

Ordinary Council Meeting

Agenda for Monday 23 November 2015



**shire of
kalamunda**

NOTICE OF MEETING ORDINARY COUNCIL MEETING

Dear Councillors

Notice is hereby given that the next meeting of the Ordinary Council Meeting will be held in the Council Chambers, Administration Centre, 2 Railway Road, Kalamunda on **Monday 23 November 2015 at 6.30pm.**

Dinner will be served prior to the meeting at 5.30pm.



Rhonda Hardy
Chief Executive Officer
19 November 2015

Our Vision and Our Values

Our Vision

The Shire will have a diversity of lifestyle and people. It will take pride in caring for the natural, social, cultural and built environments and provide opportunities for people of all ages.

Our Core Values

Service – We deliver excellent service by actively engaging and listening to each other.

Respect – We trust and respect each other by valuing our difference, communicating openly and showing integrity in all we do.

Diversity – We challenge ourselves by keeping our minds open and looking for all possibilities and opportunities.

Ethics – We provide honest, open, equitable and responsive leadership by demonstrating high standards of ethical behavior.

Our Aspirational Values

Prosperity – We will ensure our Shire has a robust economy through a mixture of industrial and commercial development.

Harmony – We will retain our natural assets in balance with our built environment.

Courage – We take risks that are calculated to lead us to a bold new future.

Creativity – We create and innovate to improve all we do.

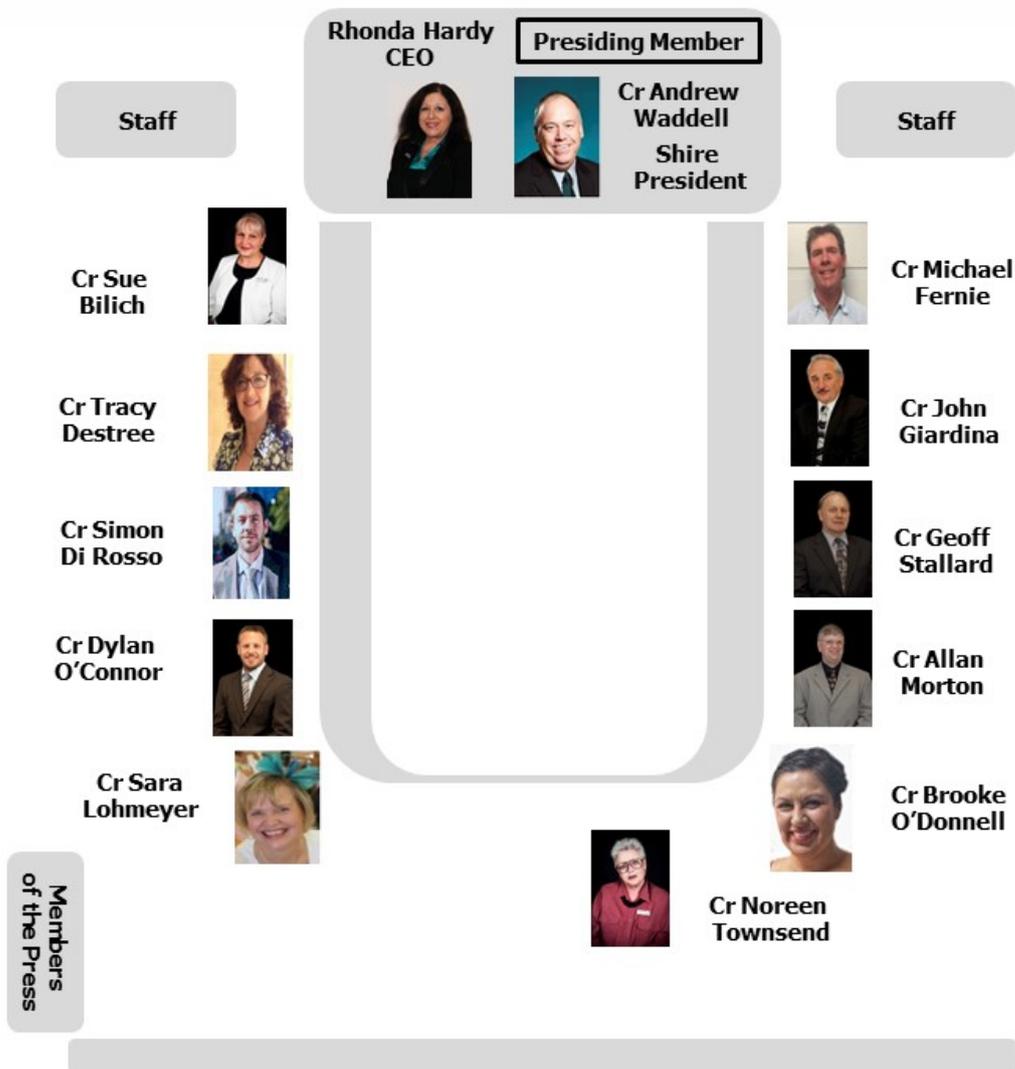


INFORMATION FOR THE PUBLIC ATTENDING COUNCIL MEETINGS

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

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

Council Chambers – Seating Layout



Public Gallery



Ordinary Council Meetings – Procedures

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

Emergency Procedures

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

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

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

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

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AGENDA

1.0 OFFICIAL OPENING

2.0 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

3.0 PUBLIC QUESTION TIME

A period of not less than 15 minutes is provided to allow questions from the gallery on matters relating to the functions of Council. For the purposes of Minuting, these questions and answers will be summarised.

4.0 PETITIONS/DEPUTATIONS

5.0 APPLICATIONS FOR LEAVE OF ABSENCE

6.0 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

6.1 That the Minutes of the Ordinary Council Meeting held on 26 October 2015, as published and circulated, are confirmed as a true and accurate record of the proceedings.

Moved:

Seconded:

Vote:

Statement by Presiding Member

"On the basis of the above Motion, I now sign the Minutes of these meetings as a true and accurate record".

7.0 ANNOUNCEMENTS BY THE MEMBER PRESIDING WITHOUT DISCUSSION

8.0 MATTERS FOR WHICH MEETING MAY BE CLOSED

8.1 Nil.

9.0 DISCLOSURE OF INTERESTS

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 5.65 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. (Sections 5.70 of the *Local Government Act 1995*.)

9.2 Disclosure of Interest Affecting Impartiality

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

10.0 REPORTS TO COUNCIL

Please Note: declaration of financial/conflict of interests to be recorded prior to dealing with each item.

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

10.1 Development & Infrastructure Services Committee Report

10.1.1 Adoption of Development & Infrastructure Services Committee Report

Voting Requirements: Simple Majority

That recommendations D&I 45 to D&I 47 inclusive, contained in the Development & Infrastructure Services Committee Report of 9 November 2015 be adopted by Council en bloc.

Moved:

Seconded:

Vote:

10.1.2 D&I 45 Proposed Modification to Local Development Plan – Lot 26 (119) Sheffield Road, Wattle Grove

COMMITTEE RECOMMENDATION TO COUNCIL (D&I 45/2015)

That Council:

1. Adopt the proposed modified Local Development Plan for Lot 26 (119) Sheffield Road, Wattle Grove, in accordance with the *Planning and Development (Local Planning Schemes) Regulations 2015*.

10.1.3 D&I 46 Draft Planning Policies – Effluent Disposal for Ancillary Accommodation, Caretakers Dwellings and Agri-Tourism in the Middle Helena Drinking Water Catchment

COMMITTEE RECOMMENDATION TO COUNCIL (D&I 46/2015)

That Council:

1. Pursuant to Clause 2.2 and 2.4.1 of Local Planning Scheme No. 3, adopts the proposed draft Policies for the purpose of advertising for a period of 21 days:
 - P-DEV 46, Effluent Disposal from Ancillary Accommodation and Caretakers Dwellings in the Middle Helena Catchment Areas (Attachment 1) and;
 - P-DEV 47, Effluent Disposal from Agri-Tourism in the Middle Helena Catchment Areas (Attachment 2).

10.1.4 D&I 47 Review of Planning, Building and Council Policies

COMMITTEE RECOMMENDATION TO COUNCIL (D&I 47/2015)

That Council:

1. Pursuant to clause 2.2 and 2.4.1 of Local Planning Scheme No. 3, adopts the following policies:
 - P-DEV 20, Planning Policy – Outbuildings in Rural and Residential Areas (Attachment 1); and
 - P-DEV 45, Planning Policy – Public Notification of Planning Proposals (Attachment 2).

2. Pursuant to section 2.7 of the *Local Government Act 1995*, adopts the following policies:
 - C-ADM 03, Council Policy - Neighbour Mediation (Attachment 3);
 - P-DEV 48, Council Policy – Refunding, Waiving and Reducing Planning and Building Fees (Attachment 4);
 - P-DEV 23, Council Policy- Pergolas (Attachment 5);
 - P-DEV 03, Council Policy – Use and Removal of Asbestos (Attachment 6) ; and
 - P-DEV 14, Council Policy – Earthworks (Attachment 7).

10.2 Corporate & Community Services Committee Report

10.2.1 Adoption of Corporate & Community Services Committee Report

Voting Requirements: Simple Majority

That the recommendations C&C 42 to C&C 47 inclusive, contained in the Corporate & Community Services Committee Report of 16 November 2015, be adopted by Council en bloc.

Moved:

Seconded:

Vote:

10.2.2 C&C 42 Debtors and Creditors Report for the Period Ended 31 October 2015

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 42/2015)

That Council:

1. Receives the list of payments made from the Municipal Accounts in October 2015 (Attachment 1) in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996 (Regulation 12)*.
2. Receives the list of payments made from the Trust Accounts in October 2015 as noted in point 13 above in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996 (Regulation 12)*.
3. Receives the outstanding debtors (Attachment 2) and creditors (Attachment 3) reports for the month of October 2015.

10.2.3 C&C 43 Rates Debtors Report for the Period Ended 31 October 2015

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 43/2015)

That Council:

1. Receives the rates debtors report for the period ended 31 October 2015 (Attachment 1).

10.2.4 C&C 44 Appointment of Community Representatives to Shire of Kalamunda Management and Advisory Committee

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 44/2015)

That Council:

1. Appoints those nominees to the relevant Advisory or Management Committee as per (Attachment 1).

10.2.5 C&C 45 Quarterly Progress Report – July to September 2015

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 45/2015)

That Council:

1. Receives the Quarterly Progress Report for July to September 2015.

10.2.6 C&C 46 Veteran Car Club of WA (Inc) Direct Vestment of Portion of Hartfield Park Reserve Number 17098

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 46/2015)

That Council:

1. Supports the Application for Direct Vestment to the Veteran Car Club for the leased area related to the portion of Hartfield Park Reserve number 17098.

10.2.7 C&C 47 Schedule of Council and Committee Meetings 2016

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 47/2015)

That Council:

1. Defers this item to the Corporate and Community Services Committee to be held on 14 December 2015.

10.3 Audit & Risk Committee Report

10.3.1 Adoption of Audit & Risk Committee Report

Voting Requirements: Simple Majority

That the recommendations A&R 07 to A&R 09 inclusive, contained in the Audit & Risk Committee Report of 16 November 2015, be adopted by Council en bloc.

10.3.2 A&R 07 Adoption of Annual Financial Report 2014/2015

COMMITTEE RECOMMENDATION TO COUNCIL (A&R 07/2015)

That Council:

1. Pursuant to Section 6.4 of the *Local Government Act 1995*, accepts the 2014/2015 Annual Financial Report (Attachment 1).
2. Pursuant to Section 7.12A (3) of the *Local Government Act 1995*, notes the response to the issues raised by the Auditor in the Audit Findings Report (Attachment 2).
3. Request the Chief Executive Officer to ensure the Annual Financial Statements are forwarded to the Department of Local Government & Communities before the due date required.

10.3.3 A&R 08 Internal Audit Report October 2015

COMMITTEE RECOMMENDATION TO COUNCIL (A&R 08/2015)

That Council:

1. Notes the following recommendations included in the Internal Audit Report for October 2015 (Attachment 2).

Stock Takes 30 June 2015

All purchases at the depot, whether consumables or not for use on road construction and maintenance, should be treated in a consistent manner and where practicable recorded as inventory to provide better control of all supplies for roads and improves costing of materials to jobs.

Information Paper to the Fleet Management Steering Team

The Fleet Management Steering Team to provide strategies and actions for Executive to consider in improving the business use of Shire vehicles and reducing operating expenditure and Fringe Benefits Tax.

Audit & Risk Register

There will be close monitoring of the Audit & Risk Register to ensure matters identified are being addressed.

Recommended Monitoring Activities and Key Control Activities

There is continuous review of monitoring and key control activities as part of the internal audit and these documents to form part of the Risk Management Review.

10.3.4 A&R 09 CONFIDENTIAL REPORT – Appointment of External Auditor

COMMITTEE RECOMMENDATION TO COUNCIL (A&R 09/2015)

That Council:

1. Pursuant to Section 7.3 (1) of the *Local Government Act 1995*, appoints Mr Mark Petricevic from Grant Thornton as external auditor to the Shire of Kalamunda for the 2015/16 financial year at a cost of \$19,500 (ex GST).
2. Subject to meeting mutual performance criteria agreed between the Shire and Grant Thornton, extends the term of appointment for the financial year audits for 2016/17 and 2017/18 at a cost of \$19,500 (ex GST) for each year.

10.4 CHIEF EXECUTIVE OFFICER REPORTS

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

10.4.1 Draft Monthly Financial Statements to 31 October 2015

Previous Items	N/A
Responsible Officer	Director Corporate Services
Service Area	Finance
File Reference	FIR-SRR-006
Applicant	N/A
Owner	N/A

Attachment 1 Draft Statements of Financial Activity for the period ended 31 October 2015 incorporating the following:

- Statement of Financial Activity (Nature or Type)
- Statement of Financial Activity (Statutory Reporting Program)
- Net Current Funding Position, note to financial statement

PURPOSE

1. To provide Council with statutory financial reports on the activity of the Shire of Kalamunda with comparison of the year's performance against adopted budget. This Statement compares the actual results for the period with the adopted budget.

BACKGROUND

2. The Statement of Financial Activity (Attachment 1), incorporating various sub-statements, has been prepared in accordance with the requirement of the *Local Government Act 1995, Local Government (Financial Management) Regulations 1996* (Regulation 34).
3. The 2014/2015 financial position has now been audited and finalised. As such, the opening funding position in the Statement of Financial Activity reflects the audited position.
4. The budget column reflects the adopted budget approved by Council at its meeting on 29 June 2015.

DETAILS

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

Financial Commentary

Draft Statement of Financial Activity by Nature and Type for the four months ended 31 October 2015

6. This Statement reveals a net result surplus of \$37,991,610 against budget for the same period of \$32,461,835. The variance of \$5,529,774 represents 14.6% of the current surplus for the month to date. The majority of the variance is in capital contributions and capital expenditure categories which is due to timing issues.

Revenue

7. Total Revenue excluding rates is over budget by \$458,609. This is made up as follows:
- Operating Grants, Subsidies and Contributions are over budget by \$109,629. The variances are primarily due to timing matters, comprised of the following:
 - Workers compensation claims reimbursed totalling \$31,013;
 - Contribution from Department of Fire and Emergency Services for the administration of the Emergency Services Levy on their behalf totalling \$39,150; and
 - Contributions from Gateway WA \$23,032 related to environmental rehabilitation works around Pioneer Park.
 - Fees and Charges variance is over budget by \$226,984. This is mainly attributable to:
 - Refuse collection being over budget by \$122,519 as a consequence of the retention of secondary bins by some ratepayers.
 - \$81,758 related to court fines received in the month from the resolution of long term court cases in the Planning business unit.
 - Interest earnings are over budget by \$53,320. This is largely a timing matter and as a result of delays in the capital works programme, resulting in higher cash holdings and subsequent investment on short term deposits.
 - Other Revenue is slightly under budget by \$5,814. These are within the reporting threshold.

Expenditure

8. Total expenses are under budget with a variance of \$925,972. The significant variances within the individual categories are as follows:

- Employment Costs are under budget by \$468,302 arising from a number of vacant positions not being filled and currently under review. The budget review will address this matter.
- Materials and Contracts is under budget by \$239,279 which is comprised of:
 - Expenditure on consultancy costs of \$231,759. This relates to various non-recurrent projects which are yet to commence, such as the Forrestfield North project,
 - Maintenance costs related to the building asset class, of approximately \$265,026 under expenditure which is a timing issue; and
 - Waste costs are over budget by \$131,501 mainly resulting from processing of pending invoices for putrescible waste charges, transfer station and verge collection costs.
- Utilities are under budget by \$31,666 which is within the reporting threshold.
- Depreciation, although a non-cash cost, is tracking under budget, reporting a variance of \$153,143. The infrastructure revaluation has now been completed and the audited assets position as of 30 June 2015 is finalised. It is expected that the depreciation for infrastructure assets will need to be significantly modified to reflect the outcomes of the valuation results.
- The interest expense is slightly under budget by \$3,190, which is the result of a timing difference between amounts accrued and the budget which is based on the debenture payment schedule.
- Insurance expense is under budget by \$40,164, due to a small number of insurance claims that are being assessed by the insurers.
- Other expenditure is over budget by \$4,089 mainly related to non-recurrent projects caused by a timing variance. This is within the reporting threshold.

Capital Revenues

Non-operating Grants and Contributions

9. The non-operating grant income is lower than the budget by \$270,792. The variance was mainly due to the timing of claims from the Roads to Recovery project and National Black Spot Funding.
10. The capital contributions of \$988,341 relates to Forrestfield Industrial Area stage 1 which is now managed by the Shire and funds are backed via a fully cash backed reserve. The amount reflected is what has been received in the financial year to date.

Proceeds from the disposal of assets

11. The variance is nil.
Properties identified for sale in 2015/16 are:
- 514 Kalamunda Rd (sold)
 - Cabarita Rd

Capital Expenditures

12. Infrastructure projects, comprised of roads, drainage, footpaths, car parks and parks and ovals, are underspent by \$4,197,656. The operations delivery team have been busy scheduling the various projects that are due in 2015/16 with on ground works commenced in October 2015.

Rates revenues

13. Rates generation is under budget with a variance of \$46,286. The variance is due to a timing issue. Interim rates have commenced and should start to show progress shortly.

Draft Statement of Financial Activity by Program for the four months to 31 October 2015

14. The overall result comments are as above and generally each Program is within accepted budget except for Community Amenities, Recreation and Culture and Transport. Major variances have been reported by Nature and Type under points 7 to 13 above.

Draft Statement of Net Current Funding Position as at 31 October 2015

15. The commentary on the net current funding position is based on comparison of the draft October 2015 year to date actuals with October 2014 year to date actuals.
16. Net Current Assets (Current Assets less Current Liabilities) show a positive result of \$43.98 million. The un-restricted cash position has a positive balance of \$33.66 million which is higher than the previous year's balance of \$26.66 million. This can mainly be attributed to the rates collection and transfers from reserves in anticipation of infrastructure works projects.
17. Trade and other receivables comprise rates and sundry debtors totalling \$13.9 million outstanding.
The rates balance fell by \$13.7 million to \$11.1 million, representing a collection rate of 65.79% for the year to date. This is an improvement of 2% from last year partially reflecting the successful launch of "A Smarter Way to Pay" and BPoint Enterprise which allows charging of direct debits via credit cards.
Receivables Other represents \$2.4 million with the bulk made up of:
- Emergency Services Levy (ESL) - \$1,576,473;
 - Waste services due - \$552,617; and
 - Pensioner ESL rebates - \$154,844.

18. Sundry debtors have reduced by \$13,658 to \$401,613 of which \$96,175 is made up of current debt due within 31 days. A total of \$247,565 remains outstanding over 90 days of which \$232,032 relates to amounts due from developers from the Forrestfield Industrial Area Stage 1 which are subject to legal recovery.
19. Provisions for annual and long service leave are generally stable having increased by \$292,272 to \$2.6 million when compared to the previous year. The main reason for the increase is due to more officers being above the seven year threshold at which point long service leave entitlements begin to accrue. The Shire aggressively pursues a leave management plan that will not adversely affect service delivery. The long term goal is to bring this liability down to a more manageable level and also ensure there are adequate reserves in place to support it.
20. Restricted Reserves have increased significantly from \$2.6 million to \$8.6 million when compared to the same period in 2014. The increase is largely due to the following:
 - Transfer of Forrestfield Industrial Area Scheme Stage 1 from Trust accounts to reserves, amounting to \$2.9 million.
 - Land and Property Enhancement and Maintenance Reserve has increased by \$0.5 million.
 - Long Service Leave reserve has increased by \$0.8 million.
 - HACC reserve has increased by \$0.6 million.
 - Nominated employee leave reserve has increased by \$0.5 million.

STATUTORY AND LEGAL CONSIDERATIONS

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

POLICY CONSIDERATIONS

22. Nil.

COMMUNITY ENGAGEMENT REQUIREMENTS

23. Nil.

FINANCIAL CONSIDERATIONS

24. Nil.

STRATEGIC COMMUNITY PLAN

Strategic Planning Alignment

25. *Kalamunda Advancing: Strategic Community Plan to 2023*

OBJECTIVE 6.8 – To ensure financial sustainability through the implementation of effective financial management, systems and plans.

Strategy 6.8.4 Provide effective financial services to support the Shire's Operations and to meet sustainability planning, reporting and accountability requirements.

SUSTAINABILITY

Social Implications

26. Nil.

Economic Implications

27. Nil.

Environmental Implications

28. Nil.

RISK MANAGEMENT CONSIDERATIONS

29.

Risk	Likelihood	Consequence	Rating	Action / Strategy
Over-spending the budget	Possible	Major	High	<ul style="list-style-type: none">• Monthly management reports are reviewed by the Shire.• Weekly engineering reports on major projects and maintenance.
Non-compliance with Financial Regulations	Unlikely	Major	Medium	The financial report is scrutinised by the Shire to ensure that all statutory requirements are met.

OFFICER COMMENT

30. The Shire's draft financial statements as at 31 October 2015 demonstrate the Shire has managed its budget and financial resources effectively.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. Receives the draft Monthly Statutory Financial Statements for the month to 31 October 2015, which comprises:
 - Statement of Financial Activity (Nature or Type)
 - Statement of Financial Activity (Statutory Reporting Program)
 - Net Current Funding Position, note to financial statement

Moved:

Seconded:

Vote:

Attachment 1

**SHIRE OF KALAMUNDA
STATEMENT OF FINANCIAL ACTIVITY BY NATURE OR TYPE
FOR THE 4 MONTHS TO 31 OCTOBER 2015**

	31/10/2015	31/10/2015			
	YTD	YTD	Annual	Var. \$	Var. %
	Actual	Budget	Budget	(b)-(a)	(b)-
	(b)	(a)			(a)/(b)
	\$	\$	\$	\$	%
Operating Revenues					
Operating Grants and Subsidies	2,191,709	2,197,705	5,565,582	(5,996)	(0.3%)
Contributions, Reimbursements and Donations	382,026	266,401	4,370,848	115,625	30.3%
Profit on Asset Disposal	188,194	100,000	386,640	88,194	46.9%
Fees and Charges	11,788,308	11,561,324	13,951,465	226,984	1.9%
Interest Earnings	346,676	293,356	896,545	53,320	15.4%
Other Revenue	15,058	20,872	62,641	(5,814)	(38.6%)
Ex Gratia Rates Revenue	51,136	64,840	129,680	(13,704)	(26.8%)
Total (Excluding Rates)	14,963,107	14,504,498	25,363,401	458,609	
Operating Expense					
Employee Costs	(7,453,823)	(7,922,125)	(24,276,755)	468,302	6.3%
Materials and Contracts	(6,713,103)	(6,952,382)	(19,526,829)	239,279	3.6%
Utilities Charges	(754,082)	(785,748)	(2,358,152)	31,666	4.2%
Depreciation (Non-Current Assets)	(2,568,009)	(2,721,152)	(8,163,761)	153,143	6.0%
Interest Expenses	(136,366)	(139,556)	(418,674)	3,190	2.3%
Insurance Expenses	(568,196)	(608,360)	(609,244)	40,164	7.1%
Loss on Asset Disposal	(12,347)	(6,664)	(20,000)	(5,683)	(46.0%)
Other Expenditure	(110,566)	(106,477)	(343,976)	(4,089)	(3.7%)
Total	(18,316,492)	(19,242,464)	(55,717,391)	925,972	
Funding Balance Adjustment					
Add Back Depreciation	2,568,009	2,721,152	8,163,761	(153,143)	(6.0%)
Adjust (Profit)/Loss on Asset Disposal	(175,847)	(93,336)	(366,640)	(82,511)	46.9%
EMRC Contribution (Non-cash)	0	0	(3,600,407)	0	
Movement in Provisions	47,955	0	749,271	47,955	100.0%
Pensioners Deferred Rates Movement	0	0	(30,000)	0	
Total	2,440,117	2,627,816	4,915,985	(187,699)	
Net Operating (Ex. Rates)	(913,268)	(2,110,150)	(25,438,005)	1,196,882	
Capital Revenues					
Proceeds from Disposal of Assets	535,610	535,610	945,000	0	0.0%
Grants, Subsidies and Contributions	812,784	1,083,576	3,250,771	(270,792)	(33.3%)
Self-Supporting Loan Principal	28,144	28,461	67,870	(317)	(1.1%)
Debenture Funding	0	0	500,000	0	
Capital (Developer) - Contributions	988,341	0	0	988,341	100.0%
Transfer from Reserves	3,727,357	3,633,838	8,151,024	93,519	2.5%
Total	6,092,236	5,281,485	12,914,665	810,751	
Capital Expenses					
Land Development Costs	(2,000)	(5,996)	(18,000)	3,996	199.8%
Land and Buildings New	(66,235)	(158,688)	(295,539)	92,453	139.6%
Land and Buildings Replacement	(43,306)	(1,066,712)	(1,553,696)	1,023,406	2363.2%
Plant and Equipment New	0	(23,564)	(70,700)	23,564	100.0%
Plant and Equipment Replacement	(30,186)	(5,000)	(15,000)	(25,186)	(83.4%)
Furniture and Equipment	(7,771)	(22,712)	(101,700)	14,941	192.2%
Infrastructure Assets - Roads New	(8,854)	(576,285)	(715,532)	567,431	6408.5%

**SHIRE OF KALAMUNDA
STATEMENT OF FINANCIAL ACTIVITY BY NATURE OR TYPE
FOR THE 4 MONTHS TO 31 OCTOBER 2015**

	31/10/2015	31/10/2015			
	YTD Actual (b)	YTD Budget (a)	Annual Budget	Var. \$ (b)-(a)	Var. % (b)- (a)/(b)
	\$	\$	\$	\$	%
Infrastructure Assets - Roads Renewal	(96,411)	(2,825,925)	(3,611,771)	2,729,514	2831.1%
Infrastructure Assets - Drainage New	(46,807)	(53,532)	(160,615)	6,725	14.4%
Infrastructure Assets - Drainage Renewal	0	(88,104)	(158,330)	88,104	100.0%
Infrastructure Assets - Footpaths New	(5,044)	(49,418)	(49,420)	44,374	879.7%
Infrastructure Assets - Footpaths Renewal	(56,084)	(80,306)	(80,308)	24,222	43.2%
Infrastructure Assets - Car Parks New	0	(11,274)	(41,340)	11,274	100.0%
Infrastructure Assets - Car Parks Renewal	0	(60,034)	(75,162)	60,034	100.0%
Infrastructure Assets - Parks and Ovals New	(202,681)	(206,984)	(1,785,762)	4,303	2.1%
Infrastructure Assets - Parks and Ovals Renewal	(1,541,642)	(2,203,318)	(4,715,971)	661,676	42.9%
Repayment of Debentures	(255,525)	(197,948)	(593,851)	(57,577)	(22.5%)
Transfer to Reserves	(1,180,103)	(37,911)	(5,016,343)	(1,142,192)	(96.8%)
Total	(3,542,650)	(7,673,711)	(19,059,040)	4,131,061	
Net Capital	2,549,586	(2,392,226)	(6,144,375)	4,941,812	
Total Net Operating + Capital	1,636,320	(4,502,376)	(31,582,380)	6,138,694	
Rate Revenue	31,387,175	31,433,461	31,884,831	(46,286)	(0.1%)
Opening Funding Surplus(Deficit)	4,968,115	5,530,750	2,438,941	(562,635)	(11.3%)
Closing Funding Surplus(Deficit)	37,991,610	32,461,835	2,741,392	5,529,774	14.6%

SHIRE OF KALAMUNDA
STATEMENT OF FINANCIAL ACTIVITY (STATUTORY REPORTING PROGRAM)
FOR THE 4 MONTHS TO 31 OCTOBER 2015

	31/10/2015	31/10/2015			
	YTD Actual (b) \$	YTD Budget (a) \$	Annual Budget \$	Var. \$ (b)-(a) \$	Var. % (b)- (a)/ (b) %
Operating Revenues					
Governance	86,630	15,724	47,186	70,906	81.8%
General Purpose Funding	920,028	1,001,871	7,034,277	(81,843)	(8.9%)
Law, Order and Public Safety	177,793	149,492	361,025	28,301	15.9%
Health	194,715	187,433	220,863	7,282	3.7%
Education and Welfare	1,900,473	1,778,023	3,752,704	122,450	6.4%
Community Amenities	10,674,850	10,518,522	11,515,960	156,328	1.5%
Recreation and Culture	609,667	515,509	1,579,540	94,158	15.4%
Transport	19,107	0	0	19,107	100.0%
Economic Services	221,742	237,596	528,727	(15,854)	(7.1%)
Other Property and Services	158,102	100,328	323,119	57,774	36.5%
Total (Excluding Rates)	14,963,107	14,504,498	25,363,401	458,609	
Operating Expense					
Governance	(1,155,652)	(1,131,274)	(3,122,758)	(24,378)	(2.1%)
General Purpose Funding	(334,034)	(323,356)	(788,629)	(10,678)	(3.2%)
Law, Order and Public Safety	(574,980)	(647,352)	(1,900,214)	72,372	12.6%
Health	(353,764)	(396,328)	(1,178,688)	42,564	12.0%
Education and Welfare	(1,339,444)	(1,370,965)	(4,250,801)	31,521	2.4%
Community Amenities	(4,228,117)	(4,587,699)	(14,319,247)	359,582	8.5%
Recreation and Culture	(6,120,306)	(6,518,847)	(19,005,749)	398,541	6.5%
Transport	(3,194,877)	(2,937,700)	(8,816,029)	(257,177)	(8.0%)
Economic Services	(367,398)	(399,009)	(1,105,450)	31,611	8.6%
Other Property and Services	(647,920)	(929,934)	(1,229,826)	282,014	43.5%
Total	(18,316,492)	(19,242,464)	(55,717,391)	925,972	
Funding Balance Adjustment					
Add back Depreciation	2,568,009	2,721,152	8,163,761	(153,143)	(6.0%)
Adjust (Profit)/Loss on Asset Disposal	(175,847)	(93,336)	(366,640)	(82,511)	46.9%
EMRC Contribution (Non-cash)	0	0	(3,600,407)	0	
Movement in Provisions	47,955	0	749,271	47,955	100.0%
Pensioners Deferred Rates Movement	0	0	(30,000)	0	
Total	2,440,117	2,627,816	4,915,985	(187,699)	
Net Operating (Ex. Rates)	(913,268)	(2,110,150)	(25,438,005)	1,196,882	
Capital Revenues					
Proceeds from Disposal of Assets	535,610	535,610	945,000	0	0.0%
Capital Contributions and Grants	812,784	1,083,576	3,250,771	(270,792)	(33.3%)
Self-Supporting Loan Principal Income	28,144	28,461	67,870	(317)	(1.1%)
Debenture Funding	0	0	500,000	0	
Capital (Developer) - Contributions	988,341	0	0	988,341	100.0%
Transfer from Reserves	3,727,357	3,633,838	8,151,024	93,519	2.5%
Total	6,092,236	5,281,485	12,914,665	810,751	
Capital Expenses					
Land Development Costs	(2,000)	(5,996)	(18,000)	3,996	199.8%
Land and Buildings New	(66,235)	(158,688)	(295,539)	92,453	139.6%
Land and Buildings Replacement	(43,306)	(1,066,712)	(1,553,696)	1,023,406	2363.2%
Plant and Equipment New	0	(23,564)	(70,700)	23,564	100.0%
Plant and Equipment Replacement	(30,186)	(5,000)	(15,000)	(25,186)	(83.4%)

SHIRE OF KALAMUNDA
STATEMENT OF FINANCIAL ACTIVITY (STATUTORY REPORTING PROGRAM)
FOR THE 4 MONTHS TO 31 OCTOBER 2015

	31/10/2015	31/10/2015			
	YTD Actual (b) \$	YTD Budget (a) \$	Annual Budget \$	Var. \$ (b)-(a) \$	Var. % (b)- (a)/(b) %
Furniture and Equipment	(7,771)	(22,712)	(101,700)	14,941	192.2%
Infrastructure Assets - Roads New	(8,854)	(576,285)	(715,532)	567,431	6408.5%
Infrastructure Assets - Roads Renewal	(96,411)	(2,825,925)	(3,611,771)	2,729,514	2831.1%
Infrastructure Assets - Drainage New	(46,807)	(53,532)	(160,615)	6,725	14.4%
Infrastructure Assets - Drainage Renewal	0	(88,104)	(158,330)	88,104	100.0%
Infrastructure Assets - Footpaths New	(5,044)	(49,418)	(49,420)	44,374	879.7%
Infrastructure Assets - Footpaths Renewal	(56,084)	(80,306)	(80,308)	24,222	43.2%
Infrastructure Assets - Car Parks New	0	(11,274)	(41,340)	11,274	100.0%
Infrastructure Assets - Car Parks Renewal	0	(60,034)	(75,162)	60,034	100.0%
Infrastructure Assets - Parks and Ovals New	(202,681)	(206,984)	(1,785,762)	4,303	2.1%
Infrastructure Assets - Parks and Ovals Renewal	(1,541,642)	(2,203,318)	(4,715,971)	661,676	42.9%
Repayment of Debentures	(255,525)	(197,948)	(593,851)	(57,577)	(22.5%)
Transfer to Reserves	(1,180,103)	(37,911)	(5,016,343)	(1,142,192)	(96.8%)
Total	(3,542,650)	(7,673,711)	(19,059,040)	4,131,061	
Net Capital	2,549,587	(2,392,226)	(6,144,375)	4,941,813	
Total Net Operating + Capital	1,636,320	(4,502,376)	(31,582,380)	6,138,695	
Rate Revenue	31,387,175	31,433,461	31,884,831	(46,286)	(0.1%)
Opening Funding Surplus(Deficit)	4,968,115	5,530,750	2,438,941	(562,635)	(11.3%)
Closing Funding Surplus(Deficit)	37,991,610	32,461,835	2,741,392	5,529,774	14.6%

SHIRE OF KALAMUNDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE 4 MONTHS TO 31 OCTOBER 2015

NET CURRENT FUNDING POSITION

Positive=Surplus (Negative=Deficit)

	31/10/2015	31/10/2014
	\$	\$
Current Assets		
Cash and Cash Equivalents Unrestricted	33,658,360	26,664,169
Cash and Cash Equivalents - Reserves (Restricted)	8,660,842	2,631,839
Receivables - Rates	11,111,027	11,020,896
Receivables - Sundry	401,613	691,466
Receivables -Other	2,386,470	1,930,937
Inventories	83,208	103,493
(*exclude loan receivable)	56,301,521	43,042,800
 Less: Current Liabilities		
Payables	(9,649,069)	(7,684,277)
Provisions	(2,667,646)	(2,375,374)
(*exclude loan payable)	(12,316,715)	(10,059,651)
 Net Current Asset Position	43,984,806	32,983,149
 Add:		
Provision for Long Service Leave	1,166,949	785,779
Provision for Annual Leave	1,500,697	1,589,595
 Less:		
Cash and Cash Equivalents - Reserves (Restricted)	(8,660,842)	(2,631,839)
Cash Restricted		
Net Current Funding Position	37,991,610	32,726,684

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

10.4.2 Budget Review for Three Months to September 2015

Previous Items	N/A
Responsible Officer	Director Corporate Services
Service Area	Finance
File Reference	
Applicant	N/A
Owner	N/A
Attachment 1	Amended Financial Activity Statement by Nature and Type
Attachment 2	Amended Financial Activity Statement by Program
Attachment 3	Net Current Asset Position
Attachment 4	Summarised Report of Amendments
Attachment 5	Statement of Amended Reserve Account Movement and Balances

PURPOSE

1. For Council to consider amendments to the 2015/16 Adopted Budget as identified in the three months to 30 September 2015 budget review.

BACKGROUND

2. Regulation 33a (1) of the *Local Government (Financial Management) Regulations 1996* requires that a local government is to conduct a formal review of its adopted budget between 1 September and 30 March.
3. In pursuit of improved fiscal management and accountability, the Shire of Kalamunda has undertaken an additional budget review for the first three months of the financial year 2015/16.
4. The primary objective of regular budget reviews is to ensure that the Shire is closely monitoring its revenue and expenditure to mitigate the risk of the Shire posting a deficit at the end of this financial year.
5. It also provides the Shire with the opportunity to monitor and implement strategies to ensure that the Shire's Current Ratio and Untied Cash to Unpaid Trade Creditors Ratio will be further improved upon for the year ending 30 June 2016.

DETAILS

Closing Surplus position (Attachment 1)

6.

Summary of Movements from the Rate Setting Statement			
Description	Original Budget \$	Proposed Revised Budget \$	Variance \$
Operating Revenue Excluding Rates	25,363,401	25,716,158	352,757
Operating Expenditure	(55,717,391)	(55,975,794)	(258,403)
Non Cash Movements	4,915,985	4,830,985	(85,000)
Capital Revenues	12,914,665	11,730,403	(1,184,262)
Capital Expenditure, Debentures and Reserve movements	(19,059,040)	(20,122,778)	(1,063,738)
Rates Revenue	31,884,831	31,884,831	-
Closing Surplus Position	2,741,392	3,031,921	290,529

7.

A brief synopsis of the budget variances above are as follows:

- Operating Revenue excluding rates -
 - Operating grants, subsidies and contributions is projected to increase by \$189,888. The increase is primarily related to continuation of the Kidsport programme by Department of Sports and Recreation by providing a further \$90,000 and \$52,500 related to Federal Assistance Grants for infrastructure bridge maintenance.
 - Profit on sale of 514 Kalamunda Rd, \$85,000 which reflects the higher price received as compared to amount originally budgeted for.
 - Fees are greater than budget by \$75,869 mainly due to an increase in enforcement income derived from prosecutions in the planning, health and compliance areas.
- Operating Expenditures -
 - Savings of \$262,386 on staff costs due to various vacancies unfilled and staff increments not due in the first quarter. These savings are now regarded as realised and put through as part of the overall increase in the surplus position.
 - Materials and contracts increased by \$364,271 to allow for:
 - o Increased road maintenance by \$350,000 to meet Roads to Recovery grant conditions;
 - o Higher legal fees by \$60,000 which is offset by increased enforcement income as noted above;

-
- Lower costs than anticipated to provide building protection zones as per the new Bushfire Legislation, savings of \$100,000 has been identified;
 - As part of the budget deliberation, an amount of \$25,000 has been included in the budget estimates for the purpose of a one off non-recurrent contribution to Foothills Information & Referral Service (FIRS).
 - Non-Cash Movements -
 - Profit on sale of 514 Kalamunda Rd property has been upgraded by \$87,000 in line with actual sales records

The above non-cash movements are required to be added back to derive the final closing surplus position.
 - Capital Revenues -
 - \$500,000 is expected with the completion of the Kostera Oval project.
 - \$1,071,587 is recognised as monies received in relation to the developer contributions towards Forrestfield Industrial Area Stage 1. The Shire has reflected a similar amount as a transfer to Reserves to acknowledge the money received and ensure it is fully cash backed.
 - Capital Expenditure -
 - Net movement is a slight increase in expenditure by \$148,402.
 - Main increases are in carparks with additional monies put against Hartfield Park worth \$266,000. Savings have been identified in the Parks and Reserves area to fund this over- expenditure. The other increase in carparks was in the Kalamunda Senior High School car park costing \$86,000 of which half will be funded by the Department of Education.
 - Buildings expenditure is forecast to be lower as costings for buildings identified for ember attacks has come in lower than originally estimated.
8. The projected year end revised closing surplus position as at 30 September 2015 is \$3,031,921. The new position will ensure that the Shire maintains a strong year end cash position and the modified current ratio within target range of >1. The asset ratio will be static as there are only minor adjustments from the original budget of \$13.4 million. The results of the infrastructure revaluation will not be felt until the second review by which time the audited figures will be fed into the live system and the 2015/16 depreciation is re-calculated.
9. The Shire will still need to keep tight control over income and expenditure to ensure a surplus is in place at 30 June 2015 to strengthen the Shire's financial capacity and Reserves.
-

10. Reserve Account Adjustments (Attachment 5)

The Statement of Amended Reserve Account Movement and Balances (Attachment 5) incorporates all the above mentioned proposed adjustments and reveals a balanced budget with a revised closing balance \$11,822,427 reflecting a significant increase from \$6,580,016 estimated when preparing the original budget. The increases are made up as follows:

- \$2.5 million increase with the replacement of forecasted position by the audited actual position. This reflects the lower demand on reserves to maintain capital expenditure;
- A better closing surplus position for 2014/15 which was mainly as a result of better cost controls in the areas of waste management and projects. This \$2.5 million additional surplus is being injected back into the waste management reserve and leave provisions reserves (both long service and annual leave) to back the provisions.
- The Forrestfield Industrial Area stage 1 scheme which is managed by the Shire on behalf of the developers has increased by \$1 million mainly through the receipt of additional contributions to September 2015.

11. The opening balances have been revised to reflect the balances as per Audited Financial Statements as at 30 June 2015.

12. In light of this Budget Review all future Financial Reports presented to Council for adoption will include adjustments to the current Budget and amendments based on operations and new information.

STATUTORY AND LEGAL CONSIDERATIONS

13. Section 6.8 (1)(b) of the *Local Government Act 1995* requires an absolute majority decision by Council for any budget amendments.

POLICY CONSIDERATIONS

14. Nil.

COMMUNITY ENGAGEMENT REQUIREMENTS

15. Nil.

FINANCIAL CONSIDERATION

16. The Rate Setting Statement shows the Shire is projected to be in a surplus position at the end of the financial year.

STRATEGIC COMMUNITY PLAN

Strategic Planning Alignment

17. *Kalamunda Advancing: Strategic Community Plan to 2023*
 OBJECTIVE 6.8 – To ensure financial sustainability through the implementation of effective financial management, systems and plans.
 Strategy 6.8.4 Provide effective financial services to support the Shire’s operations and to meet sustainability planning, reporting and accountability requirements.

SUSTAINABILITY

Social Implications

18. Nil.

Economic Implications

19. Nil.

Environmental Implications

20. Nil.

RISK MANAGEMENT CONSIDERATIONS

21.

Risk	Likelihood	Consequence	Risk	Action/Strategy
Expenditure exceeds budgeted allocation resulting in negative impact on closing funds position	Possible	Major	High	Monthly management reports are tracked by business unit managers to ensure that they are operating within budget parameters. Budget reviews and forecasting of expenditures against potential revenues are monitored closely.
Funds spent without a budget allocation	Unlikely	Critical	High	Electronic purchasing system in place which tracks and allows authorisation of purchase orders only if a budget is available.

OFFICER COMMENT

22. The amended Rate Setting Statement following the September budget review in Column 4 (2015/16 Proposed Budget Review) reveals a balanced budget estimate for 30 June 2015 with a surplus of \$3,031,921.
23. It needs to be noted that the Reserves overall are still maintained at a high level with a significant increase from \$6,580,062 to \$11,936,047 as shown in (Attachment 5).
24. The key to addressing the Shire's ongoing liquidity will be to diversify its revenue streams and continuing to monitor closely revenues and expenditure against allocated budgets. The Shire will also continue to monitor service delivery to align resources with strategic priorities.
25. It is critical that Council is committed to this strategy; in order to meet service level and management requirements in a financially sustainable manner.
26. The Shire is focussed on ensuring that it returns a positive surplus and is constantly looking at improving its financial sustainability in line with the new ratios introduced.

Voting Requirements: Absolute Majority

RECOMMENDATION

That Council:

1. Notes the 2015/2016 Budget Review Explanation and Summary (Attachment 4).
2. Pursuant to Section 6.8 (1) (b) of the *Local Government Act 1995*, authorises the Chief Executive Officer to amend the 2015/2016 current budget to reflect the changes summarised in the Amended Rates Setting Statement (Attachment 1).

Moved:

Seconded:

Vote:

Attachment 1

Amended Financial Activity Statement by Nature and Type

[Click here to go directly to the document](#)

Attachment 2

Amended Financial Activity Statement by Program

[Click here to go directly to the document](#)

Attachment 3

Net Current Asset Position

[Click here to go directly to the document](#)

Attachment 4

Summarised Report of Amendments

[Click here to go directly to the document](#)

Attachment 5

Statement of Amended Reserve Account Movement and Balances

[Click here to go directly to the document](#)

Shire of Kalamunda

RATE SETTING STATEMENT By Nature or Type FOR THE 3 MONTHS TO 30/09/2015

17/11/2015 13:12

NOTE	2015/16 Actual YTD \$	2015/16 YTD Budget \$	2015/16 Original Budget \$	2015/16 September Budget Review \$	Variance \$
OPERATING REVENUES					
1,2					
Operating Grants and Subsidies	1,340,136	1,396,010	5,565,582	5,728,243	162,661
Contributions, Reimbursements and Donations	234,384	213,346	4,370,848	4,398,075	27,227
Profit on Asset Disposals	187,313	100,000	386,640	471,640	85,000
Fees and Charges	11,338,715	11,251,461	13,951,465	14,027,334	75,869
Interest Earnings	304,516	220,017	896,545	896,545	-
Other Revenue	12,615	15,654	62,641	64,641	2,000
Ex Gratia Rates Revenue	-	64,840	129,680	129,680	-
Total (Excluding Rates)	13,417,677	13,261,328	25,363,401	25,716,158	352,757
OPERATING EXPENSES					
1,2					
Employee Costs	(5,522,432)	(5,833,477)	(24,276,755)	(24,014,369)	262,386
Materials and Contracts	(4,379,190)	(4,723,348)	(19,526,829)	(19,891,100)	(364,271)
Utility Charges	(554,270)	(589,311)	(2,358,152)	(2,358,938)	(786)
Depreciation on Non-Current Assets	(1,905,759)	(2,040,864)	(8,163,761)	(8,163,761)	-
Interest Expenses	(102,560)	(104,667)	(418,674)	(418,674)	-
Insurance Expenses	(325,542)	(334,823)	(609,244)	(617,249)	(8,005)
Loss on Asset Disposal	(12,864)	(4,998)	(20,000)	(20,000)	-
Other Expenditure	(92,376)	(48,295)	(343,976)	(491,703)	(147,727)
Total	(12,894,991)	(13,679,783)	(55,717,391)	(55,975,794)	(258,403)
	522,686	(418,455)	(30,353,990)	(30,259,636)	94,354
FUNDING BALANCE ADJUSTMENTS					
Non-Cash Expenditure and Revenue					
2(a)					
Profit on Asset Disposals	(187,313)	(100,000)	(386,640)	(471,640)	(85,000)
Loss on Asset Disposals	12,864	4,998	20,000	20,000	-
2(a)					
Depreciation and amortisation on Assets	1,905,759	2,040,864	8,163,761	8,163,761	-
EMRC Contribution (Non-Cash)	-	-	(3,600,407)	(3,600,407)	-
Movement in Provisions (Non-current)	30,078	-	749,271	749,271	-
Pensioners Deferred Rates Movement	-	-	(30,000)	(30,000)	-
Total	1,761,388	1,945,862	4,915,985	4,830,985	(85,000)
3					
Net Operating Result Excluding Rates	2,284,074	1,527,407	(25,438,005)	(25,428,651)	9,354
CAPITAL REVENUES					
Proceeds from Disposal of Land	486,468	486,468	780,000	867,000	87,000
Proceeds from Disposal of Assets	15,780	15,780	165,000	165,000	-
Capital Contributions & Grants	812,784	812,682	3,250,771	3,855,218	604,447
Self-Supporting Loan Principal Income	16,708	16,838	67,870	67,870	-
Loan funds raised	-	-	500,000	500,000	-
Capital (Developer) - Contribution	1,071,587	-	-	1,071,587	1,071,587
Transfers from Reserves (Restricted Assets)	3,724,464	3,633,838	8,151,024	5,203,728	(2,947,296)
Total	6,127,792	4,965,606	12,914,665	11,730,403	(1,184,262)
CAPITAL EXPENDITURE					
Purchase Land Held for Resale	-	(4,497)	(18,000)	(28,782)	(10,782)
Purchase Land and Buildings	(80,748)	(803,396)	(1,849,235)	(1,714,380)	134,855
Purchase Infrastructure Assets - Roads	(40,440)	(2,235,211)	(4,327,303)	(4,295,523)	31,780
Purchase Infrastructure Assets - Drainage	-	(98,473)	(318,945)	(396,681)	(77,736)
Purchase Infrastructure Assets - Parks and Ovals	(660,039)	(1,674,030)	(6,501,733)	(6,322,676)	179,057
Purchase Infrastructure Assets - Footpaths	(30,772)	(85,618)	(129,728)	(189,437)	(59,709)
Purchase Infrastructure Assets - Special Works	-	(47,176)	(116,502)	(471,202)	(354,700)
Purchase Plant and Equipment	(27,200)	(21,423)	(85,700)	(79,867)	5,833
Purchase Furniture and Equipment	(415)	(12,924)	(101,700)	(98,700)	3,000
Repayment of Debentures	(244,089)	(148,461)	(593,851)	(593,851)	-
Transfers to Reserves (Restricted Assets)	(1,168,305)	(28,553)	(5,016,343)	(5,931,679)	(915,336)
Total	(2,252,010)	(5,159,762)	(19,059,040)	(20,122,778)	(1,063,738)
Rate Revenue	31,417,167	31,377,040	31,884,831	31,884,831	-
Opening Funding Surplus (Deficit)	4,968,116	5,530,750	2,438,941	4,968,116	2,529,175
Closing Funding Surplus (Deficit)	42,545,140	38,241,041	2,741,392	3,031,921	290,529

Shire of Kalamunda

17/11/2015 13:12

RATE SETTING STATEMENT
By Program
FOR THE 3 MONTHS TO 30/09/2015

	NOTE	2015/16 Actual YTD \$	2015/16 YTD Budget \$	2015/16 Original Budget \$	2015/16 September Budget Review \$	Variance \$
REVENUE						
	1,2					
Governance		1,136	11,793	47,186	112,755	65,569
General Purpose Funding		770,848	922,999	7,034,277	7,085,777	51,500
Law, Order, Public Safety		46,408	65,242	361,025	367,836	6,811
Health		188,254	183,259	220,863	221,066	203
Education and Welfare		1,124,098	984,605	3,752,704	3,759,595	6,891
Community Amenities		10,632,939	10,429,937	11,515,960	11,613,174	97,214
Recreation and Culture		351,907	389,787	1,579,540	1,657,534	77,994
Transport		18,832	-	-	-	-
Economic Services		201,095	201,217	528,727	538,527	9,800
Other Property and Services		82,161	72,489	323,119	359,894	36,775
Total (Excluding Rates)		13,417,677	13,261,328	25,363,401	25,716,158	352,757
EXPENSES						
	1,2					
Governance		(885,608)	(752,021)	(3,122,758)	(3,250,382)	(127,624)
General Purpose Funding		(278,429)	(270,316)	(788,629)	(773,316)	15,313
Law, Order, Public Safety		(416,980)	(471,626)	(1,900,214)	(1,871,914)	28,300
Health		(266,571)	(289,919)	(1,178,688)	(1,189,841)	(11,153)
Education and Welfare		(988,325)	(1,026,048)	(4,250,801)	(4,282,665)	(31,864)
Community Amenities		(2,819,222)	(3,324,184)	(14,319,247)	(13,799,259)	519,988
Recreation & Culture		(4,269,430)	(4,615,075)	(19,005,749)	(19,197,803)	(192,054)
Transport		(2,127,366)	(2,198,653)	(8,816,029)	(9,230,029)	(414,000)
Economic Services		(277,937)	(289,667)	(1,105,450)	(1,096,746)	8,704
Other Property and Services		(565,122)	(442,274)	(1,229,826)	(1,283,839)	(54,013)
Total		(12,894,991)	(13,679,783)	(55,717,391)	(55,975,794)	(258,403)
FUNDING BALANCE ADJUSTMENTS						
Non-Cash Expenditure and Revenue						
Profit on Asset Disposals	2(a)	(187,313)	(100,000)	(386,640)	(471,640)	(85,000)
Loss on Asset Disposals		12,864	4,998	20,000	20,000	-
Depreciation and Amortisation on Assets	2(a)	1,905,759	2,040,864	8,163,761	8,163,761	-
EMRC Contribution (Non-Cash)		-	-	(3,600,407)	(3,600,407)	-
Movement in Provisions (Non-current)		30,078	-	749,271	749,271	-
Pensioners Deferred Rates Movement		-	-	(30,000)	(30,000)	-
Total		1,761,388	1,945,862	4,915,985	4,830,985	(85,000)
Net Operating Result Excluding Rates	3	2,284,075	1,527,407	(25,438,005)	(25,428,651)	9,354
CAPITAL REVENUES						
Proceeds from Disposal of Land		486,468	486,468	780,000	867,000	87,000
Proceeds from Disposal of Assets		15,780	15,780	165,000	165,000	-
Capital Contributions & Grants		812,784	812,682	3,250,771	3,855,218	604,447
Self-Supporting Loan Principal Income		16,708	16,838	67,870	67,870	-
Loan funds raised		-	-	500,000	500,000	-
Capital (Developer) - Contribution		1,071,587	-	-	1,071,587	1,071,587
Transfers from Reserves (Restricted Assets)		3,724,464	3,633,838	8,151,024	5,203,728	(2,947,296)
Total		6,127,792	4,965,606	12,914,665	11,730,403	(1,184,262)
CAPITAL EXPENDITURE						
Purchase Land Held for Resale		-	(4,497)	(18,000)	(28,782)	(10,782)
Purchase Land and Buildings		(80,748)	(803,396)	(1,849,235)	(1,714,380)	134,855
Purchase Infrastructure Assets - Roads		(40,440)	(2,235,211)	(4,327,303)	(4,295,523)	31,780
Purchase Infrastructure Assets - Drainage		-	(98,473)	(318,945)	(396,681)	(77,736)
Purchase Infrastructure Assets - Parks and Ovals		(660,039)	(1,674,030)	(6,501,733)	(6,322,676)	179,057
Purchase Infrastructure Assets - Footpaths		(30,772)	(85,618)	(129,728)	(189,437)	(59,709)
Purchase Infrastructure Assets - Special Works		-	(47,176)	(116,502)	(471,202)	(354,700)
Purchase Plant and Equipment		(27,200)	(21,423)	(85,700)	(79,867)	5,833
Purchase Furniture and Equipment		(415)	(12,924)	(101,700)	(98,700)	3,000
Repayment of Debentures		(244,089)	(148,461)	(593,851)	(593,851)	-
Transfers to Reserves (Restricted Assets)		(1,168,305)	(28,553)	(5,016,343)	(5,931,679)	(915,336)
Total		(2,252,010)	(5,159,762)	(19,059,040)	(20,122,778)	(1,063,738)
Rate Revenue		31,417,167	31,377,040	31,884,831	31,884,831	-
Opening Funding Surplus (Deficit)		4,968,116	5,530,750	2,438,941	4,968,116	2,529,175
Closing Funding Surplus (Deficit)		42,545,140	38,241,041	2,741,392	3,031,921	290,529

SHIRE OF KALAMUNDA

NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY
FOR THE 3 MONTHS TO 30 SEPTEMBER 2015

7. Composition of Estimated Net Current Asset Position

	2015/16	2015/16	September
	Actual	Original	2015
	\$	Budget	Budget
		\$	Review
			\$
Surplus Brought Forward and Carried Forward Make Up (In Rate Setting Statement) :	42,545,140	2,741,392	3,031,921
Current Assets			
Cash Unrestricted	32,301,130	5,706,202	6,023,732
Cash Restricted - Grants	-	-	-
Cash at Bank - Reserves (Restricted)	8,651,937	6,580,062	11,936,047
Receivables - Rates	13,798,424	1,058,640	948,640
Receivables - Sundry	415,271	648,024	621,024
Receivables - Other	4,183,569	308,523	293,523
<i>*excludes loan receivables</i>	<u>59,350,330</u>	<u>14,301,451</u>	<u>19,822,966</u>
Less : Current Liabilities			
Payables	(8,153,253)	(4,979,998)	(4,854,998)
Provisions	(2,649,768)	(2,206,858)	(2,606,858)
<i>*excludes current loan payables</i>	<u>(10,803,021)</u>	<u>(7,186,856)</u>	<u>(7,461,856)</u>
Net Current Asset Position	48,547,309	7,114,594	12,361,110
Add			
Provision for Long Service Leave	1,140,398	792,710	1,142,710
Provision for Annual Leave	1,509,371	1,414,148	1,464,148
Less			
Restricted Cash (Reserves)	(8,651,937)	(6,580,062)	(11,936,047)
Net Current Funding Position	<u>42,545,140</u>	<u>2,741,392</u>	<u>3,031,921</u>

Attachment 4

SHIRE OF KALAMUNDA						
BUDGET REVIEW SEPTEMBER 2015						
SUMMARY OF CHANGES						
		\$	Variance \$	Deferral \$	Savings \$	Other \$
		Increase/(decrease)	Increase/(decrease)			
Funding Surplus C/F as per Original Budget 2015-16			2,741,392			
OPERATING						
Income						
Operating Grants and Subsidies						
Operating grant for Kids Sport Received in 2015-16 but not included in original budget for 2015-16		90,000			90,000	
Operating grant - Federal Assistance Grant - General Bridge received in 2015-16 but not included in original budget for 2015-16		52,500			52,500	
Other consolidated changes		20,161	162,661		20,161	
Contributions, Reimbursements and Donations						
Reimbursements from LGIS for injured staff		40,775			40,775	
Reduction to amalgamation related reimbursements budget		(26,431)			(26,431)	
In kind costs contributions from Western Power		21,484			21,484	
Other consolidated changes		(8,601)	27,227		(8,601)	
Fees and Charges						
Higher fees due to legal action taken for fines enforcement		108,500			108,500	
Drop in gym, program fees and income from sale of goods at Hartfield Park Recreation Centre mainly due to unavailability of Court 2		(40,000)			(40,000)	
Income from Communication Towers		30,000			30,000	
Other consolidated changes		(22,631)	75,869		(22,631)	
Other Revenue						
Consolidated changes		2,000	2,000		2,000	
Expenditure						
Employee costs						
Savings in staff costs - vacant positions unfilled, realignments with material and contracts and staff increments not due in the first quarter		262,386	262,386		262,386	
Materials and Contracts						
Increase in legal costs budget		(62,000)			(62,000)	
Higher IT expenses in HACC and IT due to more licenses		(32,784)			(32,784)	
New job - Forrestfield Station Public Transport Study		(30,000)			(30,000)	
Reduction in labour overheads budget in parks maintenance - bushfire management		100,000			100,000	
Asbestos removal expenses at Alan Fernie Pavilion		(24,605)			(24,605)	
Increase in budgets for new jobs - Rainbow Lorikeets and Green Army - Environmental Management business unit		(29,550)			(29,550)	
Increase in Roads Maintenance budget in view of Roads to Recovery conditions		(350,000)			(350,000)	
Other consolidated changes (includes realignments with employee costs)		64,668	(364,271)		64,668	
Utility Charges						
Consolidated changes		(786)	(786)		(786)	
Insurance Expenses						
Consolidated changes		(8,005)	(8,005)		(8,005)	
Other Expenditure						
Donations made from the Kids Sport Grant during 2015-16		(110,000)			(110,000)	
Reallocation of budget between IE codes - move from materials to donations		(19,300)				(19,300)
Donations made to the Foothills Information Referral Services (FIRS)		(25,000)			(25,000)	
Other consolidated changes		6,573	(147,727)		6,573	
CAPITAL						
Income						
Proceeds from Disposal of Land						
514 Kalamunda Road, High Wycombe sales proceeds were higher than original budget		87,000	87,000		87,000	
Capital Contributions & Grants						
Net adjustments to grant income to reflect the balance receivable this financial year for Job 4423 - Kostera Oval		500,000			500,000	
Amounts receivable from Lotterywest for Forrestfield Skate Park		71,000			71,000	
50 % funding from Department of Education for Cottherstone Road, KM, Kalamunda Senior High School - New Car Park		38,500			38,500	
Other consolidated changes		(5,053)	604,447		(5,053)	
Capital (Developer) Contributions						
Forrestfield Industrial Area Scheme Stage 1		1,071,587	1,071,587			1,071,587
Expenditure						
Roads New		(31,780)			0	(31,780)
Footpaths New		(21,919)			(21,919)	
Footpaths Renewals		(37,790)			(37,790)	
Carparks New		(354,700)		41,340	(396,040)	
Drainage Renewals		(77,736)			(77,736)	
Buildings Renewals		169,435			144,830	24,605
Parks Renewals		175,524			175,524	
Other consolidated changes		30,564	(148,402)	30,564	0	
Net Transfers to/from Reserves (Restricted Assets)						
Net transfers to Land and Property Enhancement Reserve		(111,484)				(111,484)
Transfer into Waste Reserve to reflect identified savings in waste services and underspend of previous financial year		(867,000)				(867,000)
Transfer into EDP reserve for higher expenditure resulting from IT strategy		(300,000)				(300,000)
Transfer into LG Elections Reserve		(100,000)				(100,000)
Transfer into LSL reserve to reflect closing balance of provision in 2014-15 year		(900,000)				(900,000)
Transfer into WARR reserve to reflect excess levies collected		(26,750)				(26,750)
Transfer into Asset Enhancement reserve		(500,000)				(500,000)
Transfer into Forrestfield Industrial Area Scheme 1 reserve		(1,044,688)				(1,044,688)
Other consolidated changes		(12,710)	(3,862,632)			(12,710)
Funding Surplus before adjusting for the difference in opening position between Original budget 2015-16 and closing position in Audited Financial Statements 2014-15			502,746	71,904	506,970	(2,817,520)
Difference between actual and estimated opening funding surplus for 2015-16	Attachment 1		2,529,175			
Funding Surplus after adjusting for the difference in opening position between Original budget 2015-16 and closing position in Audited Financial Statements 2014-15			3,031,921			

SHIRE OF KALAMUNDA
NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY
FOR THE 3 MONTHS TO 30 SEPTEMBER 2015

	2015/16 Actual \$	2015/16 Original Budget \$	September 2015 Budget Review \$
6. RESERVES - CASH BACKED			
(a) Land and Property Enhancement and Maintenance Reserve			
Opening Balance	1,354,213	468,830	1,354,213
Transfer from Accumulated Surplus - Interest	5,808	14,065	14,065
Transfer from Accumulated Surplus	-	3,348,516	460,000
Transfer to Accumulated Surplus	-	(3,000,000)	-
	<u>1,360,021</u>	<u>831,411</u>	<u>1,828,278</u>
To be used to fund land and property purchases , upgrade and maintenance of existing properties			
(b) Waste Management			
Opening Balance	232,426	90,483	232,426
Transfer from Accumulated Surplus - Interest	997	2,714	2,714
Transfer from Accumulated Surplus	-	250,000	1,117,000
Transfer to Accumulated Surplus	-	(50,000)	(50,000)
	<u>233,423</u>	<u>293,197</u>	<u>1,302,140</u>
To be used to fund financing operations for the development of Shire's sanitation service.			
(c) EDP - IT Equipment			
Opening Balance	139,326	15,960	139,326
Transfer from Accumulated Surplus - Interest	598	479	479
Transfer from Accumulated Surplus	-	200,000	500,000
Transfer to Accumulated Surplus	-	(98,000)	(98,000)
	<u>139,924</u>	<u>118,439</u>	<u>541,805</u>
To be used for the upgrade / replacement of the Shire's computer hardware and software			
(d) Local Government Elections			
Opening Balance	50,000	53,099	50,000
Transfer from Accumulated Surplus - Interest	215	1,593	1,593
Transfer from Accumulated Surplus	-	80,000	180,000
Transfer to Accumulated Surplus	-	(126,000)	(126,000)
	<u>50,216</u>	<u>8,692</u>	<u>105,593</u>
To be used to fund the cost of future elections.			
(e) Long Service Leave			
Opening Balance	1,060,585	883,752	1,060,585
Transfer from Accumulated Surplus - Interest	4,550	26,513	26,513
Transfer from Accumulated Surplus	-	100,000	1,000,000
Transfer to Accumulated Surplus	-	(550,000)	(550,000)
	<u>1,065,134</u>	<u>460,265</u>	<u>1,537,098</u>
To be used to provide cash-backing for all annual and long service leave entitlements. Transfers to this Reserve are based on the leave liability at the end of each year.			
(f) Plant and Equipment			
Opening Balance	29,696	29,962	29,696
Transfer from Accumulated Surplus - Interest	-	-	-
Transfer from Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	(29,696)	(29,962)	(29,696)
	<u>-</u>	<u>-</u>	<u>0</u>

SHIRE OF KALAMUNDA
NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY
FOR THE 3 MONTHS TO 30 SEPTEMBER 2015

	2015/16 Actual \$	2015/16 Original Budget \$	September 2015 Budget Review \$
(g) Stirk Park			
Opening Balance	25,897	19,878	25,897
Transfer from Accumulated Surplus - Interest	-	-	-
Transfer from Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	(25,897)	(19,878)	(25,897)
	<u>-</u>	<u>-</u>	<u>0</u>
(h) HACC			
Opening Balance	1,220,151	1,243,834	1,220,151
Transfer from Accumulated Surplus - Interest	5,234	37,315	51,804
Transfer from Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	-	(500,000)	(535,264)
	<u>1,225,386</u>	<u>781,149</u>	<u>736,691</u>
To be used to fund future HACC Service programmes and asset replacement.			
(i) Forrestfield Industrial Area			
Opening Balance	117,322	102,806	117,322
Transfer from Accumulated Surplus - Interest	503	3,084	3,084
Transfer from Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	-	-	-
	<u>117,825</u>	<u>105,890</u>	<u>120,406</u>
To be used to fund infrastructure requirements for the Forrestfield area.			
(j) Insurance Contingency Reserve			
Opening Balance	172,542	74,074	172,542
Transfer from Accumulated Surplus - Interest	741	2,222	2,222
Transfer from Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	-	-	-
	<u>173,282</u>	<u>76,296</u>	<u>174,764</u>
To be used to fund insurance premium variations and potential call backs.			
(k) Light Plant Reserve			
Opening Balance	35,033	35,346	35,033
Transfer from Accumulated Surplus - Interest	-	-	-
Transfer from Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	(35,033)	(35,346)	(35,033)
	<u>-</u>	<u>-</u>	<u>0</u>
(l) Revaluation Reserve			
Opening Balance	244,811	144,646	244,811
Transfer from Accumulated Surplus - Interest	1,050	4,339	4,339
Transfer from Accumulated Surplus	-	60,000	60,000
Transfer to Accumulated Surplus	-	(60,000)	(60,000)
	<u>245,861</u>	<u>148,985</u>	<u>249,150</u>
To be used to fund triannual rating revaluations.			

SHIRE OF KALAMUNDA
NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY
FOR THE 3 MONTHS TO 30 SEPTEMBER 2015

	2015/16 Actual \$	2015/16 Original Budget \$	September 2015 Budget Review \$
(m) Nominated Employee Leave Provisions Reserve			
Opening Balance	525,500	531,725	525,500
Transfer from Accumulated Surplus - Interest	2,251	15,952	15,952
Transfer from Accumulated Surplus	-	490,000	530,000
Transfer to Accumulated Surplus	-	-	-
	527,752	1,037,677	1,071,452
To be used to fund future nominated staff leave entitlements.			
(n) Forrestfield Industrial Area Scheme Stage 1 Reserve			
Opening Balance	1,932,377	1,952,285	1,932,377
Transfer from Accumulated Surplus - Interest	8,791	-	8791
Transfer from Accumulated Surplus	1,044,688	-	1,044,688
Transfer to Accumulated Surplus	-	-	-
	2,985,856	1,952,285	2,985,856
The reserve is established to meet the Shires' reporting obligation under clause 6.5.16 of the Shire of Kalamunda Local Planning Scheme No. 3. The funds that were managed under the Trust for the scheme were transferred to the newly established reserve on 23rd June 2015. The reserve will be maintained to reflect all transactions related to the scheme for the benefit of the scheme members.			
(o) Waste Avoidance and Resource Recovery Reserve			
Opening Balance	-	-	-
Transfer from Accumulated Surplus - Interest	-	-	-
Transfer from Accumulated Surplus	-	-	26,750
Transfer to Accumulated Surplus	-	-	-
	-	-	26,750
Any surplus raised in the year for the purpose of managing the contaminated sites will be placed in the reserve for utilisation in future years.			
(p) Asset Enhancement Reserve			
Opening Balance	-	-	-
Transfer from Accumulated Surplus - Interest	389	2,556	2,556
Transfer from Accumulated Surplus	90,626	125,186	625,186
Transfer to Accumulated Surplus	-	-	-
	91,015	127,742	627,742
Tto be used to fund future replacement of Shire's Infrastructure and plant and equipment needs.			
(q) Unexpended Capital Works and Specific Purpose Grants Reserve			
Opening Balance	4,003,345	4,003,345	4,003,345
Transfer from Accumulated Surplus - Interest	1,585	240,201	240,201
Transfer from Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	(3,633,838)	(3,633,838)	(3,633,838)
	371,092	609,708	609,708
To be used to carry forward available funding for uncompleted projects and specific purpose grants, that will be completed and expended in ensuing financial years.			
(r) Environmental Reserve			
Opening Balance	64,872	64,718	64,872
Transfer from Accumulated Surplus - Interest	278	1,942	1,942
Transfer from Accumulated Surplus	-	9,666	11,800
Transfer to Accumulated Surplus	-	(48,000)	(60,000)
	65,150	28,326	18,614
To be used to fund environment strategies and projects.			
Total Reserve Closing Balance	8,651,937	6,580,062	11,936,047

SHIRE OF KALAMUNDA
NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY
FOR THE 3 MONTHS TO 30 SEPTEMBER 2015

	2015/16 Actual \$	2015/16 Original Budget \$	September 2015 Budget Review \$
RESERVES - CASH BACKED SUMMARY			
Opening Balance	11,208,096	9,714,743	11,208,096
Transfer from Accumulated Surplus - Interest	32,990	352,974	376,254
Transfer from Accumulated Surplus	1,135,314	4,663,368	5,555,424
Transfer to Accumulated Surplus	(3,724,464)	(8,151,024)	(5,203,728)
Closing Balance	<u><u>8,651,937</u></u>	<u><u>6,580,062</u></u>	<u><u>11,936,047</u></u>

6. Developer contributions are used commonly within the planning process to create some equity in the cost sharing amongst fragmented land. The contributions allow for the cost of infrastructure that benefits all users, to be equally shared amongst all land owners. This would see owners of land that is required to become constrained to facilitate development, to become compensated by the other developers.
7. The difficulty that the Shire faces in the administration of the contributions, is that the funding for the scheme does not come through in a single amount, but is paid in as the land is developed. The Shire then needs to spend the money where possible, to ensure that the money's value is not impacted upon by cost inflation.
8. The Forrestfield Industrial Area (known commonly as Stage 1) has a contribution scheme operating to fund acquisition of land upgrades of roads and planning, amongst other things, in the area. The area has developed quickly in comparison to other light industrial areas, with 44% of lots having been granted planning approval. Of these, 77% have been developed or are under construction.

FUNDING ARRANGEMENTS

9. Some infrastructure is required to be installed to make development of certain lots viable, particularly the extension of Nardine Close and Ashby Close to create a new through road. Costs detailing the infrastructure works are shown in (Attachment 1). There are 3 models by which this could be funded:
 1. *Market Forces* - The less constrained lots are developed and when a sufficient balance of payments has been made, the works are carried out. This will see the most constrained lots developed last.
 2. *Developer Prefunded* - A developer could prefund the works to deconstrain the land, improving the land value and being repaid at a later date when a sufficient balance has been achieved.
 3. *Shire Prefunded* - The Shire could borrow the money and be repaid when sufficient balance of payments is reached.

Each option has pros and cons as discussed below.

Market Forces

Developers purchase land at what the market dictates it is worth and pay money into the scheme. This is the process that has funded the Cell 9 contribution scheme. Development is likely to play out in a standard bell curve, with a slow initial uptake, building to maximum development rate and slowing down to the end, as some owners wanting to stay in the area longer, developing last. The more constrained lots may not have upgraded access until later in the development staging by virtue of there being insufficient money to upgrade the roads.

Developer Prefunded

A developer purchases sufficient land that is constrained (presumably at a lesser rate than unconstrained land) and prefunds upgrades that add value to the land. The developer receives the uplift in value (which creates the

incentive to prefund) and the money prefunded gets paid back to the developer as and when the balance becomes available. This relies on a developer being able to purchase land at a price and quantity that makes this economically feasible.

Shire Prefunded

The Shire borrows money to cover part or all of the infrastructure required. The installation of the infrastructure would likely give the owners an uplift in value. The Shire has done preliminary modelling showing that the impact on rates following development would not create much short term impact and would not justify the investment as opposed to market forces. However it would likely bring the more constrained sites to market earlier. If the land is not developed, the Shire is left with debt to manage. The borrowings would have an impact on the financial ratios of the Shire.

10. To date the Shire has left the area to market forces, which has seen the less constrained land developed. These developments have created a balance in the contribution scheme as of 30 September 2015 of \$2,989,275.

DEVELOPMENT CONSTRAINTS

Ashby Close Road Reserve

11. In order to construct the road through Ashby Close, the owners of Lot 4 (21) would need to give up a significant portion of the land, including the house. Unlike other lots, where vesting of a portion of the land may be a possibility, the owners of Lot 4 (21) will need to move to facilitate development.
12. The Shire has met with the owners and discussed the possibility of a land swap with parcels of land owned by the Shire, however they have indicated that none of the Shire's holdings meet their requirements. The owners have also agreed to the present the land for sale with other owners, with the hope that a larger parcel will attract investors or the site and minimise the need for additional roads into the site. For this reason, they are unlikely to accept an offer from the Shire if we were to attempt to purchase the property outright.
13. The suggested way forward from the owners is for the Shire to acquire a suitable property which would cater for their needs into the future and enter into a rental agreement to facilitate their move. The property would then be purchased from the Shire when the other property sells.
14. Such a transaction is possible under the Local Government Act, however the Shire would need to prefund the purchase of a property of between \$1-2million as well as potentially rezone the property.
15. Alternatively the Shire can leave the development of this area to market forces, seeing the construction occur at some point after the land is purchased for development.

Nardine Close Road Extension

16. The Shire wrote to all land owners to seek interest in owners giving up the land area as a prefunding arrangement, to allow the extension of the road at

an earlier date by removing the barrier of land acquisition. The Shire has received a mixed response with a handful of owners interested in the idea. At this point it is feasible to extend Nardine Close to the eastern boundary of Lot 19 Berkshire Road with land owners agreeing to give up land.

ROAD CLASSIFICATION

17. The area was designed for access of B-Double configured vehicles. A number of landowners have suggested that the area be upgraded to allow for Road Train access through the entire area. This would necessitate the redesign of intersections and additional land acquisition. Whilst feasible, the bigger issue to be addressed is whether the Shire wants to encourage Road Train Access up Milner Road, given this road will likely take large volumes of passenger traffic into the future residential and commercial areas associated with the new train station.
18. If the wider area was planned as an industrial estate, as originally planned before the announcement of the train station, such an upgrade would likely be warranted. In the absence of a comprehensive road plan and safety assessment, it is not recommended to pursue road train access. This however could be considered in a review of the Stage 1 area.

REVIEW OF STAGE 1

19. Some landowners who have not sold their properties have suggested that this is due to the inability to subdivide, amongst other things. The area has a minimum lot size of 1 hectare, which is also the most prevalent lot size in the area. The Shire had recognised in previous reports that the future of the Stage 1 area should be reviewed following State Government adoption of the District Structure Plan. Whilst this is likely early next year, the Shire could engage consultants to review the Structure Plan, road network and contribution scheme, and ensure that they liaise with the Department of Planning as the WAPC is yet to consider the District Structure Plan.

POLICY CONSIDERATIONS

20. Nil.

COMMUNITY ENGAGEMENT REQUIREMENTS

21. Community consultation will be undertaken by consultant appointed in accordance with the recommendation of this report. The Shire will ensure that all the stakeholders are appropriately consulted.

FINANCIAL CONSIDERATIONS

22. The cost of all infrastructure will be covered under the developer contribution scheme.

STRATEGIC COMMUNITY PLAN

Strategic Planning Alignment

23. *Kalamunda Advancing: Strategic Community Plan to 2023*

OBJECTIVE 5.1 To create a world class precinct for industrial and commercial land development

Strategy 5.1.4 Promote the Shire's new industrial land releases as a hub for high-tech or resource sector investment

SUSTAINABILITY

Social Implications

24. Nil.

Economic Implications

25. The development of this area will have a long term positive economic impact on the Shire

Environmental Implications

26. Nil.

RISK MANAGEMENT CONSIDERATIONS

27.

Risk	Likelihood	Consequence	Rating	Action/Strategy
If funds are not spent in a timely manner, inflation may impact on the ability to deliver infrastructure works provided for under the scheme	Possible	Major	Extreme	Ensure funds are expended as opportunities arise to develop key infrastructure

OFFICER COMMENT

28. The review of the Structure Plan area would be the highest priority, as it will inform the future development of the area and may offer suggestions to overcome issues surrounding the extension of Ashby Close as well as informing debate about the development rate in the area and future road network capacity.

29. From a funding perspective, there does not appear to be a strong argument to move away from a Market Forces approach to development. The Shire has previously had Urbis review the Contribution Scheme, who found no issue with its management of capacity of this approach to deliver the required works.
30. If the Shire were to borrow the money to undertake the works, a detailed financial risk study would need to be prepared.
31. With regard to the money paid to date, regardless of the outcome of the review of the scheme, Nardine Close requires extension and upgrading. In order to ensure that the money is spent in a timely manner, it would be reasonable to extend Nardine Close at this time, as it will add capacity to the development area.
32. The intersection of Milner Road and Nardine Close is a secondary objective and whilst the Shire's estimates would show that it could be accommodated within the current budget, the configuration of the intersection would change if it were built to Road Train standard. If the Shire was to consider the Road Train access, the upgrade of this intersection should be deferred until the road assessment is better understood.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

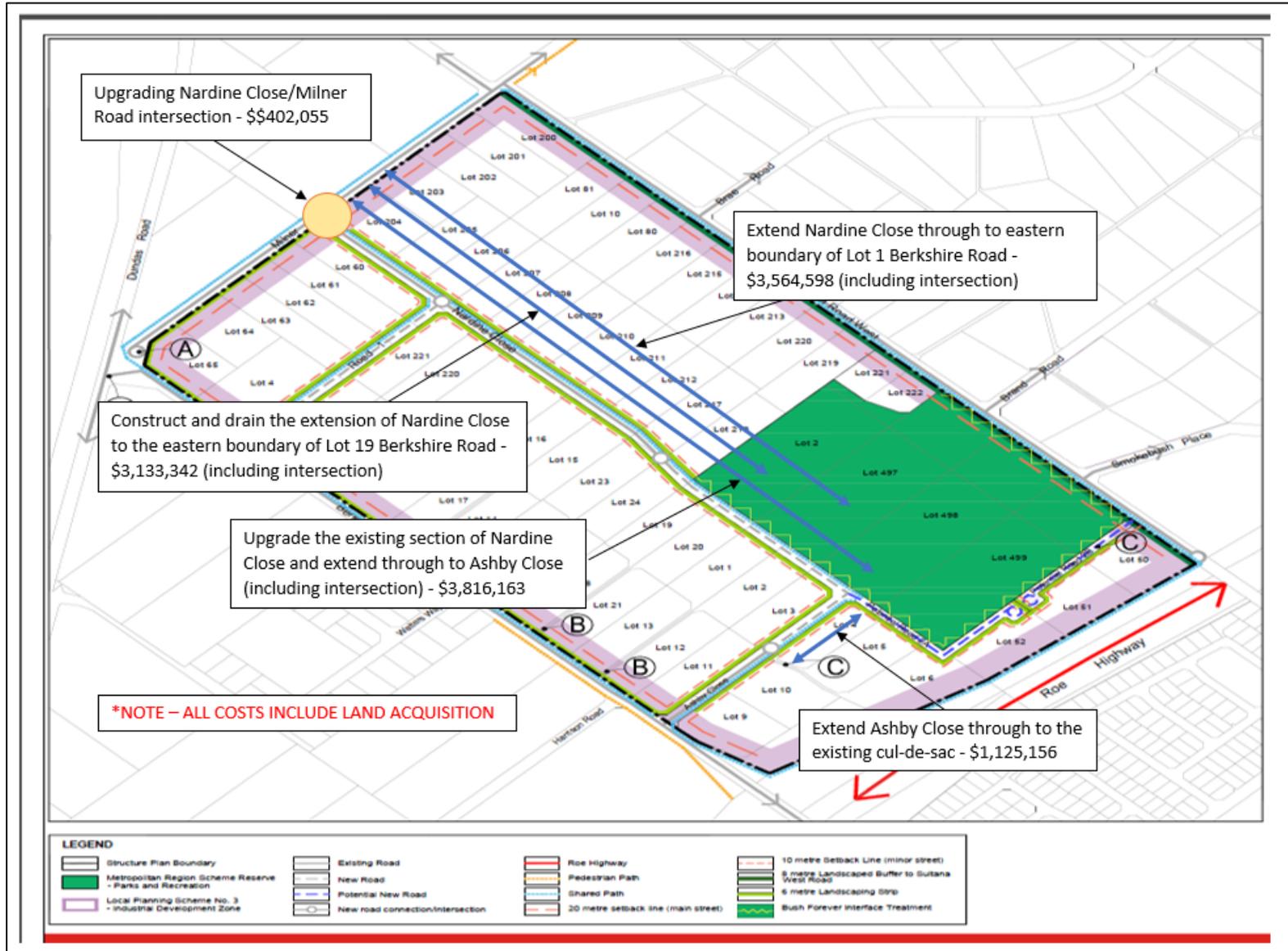
1. Direct the CEO to seek a suitably qualified consultant to review the Stage 1 Area in light of the Council's recommendation on the District Structure Plan with such a review including:
 - a. Meeting with landowners to understand issues raised;
 - b. Make recommendations with respect to land size;
 - c. Make recommendations with respect to movement network; and
 - d. Make recommendations with respect to future implementation of the Developer Contributions.
2. Direct the CEO to seek tenders for the upgrade and extension of Nardine Close to the eastern boundary of Lot 19 Berkshire Road.
3. Await the outcome of the report in point 1 above to address the options surrounding the extension of Ashby Close.

Moved:

Seconded:

Vote:

Attachment 1



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

10.4.4 Change from Shire to City Status – Community Engagement

Previous Items	OCM 47/2015
Responsible Officer	Chief Executive Officer
Service Area	Governance and Public Relations
File Reference	
Applicant	N/A
Owner	N/A
Attachment 1	City Status – Survey Results

PURPOSE

1. To consider the results of community engagement relating to the proposal to change the status of the Shire to a city and other associated matters.

BACKGROUND

2. Council at its Ordinary Meeting in April 2015 resolved to:
 - *Approve the initiation of the process to attain city status.*
 - *Approve the undertaking of extensive community consultation with respect to the issues of the name, brand and mode of election of the Mayor.*
 - *Approve the conduct of a review of the Wards and number of offices of councillor as required by schedule 2.2 of the Local Government Act 1995.*
3. Section 2.4 (1) of the *Local Government Act 1995* (the Act) provides that a local government district is to be either a shire, town or a city.
4. Section 2.4 (3) (a) of the Act provides that a district can only be designated a city if the district is in the metropolitan area and has more than 30,000 inhabitants, more than half of whom live in an urban area.
5. Section 2.11 (2) provides that a local government may change the method of filling the office of mayor or president used by the local government from the election by the council method to the election by the electors method. Section 2.12 provides that the electors can initiate a proposal for such a change.
6. Section 2.3 of the Act provides that a local government can request a change in the name of the district.
7. During the Local Government Reform process it became evident the external perception of the Shire was of a small local government, and almost 'country' in nature. This perception created a vulnerability which likely gave decision makers in the State Government reason to determine the Shire was not well placed to be recommended as the remaining local government in a boundary adjustment scenario. This highlighted a need for the Council to consider

strategically repositioning the Shire to ensure it is recognised as a sustainable metropolitan local government, in its own right, in future.

8. Of the 30 metropolitan local governments four remain with Shire status. These are the Shires of Peppermint Grove, Serpentine-Jarrahdale, Mundaring and the Shire of Kalamunda.
9. The State Government recently released its draft Perth and Peel@3.5million suite of strategic land use planning documents. The Shire of Kalamunda will be impacted by the forecasted population growth occurring in the Perth metropolitan area.
10. The Shire of Kalamunda has developed a Local Housing Strategy which will see significant growth in housing and industrial development over the course of this Century. The Shire's population is projected to increase to between 80,000 and 90,000 people by 2050 and this will be driven by the impact of developments such as the Airport/Forrestfield rail line and infill. Designation of the Shire to a city will better reflect the changing population and landscape emerging particularly in the foothills.
11. The most effective way for a local government to generate revenue, to meet community needs, is through growing the rate base throughout residential and industrial zoned areas. Competing for its share of the development industry's investment will become a key factor to success in the growth of the Kalamunda district. Moving to city status will place the Shire as an equal amongst local governments who all compete for the development investment and government funding.

DETAILS

12. The Shire of Kalamunda meets the legislative requirements to qualify for city status. Attaining city status can be achieved by a resolution of council and lodging a request to the Minister for Local Government.
13. Significant community consultation was undertaken from July to September 2015.
14. In total 1,283 stakeholders responded to a survey. This represents 2.17% of the total population (based on 2011 Census data of 58,905 persons). This return does not make the survey statically valid because the return rate is too low, also the survey was voluntary and gave people a choice to remain anonymous. The results are therefore indicative and many require further and more specific research to fully prove up the attitude of the community toward the proposal to become a city.
15. A Petition, of 116, was presented and noted at the September Ordinary Council Meeting, however it was also noted at the meeting that the petition was officially ineffective because it contained the name and addresses, but not the signatures of the electors or the date each elector signed the petition. This Petition was not included in the survey results.
16. Additionally more than 1,500 residents were engaged at the Forrestfield Shopping Centre and the High Wycombe Shopping Centre, as well as at a

series of formal community briefings held at the Zig Zag Cultural Centre, Woodlupine Family and Community Centre and the Shire Administration. Shopping Centre displays were manned by Staff and Council for a period of six days in total. Daytime and evening briefing sessions were held.

17. In analysing the results of the Survey: When asked if the Shire should become a City 63% of Community said No; 32% said yes and 5% were unsure.
18. In analysing the results of the Survey: When asked if the Mayor should be elected by the people or the Council 61% felt a mayor should be elected by the people; 27% believed they should be elected by the Council; 12% did not answer the question.
19. When asked 'If the Shire became a City' what the name should be? The results show 68% of those who answered said they wanted the name to be Kalamunda; 32% had suggestions for another name. Stakeholders were asked to give their ideas on what it could be called. Some of the other suggestions put forward included Darling Range, Belmont, Foothills, Perth Hills, Forrest Hills, Stirk, Forrestfield, Cala, Darling, Garden Hills, Hillview, Beeloo, Kalamunda Hills, Eastern Hills, Carnabys City, Range View, Central Darling Range, Kalamunda and Foothills, Forrest, The Hills, Kalamunda and Districts, Piedmont City and Hillside.
20. The Community Briefing and shopping centre engagement activities proved to be very insightful. Many residents conveyed they did not understand what the benefits would be and were concerned about the cost to implement a change in status and or name. Almost all of those spoken to, and those who attended the briefings, indicated the face to face discussions had been very useful in formulating an informed view. A large majority initially were sceptical of the benefits and, as noted, concerned about the financial implications. Almost all – at least 95% concluded they were open to the concept of becoming a City post their direct engagement with Staff and Council. Most also held the view the name should not change.
21. The purpose of city status is to assist the Shire's future financial sustainability and to enable it to be seen on equal standing with the majority of other local governments in the Perth metropolitan area.

STATUTORY AND LEGAL CONSIDERATIONS

22. Sections 2.3, 2.4 and 2.11 of the Act have application to the matters the subject of this report.

POLICY CONSIDERATIONS

23. Nil.

COMMUNITY ENGAGEMENT REQUIREMENTS

24. Extensive community consultation has been undertaken. This includes a mail out to all ratepayers, online surveys, hard copy surveys at all Shire of

Kalamunda locations, a series of information sessions held at Shire facilities and also at local shopping centres.

25. The process has attracted significant criticism from some very passionate and vocal community members, it has also served to open up a dialogue about the future of the Shire with many people who had never engaged before. The Shire acknowledges the survey methodology has not delivered a statically valid snapshot of community opinion. Furthermore, the results show the bulk of submissions came from the North Ward and from people in the older age groups, therefore the spread of opinion may not be an accurate representation of the total population.
26. The contact made with residents through the face to face sessions led to many other topics being discussed about a range of matters that were occurring in the local community. Many residents took the opportunity to inform themselves about developments and changes to zoning, or to simply lodge requests for improvements in parks etc. Staff who attended these sessions also felt the impact they were having by holding these broad conversations. It has identified a highly effective method for ongoing community engagement.
27. The city status conversation and process has stimulated community interest and debate which now presents opportunity to continue a strategic conversation with the community, not only about city status but also about the strategic directions the Shire should take over the next decade to build a sustainable future.

FINANCIAL CONSIDERATIONS

28. The cost associated with a change of status or name largely relate to signage and stationery. Signage in a local government is usually changed over a 7 to 10 year time frame. In most cases when a local government has changed its status or name it has phased a signage replacement program over time in accordance with usual practice. Additional cost can be allocated if a Council chooses to do this quickly but there is no need. The Shire's intention would be to phase in any changeover so there is no cost imposition other than would have occurred under the usual replacement process.
29. The Shire uses a "just in time" inventory system which means materials are replaced within the annual budget cycle and again would not create any abnormal cost impost.
30. Any cost arising from a change in status or change in name would be introduced gradually as items reach their natural end of life/use. These costs would be factored into budgets over time through the normal processes and would not be an additional burden to ratepayers.

STRATEGIC COMMUNITY PLAN

Strategic Planning Alignment

31. *Kalamunda Advancing: Strategic Community Plan to 2023*

OBJECTIVE 6.1 – To ensure a highly effective and strategic thinking Council sets direction and works for the greater good of the community at all times.

OBJECTIVE 6.3 – To lead, motivate and advance the Shire of Kalamunda.

Strategy 6.3.1 - Develop and implement a wide variety of informing strategies and plans which benefit the community socially, economically and environmentally.

Strategy 6.3.2 - Regularly review the organisation's structure, policies and procedures in response to changing circumstances.

SUSTAINABILITY

Social Implications

32. Residents of the District will not experience any direct social implications as a result of the change in status of the District other than it will adequately represent the largely urbanised nature of District as defined by the *Local Government Act*.

33. A common theme enunciated from the survey was people who engaged with the process expressed an attachment to the name Kalamunda.

34. The emotional attachment members of the community feel toward the Shire became a powerful driver to many resisting the proposal to move to city status. This aspect cannot be underestimated and will require further and deeper conversations with the community.

Economic Implications

35. A change to city status could assist in attracting economic development investment to the District. The attraction of a city to the business sector and younger people cannot be underestimated and will encourage greater employment opportunities for the working population.

36. A change to city status signals the District is an intrinsic and important part of the Perth metropolitan area and is a part of the emerging new Perth aerotropolis. Other local governments who have transitioned from shire to city have experienced greater ability to attract investment and compete for a larger share of grants against other cities.

37. Busselton and Kwinana are two of the most recent examples of a shire and a town that have moved to city status. The Shire of Busselton have experienced improved access to government funding and seen development investment occurring since becoming a city.

Environmental Implications

38. Nil.

RISK MANAGEMENT CONSIDERATIONS

39.

Risk	Likelihood	Consequence	Rating	Action/Strategy
Remaining a Shire may lead to another proposal by the State Government to abolish the Shire.	Likely	Major	High	Ensure that Council is fully aware that retaining a shire status may lead to a future boundary adjustment by a neighbouring city and continue to give this understanding to the community.
Remaining a Shire may restrict capacity to attract private sector investment and government grants.	Likely	Major	High	Ensure Council is fully aware that Local government status perceptually contributes to private sector investment and government funding.
Becoming a City against community sentiment.	Possible	Major	High	Continue to communicate the rationale as to why the Shire should adopt a city status.

OFFICER COMMENT

40. The community feedback regarding the status varied significantly based on the amount of information residents have available. Those who provided feedback via simple informing mechanisms such as surveys had a majority who said No the Shire should not become a city, however those attending engagement opportunities such as workshops and shopping centres often changed their view following the provision of more information.
41. It is interesting to note the deep attachment and sentiment the community holds towards the name 'Kalamunda' and to this end Council can be confident the name should not be changed. It was noted residents living in the foothills areas were also supportive of the name Kalamunda.
42. The Shire of Kalamunda exceeds the requirements of the *Local Government Act* to fulfil city status. The population is currently more than 30,000. Most of the population live in an urbanised area.

43. The demographic breakdown of the survey results clearly show a highly skewed response coming from seniors in the areas of Kalamunda, Gooseberry Hills and Lesmurdie. It can be concluded the larger population areas of the Shire are substantially underrepresented indicating a general ambivalence toward the change.
44. A misconception that came through in the results indicate that many residents do not understand the definition of a city as determined by the *Local Government Act*. Moving to a city does not mean skyscrapers and a city metropolis will emerge.
45. When dealing with local government, Federal and State governments will often give greater priority to cities. Cities generally have a greater status within the local government hierarchy and also in State and Federal government decision making processes. For example, during the recent local government reform process there were no shires being recommended to absorb a neighbouring city. This is a key point as to why the Shire of Kalamunda should continue to pursue this conversation with its community to ensure it can retain its independence, self-sufficiency and deep connection to its community into the future and inevitably not be threaten by local government reform.
46. On balance it may be concluded change can be difficult for some stakeholders. Those who engaged in face to face communications appeared to better understand the pros and cons of moving to a city status. It therefore may be in Council's interest to postpone making a final decision and consider undertaking further consultation using face to face communications over a longer period of time.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. Notes the results of community consultation relating to city status as shown in Attachment 1.
2. Requests the Chief Executive Officer to use the survey results as an input into the strategic community planning process that will be undertaken during the course of 2016.

Moved:

Seconded:

Vote:

Attachment 1

Change for Shire to City Status – Community Engagement

[Click here to go directly to the document](#)

City Status – Survey Results

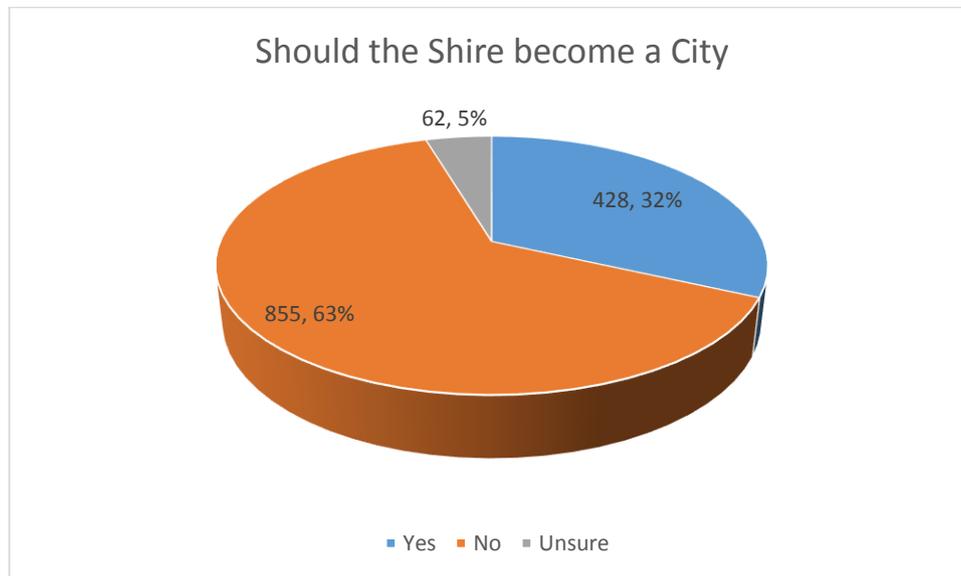


**shire of
kalamunda**



Overview of Results

Should the Shire become a City?



Note: 1345 responses in total

When asked 'Why' the following summary provides some of the key issues raised/ reasons for their preference on why the Shire should or should not become a City.

From those who said "Yes"

- To give Kalamunda equal status with surrounding areas designated as cities with reference to funding access
- Improve Status
- Reasons outlined in the material made available by the Shire
- Cities may be given higher consideration by State and Commonwealth Governments, over Shires.
- To better reflect the size of the population
- Because of increased population living in the Shire and because we are surrounded by 3 cities.
- Reluctant yes, only because I believe in progress.
- Better identity
- To reflect the population growth & diversity of the overall area covering High Wycombe, Maida Vale, Forrestfield, Wattle Grove as well as Kala/ Lesmurdie & Hills areas.
- A lot of residents don't relate to just Kalamunda because they come from many different places to live within the shire & may only rarely visit Kalamunda town.
- We appreciate how our council area has grown from a small base to what it now is & how it will continue to grow in stature.

-
- Because of our size and needs for representation to State Government.
 - This will ensure the area continues to grow.
 - So another city doesn't overtake us
 - So we have a say in the governance of this large area, with its equally large population
 - Greater funding and progressive perception.
 - It would be better for us
 - If it is going to improve the area, I definitely say yes. I live in Lesmurdie, and find the centre of Kalamunda a bit of a letdown. There are new houses and units getting built that are modern and ugly and deface the nicety of Kalamunda's older beautiful houses. If it serves such a large population, the Woolworth's shopping centre should be upgraded and made bigger to service it, as they never have enough stock. The quality housing will keep quality people, we don't want it becoming like slummy Forrestfield. Canning Road needs some grass on the verges to make it look a habitable place not a desert.
 - Why not
 - For growth and development and to be a part of the metro area
 - Status, progress and funding
 - It is a clearer indicator of the Shire's status, population, and land uses. Shire does not give an accurate impression of what is available within the boundaries.
 - No one realises how big our shire is. We sound small and think small. Time to change
 - Due to our large population. I think becoming a city will also give us a better say in what we want going forward e.g. ability to get more funding, have more weight in parliament etc.
 - To take advantage of the future growth opportunities around the expanding airport and new railway station.
 - Whilst I feel the Shire is not being completely transparent with the costs associated with this change I feel we do need to move forward. I feel if we don't continue to grow, change and develop as entity we may be the weaker link if amalgamation is on the cards in the future. The Shire and its many residents fought hard to keep the Shire from being amalgamated and we do not want to lose our identity. I think this should be noted and the community should be consulted regarding the new name.
 - Most of the residents are living in urban environment.
 - Kalamunda needs to grow up to be a recognised Local Government not just in WA but also nationally and internationally. There is lot to be offered in this Local Government area and Kalamunda has been hiding itself under a bush for too long. A City status gives more recognition and credibility when dealing with Government and Business. This is particularly important in getting Federal Government grants. Hopefully becoming a City, Kalamunda will operate under improved operating standards.
 - Having escaped potential forced amalgamation is a huge victory for the Kalamunda Shire. Having read the media release connected to this survey stating that we have the population to become a City and that being a City will assist us in being recognised by the State as a large entity I feel that this is advantageous. I however am unsure as to any negatives..... I only agree to becoming a city if Kalamunda/Gooseberry Hill/Piesse Brook (i.e.: "up the hill") will continue to be a mix of urban with rural protected pockets. It is essential that our rural corridors remain

intact (and are NOT subdivided) i.e.: Piesse Brook.... as Black Cockatoos, frogs, bandicoot, kangaroos and other protected birds and wildlife that frequent these areas are able to remain and not be forced out. It is VERY important that "up the hill" keeps its "home in the forest" lifestyle... the very reason the residents live here and why 'out of towners' frequent our beautiful area on the weekends (Sunday markets, Saturday monthly market, cafes, wineries etc.). We must protect this!

- It is time we grew up.

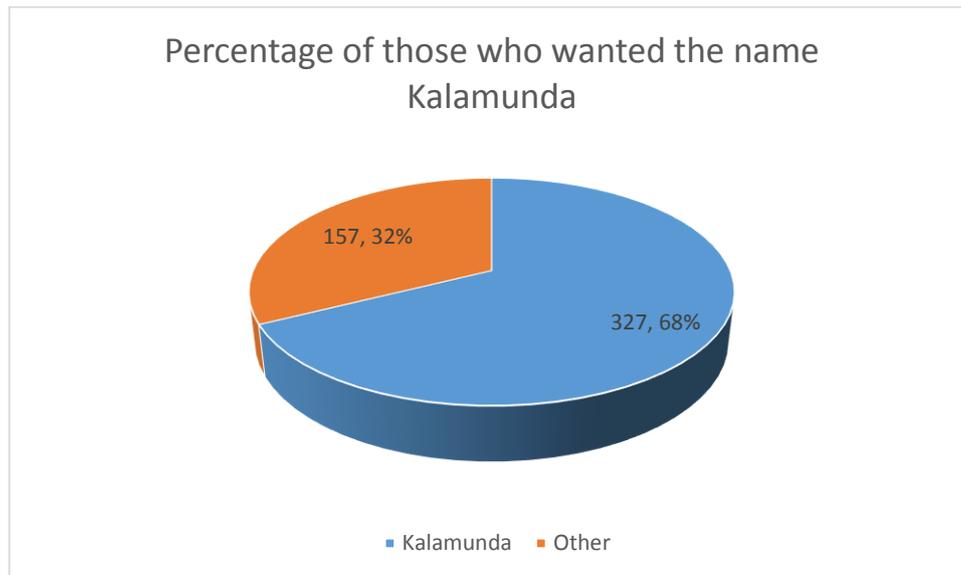
From those who said "No"

- Because of recent fight to keep identity (Amalgamation)
- Cost (Waste of Money)
- Unique Identity – Don't want to be like everyone else
- Country lifestyle
- We need money spent on providing better play areas for our kids...Stirk Park is a joke! We drive to Belmont's 'Faulkner Park', 'Woodbridge Park' Midland & 'Kings Park' because Kalamunda is a dive. We don't want to go to Forrestfield either, we want something here in Kalamunda. We pay heaps of shire rates to have to drive everywhere else but Kalamunda. You're all missing the point! Kalamunda is vastly becoming a 'younger' area. You're allowing blocks to be massively sub-divided, thus encouraging affordable family living, yet nothing up here for the kids to do, well for us families who like to get out with the kids anyway. We even travel to Inglewood & Whiteman Park for enclosed dog areas. Same old, same old. You're spending our hard earned shire rates on things that are not needed! So NO...we do not want to become a city!!
- "Not sufficient" "hard evidence" supplied to support a change.
- Do not feel becoming a city will benefit anyone
- The main reason people live in the area is because of its semi-rural attraction with trees, wildlife and a relaxed atmosphere and the Kalamunda Township which has a "village" feel. Also this is supported by the Shire's motto of "a place in the forest". If I wanted to live in a City then I would move to Perth.
- The Shire is most satisfactory for our area thank you.
- Shire is in keeping with the locality; bushy with lots of reserves and lower density housing. City is synonymous with higher density housing, concrete jungles.
- City status would destroy our unique identity and send the wrong message about what the people of Kalamunda value.
- No logical reason to change it from a Shire to a City.
- Shire of Kalamunda is a backwards community.
- It has always been the Shire. Why change it? Cost involved in changing?
- A home in the forest is not a city. Want to remain the same
- YOU ARE RUINING OUR TOWN!"
- Seems that it would come at a huge cost and does not seem to have any great advantages to the residents.
- Kalamunda Shire has a near city status but is a mixed urban, horticultural and tourist locality that separates it from Belmont etc. The experiment with the City of Swan has not worked for either the urban dwellers or the Swan Valley producers.
- I fully support the EMRC as a management unit."
- We are semi-rural and want to stay that way. How can we be a semi-rural 'city'?
- Why bother?

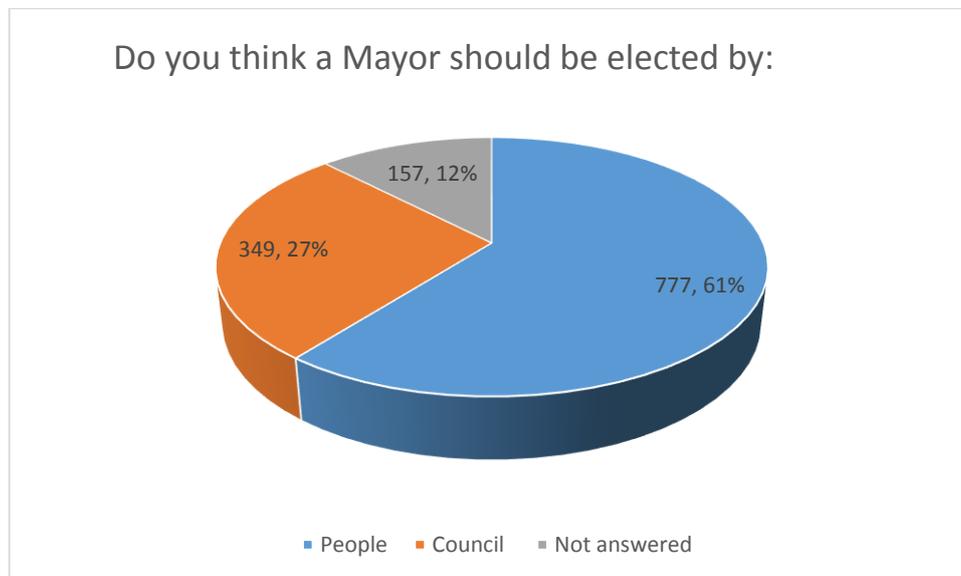
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- because it will ratepayers yet more money
 - They can't cope with being a council, it will cost rate payer more in the long run. Belmont and Swan at least progressive and work on having a neat tidy street parks.
 - Changing to City would involve extra costs to ratepayers. Stay as we are
 - Much more community involvement should have been undertaken before the council took a vote to decide on changes which affect everyone. You represent us!!!
 - Improve its status.
 - If current rate rises are anything to go by, becoming a city would make you even less accountable
 - No real need save as a backlash against Barnett's failed plan.
 - Why waste the money on changing the name! Shire has a lovely country ring to it.
 - A city has at its heart, commerce. We are semi-rural, based on community.
 - wish to retain the Kalamunda Village image
 - I need to be convinced the costs in so doing are going to be of significant benefit to our Community & not just as a status symbol
 - I don't believe there are any advantages in becoming a city.
 - Because of the continued growth in the Foothills and need for infrastructure to cope with that growth.
 - We all fought long and hard during the amalgamation process so that we could retain our unique-ness. We are unique...people come here for that reason so why change a good thing. There will have to be a really excellent reason before we go down that path.
 - I like the Shire of Kalamunda, and I like the feel of the small community we are.
 - I don't see the need and the "Why" has not been adequately explained.
 - I don't believe we need to change to a City status.
 - Semi-rural and no way considered a City.
 - See no merit in changing name nor status
 - The very word 'City' conjures up visions of a metropolis type environment. I don't think this is what Kalamunda is or needs to be.
 - It has a distinctive rural and natural bush quality that is at odds with the concept of a city
 - It's perfect the way it is!
 - We're not a city. We're A Home in the Forest.
 - Such a change is unnecessary. Council would serve ratepayers better by delivering good financial management and good governance. If this LGA's "brand" is damaged it is through Council's failure to do those things
 - I like our community environment the way it is with a few exceptions - Coles precinct ugly, ugly a city would engender more community blasphemy as this. Our village is worth tarting up in a beautifying sympathetic manner not more commercially drive dribble. Will City status make subdivision equality come to Kalamunda shire?
 - Why become a city? What are the differences/benefits of either?
 - Not if the rates increase. The name change won't improve the lack of money spent on making the shire look inviting. No effort is made to landscape the baked dry curbs. I was hoping another council would takeover that knew about the importance of street aesthetics rather than lose our money in the GFC.
 - You have not explained why it should change - apart from population size. It will cost a great deal of money to achieve nothing. Regarding who I think the Mayor

should be elected by: You can't get people to vote at the elections, so how are you going to get them to vote for Mayor?

- It will cost money.
- All stationary and signage in the shire will have to be replaced
- Allow councillors to form sister city relationships and take junkets paid for by ratepayers.
- Has no relationship to a City, mostly bush type environment, that's why we moved here. Keep it that way.
- We are not Perth, Bunbury or Bayswater! Our unique place in the Perth Hills, surrounded by bush, makes us distinctly different. By changing the local government status, we are changing our character. Furthermore, I think it is outrageous that you could be considering this proposal, given all the community input into stopping Kalamunda Shire becoming part of the City of Belmont. You applauded the community at the time, but you clearly did not mean it. You have NOT listened to the people, and clearly are more concerned about yourselves. For example, the state of the poorly reconstructed/haphazardly fixed footpaths around Haynes St, Barber St, Canning Rd and Railway Rd from the electrical works is disgraceful. Rather than reform yourselves, you should replace all of the footpaths that have been destroyed from the earth works. The town footpaths are now shoddy, uneven, discoloured and dangerous for the elderly and disabled.
- Being in the bush Shire feels right.
- Stop wasting the community money and get on with the job you were elected to do.
- What is wrong with our current Identity?
- The community is okay as it is. Why spend a lot of money to become a City. No need to change.
- Progress
- City implies a singular identity. Kalamunda is made up of a diverse collection of suburbs and areas that don't look like a city
- Maybe a Town, but not a city, although if there is the required population and other criteria that needs to be met, then it could be an option.
- There is no cohesive "heart" - or sense of City - there are two very different areas - up the hill and foothills.
- A Shire is all inclusive a city is not
- It is an inappropriate use of ratepayers' money that is not needed and does not benefit ratepayers.
- City to me brings up a memory of concrete jungle
- We like Kalamunda as it is.
- The word shire retains the small town /village atmosphere with no hustle and bustle of cities. There are also lower admin costs
- We can barely afford the rates now. To create a city would be a ridiculous waste of money.
- It can't administer itself as a Shire never mind as a city, why waste more shire rates, use the money in running the Shire properly.
- Have you checked the definition of a city, well Kalamunda definitely does not have a cathedral.

'If so what should it be called?'**Some of the 'Other' suggestions:**

- Darling Range
- Belmont
- Perth hills
- Blue Goose
- Forrestfield
- Darling
- Hillview
- Megan
- Eastern Hills
- Range View
- Kalamunda and Foothills
- the hills
- Piedmont City
- Hope, Advancement, Progress, Innovation
- Darling Scarp
- Foot hills
- Forrest hills
- Stirk
- Cala
- Garden hills
- Beeloo
- Kalamunda Hills
- Carnabys City
- Central Darling Range
- Forrest
- Kalamunda and districts
- Hillside

Do you think the Mayor should be elected by?

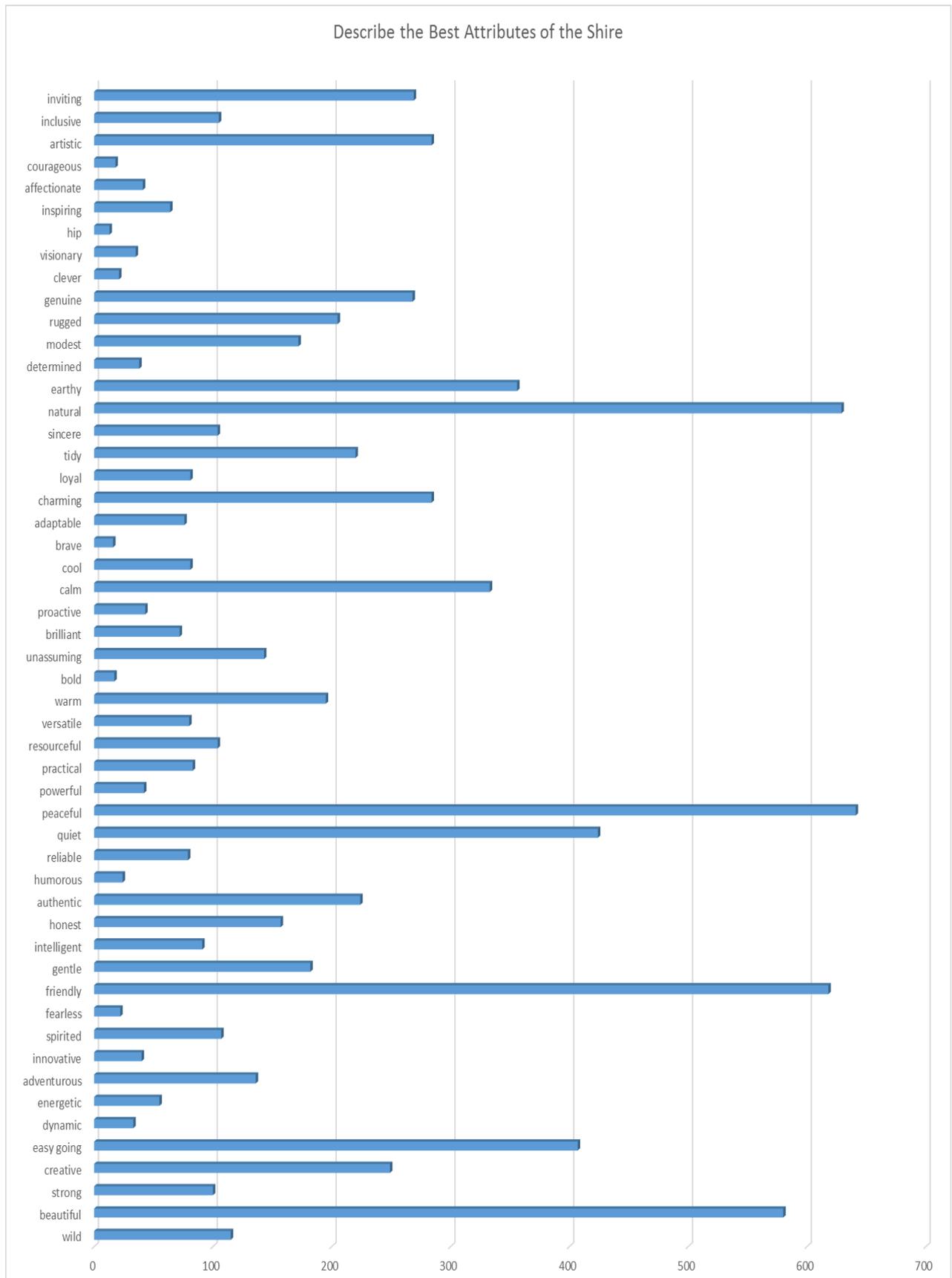
Note: 1283 people answered this question

How do you describe the districts geographical Location:

Some of the common themes when people were asked to describe the regions geographical location included:

- Perth City
- Out the hills
- East of Perth
- Home in the forest
- Country feel close to city
- Perth Hills
- In the hills
- Near the airport (Near the international airport) – 15 mins from airport
- Edge of Darling scarp
- Foothills
- A village in the hills, surrounded by bushland
- Hills and Bush
- Eastern edge of the metro area
- Kalamunda is on the Darling scarp and extends to the Swan floodplain.
- We are a village in the hills....surrounded by bushland and peace and a much slower pace of life
- Eastern Hills
- Darling Escarpment
- Foothills
- Suburb of Perth

Describe the best attributes of the Shire



When you think of the District what Imagery do you think of?

Some of the most popular descriptors for this question were as follows:

Natural Environment

Waterfalls, Bush, Bushwalks, Forest, Trees,
Fresh Air, Peaceful, Close to Nature,
Landscapes, Native Animals, Escarpment
Wildflowers, Scenery, Valley Views
National Parks

Tourism

Markets, Attractions, Wineries
Zig Zag Lookout, Gumnut Fountains

Arts & Culture

KPAC, KADS, Learning Centre, Zig Zag Cultural Centre
Public Arts, Galleries,

History & Heritage

History Village, Early Settlers
The Old Railway, Historical

Lifestyle Positive

Shops, Village Feel, Community Spirit,
Access to Facilities, Country Feel, Country town
Friendly people, Housing estates
Urban Living, Proximity to the airport/city

When asked what people thought was unique about the district some similar themes emerged:

Natural Environment

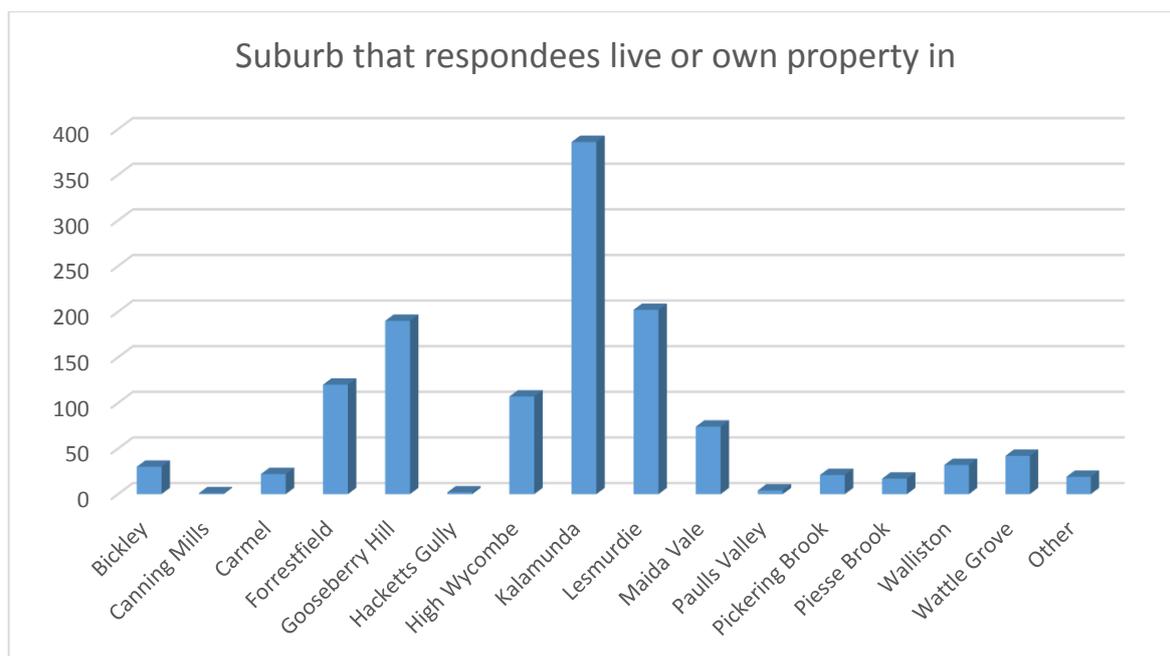
Waterfalls, Bush, Bushwalks, Forest, Trees,
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 Landscapes, Native Animals, Escarpment
 Wildflowers, Scenery, Valley Views
 National Parks

Lifestyle Positive

Shops, Village Feel, Community Spirit,
 Access to Facilities, Country Feel, Country town
 Friendly people, Housing estates
 Urban Living, Proximity to airport/city

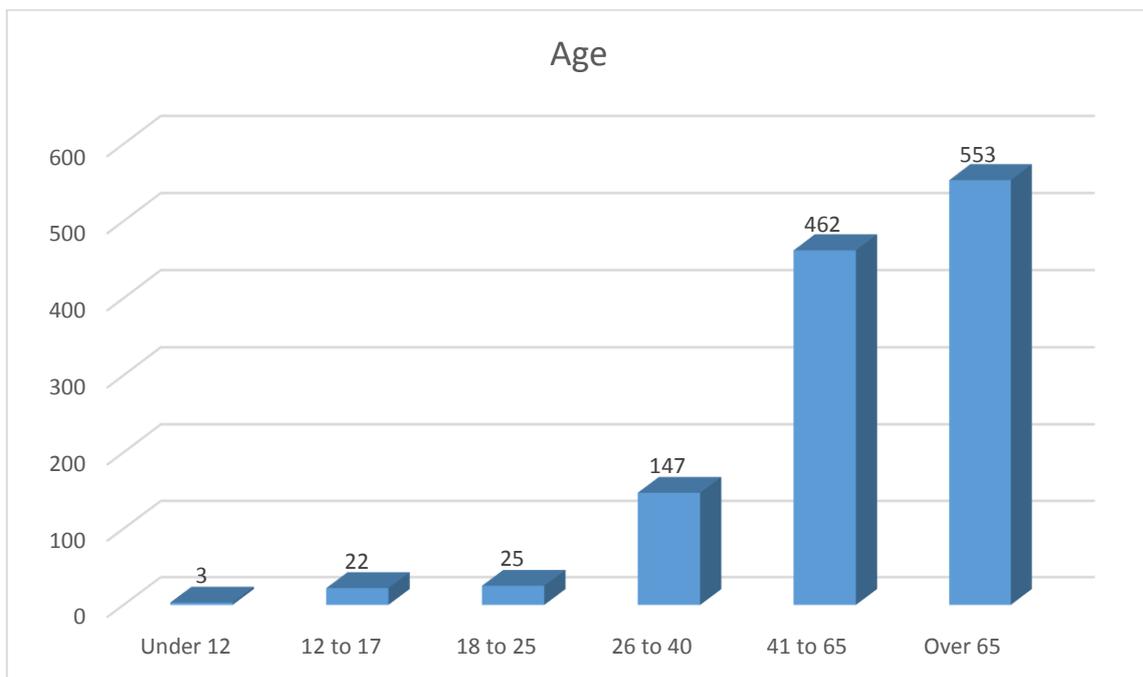
About you:

Which suburb do you live or own property in?



Note: Total 1269 answered this question.

Age



Note: Total of 1212 answered this question.

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

10.4.5 Application for Leave – Chief Executive Officer

Previous Items	N/A
Responsible Officer	Chief Executive Officer
Service Area	Office of CEO
File Reference	OR-CMA-025
Applicant	N/A
Owner	N/A

PURPOSE

1. To seek the approval of Council for leave arrangements for the Chief Executive Officer (CEO).

BACKGROUND

2. Nil.

DETAILS

3. The CEO, Rhonda Hardy, wishes to be absent from the position on annual leave from Thursday 24 December 2015 to Monday 11 January 2016.

STATUTORY AND LEGAL IMPLICATIONS

4. Section 5.36 of the *Local Government Act 1995* provides that the Council is responsible for all appointments to the position of CEO.

POLICY IMPLICATIONS

5. The Shire leave policy requires all employees to apply for leave and have this leave approved.

PUBLIC CONSULTATION/COMMUNICATION

6. Public consultation is not required with respect to this matter.

FINANCIAL CONSIDERATIONS

7. There are no financial implications arising from this proposal, as annual leave is paid from the annual leave provision account.

STRATEGIC COMMUNITY PLAN

Strategic Planning Alignment

8. *Kalamunda Advancing: Strategic Community Plan to 2023*
OBJECTIVE 6.10 To build a high performing and motivated workforce.

SUSTAINABILITY

Social Implications

9. Nil.

Economic Implications

10. Nil.

Environmental Implications

11. Nil.

RISK MANAGEMENT CONSIDERATIONS

12.

Risk	Likelihood	Consequence	Rating	Action/Strategy
Council does not accept the CEO's application for annual leave.	Unlikely	Minor	Low	Alternative arrangements would need to be considered to enable the CEO to have some leave.

OFFICER COMMENT

13. The Director Development Services, Warwick Carter, will be appointed as the designated Director to act on behalf of the CEO to sign documents and for operational day to day decisions during the period Thursday 24 December 2015 to Monday 11 January 2016.
14. This designation involves the provision of sufficient authorisation and powers to ensure continuation of the Shire's administration and that all statutory and legal requirements can be met.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. Approves Chief Executive Officer, Rhonda Hardy, to have annual leave for the period 24 December 2015 to Monday 11 January 2016.
2. Notes that the Director Development Services will be appointed pursuant to section 5.44 of the *Local Government Act 1995* as the designated Director to act on behalf of the Chief Executive Officer during the period Thursday 24 December 2015 to Sunday 10 January 2016 inclusive.

Moved:

Seconded:

Vote:

11.0 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

11.1 Cr Andrew Waddell – Review of Community Engagement, Public Relations and Communications

Rationale:

It is clear from feedback many of us received in the election period and since that parts of our community feel we are not adequately engaging with them. It has also been expressed that the Shire is not promoting itself well enough to the Community. In order to address these perceptions within the community I would like to see a review of the Shire's approach and a strengthening of these areas.

Furthermore, given the Shire has to review its Strategic Community Plan during the course of 2016, I would recommend this is an opportunity for a Shire wide community engagement process to determine the priorities the community would like the Shire to focus on. This will assist the Council in reviewing its long term financial plan and other long term strategies and plans. Wider community engagement provides an opportunity for our ratepayers to achieve buy-in to our long term plans and gain an understanding of the trade-offs required to achieve their vision.

By utilising external consultants to measure customer satisfaction, we can ensure that the results returned are statistically valid and a fair representation of the community's views. Additionally we will have the opportunity to benchmark our performance against that of other Local Governments.

This is an opportunity for the Council to demonstrate it is ready to open a new chapter in its history. We have successfully navigated some very difficult issues in the past few years and now we are ready to re-engage with the community, improve on our communications and listen to the community's views on what direction the Shire should take over the next decade.

Officer Comments

The Shire supports the engagement of an independent consultant to review Community Engagement, Public Relations and Communications related activities, including the development of recommendations relating to improvements and resourcing.

The Shire of Kalamunda is due to develop the 2016 – 2020 Strategic Communications Plan and the review could form the basis of this Plan.

The timeframe noted in the motion achievable.

Point three can be undertaken as a part of point 1 and 4 of the motion.

Voting Requirements: Simple Majority

MOTION

That Council request the Chief Executive Officer to:

1. Engage an external, independent consultant to review the Shire of Kalamunda's process and strategies for identifying stakeholders, undertaking stakeholder analysis, measuring customer and community satisfaction and formulating communication plans, independent benchmark analysis and, where identified, recommend improvement options in a report for Council.
2. Provide a report on a process for undertaking a review of the Strategic Community Plan, including the use of an external consultancy to undertake the process.
3. Investigate costs and efficacy with engaging a public relations professional to assist in reviewing and improving the Shire of Kalamunda's image and public standing within the Community.
4. Benchmark and review the Shire's public relations operations and make recommendations to Council on improvements and resource levels required to increase the Shire of Kalamunda's public relations and marketing effort.
5. Ensure these reports are presented to Council by March 2016 to allow budget implications to be incorporated into the 2015/16 Budget mid-year review or the 2016/2017 Budget.

Moved: **Cr Andrew Waddell**

Seconded: **Cr John Giardina**

Vote:

11.2 Cr Andrew Waddell – Residential Aged Care

Rationale

I move this motion in an effort to bring closure to the Aged Care Matrix Report that was developed by the Ken Wyatt Aged care committee during the course of the last 12 months. The report itself is not a technical report created by the Shire and hence the reason why I move that it is noted and not adopted. Adopting reports from external parties suggests the Shire will be responsible for some aspect of implementation and the Shire is not responsible for implementing actions developed by external parties. The Shire's involvement in the development of the Matrix was to provide factual details about sites within the Shire as shown in the appendix to the report. The Shire has not provided any of the conclusions drawn about potential sites, particularly the conclusion in respect to Wilkins Road, these are the views of the author and the members of the Ken Wyatt Committee.

The Council is committed to seeing aged care delivered within the shire and by setting up its own aged care advisory committee will enable the community to engage with the Council as we progress and make important decisions in relation to the significant issue of aged care accommodation within the Shire.

The work done by the Ken Wyatt Age Care Committee is useful, however it is not a report the Shire can operationalize in any way. It is a document that may assist community members to be aware of the issues around land availability within the Shire and for this reason it is commendable.

Officer Comment

The above motion is supported by officers on the basis that the committee is not seen to be duplicating other committees in the district including the Wyatt Committee and Aged Care Today. Therefore officers would advise that the terms of reference be openly discussed with other similar focussed organisations during the drafting process to ensure duplication of effort in minimised.

Voting Requirements: Simple Majority

MOTION

That Council:

1. Commends the efforts of the Kalamunda Aged Care Committee in prioritising aged care options and solutions for the Shire, and notes its report "Residential Aged Care Options in the Kalamunda Shire" (August 2015).
2. Reaffirms that the Shire remains committed to proceeding with the development of the Wilkins Road site.
3. In order to build on this initiative agrees that it will establish an "Aged Care Advisory Standing Committee" and requests that the CEO draft a report to recommend Terms of Reference consisting of:
 - (i) Key community stakeholders;
 - (ii) Council representatives;
 - (iii) Shire administrative staff membership;
 - (iv) Advice on strategies to progress aged care within the Shire.

Moved: **Cr Andrew Waddell**

Seconded: **Cr Tracy Destree**

Vote:

11.3 **Cr Dylan O'Connor – Adelaide Street Contaminated Site Remediation Proposal**

Rationale

Over the last few years, there has been an application with the City of Swan to develop Lot 20 Adelaide St in Hazelmere. Recently the application for planning approval was approved by the North East Metro Development Assessment Panel. An application is now with the Department of Environment Regulation (DER) to approve the associated works, an approval required due to the nature of the works on the site.

The works proposed are to remediate an Industrial landfill site through sorting, crushing and processing a variety of materials. North-West ward councillors and I have been approached by members of the community who have concerns over many elements of the application, most notably, the potential risk to human health. Some of the concerns still being raised by nearby residents are that the nature of the contaminants buried at the site present a real risk to human health if processed through sorting, screening, crushing and stockpiling. The DER notes that the site contains heavy metals, polychlorinated biphenyls and Asbestos Containing Materials. Residents are concerned about the potential for airborne contaminants such as Asbestos fibres being swept and carried across thousands of residents in Jacaranda Springs and Karingal Greens estates in High Wycombe. Environmental concerns raised have also included the risk to the groundwater over the potential development period of five years, including potential impacts on the Hazelmere Lakes which form part of the Swan Coastal Plain wetland system. DER also notes that, '...it is therefore considered likely that potentially contaminated landfill material extends below the water table'. I empathise with the residents who are seeking representation from their local councillors and the Council of the Shire of Kalamunda. I propose that the Shire engage a consultant to review and assess the application. The residents seek assurance that there is zero risk to human health as a result of this development.

Officer Comment

The Shire is not in a position to provide this specialist advice and would be highly reliant on a consultant to review the document and prepare a submission. The engagement of an independent consultant to prepare such reports is supported and it is estimated that a budget of \$15,000 be put aside to facilitate the review.

Voting Requirements: Simple Majority

MOTION

That Council:

1. Undertake a review of the Department of Environment Regulation Works Approval for the remediation of Adelaide Street.
2. Prepare a third party referral of the application under S.38 of the Environmental Protection Act 1986.

3. Advise on further strategies that the Shire can consider to safeguard the health of residents living in close proximity to the remediation site.
4. Approves a budget allocation of \$15,000 to fund the consultancy costs.

Moved: **Cr Dylan O'Connor**

Seconded:

Vote:

11.4 **Cr Dylan O'Connor – Audit & Risk Committee – Open to the Public**

Rationale

I have long held the view that the items of consideration under the Audit and Risk Committee should be treated like any other item considered by the other standing committees and ultimately, be open to public scrutiny and assessment.

I propose that the Audit and Risk Committee be open to the public in so far as it lines up with the other two existing committees of council in terms of public access. The timing of the calling of meetings of the Audit and Risk Committee may continue to be determined by factors outside of the Shire of Kalamunda's control, I therefore accept that it may be difficult to determine a specific meeting schedule for the next 12 months. Meetings of the Audit and Risk Committee occur on a fairly regular time frame and I expect that this would continue to be the case. Obviously, I would expect that items pertaining to legal advice or that of a nature that relates to 'sector accepted' confidential information be moved to the 'Confidential Items' section of any Audit and Risk Committee agenda/report. In the interest of transparency, I seek to provide as much opportunity for ratepayers and members of the public to ask questions and seek further advice on some of the typical financial aspects dealt within an Audit and Risk Committee meeting.

Officer Comment

The Administration supports the additional transparency that would occur in having the Audit and Risk Committee open to the public. Scheduling of meetings can continue as in the past as the *Local Government Act 1995* only requires the advance scheduling of meetings for Ordinary Council meetings or for a committee that has been delegated authority to make decisions on behalf of Council. The Audit and Risk Committee does not have delegated authority.

Voting Requirements: Simple Majority

MOTION

That Council:

1. Request that the CEO suggest any necessary changes to existing and future meeting schedules by way of a report to council, to allow any future Audit and Risk Committee meetings to be made open to the public.

Moved: **Cr Dylan O'Connor**

Seconded:

Vote:

11.5 Cr Tracy Destree – Shire of Kalamunda – Mobile Service Coverage and Phone Towers

Rationale

The Federal Government has revised the Telecommunications Act to address mobile service coverage across Australia, in particular to improve access in high risk fire zones and to deliver NBN commitments. In response, the WA Planning Commission has appropriately reviewed its policy and in August 2015 released State Planning Policy 5.2 *Telecommunications Infrastructure*.

The Council's current Policy *Radio, Television and Communication Transmission Facilities/ Masts* Policy (DEV26) is now in conflict with these provisions, and any development proposal that was rejected under this Policy would likely result in a successful appeal through SAT, as cost to the Shire. The Shire is also not actively seeking developments applications due to resource constraints.

It is known that many parts of the Shire that do not have mobile service are in critical and high risk fire zones. Following the Parkerville Fires, DFES recommended that mobile service coverage across the Perth Hills be improved as a matter of priority.

As the administration of the largest Volunteer Bush Fire Brigade in the State, we have the appropriate advice on hand. The risks to Shire residents, our BFB Volunteers, our infrastructure and our natural environment and habitats are now unacceptable, and we now in the bushfire risk season. Further delay to address this issue is also unacceptable.

The recent tragic events near Esperance only highlight the potential consequences. As a Council, and we should be providing leadership and ensure the Shire is protected. The provision of an adequate mobile service in critical and high risk zones needs to be addressed, and without further delay.

By revoking the current Policy we can immediately call for service providers to address the service gaps and encourage early development, and in doing so demonstrate commitment and action for the safety of our Shire.

Officer Comment

The Administration has no objection to the revocation of the policy as it is acknowledged that the Radio, Television and Communication Transmission Facilities installations are controlled by Federal Government Legislations.

Voting Requirements: Simple Majority

MOTION

That Council:

1. Revoke *Radio, Television and Communication Transmission Facilities/ Masts Policy* (DEV26).
2. Request the Chief Executive Officer to approach mobile service providers and seek proposals on how to improve the mobile service levels as a matter of priority and report back to Council by February 2016.
3. Request the Chief Executive Officer to draft a Policy to address telecommunications facilities and masts that will facilitate mobile service coverage in critical and high fire risk areas of the Shire.

Moved: **Cr Tracy Destree**

Seconded: **Cr Andrew Waddell**

Vote:

11.6 **Cr Tracy Destree – Shire of Kalamunda – Review of Advisory Committees**

Rationale

There has been little change to existing Council's Management and Advisory Committees for a number of years. It is timely to consider a review of the types and structure of the Committees to ensure alignment with Council's strategy and priorities, and to meet community expectations.

Following discussions with some Councillors, Shire executives and Community leaders it is evident that there is support for change to the Advisory Committee types, terms of reference, membership and to raise the discussion to a more strategic level.

Further, improved efficiencies and Shire savings could be realised by reducing duplication across Committees. A proposal of how the Committees could be restructured is outlined in Table 1 - *Proposed New Structure for Council*

Committees. Recognising this is a proposal, if adopted it would reduce Shire administration for 13 committees down to ten.

The key issues to support a review include:

Current status

- The current Committee structure is not consistent with current practice across WA Local Governments. The trend is for an increased use of Working Groups (that require less administration) for local operational discussion and decision, leaving Advisory Committee to focus on strategic issues.
- While the Committees are established under the Local Government Act to advise the Council, there have been very few issues referred to Council.
- The participation in some Committees has been low and content is operational. In some cases Committees are not meeting or have been disbanded.

New Committee and Working Groups

- There is currently no Council Advisory Committee to drive initiatives for Economic Development or Culture and the Arts. These are key priority areas for the Council and Shire and it would benefit from engaging relevant community leaders in these areas.
- There is duplication of discussion and effort across some Committees, particularly for Sports and Recreation.
 - As a priority investment and engagement area it would benefit from the formation of a Sports and Recreation Advisory Committee for Shire-wide strategic discussion, including engaging all stakeholders in Master Plan discussions.
 - Establishing Working Groups under this Committee would still provide the opportunity to address local issues relevant to the facility, and also be represented in discussions that are Shire-wide implications.
 - There is no existing consultative forum to advise Council for Ray Owen Oval or Pickering Brook Oval, and this model could improve representation, if that was needed.

Table 1: Proposed New Structure for Council Committees

Current Committees	Proposed Changes	Comment
Management Committees		
1. Lesmurdie School Community Library Management Committee	1. Lesmurdie School Community Library Management Committee	<ul style="list-style-type: none"> • No Change • Committee established in a MOU

2. Ray Owen Sports Centre Management Committee	2. Ray Owen Sports Centre Management Committee	<ul style="list-style-type: none"> No Change Centre managed by Netball and Basketball
Advisory Committees		
	3. Economic Development Advisory Committee	<ul style="list-style-type: none"> New Committee to provide strategic leadership on economic development and drive initiatives across the Shire
3. Jack Healey Centre Advisory Committee	4. Aged Care Advisory Committee	<ul style="list-style-type: none"> New Committee to provide strategic leadership on Aged Care development across the Shire
4. Community Sustainability Advisory Committee	5. Community, Culture and Arts Advisory Committee	<ul style="list-style-type: none"> Community scope separated from Sustainability (Environment) and then expanded to include Culture and Arts New Environment Committee will move into new Community, Culture and the Arts Advisory Committee Sustainability moves into new Environment Advisory Committee
	6. Environmental Advisory Committee	
5. Disability Access and Inclusion Advisory Committee	7. Disability and Carers Advisory Committee	<ul style="list-style-type: none"> Broaden Terms of Reference beyond just access and inclusion, and include Carers
6. Community Safety and Crime Prevention Advisory Committee	8. Safety and Crime Prevention Community Working Group and Forums	<ul style="list-style-type: none"> Scope changes to engage community in broader discussion
7. Bush Fire Advisory Committee	9. Bush Fire Advisory Committee	<ul style="list-style-type: none"> No change
8. Falls Farm Advisory Committee		<ul style="list-style-type: none"> Shire and Committee recommended it be disbanded
9. Gooseberry Hill Hall Advisory Committee		<ul style="list-style-type: none"> Shire and Committee recommended it be disbanded
	10. Sports and Recreation Advisory Committee – Comprising representative from the following Working Groups	<ul style="list-style-type: none"> Scope to cover Shire Master Plans for all Shire sports and recreation facilities, including: <ul style="list-style-type: none"> Kostera Oval KSHS Oval Hartfield Park Ray Owen Oval Pickering Brook Oval Scott Reserve Maida Vale Oval
10. Kostera Oval Advisory Committee	<ul style="list-style-type: none"> Kostera Oval Working Group 	
11. Hartfield Park Advisory Committee	<ul style="list-style-type: none"> Hartfield Park Working Group 	
12. Scott Reserve Advisory Committee	<ul style="list-style-type: none"> Scott Reserve Working Group 	
13. Maida Vale Reserve Advisory Committee		

		<ul style="list-style-type: none">Working Group to deal with local operational details
Externally Managed Committees		
14. Darling Range Advisory Committee	11. Darling Range Advisory Committee	
15. WALGA East Metropolitan Zone	12. WALGA East Metropolitan Zone	
16. Perth Hills Tourism Precinct Working Group	13. Perth Hills Tourism Precinct Working Group	<ul style="list-style-type: none">Shire representative only

Officer Comment

The Administration supports the proposal to undertake a comprehensive review of Council's Advisory and Management Committees to ensure they are meeting the current strategic objectives of Council.

Voting Requirements: Simple Majority

MOTION

That Council request the Chief Executive Officer to:

1. Undertake a review of the existing Council's Management and Advisory Committees, and provide a report recommending the Committees that would meet the Council strategy and priorities, and improve Shire efficiencies.
2. Engage and consult with Management and Advisory Committee members in the review process.

Moved: **Cr Tracy Destree**

Seconded:

Vote:

- 12.0 QUESTIONS BY MEMBERS WITHOUT NOTICE**
- 13.0 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**
- 14.0 URGENT BUSINESS APPROVED BY THE PRESIDING MEMBER OR BY DECISION**
- 15.0 MEETING CLOSED TO THE PUBLIC**
- 16.0 CLOSURE**