP will create a framework for the facilitation of infrastructure to service new development in the HWS Residential Precinct. The planning and coordination of infrastructure through a DCP is important for the long term economic and social development of the community.

RISK MANAGEMENT

137.

Risk: The WAPC / Minister for Planning does not support Amendment 113 and DCP Report as advertised and requires further modifications and re-advertising.		
Consequence	Likelihood	Rating
Significant	Possible	High
Action/Strategy		
Ensure that the WAPC and Minister for Planning understand the consequences of requiring the outstanding suggested modifications.		

138.

Risk: The approach to not accept WAPC modifications relating to the Green Link and the operational period results in delays to finalise the DCP.		
Consequence	Likelihood	Rating
Significant	Likely	High
Action/Strategy		
Continue to engage with the DPLH to reach key decisions and consensus when finalising its assessment on Amendment 113.		
Ensure that the WAPC and Minister for Planning understand the consequences of requiring the unsupported modifications.		

139.

Risk: Uncertainty regarding the outcome of Amendment 113 delays the activation of development in the precinct.		
Consequence	Likelihood	Rating
Major	Possible	High
Action/Strategy		
Ensure that the WAPC and Minister for Planning understand the consequences of requiring the outstanding suggested modifications. Ensure appropriate communication with stakeholders. Continue to support landowners and prospective developers to facilitate due diligence and planning with as much certainty as possible at this stage of the planning process.		

140.

Risk: The forecast cost contribution rate increases above the recommended threshold, resulting in an undue impact on development viability in the precinct.		
Consequence	Likelihood	Rating
Major	Possible	High
Action/Strategy		
Seek grant funding and support prospective developers with their application for grant funding, for enabling infrastructure for development in the precinct.		
Ensure appropriate communication with stakeholders. Advocate for the State and any other interested parties to prefund items of infrastructure to mitigate future financial risk. Investigate alternative ways to fund additional Local Open Space costs.		

- 141.
- | | | |
|--|-------------------|---------------|
| Risk: If Green Link costs or local open space improvement costs are not funded by the State or the proposed DCP, the City will need to find alternative funds. | | |
| Consequence | Likelihood | Rating |
| Critical | Possible | High |
| Action/Strategy | | |
| Investigate alternative ways to fund additional Local Open Space costs including the possibility of implementing a development agreement plan and potentially special area rating mechanisms.
Ensure appropriate communication with stakeholders. | | |
- 142.
- | | | |
|---|-------------------|---------------|
| Risk: A reduced DCP operational period of 20 years results in uncertainty about infrastructure funding and delivery and potential financial risks to the City. | | |
| Consequence | Likelihood | Rating |
| Critical | Possible | High |
| Action/Strategy | | |
| Illustrate long term capital expenditure implications to the WAPC and Minister for Planning as part of the finalisation of Amendment 113.
Advocate for the State to prefund items of infrastructure to mitigate future financial risk. | | |
- 143.
- | | | |
|--|-------------------|---------------|
| Risk: If WAPC requires that the DCP fund Green Link land costs, at the expense of local open space improvements costs, this could result in poor levels of service in parks, and associated social and amenity impacts on the future community. | | |
| Consequence | Likelihood | Rating |
| Major | Possible | High |
| Action/Strategy | | |
| Ensure appropriate communication with stakeholders.
Ensure that the WAPC and Minister for Planning understand the consequences of requiring the outstanding suggested modifications. | | |
- 144.
- | | | |
|---|-------------------|---------------|
| Risk: The WAPC / Minister for Planning does not support Amendment 113 and DCP Report and alters the forecast contribution rate. | | |
| Consequence | Likelihood | Rating |
| Critical | Possible | High |
| Action/Strategy | | |
| Ensure appropriate communication with stakeholders.
Ensure that the WAPC and Minister for Planning understand the consequences of requiring the outstanding suggested modifications. | | |

CONCLUSION

145. DCPs by are complex planning instruments. Given the number of stakeholders involved and affected by DCPs, there is inherent risk that not all stakeholders will be satisfied with the outcomes of the DCP. It is important for Council to be cognisant of this and balance the outcomes of the DCP against the requirements of SPP 3.6, development viability throughout the HWS Residential Precinct and the broader interests of the community.
146. There are potential risks, long term consequences and impacts associated with the WAPC's suggested modifications on the transition of the HWS Residential Precinct. It will be important for the City to work collaboratively with the DPLH and engage with the WAPC and Minister for Planning to facilitate a clear understanding of the issues and outcomes sought by the City. An advocacy approach is also considered necessary as it could support State Government investment and development opportunities, particularly as it relates to the transition and early activation of the precinct.
147. Ultimately and as prescribed in legislation, the decision to finally adopt or otherwise the DCP lays with the Minister for Planning. The Council plays a part in that process by providing recommendations however is not the ultimate decision maker.
148. Having regard to the above, it is recommended that the Council support a modified Support A113 to the LPS3 (Attachment 1), and draft DCPR (Attachment 2), and forward its recommendation to the WAPC and Minister for Planning for approval.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. NOTE the submissions received during advertising of Amendment 113 to City of Kalamunda Local Planning Scheme No. 3, and the draft Development Contribution Plan Report.
2. SUPPORT the modified Amendment 113 to City of Kalamunda Local Planning Scheme No. 3 (Attachment 1), pursuant to Regulation 41 (3)(b) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.
3. SUPPORT the modified draft High Wycombe South Residential Precinct Development Contribution Plan Report (Attachment 2) for the purposes of

submitting Amendment 113 for approval under section 87 of the *Planning and Development Act 2005*.

4. CONSIDER Amendment 113 to City of Kalamunda Local Planning Scheme No. 3 a complex amendment, pursuant to Regulation 35 (2) and 72 of the *Planning and Development (Local Planning Schemes) Regulations 2015* for the following reasons:
 - a. The amendment proposes a Development Contribution Plan.
 - b. The amendment is not a standard or basic amendment.
5. PROVIDE the Council's resolution and associated documents regarding Amendment 113 to City of Kalamunda Local Planning Scheme No. 3 to the Western Australian Planning Commission pursuant to Regulation 44 of the *Planning and Development (Local Planning Schemes) Regulations 2015*
6. NOTE the City of Kalamunda Chief Executive Officer will continue to make representations to the Western Australian Planning Commission to amend the Metropolitan Region Scheme, to reclassify areas identified as Local Open Space within the 'Green Link' on the High Wycombe South Residential Precinct Local Structure Plan, from urban to Parks and Recreation Reserve.
7. NOTE the City of Kalamunda Chief Executive Officer continue to undertake an advocacy campaign focussed on minimising infrastructure cost to the DCP, encouraging government pre-fundings for enabling infrastructure, and supporting the transitions of landowners and activation of development in the High Wycombe South Residential Precinct.

A motion to defer a decision on this item was put to the meeting.

RESOLVED OCM 117/2024

That the item be deferred to the October Ordinary Council Me.

Moved: **Cr David Modolo**

Seconded: **Cr Geoff Stallard**

Vote: For: **Mayor Margaret Thomas, Cr John Giardina, Cr Geoff Stallard, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, and Cr David Modolo**

Against: **Cr Kathy Ritchie**

CARRIED (6/1)

10.2. Asset Services Reports

10.2.1. RFT 2413 Supply and Lay of Major Asphalt - Award of Tender

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


Mr Anthony Vuleta declared an Interest Affecting Impartiality on Item 10.2.1 RFT 2413 Supply and Lay of Major Asphalt - Award of Tender. Mr Vuleta has a family member associated with an organisation who submitted a tender.

Previous Items	OCM 86/2015; OCM 138/2020
Directorate	Asset Services
Business Unit	Asset Planning & Delivery
File Reference	AD-TEN-005
Applicant	N/A
Owner	N/A

Attachments Nil

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

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

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

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

EXECUTIVE SUMMARY

1. The purpose of this report is to consider the award of tender RFT 2413 for the Supply and Lay Major Asphalt for road resurfacing projects for the City.
2. It is recommended that the Council accept the tender from Asphaltech Pty Ltd, ABN 26 064 520 869 as per the Schedule of Rates set out in the Confidential Attachment 1 to this report. These works form part of the overall annual budget for both operational (maintenance) and capital works with an initial term for a period of three (3) years from the date of award with two (2) optional single-year extensions subject to satisfactory performance by the contractor, at the City of Kalamunda's (City) discretion.

BACKGROUND

3. The City, (the Principal), is seeking to engage a qualified and suitable Contractor/Supplier to Supply and Lay for the Major Asphalt Road Resurfacing Program. The Contractor is responsible for supplying equipment and services and to complete the scheduled works within the Financial Year.
4. The services proposed primarily require profiling existing road pavement and laying of various asphalt treatments as directed by the City. It also includes miscellaneous items associated with the road resurfacing projects, such as minor stormwater drainage adjustments, watering and rolling of pavement, minor pavements widenings works and minor kerbing requested by the City. There is also a provision to prepare traffic management plans (TMPs) and provide traffic controllers (TCs) for this work.
5. Due to the large scale of projects, a suitable contractor for the supply and laying of major asphalt is necessary to undertake work that is outside the City's capacity. This provision also allows the City to attend to works that need to be undertaken during weekdays and outside the City's normal operational hours in a safe and productive way.

DETAILS AND ANALYSIS

6. The Request for Tender (RFT 2413) was issued through the City's E-Tendering website: www.tenderlink.com/kalamunda and an advertisement in the West Australian newspaper on Wednesday 12 June 2024. The Tender closing date was advised as no later than 2:00pm AWST Wednesday 17 July 2024.
7. Four submissions were received, and an Evaluation Panel was convened of suitably qualified City Officers to assess the tender submissions received.
8. Procurement assessed the four submissions for compliancy as set out in the tender invitation. The Tender submissions were then assessed by three panel members on the 26 July 2024 to ensure Qualitative Criteria was met as set out in the tender invitation. Following meeting the compliance requirements, the submission was then assessed against the qualitative criteria as set out in the tender invitation.
9. The Qualitative Criteria and weighting were determined as follows:

Qualitative Criteria	Weighting
Relevant Experience	25%
Key Personnel Skills & Experience	20%
Tenderer's Resources	20%
Demonstrating Understanding	30%
Local Benefits	5%
10. The Tender Assessment Panel Chair determined that a Qualitative Pass Mark (QPM) of 60% would be set for the tender of this nature.
11. The Tender Evaluation Report (TER) is provided as Confidential Attachment 1 to this report.

APPLICABLE LAW

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

APPLICABLE POLICY

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

FINANCIAL CONSIDERATIONS

- 14. The use of major asphalt works under this contract, will form part of approved annual budgets in Infrastructure Services and Capital Works Projects.

SUSTAINABILITY

- 15. This contractor has the experience and expertise to use innovative methods and materials such as crumbed rubber in line with our Kalamunda Clean and Green Local Environment Strategy.

RISK MANAGEMENT

16.

Risk: Contractor unable to attend to urgent work in a timely manner, which increases safety risk		
Consequence	Likelihood	Rating
Significant	Possible	High
Action/Strategy		
<ul style="list-style-type: none"> a) Embedding contractual mechanisms to ensure response to emergency situations has been agreed to. b) The capacity of the organisation to respond was assessed as part of the qualitative assessment. 		

17.

Risk: The Contractor fails to provide skilled and experienced personnel and equipment, to fulfil the requirements of the contract leading to low quality work produced.		
Consequence	Likelihood	Rating
Significant	Unlikely	Moderate
Action/Strategy		
<ul style="list-style-type: none"> a) Personnel and equipment to respond was assessed as part of the qualitative assessment. b) Start-up meeting will be held with the contractor to outline City's expectation for timely attendance of the site and quality of work c) Contract will be managed to ensure the requirements of this contract are met and communication with contractor will be held if and when required. 		

CONCLUSION

18. The delivery of Tender RFT 2413 The Supply and Lay Major Asphalt will assist the City with the delivery of the Major Asphalt Road Resurfacing Program and major maintenance works. The City is satisfied that the recommended tenderer has the capability, capacity and experience to provide the City with the required services.

Voting Requirements: Simple Majority

RESOLVED OCM 118/2024

That Council ACCEPT the tender RFT 2413 Supply and Lay Major Asphalt from Asphaltech Pty Ltd, ABN 26 064 520 869 as per the Schedule of Rates set out in the Confidential Attachment 1, for an initial term for a period of three (3) years from the date of award with two (2) optional single-year extensions subject to satisfactory performance by the contractor, at the City of Kalamunda's discretion.

Moved: **Cr Lisa Cooper**

Seconded: **Cr Geoff Stallard**

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

Against: **Nil**


CARRIED UNANIMOUSLY/(8/0)

10.2.2. Elizabeth Street Railway Road Safety Treatment

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

Previous Items	OCM 147/2020
Directorate	Asset Services
Business Unit	Asset Planning & Delivery
File Reference	EG-RDM-004
Applicant	N/A
Owner	N/A
Attachments	<ol style="list-style-type: none"> 1. Railway Road & Elizabeth Street Final Traffic Study April 2024 [10.2.2.1 - 68 pages] 2. Letter Drop - Community Consultation Area - Attachment 2 [10.2.2.2 - 1 page] 3. Railway Rd & Elizabeth St - Roundabout - rev A [10.2.2.3 - 5 pages] 4. #3510 ER MRWA 4495-10 Rev 4 [10.2.2.4 - 1 page]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 1: Kalamunda Cares and Interacts

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

Strategy - 1.2.1 Facilitate a safe community environment.

Priority 3: Kalamunda Develops

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

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

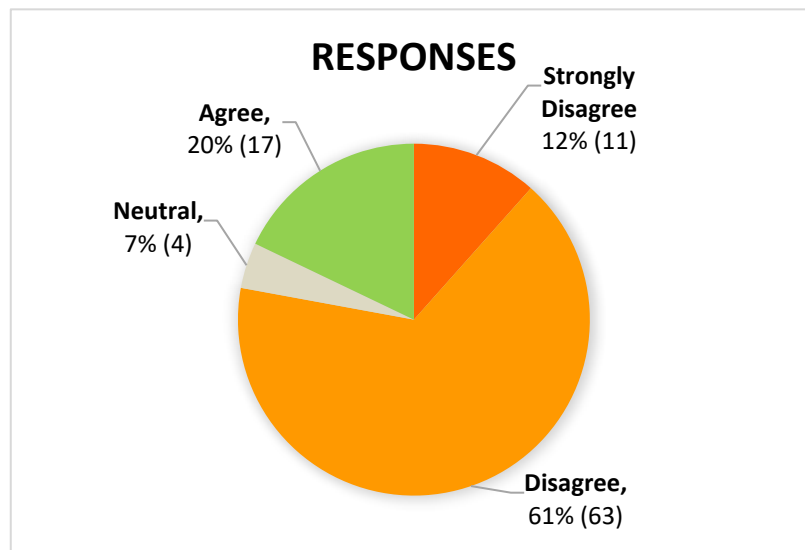
EXECUTIVE SUMMARY

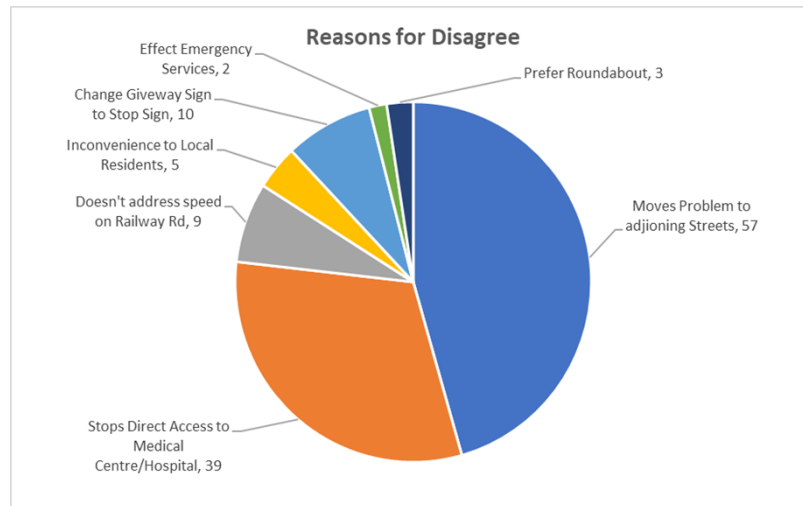
1. The purpose of this report is to seek direction from Council about the proposed works for the Elizabeth Street and Railway Road intersection. This follows the outcomes of the community engagement, traffic study report, and subsequent reintroduction of a roundabout treatment.
2. The City of Kalamunda (City) currently has a Black Spot funding application approved by Main Roads Western Australia (MRWA) for \$91,500. The scope of this funding consists of closing the eastern leg of Elizabeth Street at the Railway Road intersection.
3. Following advice from Main Roads Western Australia (MRWA) and the results of the community consultation, the City has revisited the roundabout treatment option. The roundabout is anticipated to enhance safety and retain traffic flow.
4. The City has completed the concept design for a new roundabout at the intersection with a cost estimated at approximately \$550,000. Should Council support this proposal, a request for variation will be submitted to MRWA to be delivered as part of the Federal Black Spot Funding program.

BACKGROUND

5. Initially, this intersection qualified for the Black Spot Program, with 24 crashes reported over five years. Twenty-one out of 24 crashes over this period (Jan 2018 to Dec 2022) were of a Right-Angle type. Eleven out of the 24 crashes were caused by the westbound vehicles in Elizabeth Street to the intersection. To address these safety concerns, a roundabout was proposed by the City to MRWA as part of the Black Spot Funding Program.
6. In July 2020, the City secured \$740,000 from the Federal Black Spot Program to build a roundabout at the intersection, including speed cushions on Elizabeth Street.

7. As of October 2022, it was anticipated that a detailed roundabout design would negatively impact traffic flow, reduce sightlines, and lead to vehicle stacking, along with incurring high construction costs and requiring mature tree removal. Hence a road closure option was identified as another option to reduce the right-angle crashes.
8. The City then amended the Black Spot application to close the eastern leg of Elizabeth Street, reducing the funding to \$91,500. By closing the eastern leg of Elizabeth Street, it is anticipated that the treatment would achieve more than 50% crash reduction at this intersection.
9. The City conducted community consultation on the proposed road closure through social media and letters to residents in close proximity to the works. The location of the letter drops to residents in close proximity can be seen in Attachment 2.
10. The consultation period was open from 2 July to 15 August 2023. The City received 95 responses, 22 responses were from the Engage Kalamunda website and the remaining 73 responses were direct letters/emails sent to the City. Of the 95 responses 73% disagreed or strongly disagreed with the proposed closure.





11. In order to explore further options, the City has undertaken a traffic study report investigating three differing options:

1. Road Closure (Existing Proposal)
2. Changing Road Priority
3. Road Realignment and Speed Reduction

This report can be seen in Attachment 1.

12. The traffic study considered the Benefit-Cost Ratio for each of the project proposals. A Benefit-Cost Ratio (BCR) is a measurement of a project's worth by comparing its costs to the value of its benefits. If the benefits outweigh the costs ($BCR > 1$), the project is considered a good investment.

13. Option 1: The initial estimated cost for closing the eastern leg of Elizabeth Street was \$91,500. However, this estimate did not account for the broader impact on the surrounding road network. Following a comprehensive study that considered community feedback, the consultants recommended significant upgrades to the surrounding network infrastructure. These additional upgrades brought the total cost estimate to \$1,071,220, with a BCR of 1.57.

14. Option 2: Involved changing road priority by relocating Give Way controls to Railway Road and installing speed humps. This resulted in a cost estimate of \$48,304 and a BCR of 3.18, however risked shifting crash patterns to Railway Road.

15. Option 3: Suggested realigning Elizabeth Street and adding speed humps to slow traffic and increase visibility. This option had a cost estimate \$449,584, with a BCR of 2.16. However, it was noted that it would disrupt footpath alignments.

16. Through discussions with MRWA, it was advised that Options 2 and 3 would not be eligible for funding through the Black Spot funding program. It was advised that support would be provided for a roundabout treatment. Following this advice, the City revisited and further explored a roundabout solution.

DETAILS AND ANALYSIS

17. Following community objections to the road closure option and further discussions with MRWA, the City has revisited a roundabout at the intersection. The City has begun further investigation and early concept design of a new roundabout solution, addressing the issues previously identified. The concept proposal is included as Attachment 3.
18. Roundabouts are effective at reducing right-angle crashes because they eliminate the possibility of such collisions by directing all traffic in a single direction, lowering speeds, and reducing conflict points. The curved design forces vehicles to slow down, decreasing both the frequency and severity of crashes, while maintaining a safer and more efficient traffic flow.
19. The roundabout design considered the following key points:
- a) Raised mountable centre island to cater for regular traffic deflection and larger vehicles to turn, in line with a “forgiving roads” environment.
 - b) Reconfigured roundabout islands on all the approaches to slow down and direct traffic.
 - c) New/improved pedestrian crossings with refuge median islands and adequate pram ramps at all legs.
 - d) Speed cushions to all entry lanes to create vertical deflection resulting in speed reduction.
 - e) Pre-deflection curve to be proposed on the south leg of the roundabout on Railway Road to restrict drivers to a safe entry speed.
 - f) Red-asphalt apron allowing for larger vehicles to turn left in both directions when exiting Elizabeth Street.
 - g) Minimum road widening so the project will be kept within the road reserve and aim to not disturb existing service provider’s assets.
 - h) New pavement markings, with raised reflective markers and new roundabout standard signage.
 - i) Clearing of the line of sight on all four legs of the roundabout.

- j) Will lower target speed but also have more efficient traffic flow.
- k) Asphalt resurfacing of the whole intersection.
- l) Provision for lighting improvements to the intersection, including new light poles where applicable.

20. The new roundabout addresses the previous concerns as follows:

Sightlines and Tree Removal

The concern regarding reduced sightlines has been addressed through a detailed sightline assessment. This reveals that minor tree trimming, rather than mature vegetation removal, will sufficiently improve visibility for the intersection. Some City recently planted trees (under establishment) may need to be removed, however will be offset planted in the vicinity of the area. A native plant clearing permit from the Department of Water and Environmental Regulation (DWER) will be undertaken to support this requirement.

Visibility

The new design incorporates a mountable roundabout with low-profile central islands, designed for larger vehicles. Enhanced road markings, reflective paint, raised reflective pavement markers (RRPMs), contrasting colours, and upgraded street lighting will ensure the roundabout is clearly visible to all drivers.

Turning Movements

The roundabout will follow standard prioritisation, requiring vehicles to yield to circulating traffic. Speed cushions on the approach will slow vehicles, enhancing safety.

Lane Management

The single-lane roundabout will ensure all vehicles follow a clockwise direction. Larger vehicles may mount the roundabout as needed without conflicting with oncoming traffic.

21. The new roundabout proposal has a cost estimate of \$550,000 and a BCR of 6.37. This indicated that the project provides significant value compared to its cost, well above the 2.0 threshold for the Federal Black Spot funding program. As this intersection is currently funded under this grant program, a variation request will be undertaken to request the project be fully funded by MRWA.

22. If the Officer recommendation is endorsed by Council, the following key project milestones can be seen below:

Dates	Description
September 2024 - April 2025	Design
October 2024 - December 2024	Community Notification
October 2024 - March 2025	Third Party Approvals
May 2025 - August 2025	Procurement
October 2025 - April 2026	Construction

APPLICABLE LAW

23. *Local Government Act 1995*
Main Roads Act 1930

APPLICABLE POLICY

24. Service Policy 04 – Asset Management
25. Service Policy 05 – Communication and Engagement

STAKEHOLDER ENGAGEMENT

26. The City will inform the public about the proposed new roundabout treatment at the Elizabeth Street and Railway Road intersection. This communication will provide detailed information about the design, its benefits, and how it will enhance the intersection. The aim is to ensure that the community is well-informed about the upcoming changes, understands the design and its benefits, and is aware of how these changes might impact them and the community.

The City will also seek to keep the public updated throughout the project’s subsequent construction.

27. An update on the project has been provided to the Local Member for Kalamunda, Matthew Hughes MLA, who has indicated their support for the revised project proposal.

FINANCIAL CONSIDERATIONS

28. This project is currently funded by a Federal Black Spot program.

- 29. To progress this project for future third party funding considerations, the design options must be developed to align with the Federal Black Spot criteria. The assessment undertaken on the currently design indicates that the project will be eligible under the funding program.
- 30. A variation form will be submitted to MRWA should Council endorse the new roundabout proposal. Once submitted, MRWA typically requires one month to assess and approve the variation. It is anticipated that MRWA will provided an outcome on the variation request by November 2024.

SUSTAINABILITY

- 31. The design prioritises the preservation of mature trees and vegetation, with only minimal clearing anticipated to smaller City planted trees. The City will engage with DWER to ensure compliance with environmental regulations and secure any necessary permits.

In the detailed design phase, additional sustainability measures will be considered with the possibility of incorporating native landscaping to the surrounding area to give environmental value.

RISK MANAGEMENT

32.	Risk: Community concerns about the new roundabout design may arise.		
	Consequence	Likelihood	Rating
	Minor	Unlikely	Low
	Action/Strategy		
	The City will provide clear and detailed communication about the proposed new roundabout treatment at the Elizabeth Street and Railway Road intersection. This will include information on the design, its benefits, and its impact on the intersection.		

33.	Risk: The roundabout design may face issues with traffic flow or congestion.		
	Consequence	Likelihood	Rating
	Moderate	Unlikely	Moderate
	Action/Strategy		
	Conduct detailed traffic modelling to ensure the design supports smooth traffic movement. Implement measures like speed cushions and clear signage to optimise flow.		

34.	Risk: The funding application may not be able to secure a variation to the scope, resulting in a need to resubmit the application at the end of the year.		
	Consequence	Likelihood	Rating
	Minor	Possible	Moderate
Action/Strategy			
Maintain proactive communication with MRWA, who have provided early feedback on the necessary information required for the variation form request. Based on their advice, the City will ensure that all required details are included for smooth assessment process.			

CONCLUSION

35. The City recommends that Council support this new roundabout proposal. If endorsed, officers will proceed with submitting the Request for Variation to MRWA under the Federal Black Spot funding program to progress the updated roundabout treatment.

Voting Requirements: Simple Majority

RESOLVED OCM 119/2024

That Council:

1. ENDORSE the revised roundabout treatment as the preferred proposal for the Railway and Elizabeth Street intersection.
2. NOTE that the City of Kalamunda will inform the community on the outcome of the previous survey and inform them on the new roundabout proposal.
3. AUTHORISE the submission of a Request for Variation to Main Roads Western Australia to extend the project timeline and increase the budget under the Black Spot funding program.

Moved: **Cr Kathy Ritchie**

Seconded: **Cr David Modolo**

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

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)

10.3. Corporate Services Reports

No reports presented.

10.4. Community Engagement Reports

No reports presented.

10.5. Office of the CEO Reports

No reports presented.

10.6. Chief Executive Officer Reports

10.6.1. Monthly Financial Statements to 31 August 2024


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

Mayor Margaret Thomas declared an Interest Affecting Impartiality on Item 10.6.1 Monthly Financial Statements to 31 August 2024. Mayor Thomas is a member of the Pickering Brook Sports Club and Council will consider funding a project at the club.

Cr Geoff Stallard declared an Interest Affecting Impartiality on Item 10.6.1 Monthly Financial Statements to 31 August 2024. Cr Stallard is a member of the Pickering Brook Sports Club and Council will consider funding a project at the club.

Previous Items	N/A
Directorate	Corporate Services
Business Unit	Financial Services
File Reference	FIR-SRR-006
Applicant	N/A
Owner	N/A
 Attachments	 1. Statement of Fin Activity for the month ended 31 August 2024 [10.6.1.1 - 1 page]
	2. Statement of Net Current Funding Position as at 31 August 2024 [10.6.1.2 - 1 page]
	3. Statement of Financial Position as at 31 August 2024 [10.6.1.3 - 1 page]
	4. 2024-25 Carry forward adjustments - Sep-24 Review [10.6.1.4 - 1 page]
	5. Memo PBSC Sports Lighting Project Budget Amendment Approval [10.6.1.5 - 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 (e.g. accepting tenders, adopting plans and budgets)
Information	For Council to note
 Legislative	Includes adopting Local Laws, Town Planning Schemes, and Policies. When the Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licenses, other permits or licenses issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

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

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with the Statutory Financial Statements for the period ended 31 August 2024.
2. The Statutory Financial Statements report on the activity of the City of Kalamunda (City) with the comparison of the period's performance against the budget adopted by Council on 1 July 2024 and any subsequent amendments for the 2024/2025 financial year to the reporting date.
3. It is recommended that Council receives the draft Monthly Statutory Financial Statements for the month of August 2024, which comprise:
 - a) Statement of Financial Activity by Nature for the period ended to 31 August 2024.
 - b) Net Current Funding Position, note to financial report as of 31 August 2024.
 - c) Statement of Financial Position for the period ended to 31 August 2024.

BACKGROUND

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

DETAILS AND ANALYSIS

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

FINANCIAL COMMENTARY

Draft Statement of Financial Activity by Nature and Type for the twelve months ended 31 August 2024

7. This Statement reveals a net result surplus of \$63,262,548 compared to the budget for the same period of \$48,633,165 resulting in a variance of \$14,629,383. This is largely due to higher opening surplus than budgeted worth \$7,757,936. The balance of the variance is primarily comprised of the operating activities variance of \$3,949,644 and a variance of \$4,132,891 in investing activities.

The opening surplus position reported is an interim position, subject to year-end provisions and adjustments and final agreed upon changes as part of the external audit planned to be concluded in October 2024.

Operating Revenue

8. Total Revenue including rates is over budget by \$276,195. This is made up as follows:
 - a) Rates generation is trending along the budget with a minor variance of \$224,402 mainly because of UV valuation changes not incorporated when the budget was modelled.
 - b) Operating Grants, Subsidies and Contributions are under budget by \$39,923. The variance is attributable to the timing of a confidential settlement with the City. The third party has been billed in August and funds are expected shortly.

- c) Fees and Charges are over budget by \$320,130. The variance is attributable to the Rates admin charges for instalment plans \$121,680, Environmental Health Fee – Supervision collection being higher than budget by \$63,593, and Statutory Planning Service – Development Fee higher than budget by \$58,126.
- d) Interest income is over budget by \$31,402. The variance is attributed to the higher interest rates available and the lower capital works expenditure which has resulted in a higher-than-expected cash balance available for investment.
- e) Other Revenue is above budget by \$137,717, and the variance is mainly due to discount in software licences that the City has been able to negotiate that was not budgeted otherwise.
- f) Ex-Gratia Rates Revenue is tracking lower than budget by \$114,466 due to a timing variance in relation to the Ex-Gratia Rates due from the Dampier Bunbury Gas Pipeline.

Operating Expenditure

- 9. Total expenditure is under budget by \$3,942,839. The significant variances within the individual categories are as follows:
 - a) Employment Costs are under budget by \$895,061 which is due to minor delays in the recruitment of new and vacant positions across several business units. Hiring activity is currently being undertaken to fill several positions.
 - b) Materials and Contracts are under budget by \$2,612,761. The variance is mainly due to the timing of invoices for waste services, building maintenance and infrastructure maintenance costs in the first month for which accruals will be processed to recognise this.
 - c) Utilities are below budget by \$128,500 largely due to lower than budgeted street lighting costs, which is a timing issue. An accrual will be made to allow for the timing on Synergy invoices for the street lighting.
 - d) Depreciation, although a non-cash cost, is tracking under budget by \$304,371 due to estimated depreciation being recorded pending adjustments to be posted after Capitalisation of Infrastructure and Building Assets as year-end process.
 - e) Interest expense is tracking within the reportable variance threshold, whereas Insurance is over budget by \$41,450 due to higher insurance premium expense for Community Halls & Buildings, Ray Owen Sports Centre and Leased Properties.
 - f) Other expenditure is under budget by \$43,375. The variance is mainly due to timing difference of expense on community events and donations & contributions expenditure than budgeted.

Investing Activities

Non-operating Grants and Contributions

10. The non-operating grants and contributions is under budget by \$1,138,934. This is mainly due to the timing difference of receipts of grants for capital works projects and the project delivery.

The City has completed the final quarter reporting for the Local Roads Community & Infrastructure Programme and have received confirmation that \$453,130 in respect for LRCIP Phase 3 for Stirk Park Playground improvements was to be paid in August 2024 but hasn't yet been received.

Capital Expenditure

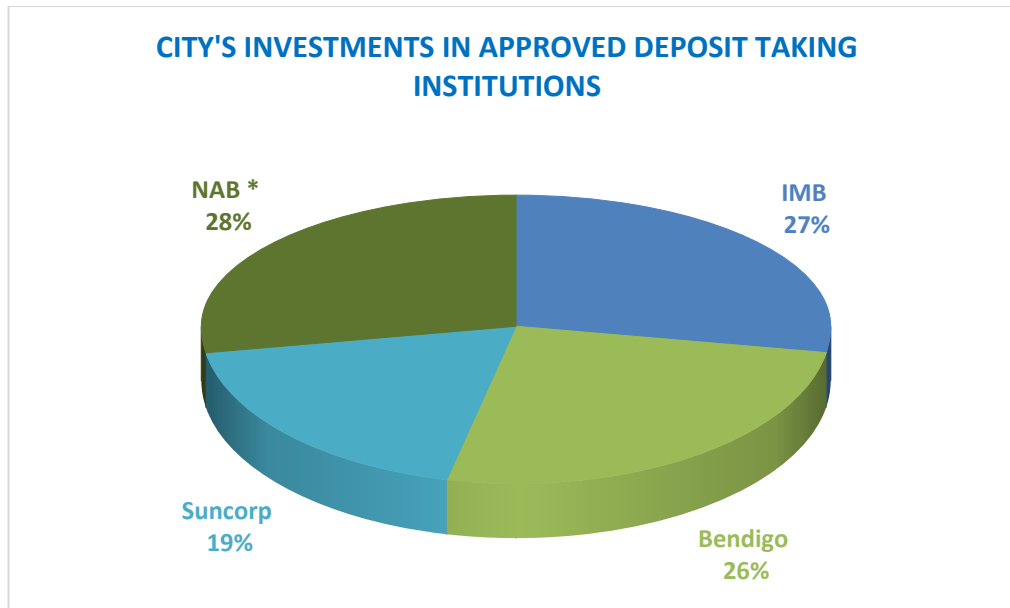
11. The total Capital Expenditure on Property, Plant, Equipment, and Infrastructure Assets (excluding Capital Work in Progress) is under budget by \$5,153,983. Phasing of the projects is being investigated to better align the expenditure with the budget.

Financing Activities

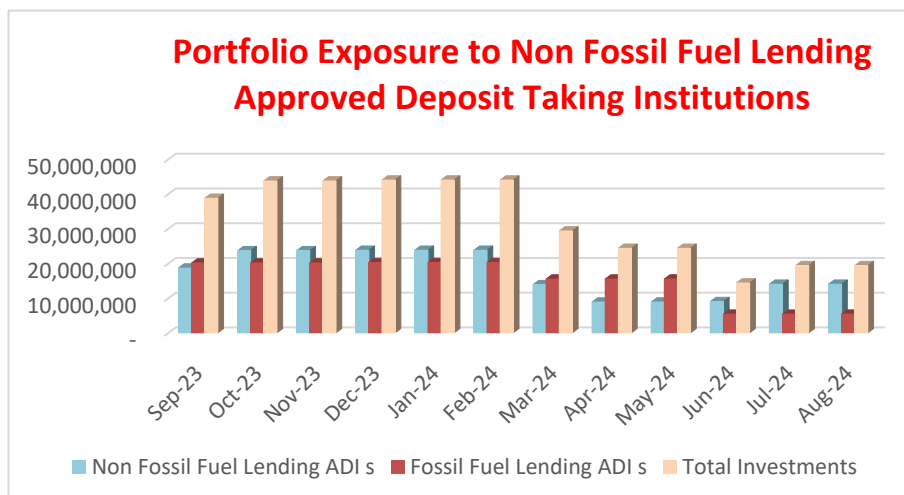
12. The amounts attributable to financing activities show a variance from budget by \$1,211,088 which is mainly due to the timing difference of reserve transfers that are usually made towards the year end.

Statement of Net Current Funding Position as of 31 August 2024

13. The commentary on the net current funding position is based on a comparison of August 2024 to the August 2023 actuals.
14. Net Current Assets (Current Assets less Current Liabilities) total \$94.7 million. The restricted cash position is \$35.7 million which is higher than the previous year's balance of \$23.3 million due to transfers from Reserves normally occurring in the later part of year once the bulk of the Capital Works programme has been delivered for the financial year.
15. The following graph indicates the financial institutions where the City has investments as of 31 August 2024. Investments yields are between 4%-5.5% depending on length of deposits.



*Financial Institutions with Investments in the Fossil Fuel Industry



16. Rates debtors are currently \$22.9 million, further details are contained in the Rates Report to Council.
17. Sundry debtors have increased from \$306,472 to \$636,323 of which \$521,878 consist of current debt due within 30 days. Details are contained in the Debtors and Creditors Report to Council.
18. Receivables Other represent \$9.0 million including:
 - a) Emergency Service Levy receivables \$3.5 million.
 - b) Receivables Sanitation \$3.5 million.
19. Provisions for annual and long service leave have decreased by \$366,150 from \$4.7 million to \$4.3 million when compared to the previous year. Year-end provision adjustments are yet to be completed which could impact the closing position.

Proposed Budget Amendments

20. Capital Works changes as follows:

As part of the deliberation of the 2024/25 Annual Budget which were concluded in June 2024, an estimate of the carry over amount was made for projects that were ongoing and were earmarked as having un-spent funds that would be needed to be completed in 2024/25 financial year.

Whilst the bulk of the amendments were made in the August OCM, a further project has been identified that requires amendment to the budget. These are detailed in Attachment 4 with an amount \$143,525 requested for amendment with impacts determined across reserves and grants & contributions.

The \$143,525 amendment reduces the closing surplus position which will be offset by the amended opening surplus position once the 2023/24 financials are audited.

21. New Capital Works proposal (Attachment 5):

The Pickering Brook Sports Club (PBSC) has been successful in its application for the installation of new sports floodlighting on George Spriggs Reserve, Pickering Brook. The grant application to the State Governments Club Night Lights Program (CNLP) was endorsed by the Council at the 26 March 2024, Ordinary Council Meeting (OCM).

The total project value is estimated at \$370,000. The financial consideration is detailed below for the project.

Organisation	Contributions ex GST
CNLP (State - DLGSCI)	\$122,000 (Confirmed)
PBSC	\$110,000 (Confirmed)
City of Kalamunda	\$101,000 (Unconfirmed)
WAFC	\$37,000 (Confirmed)
TOTAL	\$370,000

The grants from the external bodies are required to be acquitted by June 2025 hence the urgency to obtain the Council's approval for the City's contribution for \$101,000.

The PBSC has requested to project manage the works with oversight from the City of Kalamunda (ie Review scope, attend start up meetings, final sign off). This approach has previously been successful with PBSC for the new synthetic bowling green and playground. The PBSC has been requested to provide

information relating to their project management experience for this to be considered by the Director Asset Services.

This approach will assist in reducing the burden on the City's own project management resources which are already allocated projects within the approved Budget for 2024/25.

22. Re-allocation of Reactive Infrastructure, Building Maintenance and IT Budgets:

The City has undergone a review of its Budget Amendment process and has identified circumstances whereby emergency repairs undertaken may be considered as Capital in nature which would require Council Approval under *s6.8(1) of the Local Government Act 1995*.

Due to the urgent nature of the work being undertaken, it is not possible for the maintenance teams to wait for a Council approval. This is a common occurrence unfortunately due to the ageing nature of our assets portfolio.

The amendment will enable the CEO or Director Assets Services to approve the urgent works to proceed. Oversight will be provided by Finance in ensuring the works undertaken are of a Capital nature and allocate a separate job number to track expenditure.

The Recommendation is to approve a re-allocation of \$50000 each from:

- Job 7999 – Un-allocated Building Maintenance
- DM99 – Drainage Reactive Maintenance
- ICT Reserve

Create new Capex Accounts as follows with a \$50,000 budget

- TBA – Minor Building Improvements
- TBA – Minor Infrastructure Improvements
- C114 – IT Equipment

APPLICABLE LAW

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

APPLICABLE POLICY

24. Nil.

STAKEHOLDER ENGAGEMENT

Internal Referrals

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

External Referrals

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

FINANCIAL CONSIDERATIONS

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

SUSTAINABILITY

Social Implications

28. Nil.

Economic Implications

29. Nil.

Environmental Implications

30. Nil.

RISK MANAGEMENT

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

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

CONCLUSION

33. The City's Financial Statement as of 31 August 2024 reflects the un-audited closing surplus position and is subject to change with year-end provisions and agreed upon audit adjustments.

Voting Requirements: Absolute Majority

RESOLVED OCM 116/2024

That Council

1. RECEIVE the Monthly Statutory Financial Statements for the period ended 31 August 2024 which comprises:
 - a) Statement of Financial Activity (Nature or Type) for period ended 31 August 2024 (Attachment 1).
 - b) Net Current Funding Position, note to financial report as of 31 August 2024 (Attachment 2).
 - c) Statement of Financial Position as of 31 August 2024 (Attachment 3).

2. Pursuant to section 6.8 (1)(c) of the *Local Government Act 1995* AUTHORISE amendment to the 2024/25 Budget as detailed in Attachments 4 and 5 and point 22 above.

Moved: **Cr John Giardina**

Seconded: **Cr Geoff Stallard**

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

Against: **Nil**

CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (8/0)


10.6.2. Debtors and Creditors Reports for the month of August 2024

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

Previous Items	N/A
Directorate	Corporate Services
Business Unit	Financial Services
File Reference	FI-CRS-002
Applicant	N/A
Owner	N/A
Attachments	<ol style="list-style-type: none"> 1. Creditor Payments for the Period ended 31 August 2024 - (Public) [10.6.2.1 - 16 pages] 2. Corporate Credit Card Payments 27 June to 26 July 2024 - (Public) [10.6.2.2 - 3 pages] 3. Summary of Debtors for the month of August 2024 [10.6.2.3 - 2 pages] 4. Summary of Creditors for month of August 2024 [10.6.2.4 - 1 page]
Confidential Attachments	<ol style="list-style-type: none"> 1. Creditor Payments for the Period ended 31 August 2024 – (Confidential) 2. Corporate Credit Card Payments 27 June to 26 July 2024 – (Confidential)

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

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with details of payments made from Municipal and Trust accounts together with outstanding debtors and creditors for the month of August 2024.
2. The report provides details of payments made from the Municipal and Trust Fund Accounts for the month of August 2024. It also includes details of employee purchases via purchasing cards for 27 June to 26 July 2024.
3. It is recommended that Council receive the list of:
 - a) payments made from the Municipal and Trust Fund Accounts for the month of August 2024,
 - b) payments made by employees via purchasing cards from 27 June to 26 July 2024.
The above two lists are in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996* (Regulation 13 & 13A); and
 - c) the outstanding debtors report and a creditors interim report for the month of August 2024.

BACKGROUND

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

- c) The date of the payment
- d) Sufficient information to identify the payment.

DETAILS AND ANALYSIS

Debtors

- 7. Sundry debtors as of 31 August were \$636,323. This includes \$523,812 of current debts and \$1,934, unallocated credits (excess or overpayments).
- 8. Invoices over 30 days total \$37,871, debts of significance - nil
- 9. Invoices over 60 days total \$53,582, debts of significance are;
 - a) Municipal Workcare, \$42,045, Workers Compensation.
 - b) Forrestfield United Football Club, \$3,140, Utilities.
 - c) Dept of Education, \$1832.90, KPAC shared expenses.
 - d) Perth'ect Pickleball Academy, \$1,547, Hall Hire.
 - e) High Wycombe Junior Football, \$1,439, Utilities; and
 - f) High Wycombe Amateur Football, \$1,259, Players Fees.
- 10. Invoices over 90 days total \$22,992, debts of significance:
 - a) Municipal Workcare, \$12,974, Workers Compensation; and
 - b) Private Citizen, \$9,281 Fire Break – Reimbursement.
- 11. A review was undertaken by the City's appointed debt collection agency on the amount recoverable above under point 10 (b).

As a result of an administrative oversight, a firebreak charge was not correctly assigned to a property which was then subsequently sold. Advice obtained from the City's debt collecting agency is that we would be unlikely to be able to enforce this debt.

It is the recommendation that the amount be written off.

Process improvement procedures have been implemented to mitigate the risk of this happening again.

Creditors

12. Payments totalling \$4,771,553 (excluding payroll) were made during the month of August 2024. Standard payment terms are 30 days from the end of the month, with local businesses and contractors on 14-day terms.

Administration have received in the past few months multiple requests to remove or redact names of individuals to protect their identity as payees. Based on the legislation and consulting with the Department, the administration have modified the names of payees from their full names to just show initials and surname where payments have been made to individual persons (see **Attachment 2**). The above does not affect Councillor names which is already public information.

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

Supplier	Purpose	Amount (\$)
City of Cockburn	Disposal of general waste from the weekly residential waste collection	443,687.33
AE Hoskins Building Services	Building maintenance services/repairs at various locations including progress claim 3 & 4 for works completed at Ray Owen Reserve	439,432.49
Australian Taxation Office	PAYG payments	427,987.82
Aware Super Pty Ltd	Superannuation contributions	211,202.87
Synergy	Power charges	171,013.19
Contraflow	Traffic management for various locations	146,548.26
Beaver Tree Services	General tree services / under powerlines pruning for various locations	124,660.22
Maxco Australia Pty Ltd	Supply & delivery of goods for lighting upgrade at Kalamunda performing arts centre	114,466.65
EV Dealer Group Pty Ltd	Supply & delivery of 2 Electric Vehicles	97,288.00
McKay Earthmoving Pty Ltd	Plant equipment and operator hire for various locations	94,373.26
Belgravia Health & Leisure Group Pty Ltd	Management of the Kalamunda Water Park - Operating surplus Jan to Jun 2024, including Kalamunda 40% profit share	86,587.34
Carabiner Architects Pty Ltd	Design services - Hartfield Park Master Plan Stage 2	81,912.17

Comex Civil Pty Ltd	Progress claim 1 - Construction of Ledger Road drainage system & supply and install RCP pipe	70,865.63
Technology One Ltd	Intramaps annual SAAS fee including migration services year 1 - 01/07/24 - 30/06/25	65,826.91
Newground Water Services Pty Ltd	Progress payment 1 - supply and installation of irrigation to Stirk Park, Kalamunda per drawings and specs outlined	64,913.75
OCE Corporate Pty Ltd - Office Cleaning Experts	Cleaning services / consumables for various locations	62,913.13
WA Local Government Association (WALGA)	Governance services - Subscription fees 2024/2025, Training fees and Association Membership fee for 2024/25	62,144.85
Christou Design Group Pty Ltd	Design services for High Wycombe Community Hub	56,133.00
Dowsing Group Pty Ltd	Supply & lay concrete pathways, maintenance & misc. works at various locations	51,847.56
Sifting Sands	Maintenance sand clean at various reserves & playground areas	50,745.25
Cable 8 Electrical Communications Pty Ltd	UPS purchase and installation Admin/Ops centres	50,329.16

These payments total \$2,974,879 and represent 62% of all payments for the month.

Payroll

14. Net salaries (excluding taxes, superannuation and other deductions) are paid in fortnightly cycles. A total of \$1,445,905.71 was paid in net salaries for the month of August 2024.
15. Details are provided in **Confidential Attachment 1** after the creditors' payment listing.

Trust Account Payments

16. The Trust Accounts maintained by the City of Kalamunda (City) relate to the following types:
 - a) CELL 9 Trust;
 - b) Public Open Space funds,
 - c) NBN Tower Pickering Brook Trust

17. The following payments (GST exclusive) were made from the Trust Accounts in August 2024.

Cell 9		Amount (\$)
Date	Description	
29/08/2024	Natural Area Management & Services - Supply and installation of Marri Trees at Woodlupine Brook, Wattle Grove	10,372.45
29/08/2024	Natural Area Management & Services - Supply and installation of Marri Trees at Woodlupine Brook, Wattle Grove	18,866.92

APPLICABLE LAW

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

APPLICABLE POLICY

20. Debt Collection Policy S-FIN02.
21. Register of Delegations from Council to CEO.

STAKEHOLDER ENGAGEMENT

Internal Referrals

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

External Referrals

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

FINANCIAL CONSIDERATIONS

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

SUSTAINABILITY

25. Nil.

RISK MANAGEMENT

Debtors

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

Creditors

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

CONCLUSION

28. Creditor payments are within the normal trend range.

Voting Requirements: Simple Majority

RESOLVED OCM 120/2024

That Council:

1. RECEIVE the list of payments made from the Municipal Accounts for the month of August 2024 (Confidential Attachment 1) in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996* (Regulation 13).
2. RECEIVE the list of payments made from 27 June to 26 July 2024 using Corporate Purchasing Cards (Confidential Attachment 2) in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996* (Regulation 13A).
1. RECEIVE the outstanding debtors report and creditors interim reports (Attachments 3-4) for the month of August 2024.

2. APPROVE the write off the sundry debtor Private Citizen, \$9,281 Fire Break – Reimbursement as it is considered as un-recoverable.

Moved: **Cr Lisa Cooper**

Seconded: **Cr Geoff Stallard**

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

Against: **Nil**


CARRIED UNANIMOUSLY (8/0)

10.6.3. Rates Debtors Report for the Period Ended 31 August 2024

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

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

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

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

EXECUTIVE SUMMARY

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

2. The City of Kalamunda (City) levied rates for 2024/2025 on 1 July 2024 totalling \$47,050,028, with prior year outstanding rates of \$3,179,750 resulting in total rates collectable at 30 June 2025 to be \$49,074,962 (excludes deferred rates balance of \$1,154,816). Collections to date stand at \$26,343,201.

BACKGROUND

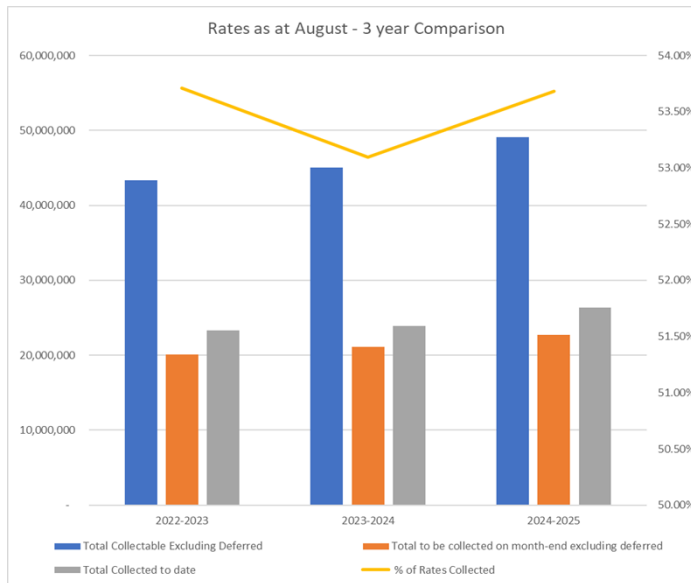
3. Rate Notices were issued on 16 July 2024 with the following payment options available:

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

DETAILS AND ANALYSIS

4. A total of 24,024 notices were issued on 16 July 2024. This consisted of 20,072 mailed rates notices, and 3,509 of eRates notices (12% take-up saving more than \$5,600 in postage and printing).
5. As of 31 August 2024, rates Levied and collectable for the 2024/2025 Financial Year is total \$49,074,962 (excluding deferred rates), with collections standing at \$26,343,201. Default amounts as of 30 June 2024 are reflected as arrears in the new billing issued on 16 July 2024 and debt collections commences from September 2024 as indicated above.
6. This represents a collection rate of 53.68% which is comparable to the previous year of 53.10%. For your reference, below is a chart comparing the August collection rates for the last three years.

7.



8. From the above chart the following observations are made:

- The quantum of collectable and collected is higher in 2024/25 than previous year because the base amount is higher each year.
- It is noted the amount collected is back to 2022/23 year end levels. The City now has a stable Rates Team with seasoned professionals who are actively managing the debt outstanding.
- The % collectable at 31 August 2024 is 46.3% which will be a point of focus for the Rates Team to work towards. In this regard, work is being done to review and update the City's collection and hardship policies and procedures including reviewing its contractual obligations with the City's debt collection agency prior to going legal on defaults identified.
- The City is sending out "final notices" in September 2024 which will be followed up with General Procedure Claims in October/November 2024. There are approximately 1,657 properties who are in default (see further details in point 9, below).

9. The interim rating has not yet commenced for 2024/2025. This will commence after the first due date of payment has passed which is 20 August 2024.

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

- 13,125 properties representing 54% of the total number of rateable properties were noted to have paid in full or were in credit.
- A total of 9,242 ratepayers have taken up an instalment option or have entered a payment arrangement. This is a decrease of 4.2% from 2023/2024 where 9,657 chose an instalment option or a payment arrangement.

- The balance of properties who not paid in full or not chosen to pay by instalments or have entered into a payment arrangement, are technically regarded as “in default”. There are 1,657 properties in this category. The City will be sending out “final notices” in September followed by a call/SMS campaign.

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

Option	Description	2024/25 Number	2023/24 Number
Option 2 on Rates Notice	Two instalments	1,763	1,732
Option 3 on Rates Notice	Four instalments	6,397	6,880
Direct Debit	Pay by direct debit	1,000	941
Payment Arrangement	Pay by payment Arrangement	82	104
Total	Ratepayers on payment options	9,242	9,657

11. Call recording software has been utilised in the Rates Department since 2015, primarily for customer service purposes, as it allows calls to be reviewed for training and process improvement purposes. For the period 1 August 2024 to 31 August 2024, there was a total of 1,083 calls, equating to 44.49 hours of call time.

APPLICABLE LAW

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

APPLICABLE POLICY

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

STAKEHOLDER ENGAGEMENT

Internal Referrals

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

External Referrals

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

FINANCIAL CONSIDERATIONS

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

SUSTAINABILITY

Social Implications

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

Economic Implications

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

Environmental Implications

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

RISK MANAGEMENT

21.

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

CONCLUSION

- 22. The current year collection rate is 53.68% compared to 53.10% last year. The City continues to effectively implement its rate collection strategy.

Voting Requirements: Simple Majority

RESOLVED OCM 121/2024

That Council RECEIVE the Rates Debtors Report for the Period ending 31 August 2024.

Moved: **Cr Kathy Ritchie**

Seconded: **Cr David Modolo**

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

Against: **Nil**

CARRIED UNANIMOUSLY (8/0)


10.6.4. Draft Local Planning Policy 35 - Hatch Court Light Industrial Precinct

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

Cr John Giardina declared an Interest Affecting Impartiality on Item 10.6.4 Draft Local Planning Policy 35 ; Hatch Court Light Industrial Precinct. Cr Giardina has a cousin who owns a property on Stirling Road, close to the Precinct. Cr Giardina left the meeting at 7:11pm and returned at 7:13pm.

Previous Items	OCM 94/2022
Directorate	Development Services
Business Unit	Approval Services
File Reference	3.009297
Applicant	Nil
Owner	Nil
Attachments	<ol style="list-style-type: none"> 1. Schedule of Submissions [10.6.4.1 - 48 pages] 2. Draft Local Planning Policy 35 - Hatch Court Light Industrial Precinct [10.6.4.2 - 12 pages]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

Objective 3.1 - To plan for sustainable population growth.

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

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to consider the submissions received and final adoption of Local Planning Policy 35 – Hatch Court Light Industrial Precinct Policy (Policy) following advertising and establish next steps for the planning framework that applies to the Policy area.
2. The Policy was adopted by Council on 26 July 2022 for the purpose of public advertising, following which the community affected by the proposed Policy raised significant concerns.
3. The City has considered community feedback and recommends Council not proceed with the Policy.

However as noted in submissions, rather than leaving the area to organically develop – Officers recommend that Council take steps to improve the planning framework by progressing a Local Structure Plan (LSP) and Development Contribution Plan (DCP) to ensure coordinated development of the Hatch precinct for the area to achieve its highest and best use.

It is also recommended that Council initiate a new planning policy for the area in the form of design guidelines.

BACKGROUND

4. The Hatch Court Light Industrial precinct comprises approximately 30 hectares of land and is in the north-west corner of High Wycombe bound by Kalamunda Road, Stirling Crescent, and Adelaide Street.
5. The Precinct has endured a complex planning history since 2010 when it was rezoned from Rural to Urban under the Metropolitan Region Scheme (1187/57) which would have facilitated residential development. Although planning for residential development had progressed, and despite the City's request for a concurrent structure plan to be prepared, the Western Australian Planning Commission (WAPC) approved an amendment to rezone the Precinct from Urban Development to Light Industry and introduce elements to the City's Local Planning Scheme No.3 (LPS3) to require a Structure Plan.

6. Table 4 of LPS3 requires a structure plan to be prepared for lots within the Precinct and address the following planning matters:
- a) Traffic management including:
 - Provision of future vehicular access to be primarily via Adelaide Street;
 - Ensuring any vehicular access to Kalamunda Road does not reduce existing levels of access for adjacent properties; and
 - Access for lots with frontage to Stirling Crescent being provided via an internal road only.
 - b) Appropriate interface with existing residential development along Stirling Crescent including setbacks, landscaping, fencing, and façade treatment provisions;
 - c) The identification and protection of environmentally significant areas within the land through the provision of appropriate buffers; and
 - d) The identified bushfire risk in accordance with State Planning Policy 3.7 and Guidelines for Planning in Bushfire Prone Areas.

Table 4 also requires subdivision and / or development to ...*'generally be in accordance with the approved structure plan'*.

7. Since LPS3 was amended to require a structure plan for the Precinct in February 2018, no structure plan has been progressed.
8. While no structure plans have been progressed or approved to guide light industrial development, three key sites have achieved light industrial development approval:
- Lot 200 (584) Kalamunda Road, High Wycombe in 2017 and 2019;
 - Lot 201 (614) Kalamunda Road, High Wycombe in 2019 and 2020; and
 - Lot 1499 (160) Adelaide Street, High Wycombe in 2023.
9. The driver for the implementation of the Policy was to bridge a portion of the gap left by the absence of a LSP in an area where there has been interest and an appetite for landowners to seek approval for industrial development.

DETAILS AND ANALYSIS

10. Submissions received by the affected community are discussed later in this report and in Attachment 1 but are noted to be a key reason for the recommendations of the report.

11. While a key driver for implementation of the Policy was to bridge a portion of the gap left by the absent structure plan, the development of 160 Adelaide Street demonstrates that a balance is able to be achieved in the absence of a LSP.
12. The Responsible Authority Report presented to the Development Assessment Panel (DAP) for the application at 160 Adelaide Street made a specific note that the draft Policy limited bearing on the Officer recommendation. Instead, it was the applicant's willingness to pursue a high quality development outcome which responded to the constraints of that site and had significant regard to the previously mentioned Scheme provisions regarding the future road network. The development has now been implemented on the ground and is a valuable case study of the 'highest and best' land uses and built form the precinct is able to achieve.
13. The successful implementation of the 160 Adelaide Street DAP approval has provided learnings which point towards there being value in the City ensuring a LSP, DCP, and design guidelines are prepared for the undeveloped areas of the precinct and on the southeast side of Stirling Crescent.
14. A key reason for the development having a high-quality built form outcome was the landowner's early engagement with City staff and Design Review Panel (DRP). In the absence of guiding documents, Officers were heavily reliant on the willingness of the applicant to achieve a high-quality outcome, rather than being able to use the planning framework to ensure consistent high-quality outcomes from all future development. The applicant in this example is very experienced and has the resources available to ensure good planning outcomes were achieved.
15. It is a risk that with uncoordinated landholdings and varying landowner appetites for industrial development may result in landowners seeking the highest financial return on the development of their land - which often means building design, landscaping, and impact on nearby amenity will not be prioritised.
16. The DAP members noted a comfort level to approve the abovementioned application without a LSP due to the applicant demonstrating and committing to processes to ensure the development would not prejudice the provision of a future road connection to Adelaide Street - which is the core Scheme requirement which affected that land.
17. Other land within the precinct will have elements of the Scheme to deal with on a case-by-case basis - should a development application be lodged and determined prior to a LSP being in place.

18. A LSP is an appropriate planning instrument to coordinate the planning matters required to be addressed by the Scheme. A structure plan involves a transparent interrogation of detailed technical information by the City, affected and surrounding community, as well as state agencies and the Western Australian Planning Commission which is ultimately responsible for its approval.
19. Whilst the existing landowners have the capacity to engage planning consultants to prepare a structure plan – none have done so. It appears that for this area – if it is to reach its highest and best use – a structure plan would need to be prepared by the City.
20. The Hatch Court Light Industrial precinct in its City of Kalamunda context is a fringe area of the City surrounded by varying densities of residential development.

In a broader cross-local government sense the Hatch precinct should be viewed as a 'spill' of the City of Swan Hazelmere Industrial area and Airport land – which is a significant strategic industrial area.

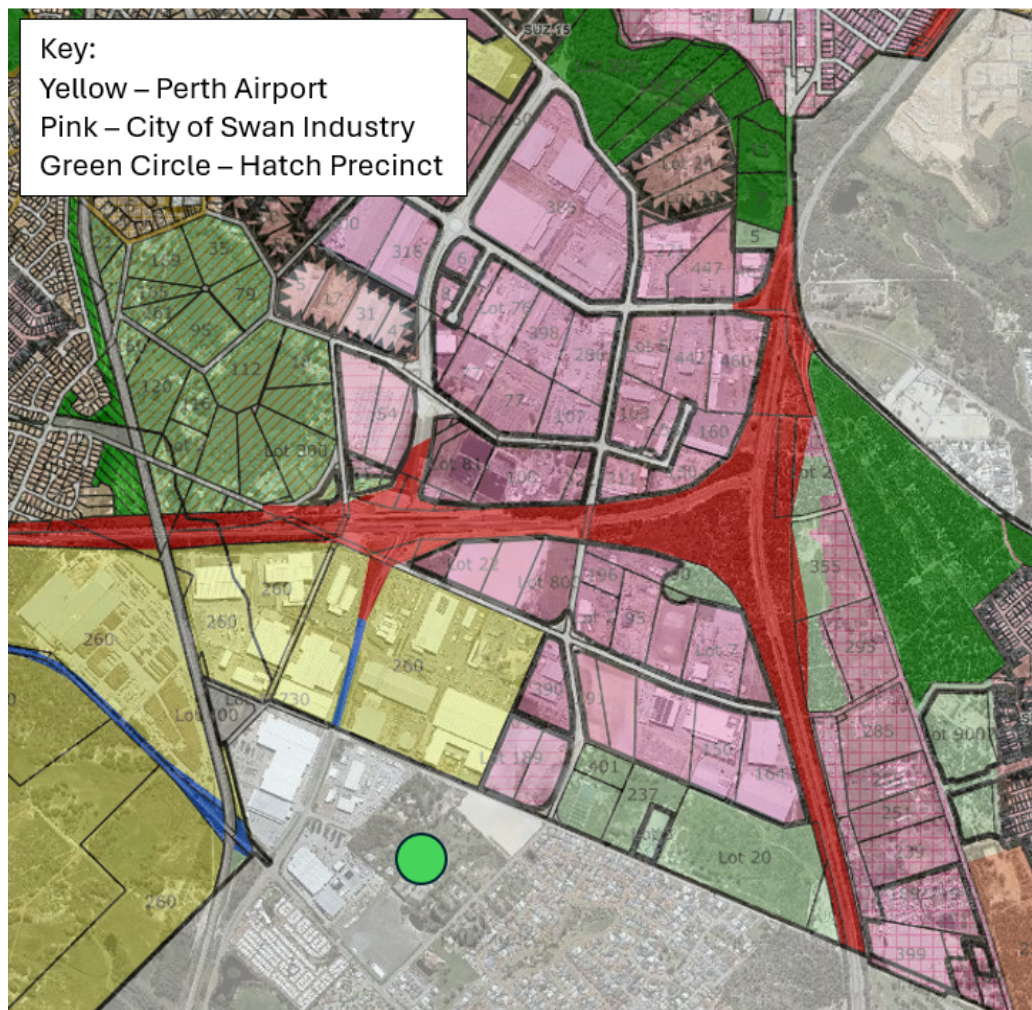


Figure 1: City of Swan Zoning Map.

21. Whilst it is the Officer Recommendation that the City investigate the preparation of a LSP and DCP to meet the strategic needs of the precinct, there are varying approaches to planning for the area which have not been put to the community or Council in a strategic manner in the past. The levels of intervention vary significantly but have been summarised into three main options below.
22. The light-touch option is not to pursue a LSP or DCP, and instead rely on design guidelines to coordinate the built form of future industrial development. A key risk of this approach is the likelihood that heavy vehicles (RAV) would not be able to access the area based on the existing road layout, limiting the use of the area to small scale light industry operations which do not make use of the broader industrial context of the area as previously noted. For completeness this option would involve not proceeding with the Policy - and deal with the LSP requirements of the Scheme by either simplifying or deleting them.
23. The moderate option is to facilitate a simplified structure plan based on the existing infrastructure. This would involve coordinating the land to the achieve the best planning outcome, but with minimal investment. The benefit is consistent development outcomes; however, landowners are unlikely to reach the full light industry potential of their sites. Like the previous option, it would be necessary to revisit the Scheme provisions relating to the LSP requirements to ensure they align with Council's expectations.
24. The most comprehensive approach is to pursue both a LSP and DCP, with support of design guidelines. This approach is consistent with the well-established objectives of the existing Scheme provisions, although it was anticipated the planning framework would be filled-out by industrial developers initiating structure planning, rather than the City. Whilst this option is the most comprehensive and provides the greatest opportunity for the area to achieve its highest and best use – it will cost the City much more to implement than the other options.

APPLICABLE LAW

25. *Planning and Development (Local Planning Schemes) Regulations 2015* outlines the procedure for making a local planning policy including the timeframe for public advertising and adoption.

Schedule 2, Part 2, cl.4 (2) "The period for making submissions ... must not be less than the period of 21 days after the day on which the notice is first published ..."

Schedule 2, Part 2, cl.4 (3) *“After the expiry of the period within which submissions may be made the local government must –*

(a) review the proposed policy in light of any submissions made: and

(b) resolve to-

(i) proceed with the policy without modification; or

(ii) proceed with the policy with modifications; or

(iii) not to proceed with the policy.”

Schedule 2, Part 2, cl.4 (3A) *“The local government must not resolve under subclause (3) to proceed with the policy if –*

(a) the proposed policy amends or replaces a deemed-to-comply provision of the R-Codes; and

(b) under the R-Codes, the Commission’s approval is required for the policy; and

(c) the Commission has not approved the policy.”

Schedule 2, Part 2, cl.5 (4) *“If the local government resolves to proceed with the policy, the local government must publish notice of the policy in accordance with clause 87.”*

26. Following the advertising period, Council has options to adopt LPP35 with or without modifications, or not to proceed with LPP35. It is recommended that Council not proceed with LPP35, in favour of more comprehensive planning instruments.

27. In the absence of a structure plan and/or local planning policy, clause 27 Schedule 2 Part 4 of the *Planning and Development (Local Planning Schemes) Regulations 2015* enables a determining authority to approve a Development Application if it is satisfied that:

“The proposed development or subdivision does not conflict with the principles of orderly and proper planning; and the proposed development or subdivision would not prejudice the overall development potential of the area.”

The development at No.160 Adelaide Street, High Wycombe is an example of a light industrial development that was able to demonstrate, through the preservation of part of the lot for ‘road land’, that a proposal including buildings can avoid prejudicing the overall development potential of the area. The distinguishing feature of this site, however, is its location with a road frontage to Adelaide Street – which can accommodate Restricted Access Vehicles (RAV) either to Abernethy Road (when the intersection upgrade is complete) or through the adjoining Hazelmere industrial areas within the City of Swan.

APPLICABLE POLICY

28. State Planning Policy 4.1 (SPP 4.1) Industrial Interface applies to existing and new industrial areas and industrial uses. Its objective is to protect industry from encroachment of sensitive land use and conversely to protect sensitive land uses from potentially hazardous industrial activity.
29. Local Planning Policy 28 – Delivery of State and Local Strategies Through the Preparation of Structure Plans (LPP28) identifies the City's responsibilities for the preparation of structure plans to achieve the implementation of the state and local strategic planning framework and the information required to be submitted with a planning proposal.
30. LPP28 confirms that structure plans are not the responsibility of the City to prepare except in exceptional circumstances endorsed by Council. Given the area has been largely idle since its initial rezoning, Officers consider it appropriate for the Hatch precinct to be an exceptional circumstance. Appendix 1 of LPP28 outlines the information that needs to be provided to support a structure plan.

STAKEHOLDER ENGAGEMENT

31. Pursuant to the *Planning and Development (Local Planning Schemes) Regulations 2015* and Local Planning Policy 11 – Public Notification of Planning Proposals, draft LPP35 was advertised for an extended 61 day period from 26 August 2022 to 25 October 2022.
32. In accordance with Local Planning Policy 11 – Public Notification of Planning Proposals, consultation involved website pages, letters to stakeholders (350), and a Community Information Session.
33. The advertising period was extended from the minimum 21 days to 61 days to facilitate the Community Information Session early and leave time for submitters to provide comments.
34. The Community Information Session held on 14 September 2022 was attended by 14 people.
35. The City Received 15 written submissions at the conclusion of the advertising period – a response rate of 4.25%. The submissions can broadly be categorised as seven objections, one support subject to significant changes, two raising concerns, and five from state agencies.

36. Submissions varied in concern with the proposed Policy, but ultimately raise concerns with the Policy not sufficiently dealing with all the land use planning matters affecting landowners in the area, and ultimately the matters that inhibit the area from achieving its highest and best use.
37. Submissions identified that the Policy was not equitable across the precinct and made assumptions on key structure plan elements without appropriate technical information. Officers agree that limited traffic and environmental information was provided to support the Policy, however this reflects its narrow objectives. Rather than taking a strategic approach to ensure the industrial development possibilities for the precinct are achieved, the Policy only 'unlocked' development opportunities for sites that are relatively unconstrained.
38. Many submissions recommend amendments to the draft Policy and the amendments generally apply to all elements of the policy. The message in submissions is that the draft Policy is not fit for its intended purpose and does not go far enough to coordinate the future planning of the area.
39. In addition to the consultation directly related to the draft Policy, prior to Council resolving to advertise the draft Policy the City received a petition calling for the Scheme requirement for a structure plan to be in place prior to development occurring be deleted. Council noted the petition in OCM106/2022 and resolved to advertise the draft Policy.

FINANCIAL CONSIDERATIONS

40. All costs incurred during advertising and review of LPP35 were met through the Development Services annual budget.
41. Investigations to prepare a Local Structure Plan, Development Contribution Plan, and Design Guidelines can occur within the existing resources of the Development Services annual budget.
42. An order of magnitude / indicative budget of \$500,000 would be required to prepare and project manage the creation of this Local Structure Plan, DCP and Design guidelines documentation. This would allow all other necessary technical consultant reports. Any future commitments to the above would be funded through the City's annual budget and supported with a business case and project plan.
43. Should Council opt to rely only design guidelines in lieu of a LSP and DCP (paragraph 22), a substantially less budget would be required.

SUSTAINABILITY

44. The recommendation not to proceed with the Policy does not have any impacts on sustainability. However, the investigation to prepare a Local Structure Plan will allow for the consideration of sustainable practices and design through sustainable subdivision practices (through the Local Structure Plan) and sustainable building design (through design guidelines).

RISK MANAGEMENT

45.

Risk: Council resolves to continue with draft LPP35 subject to revisions		
Consequence	Likelihood	Rating
Medium	Low	Medium
Action/Strategy		
Through this report the City can inform Council of the significant feedback it received during the consultation period, noting that continuing with the draft Policy is not consistent with the expressed views of the affected community.		

46.

Risk: The planning framework is not improved to facilitate the highest and best use of the land within the Policy area.		
Consequence	Likelihood	Rating
Medium	Low	Medium
Action/Strategy		
Council can adopt the Officer Recommendations of this report which seek to pursue more detailed planning instruments, namely a structure plan and development contribution plan, which are an appropriate way of achieving the highest and best use of the land.		

CONCLUSION

47. Officers having regard to the submissions received during the advertising period, along with an understanding of development which has proceeded in advance of a Local Structure Plan and Development Contribution Plan consider the draft Local Planning Policy 35 to not be capable of support.
48. The submissions, combined with Officers experience since the draft Policy was advertised, clearly indicate that the Hatch Court Light Industrial Precinct lacks the planning framework to achieve its highest and best use – particularly given its significant strategic location.

49. Rather than pursuing a local planning policy which by its nature has a limited function, it is appropriate for Council to take a more strategic approach to 'unlocking' the area by facilitating the coordination of development through a Structure Plan and Development Contribution Plan – with supporting Design Guidelines.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. RESOLVE not to proceed with draft Local Planning Policy 35 – Hatch Court Industrial Precinct.
2. NOTE the City will write to all landowners within the precinct and submitters advising them of the above resolution and thanking them for their submissions.
3. RESOLVE to initiate the preparation of a Local Structure Plan, Development Contribution Plan, and Design Guidelines for the Hatch Court Light Industrial area and the land on the south-east side of Stirling Crescent which does not have a Local Structure Plan to coordinate and guide development.
4. ENSURE concurrently with the above point no 3, the City (with the exception of Design Guidelines which is subject to statutory consultation), engages with landowners within the affected area. Engagement must include:
 - a) An opportunity to provide submissions; and
 - b) An invite to an information session.
5. REQUEST the City prepare a business case or project plan ahead of the commencement of a Local Structure Plan, Development Contribution Plan, and Design Guidelines for the Hatch Court Light Industrial area which would be funded through the City's annual budget process.

A motion to defer Item 10.6.4 and 10.6.5 was put to the meeting.

RESOLVED EN BLOC 122/2024

That the item be deferred to the October Ordinary Council Meeting.

Moved: **Cr Geoff Stallard**

Seconded: **Cr David Modolo**

Vote: For: **Mayor Margaret Thomas, Cr Geoff Stallard, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED (7/0)

10.6.5. Potential Acquisition - Property Matter

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

Previous Items	OCM 194/2023; OCM 66/2024
Directorate	Development Services
Business Unit	Strategic Planning
File Reference	
Applicant	
Owner	
Attachments	Nil.

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

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

RESOLVED EN BLOC 122/2024

That the item be deferred to the October Ordinary Council Meeting.

Moved: **Cr Geoff Stallard**

Seconded: **Cr David Modolo**

Vote: For: **Mayor Margaret Thomas, Cr Geoff Stallard, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Lisa Cooper, Cr Kathy Ritchie and Cr David Modolo**

Against: **Nil**

CARRIED (7/0)

10.6.6. Disposal of Landfill Services - Extension

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

Previous Items	OCM 175/017; OCM 172/2022; OCM 93/2023
Directorate	Asset Services
Business Unit	Waste & Fleet
File Reference	AD-TEN-005
Applicant	N/A
Owner	N/A
Attachments	Confidential Attachment - Provided under separate cover.

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

RESOLVED OCM 124/2024

That Council APPROVE the continuation of Landfill Waste Disposal Services with the City of Cockburn at the Henderson Waste Recovery Park until such time as the East Rockingham Waste to Energy facility is commissioned and able to receive the City of Kalamunda's total contents of the General Waste Bins and other Landfill Waste.

Moved: **Cr John Giardina**

Seconded: **Cr Lisa Cooper**

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

Against: **Nil**

CARRIED UNANIMOUSLY, (8/0)

11. Motions of Which Previous Notice has been Given

11.1 Nil.

12. Questions by Members Without Notice

12.1 Nil.

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

13.1 Polyphagous shot-hole Borer (Cr Ritchie)

Q1. Does the City either have, or is developing, a plan for dealing with the polyphagous shot-hole borer (PSHB)?

A1. The polyphagous shot-hole borer (PSHB) has been detected in City of Kalamunda. As a consequence, the DPIRD quarantine area has been expanded as of 5 September 2024 to include the City of Kalamunda. The City of Kalamunda Officers have been briefed by the DPIRD Officers and have implemented the following:

- City operations staff who have greatest likelihood of detecting further infestation have undertaken training provided by DPIRD.
- A draft procedure directing staff response to a possible new PSHB infestation has been developed and will be issued to staff. Key points of the procedure are:
 - Visually inspect failed tree or limbs for PSHB symptoms.
 - Report any suspicious symptoms to DPIRD
 - Leave material in-situ for DPIRD to inspect and confirm/reject infestation
- A Communications Plan has been developed. Key outputs of the communication plan include:
 - inform residents of the quarantine areas and mechanisms for reporting possible new infestation.
 - Inform residents of up-date information from DPIRD.

The City is being informed by DPIRD of new infestations that are confirmed in City managed land. DPIRD is given permission to manage the response and remove trees if required.

Q2. Has contact been made with orchardists in the city to warn them of the of the PSHB and what preventative actions they may be able to take?

A2: The City has undertaken communication via social media channels to inform the community (including orchardists) of the situation. This includes:

- Advertising of the free lecture being undertaken by Murdoch University, reflecting on California's response to the PSHB

- Advising the community to contact DPIRD for property inspection if they suspect PSHB activity

The City is also facilitating information to be distributed via the Echo newspaper imminently to maximise reach for people who are not on social media.

Officers are investigating if further communication can be undertaken by DPIRD with the orchardist community, in which the City would play a supporting role in facilitating community education events.

Q3. Is the city aware of the state government funding which local governments can access to assist with the PSHB, and in replacing any trees that need to be removed?

A3: The City Officers are aware that the WA Government has announced a \$7.2M fund to replace trees removed in the PSHB eradication program. No information regarding the rollout of this funding has been announced.

13.2 Woodlupine Brook – (Cr O'Connor)

Q. Last week Cr Cannon and I met with the Friends of Woodlupine Brook Committee to discuss the pedestrian bridge which was removed as part of the Woodlupine Brook upgrades.
Can I please have a status update on the design and cost to reinstate the pedestrian bridge and also if it the cost was determined, how long could it be and what's involved in installing it?

A. The design is currently at a concept stage with an estimated cost of approximately \$275,000. This is made up of a \$260,000 construction and \$15,000 design component.

At this time, the project is not allowed for within the City's adopted 2024/25 adopted budget. If this project was to be budgeted in the future, the steps required to progress the project would be as follows:

- Detailed design development
- Undertaking any necessary environmental assessments/approvals
- Clearing and grading the area
- Preparing foundations
- Installation of footings and bridge
- Rehabilitation of the work footprint

The bridge is likely to be prefabricated off-site and transported to the location by supplier then lifted into place using a crane. The construction

team will then ensure proper connections to the bridge and surrounding footpaths.

Construction timings would need to coincide when water levels are lowest, stereotypically November to April. Given that design development and third-party approvals are required, the earliest it is anticipated construction could commence on site if funding was made available would be November 2025.

13.3 City Centre Heritage – (Cr Modolo)

Q1. Did the city approve the painting over of the grass tree motif on the building which as formerly the “Thai on the Hill restaurant” by new owners?

A1. The City received a development application seeking to change the use of the building to accommodate a dentist. The application included internal and external changes to the building – including painting the external walls, with signage replacing the grass tree image.

Q2. Did the city approve the glass sliding door on the corner of the building?

A2. Yes.

Q3. Did the city deem that the marine blue awning colour was consistent with the colour under heritage colour palette?

A3. Within the Kalamunda Activity Centre all applications are assessed against the Design Guidelines. The approved plans included blue lettering, but not a blue strip around the top of the building. All external finishes have had regard for the colour palette of the design guidelines, and there are examples of other blue buildings on Haynes Street. Although the external finishes are not consistent with the development approval, the City is taking a de minimis approach.

Q4. I refer to the document which is supposed to prevent these outcomes the Built Form Design Guidelines and its purpose which is “ensuring good quality design outcomes which are sympathetic to the character of Kalamunda”. It would seem the heritage protection measures urgently need review given the colour pallet used on the building does not seem to align with the guidelines.

A.4 Planning schemes allow local governments various tools to protect, preserve, and manage its built heritage. Whilst the City has a heritage list, last updated approximately 2015, it does not have specific heritage

protection measures within its planning scheme. The City's planning framework would benefit from scheme updates and a fresh heritage list.

The Director Development Services confirmed a review of the guidelines will be undertaken as part of the town planning scheme and local planning strategy, and we will consider if those protection measures with respect to heritage protection are adequate and contemporary to meet the city's future needs.

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

14.1 Nil.

15. Meeting Closed to the Public

RESOLVED OCM 123/2024

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

Moved: **Cr David Modolo**

Seconded: **Cr Mary Cannon**

Vote: **CARRIED UNANIMOUSLY (8/0)**

The Meeting closed to the public at 7:14pm. All members of the public gallery left the Meeting and all elected members and staff remained.

RESOLVED OCM 125/2024

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

Moved: **Cr John Giardina**

Seconded: **Cr Geoff Stallard**

Vote: **CARRIED UNANIMOUSLY (8/0)**

The Meeting reopened to the public at 7:16pm. All members of the public gallery returned to the Meeting. The Presiding Member read the resolutions to the Meeting.

16. Tabled Documents

BFAC AGM Minutes June 20242996 Unconfirmed
DACAG Meeting Notes 12 August 2024
Ha TBAC Minutes 12 August 2024
LEMC MINUTES 29 AUGUST 2024
Public Agenda Briefing Forum - Note - 10 September 2024

17. Closure

There being no further business, the Presiding Member declared the Meeting closed at 7:16pm.

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

Signed: _____
Presiding Member

Dated this _____ day of _____ 2024.