



Ordinary Council Meeting

AGENDA

Tuesday 28 March 2023

NOTICE OF MEETING ORDINARY COUNCIL MEETING

Dear Councillors

Notice is hereby given that the next Ordinary Meeting of Council will be held in the Council Chambers, Administration Centre, 2 Railway Road, Kalamunda on **Tuesday 28 March 2023 at 6.30pm.**



Peter Varelis
A/Chief Executive Officer
23 March 2023



Our Vision

Connected Communities, Valuing Nature and Creating our Future Together

Core Values

Service: We demonstrate a 'can do' attitude, we listen, we understand, and we go above and beyond when we serve others.

Professionalism: We look, speak, act & do what it takes to show others we are reliable, respectful and competent.

Quality: We think clearly, plan mindfully, act decisively, measure carefully and review regularly everything we do.

Aspirational Values

Courage: We make brave decisions and take calculated risks to lead us to a bold and bright future. We show courage in our pursuit for the protection of the environment, for the well being of our people and to support the economy.

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

Innovation: We believe in a workplace where you're safe to try new things—where we can push the boundaries of the norm and learn from things that don't always go according to plan. We strive for a just and blameless culture that respects people as individuals and paves the way to genuine learning and improvement.

Our simple guiding principle will be to ensure everything we do will make the City of Kalamunda socially, environmentally and economically sustainable.

kalamunda.wa.gov.au



Information for the Public Attending

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

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

Ordinary Council Meetings – Procedures

1. Council Meetings are open to the public, except for Confidential Items listed on the Agenda.
2. Members of the public who are unfamiliar with meeting proceedings are invited to seek advice prior to the meeting from a City 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 City or Council.

Acknowledgement of Traditional Owners

We wish to acknowledge the traditional custodians of the land we are meeting on, the Whadjuk Noongar people. We wish to acknowledge their Elders' past, present and future and respect their continuing culture and the contribution they make to the life of this City and this Region.

Emergency Procedures

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

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

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

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

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1. **Official Opening**
2. **Attendance, Apologies and Leave of Absence Previously Approved**
3. **Public Question Time**

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

4. **Petitions/Deputations**
5. **Applications for Leave of Absence**
6. **Confirmation of Minutes from Previous Meeting**

- 6.1 That the Minutes of the Ordinary Council Meeting held on 28 February 2023, as published and circulated, are confirmed as a true and accurate record of the proceedings.

Moved:

Seconded:

Vote:

Statement by Presiding Member

"On the basis of the above Motion, I now sign the Minutes as a true and accurate record of the meeting of 28 February."

7. **Announcements by the Member Presiding Without Discussion**
8. **Matters for Which the Meeting may be Closed**

- 8.1 Item 10.4.2 Reserve 26843 (portion of), 38 Collins Road, Kalamunda - Expression of Interest Lease of Building – Confidential Attachments

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

8.2 A&R Item 9.3.1 – Internal Audit Report March 2023 - Confidential Attachment

Reason for Confidentiality: Local Government Act 1995 (WA) Section 5.23 (2) (f) - "a matter that if disclosed, could be reasonably expected to - (i) impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law; (ii) endanger the security of the local government's property; or (iii) prejudice the maintenance or enforcement of a lawful measure for protecting public safety".

9. Disclosure of Interest

9.1. Disclosure of Financial and Proximity Interests

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

9.2. Disclosure of Interest Affecting Impartiality

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

10. Reports to Council

10.1. Development Services Reports

10.1.1. Lot 42 (127) Canning Road, Kalamunda - Proposed Scheme Amendment 112 -- Adoption for Public Advertising

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

Previous Items	N/A
Directorate	Development Services
Business Unit	Approval Services
File Reference	PG-LPS-003/112; CN-01/127
Applicant	Dynamic Planning and Developments
Owner	Warr Investments No. 7 Pty Ltd

- | | |
|-------------|--|
| Attachments | <ol style="list-style-type: none"> 1. Supporting Planning Assessment - Amendment 112 [10.1.1.1 - 9 pages] 2. Applicant Scheme Amendment 112 Report - 127 Canning Road, Kalamunda [10.1.1.2 - 24 pages] 3. 127 Canning Road, Kalamunda - Scheme Amendment 112 [10.1.1.3 - 1 page] 4. Concept Plans - 127 and 129 Canning Road, Kalamunda [10.1.1.4 - 6 pages] 5. Tree Audit- Scheme Amendment 112 [10.1.1.5 - 5 pages] |
|-------------|--|

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

Objective 3.1 - To plan for sustainable population growth.

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

Priority 3: Kalamunda Develops

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

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

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

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to consider whether to adopt Amendment 112 (A112) to Local Planning Scheme No.3 (LPS3) for the purposes of public advertising.
2. A112 proposes to amend Local Planning Scheme No. 3 (the Scheme) to rezone Lot 42 (127) Canning Road, Kalamunda from Residential R10 to Commercial.
3. The subject site is located at the corner of Canning Road and Lewis Road and is opposite the Kalamunda South Neighbourhood Activity Centre (NAC) (also referred to as the 'Kalamunda Glades Shopping Centre') with the majority of land surrounding the site zoned Residential R10.
4. The applicant has indicated the rezoning for the subject site will facilitate a larger development of Lot 42 (127) and Lot 43 (129) Canning Road for a "child care premises" and "motor vehicle repairs" facility. Both sites have the same landowner.
5. The subject site is noted to be an expansion of the current Kalamunda Glades Shopping Centre and Kalamunda South Neighbourhood Activity Centre and has been identified as an opportunity site through the City of Kalamunda's (City) Activity Centre Strategy.
6. Council is recommended to proceed to advertise A112 to the Scheme with modification.

BACKGROUND

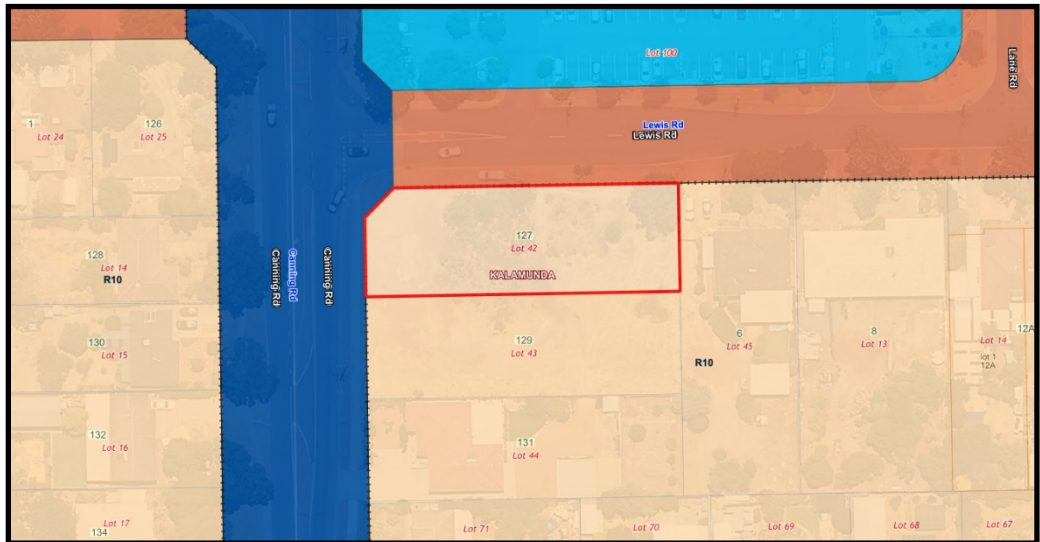
7. **Land Details:**

Land Area	1430sqm
Metropolitan Region Scheme Zone	Urban
Local Planning Scheme Zone	Residential R10

8. **Locality Plan:**



9. **Zoning Map:**



10. The subject site is located within a Residential (R10) zone with existing residential land uses to the east, south and west. Lot 100 (121 – 123) Canning Road to the north is zoned Commercial (Kalamunda Glades Shopping Centre). Additionally, within the wider context, Lot 9 (115) Canning Road is zoned Special Use (Consulting Rooms and Professional Office’s) and represents a comparable site to the proposal given its

location fronting Canning Road and the nearby Commercial zone at Lot 100. Refer to below map identifying the subject site and Lot 9 with a star.

11.



12. The subject site is currently vacant (including the adjoining Lot 43) with historical aerial imagery indicating that no development has occurred across the subject site dating back to 1965. Refer to Attachment 1 – Supporting Planning Assessment for a copy of the historical aeriels and site photos.
13. The subject site contains seven trees “worthy of retention” (refer to Attachment 5 – Tree Audit) located towards the northern portion of the site and some shrubs near the centre of the site. It should be noted one tree worthy of retention - the largest on-site - is anticipated to be retained with the remaining trees removed. Tree planting in accordance with the City of Kalamunda’s (City) policies would be considered in future development applications.
14. The topography of the site falls approximately 3.5m from the south-east corner to the north-west corner of the site. The concept plans indicate the rear of the site abutting Lot 45 (6) Lewis Road will consist of cut and retaining. Retaining walls are anticipated to front Canning Road. Exact details and assessment of the retaining walls will be undertaken at the development stage; however, the concept plans indicate 1.65m of cut and 1.5m of fill. It is typically considered a good planning outcome if there is a

balance of cut and fill within a site, rather than it being all fill and no cut and visa versa.

15. The City has received a development application on the adjoining site at 129 Canning Road for a “child care premises”. The application will be determined by a Joint Development Assessment Panel (JDAP) in line with the permissibility under a residential zone. If approved by the JDAP, the child care is expected to limit the viability of residential development at 127 Canning Road as it would be sandwiched between two non-residential land uses.

DETAILS AND ANALYSIS

16. The applicant is seeking an amendment to the Scheme to rezone the subject site from Residential R10 to Commercial.
17. The applicant notes the following in support of the proposal:
- a) The proposal has been demonstrated as being consistent with the provisions of the Metropolitan Region Scheme.
 - b) The proposal is consistent with and would seek to maintain the existing character of the locality, and it is submitted that the proposed ‘Commercial’ zoning is appropriate as it is supported by the provisions of the relevant State Strategic Planning Framework.
 - c) The proposal is consistent with the objectives and provisions of the State Planning Policy 4.2 - Activity Centres for Perth and Peel and draft State Planning Policy 4.2 – Activity Centres.
 - d) The proposal has demonstrated consistency with the provisions of the City’s Strategic Planning Framework.
 - e) If approved, the proposal assists the facilitation of a development of the site, which is to have the same desired outcome of increasing the economic viability of the adjacent centre, ensuring longevity and retention of the existing amenities that remain.
 - f) The proposal shall move towards achieving sustainable development practice by making better and efficient use of existing available land within the locality.
18. Furthermore, in support of A112, the applicant has also provided the following:
- a) Planning report addressing the key policy issues; and
 - b) Concept Redevelopment Plans.

19. **Zone Objectives**

The proposed scheme amendment needs to be considered in the context of the commercial zone objectives, which are:

- a) To serve the needs of the localised area in providing for local shopping facilities, business, professional, civic, cultural, medical, and other health related services.
- b) To ensure the development is design to be compatible with nearby uses and zones, particularly Residential zones.

20. A112 will support the needs of the localised area, in conjunction with the Kalamunda Glades Shopping Centre, noting the scale of development is low and unlikely to impact on the wider and higher tier commercial areas or affect their economic viability. Therefore, the first zone objective is considered to be achieved by A112.

21. The compatibility of the commercial zone in relation to the residential zone is not, at this stage, fully understood, ultimately, however, the future land use and design will need demonstrate through its operation and design compatibility with the surrounding residential zone.

22. It is noted that the current residential zoning has not eventuated in development of any kind on the site for over 50 years. There is potential that the lack of development indicates the commercial zone may be of greater compatibility with the existing residential and commercial zones. The advertising period will allow for the City to consider A112 in this context and make an informed decision in relation to the second zone objective.

23. **Land Use Permissibility**

Further to the zoning of the land, it is relevant to consider the land use permissibility and the changes which will occur as a result of the zoning changes. Whilst it is noted the applicant has submitted the application with the intent to develop an Automaster Repair Shop, consistent with a "Motor Vehicle Repairs" land use, A112 must be assessed in the context of the full land use range that will be capable of being applied for. A full table of the change in land use permissibility has been provided in Attachment 1 – Supporting Planning Assessment.

24. Noting the variation in land use permissibility possible through a "commercial" zone in comparison to a "residential" zone, the following land uses are raised as possible land uses to note for their amenity and/or traffic concerns:

- a) Bulky Goods Showroom
- b) Fast Food Outlet

- c) Funeral Parlour
- d) Health/Fitness Centre
- e) Medical Centre
- f) Motor Vehicle Repairs
- g) Motel Vehicle Wash
- h) Reception Centre
- i) Recreation – Private
- j) Restaurant/Café
- k) Service Station

25. Whilst the planning system has the capacity to address amenity consideration including traffic, design and noise, the City must take into account at the scheme amendment stage whether these increased amenity issues are in keeping with the strategic intent of the planning framework.

26. **Activity Centres**

State Planning Policy 4.2 – Activity Centres (SPP4.2) provides the City direction on the distribution, hierarchy and purpose of activity centres with the aim to meet the needs of communities through the appropriate provision of employment opportunities, housing densities, retail and commercial needs, and the access to transport other than by private car.

27. The proposed commercial zone for the subject site is considered to be an expansion of the Neighbourhood Centre as per the Activity Centres Hierarchy. Neighbourhood and Local Centres main function is for the provision of daily and weekly household shopping needs, community facilities and a small range of other convenience services. The development application stage will be required to determine if the proposal meets this purpose, however, the scale of the subject site will likely support future development in achieving the appropriate function for the neighbourhood centre.

28. A proposed “Motor Vehicle Repairs” development is likely consistent with the neighbourhood centre function in that it will provide a small range of other convenience needs, noting in particular that Kalamunda is generally a low density and car centric suburb, with most households requiring vehicle maintenance works as a result.

29. Neighbourhood Centres should generally be serviced by a bus network servicing the nearby locality and provide for the needs of a walkable catchment. It is noted the subject site is within 90m of the nearest bus stop, with stops moving both south and north bound. There are an additional two stops within 150m of the site moving in both directions (one in each direction). The transport network needs for neighbourhood centre are consistent with the policy.

30. SPP4.2 also provides direction on when a Retail Sustainability Assessment or Needs Assessment will be required to justify a scheme amendment. It is noted as the subject site is less than 3000sqm and is not considered a major development, a retail sustainability assessment is not required to accommodate A112.
31. The applicant contends that A112 will not undermine the adjoining Neighbourhood Centre due to the site area constraints. Given a retail sustainability assessment is not required, and the amenity considerations (noise, design, traffic) can be adequately addressed through the development stage, the City generally agrees with this statement.
32. **Future Design Outcomes**
State Planning Policy 7.0 – Design of the Built Environment (SPP7.0) provides the framework for considering good design outcomes. Given the subject site will be highly visible from a regionally significant road, due consideration to SPP7.0 will be undertaken.
33. SPP7.0 requires assessment against the design principles of:
- a) Context and character;
 - b) Landscape quality;
 - c) Built form and scale;
 - d) Functionality and build quality;
 - e) Sustainability;
 - f) Amenity;
 - g) Legibility;
 - h) Safety;
 - i) Community; and
 - j) Aesthetics.
34. SPP7.0 also may require the City's design review panel to assess the development proposal to ensure independent and impartial evaluation of the design against the design principles are undertaken. SPP7.0 calls for design skill to be integral to achieving good design outcomes and as such a design statement may be necessary for future development.
35. **Activity Centre Strategy**
The City's Activity Centres Strategy (ACS), adopted by Council in 2021 identifies the sites as a 'development opportunity' south of the Kalamunda South Neighbourhood Activity Centre (NAC).

36. Referring to expansion of the Kalamunda South NAC, the ACS states 'Limited space for expansion on the existing site, any expansion will require a reduction in the car parking area...there is no opportunity to expand to surrounding landholdings as the site is surrounded by four roads.'
37. Retail analysis undertaken for the ACS did not anticipate any projected retail floorspace increase up to the year 2026.
38. Action 1.1.1 of the ACS states to 'undertake community engagement for catchments surrounding activity centres to investigate future development options for the catchments. The activity centre areas to be investigated will be determined through the implementation of actions coming out of the Local Housing Strategy 2020.'
39. The subject site has been identified as a 'development opportunity'. A112 provides therefore an avenue for the City and Council to further consider whether a commercial zone is an appropriate outcome for the site.
40. **Local Housing Strategy**
The site is located within 'The Glades – Investigation Area' under the Local Housing Strategy (LHS), adopted by Council 2021.
41. Community consultation and site analysis is required to inform future opportunities in the area with consideration to the following factors; location near an activity centre, access to public transport, access to and capacity of the sewerage network, tree canopy cover, larger lot sizes, aged care provision, and the general character of the area.
42. Action 14 Investigation Areas requires the City to progress studies for investigation areas as part of the new Local Planning Strategy and Local Planning Scheme No. 4
43. **Concept Plans**
The applicant has provided conceptual plans for the development of a 'Motor Vehicle Repairs' land use on the subject site. As part of any future development application, the proposal will be subject to a range of local planning policies which will address the amenity outcomes including considerations against signage, retaining walls design, public art requirements, and tree retention provisions. The normal application of the planning framework which applies to the site will ensure an appropriate development outcome for the subject site in line with proper and orderly planning.

APPLICABLE LEGISLATION

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

Regulation 35 of the *Planning and Development (Local Planning Schemes) Regulations 2015* (Regulations) requires a resolution of a local government to adopt or refuse to adopt an application to amend a local planning scheme, as well as justification for the type of amendment proposed (basic, standard, or complex).

45. Pursuant to Regulation 34, the proposal is to be a complex amendment for the following reasons:

- a) an amendment that is not consistent with a local planning strategy for the scheme that has been endorsed by the Commission.
- b) an amendment that is not addressed by any local planning strategy.
- c) an amendment relating to development that is of a scale, or will have an impact, that is significant relative to development in the locality.

APPLICABLE POLICY

46. State Planning Policy 3.7 – Planning in Bushfire Prone Areas
47. State Planning Policy 4.2 – Activity Centres for Perth and Peel
48. State Planning Policy 7.0 – Design of the Built Environment
49. City of Kalamunda Activity Centres Strategy
50. City of Kalamunda Local House Strategy
51. Local Planning Policy 2 – Advertising Signage
52. Local Planning Policy 11 – Public Notification of Planning Proposals
53. Local Planning Policy 18 – Requirements of Local Planning Scheme Amendments
54. Local Planning Policy 23 – Retaining Walls and Earthworks
55. Local Planning Policy 26 – Public Art Contributions
56. Local Planning Policy 33 – Tree Retention

STAKEHOLDER ENGAGEMENT

57. Internal Referrals

A112 was referred to the City's internal service areas for comment. The City's Environmental Health Services and Environmental Planning have raised comments relevant for consideration through the scheme amendment process. No further comments of note were raised through referral process.

58. The City's Environmental Health Services have raised concerns around the impact commercial activities have on surrounding residential land uses and the feasibility of future development in relation to effluent disposal.
59. Specifically, Environmental Health Services has raised the potential for noise, amenity, and nuisance issues to arise from any future development. The City notes that generic noise modelling as part of the Scheme amendment process would be beneficial to assess the likely noise and amenity outcomes.
60. The City's Environmental Planner has noted that the application has not provided supporting documentation in relation to the site's environmental values. Vegetation removal and tree removal will likely be greater than that associated with residential development and as consideration of the environmental value should be provided.

FINANCIAL CONSIDERATIONS

61. All costs associated with the processing of the Scheme amendment will be borne by the Applicant.

SUSTAINABILITY

62. **Social**
The proposed zoning changes will provide development opportunities which can service the needs of the local community, whilst at the same time these services generally require an increase in noise, traffic and built form. These amenity outcomes maybe considered unacceptable to surrounding landowners and be inconsistent with the expected amenity outcomes of the locality.
63. **Economic**
The proposed commercial zone will expand the commercial opportunities for the subject site and lead to increased employment opportunities within the Kalamunda suburb. The increased commercial area is unlikely to impact on the viability of the Kalamunda Glades Shopping Centre across the road, with the scale of development possible at the subject site relatively limited.
64. **Environment**
The subject site includes seven trees worthy of retention and some remnant native vegetation. The ecological value of the on-site vegetation is unknown with a tree audit undertaken to identify the tree species, but no information provided by the applicant. It is understood all vegetation apart from the eastern-most tree will be removed to facilitate future development of the site, with appropriate offsets and planting

requirements to be determined in accordance with local planning policies at the development stage.

RISK MANAGEMENT

65.

Risk: The rezoning of the subject site will lead to increased noise and traffic from future development.		
Consequence	Likelihood	Rating
Moderate	Almost Certain	High
Action/Strategy		
Advertise the amendment to allow for public submissions to be made. Submissions will be assessed to determine if the increased amenity impact is acceptable to landowners, taking into consideration the existing amenity from the commercial zone at Lot 100 (121) Canning Road.		

66.

Risk: The subject sites remain vacant as the scheme amendment is not accepted noting the current amenity detracts from residential development occurring on the site.		
Consequence	Likelihood	Rating
Insignificant	Likely	Low
Action/Strategy		
Allow the scheme amendment to proceed to public advertising and consider the most appropriate outcome based on the submissions. If not accepted, the City to then assess the best zoning for the subject site through our scheme review and strategic planning processes.		

67.

Risk: The scheme amendment is not accepted, and the subject site is developed for commercial activity in accordance with the current land use permissibility triggering amenity issues.		
Consequence	Likelihood	Rating
Moderate	Possible	Medium
Action/Strategy		
Provide detailed assessment of the amenity impacts possible during the public advertising period. Accept amenity changes will occur in comparison to the current vacant land use and acknowledge the planning framework may require management plans to ensure amenity considerations are appropriately addressed for the lifetime of a development.		

CONCLUSION

68. The applicant is seeking an amendment to the Scheme to rezone the subject site from Residential R10 to Commercial. Whilst the planning framework does not specifically identify the subject site for commercial use or zoning, the City's Activity Centre Strategy does identify the subject site as an opportunity site and as such the scheme amendment process is appropriate for allowing the City to give due consideration to the rezoning and future impacts of land uses consistent with the proposed zone.
69. Advertising of the proposed amendment will provide the City the opportunity to fully consider the implication of the proposed zoning change and determine the suitability of the subject site for future commercial land uses as proposed to be undertaken in accordance with Action 1.1.1 of the City's Activity Centre Strategy.
70. The subject site is noted to be an expansion of the current Kalamunda Glades Shopping Centre and Kalamunda South Neighbourhood Activity Centre and will likely be bound by the child care premises to the south at 129 Canning Road.
71. Noting the above, it is recommended that Council adopts A112 for purposes of public advertising.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. ADOPT proposed Amendment No.112 to Local Planning Scheme No.3 – in accordance with Attachment 2, pursuant to Section 75 of the *Planning and Development Act 2005* for the purposes of public advertising.
2. CONSIDER proposed Local Planning Scheme Amendment No.112 to Local Planning Scheme No.3 as a Complex amendment under Regulation 35(2) of the *Planning and Development (Local Planning Schemes) Regulations 2015* for the following reasons:
 - a) An amendment that is not consistent with a local planning strategy for the scheme that has been endorsed by the Commission;
 - b) An amendment that is not addressed by any local planning strategy; and
 - c) An amendment relating to development that is of a scale, or will have an impact, that is significant relative to development in the locality.

3. REQUEST the applicant provided additional supporting information in relation to noise modelling and environmental values to facilitate the assessment of the Scheme Amendment in accordance Regulation 37(1)(b) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.
4. FORWARD proposed Scheme Amendment No.112 to Local Planning Scheme No.3 to the Western Australian Planning Commission pursuant to Regulation 37(2) and 37(3) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.
5. FORWARD proposed Scheme Amendment No.112 to Local Planning Scheme No.3 to the Environmental Protection Authority for comment pursuant to Section 81 of the *Planning and Development Act 2005*.
4. ADVERTISE proposed Scheme Amendment No.112 to Local Planning Scheme No.3 for a period of 60 days pursuant to Regulation 38 (Complex) of the *Planning and Development (Local Planning Schemes) Regulations 2015*, Local Planning Policy 11 – Public Notification of Planning Proposals and sec 81 an 82 of the *Planning and Development Act 2005*.

10.1.2. Lot 106 (88) Hale Road, Forrestfield - Proposed Scheme Amendment 109 - Consideration of Submissions for Final Adoption

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

Previous Items	OCM 95/2022
Directorate	Development Services
Business Unit	Approval Services
File Reference	PG-LPS-003/109
Applicant	City of Kalamunda
Owner	City of Kalamunda

Attachments	<ol style="list-style-type: none"> 1. Submission Table [10.1.2.1 - 19 pages] 2. Amendment 109 Tree Audit [10.1.2.2 - 1 page] 3. Scheme Amendment Report - 88 Hale Road, Forrestfield [10.1.2.3 - 215 pages] 4. Expert Advice - Response to Submissions [10.1.2.4 - 4 pages]
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STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

Objective 3.1 - To plan for sustainable population growth.

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

Priority 3: Kalamunda Develops

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

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

Priority 3: Kalamunda Develops

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

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

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to consider submissions received on Scheme Amendment 109 (A109) to Local Planning Scheme No. 3 (the Scheme) and decide whether to support A109.
2. Amendment 109 proposes to rezone Lot 106 (No. 88) Hale Road, Forrestfield (the site) under the City of Kalamunda (City) Local Planning Scheme No. 3 (LPS3) from 'Residential', 'Mixed Use' and 'Public Purpose - Hall / Community Centre' to 'District Centre'.
3. Specifically, Amendment 109 consolidates the existing activity centre uses and recognises the site as being within the logical confines of the activity centre, in line with its designation as a District Activity Centre under State policy. Furthermore, the Amendment will allow for future redevelopment of the site with a development mix consisting of an integrated health / community hub and showroom development.
4. Eight submissions were received during the advertising period, comprising three (3) objections, four (4) non objections and one (1) no comment.
5. It is recommended the Council support A109 with minor modifications, for the purposes of referral to the Western Australian Planning Commission (WAPC) and, subsequently, the Minister for Planning for final approval.

BACKGROUND

6. The site has a site area of approximately 18,006m² and is located within the Forrestfield District Activity Centre (DAC).



Figure 1 Site location Lot 106 (88) Hale Road

7. The site is zoned 'Urban' under the Metropolitan Region Scheme (MRS) and comprises three (3) separate zoning and reserve classifications under the City's LPS3:
- a) Residential R60 in the north-west portion of the site (approx. 4,500m²);
 - b) Mixed Use R60 in the south-west portion of the site (approx. 3,400m²); and;
 - c) Public Purpose - Hall / Community Centre on the north-east portion of the site (approx. 9,900m²).

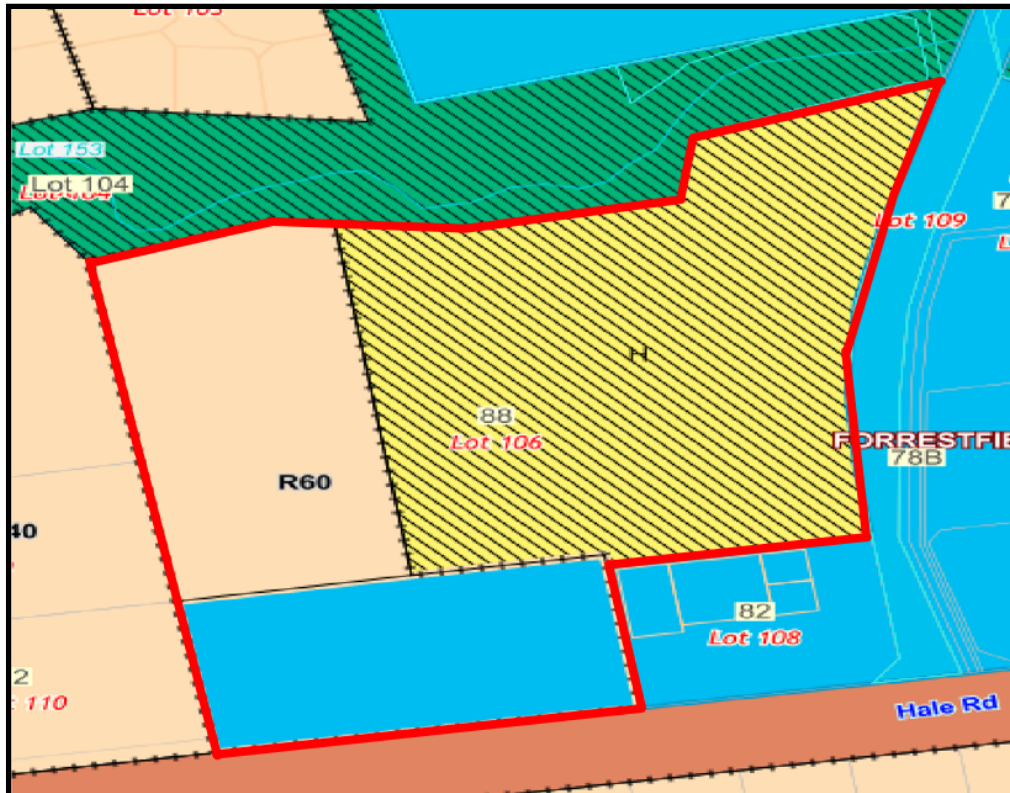


Figure 2 Site Local Planning Scheme Zoning Lot 106 (88) Hale Road

8. The north-eastern portion of the site is used for the Woodlupine Family and Community Centre including open parking areas. The balance of the site is currently vacant of any improvements with a mix of tall trees spread out across the site separated by open areas, and some smaller landscaping near the car park. The tall trees are a feature along the Hale Road frontage.
9. The site is owned in freehold by the City and in early 2021, the City commissioned investigations to explore strategic land use opportunities for this site through a Land Use Assessment. The study considered various commercial land use opportunities that provide a strong return on investment, enhanced community benefit and represents the highest and best use of the land.
10. A development mix consisting of an integrated health / community hub and separate showroom development fronting Hale Road was identified as the most optimal development outcome from the perspectives of market demand, tenant attraction, competition, financial return and site suitability. This mixed-use approach is consistent with the planning framework. This development mix is also expected to deliver a range of community benefits, including:
 - a) Increased consumer choice and convenience;
 - b) Increased employment opportunities;
 - c) Increased quality of life; and

d) Improved centre vibrancy.

11. In order to progress with the vision for the site, the City is proposing to rezone the land from the current mix of Public Purpose, Residential and Mixed Use to District Centre.

DETAILS AND ANALYSIS

12. The site exists as part of the Forrestfield District Centre, albeit without the 'District Centre' zoning that has otherwise been applied to the lands immediately to the north of the Wood Lupine Brook Reserve and to the east of Woolworths Drive.

13. **Land Use Assessment (July 2021)**

The Land Use Assessment (LUA) found that due to the expected population growth in Forrestfield and surrounding areas, as well as the above average ageing demographic, there is a need for an increase in appropriate services to cater for the population. Specifically, there is an estimated notional undersupply of health, shop retail, showroom retail and aged care /retirement land uses. It is noted the City has actively pursued the provision of additional aged residential care through the Cambridge Reserve Community Enhancement Project.

14. Furthermore, the LUA identified that there is a current and future undersupply of General Practitioners (GP) in the study area and an undersupply of key allied health services; particularly dentists and physiotherapists. There is also considered to be a need for specialist health services such as immunisation clinics, pathology clinics, child health, mental health and pharmacy services.

15. In addition, the LUA found that bulky goods floorspace is limited within the study area to minor individual out of centre retail developments (less than 2,000m² total), however the estimated demand for the catchment may increase to as much as 48,400m² by 2035.

16. The current split of zonings across the site restricts the ability to address the identified shortfalls / demand. For example:

- a) Bulky Goods Showroom and Shop are uses that are not permitted in the Mixed Use and Residential zoned portions; and
- b) Health/Fitness Centre and Medical Centre are uses that are not permitted in the Residential zoned portion.

17. The rezoning will enable Bulky Goods Showroom to become a discretionary use, whilst Health/Fitness Centre, Medical Centre and Shop will become permitted uses.

18. Whilst not considered the best use of the land, the rezoning will also still enable the site to be developed for residential purposes, noting that Aged/Dependant Dwellings, Aged Residential Care, Grouped Dwelling and Multiple Dwelling will be either permitted or discretionary uses.
19. Civic Use and Community Purpose will remain as permitted uses for the site. Community consultation for redevelopment of the existing Woodlupine Community Centre to the proposed Woodlupine Community Hub as part of the Strategic Community Facilities Plan is currently in progress. It seeks to provide:
- a) A new Forrestfield Library with City Customer Service offerings once the existing lease for library space in the adjacent shopping centre reaches its end.
 - b) A digital Technology hub for community education
 - c) An existing Family Centre.
 - d) A youth Centre.
 - e) An Aboriginal Cultural and Educational Centre.
 - f) A Senior's centre.
 - g) A new home for the Forrestfield Information and Referral Service (FIRS).
 - h) A series of community spaces of various room sizes and main hall with flexibility to be broken into two smaller halls.
 - i) Café
 - j) Commercial areas for health and/or community services which may include a Super GP, specialist medical suites and diagnostic facilities (e.g., MRI) that are not readily accessible in the area or community service providers such as home care support.
 - k) An Outdoor Playground and Youth spaces attached to the relevant indoor area.
 - l) Strong linkages to Woodlupine Brook for passive recreation.

APPLICABLE LAW

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

Regulation 50 (3) of the *Planning and Development (Local Planning Schemes) Regulations 2015* (Regulations) requires the local government to pass a resolution by the end of the consideration period to:

- a) To support the amendment without modification; or
- b) To support the amendment with proposed modifications to address issues raised in the submissions; or
- c) Not to support the amendment.

21. The Amendment is a standard amendment, which is defined in regulation 34, as follows:
- a) An amendment that is consistent with a local planning strategy for the scheme that has been endorsed by the Commission (subclause (b));
 - b) An amendment to the scheme map that is consistent with a structure plan or local development plan that has been approved under the scheme for the land to which the amendment relates if the scheme does not currently include zones of all the types that are outlined in the plan (subclause (d));
 - c) An amendment that would have minimal impact on land in the scheme area that is not the subject of the amendment (subclause (e)); and
 - d) An amendment that does not result in any significant environmental, social, economic or governance impacts on land in the scheme area (subclause (f)).

APPLICABLE POLICY

- 22. Draft State Planning Policy 2.9 Planning for Water
- 23. State Planning Policy 3.7 - Planning in Bushfire Prone Areas
- 24. State Planning Policy 4.2 - Activity Centres for Perth and Peel
- 25. Draft State Planning Policy 4.2 Activity Centres
- 26. City of Kalamunda Local Planning Strategy
- 27. City of Kalamunda Activity Centres Strategy
- 28. Forresterfield District Centre Structure Plan
- 29. Local Planning Policy 33 – Tree Retention
- 30. Local Planning Policy 34 – Wetlands and Waterways (DRAFT)

STAKEHOLDER ENGAGEMENT

31. **Public Advertising**
Pursuant to r47 of the Regulations, A109 was advertised for a period of 43 days from 2 November 2022 to 14 December 2022 via the following methods:
- a) A notice on the City of Kalamunda's website;
 - b) A sign on site;
 - c) Letters to surrounding landowners; and
 - d) Letters to relevant external agencies.
32. Eight submissions were received during the advertising period comprising three (3) objections, four (4) non objection and one (1) no comment. Four of the submissions were from government agencies.

33. Of the Government agencies three submissions had no objection and provided advice notes with one submission not supportive pending revised documentation. This submission as noted in point 33 from DFES identified a lack of sufficient detail in the bushfire documentation requiring modification. Refer to attachment 1 which contains all the submissions received along with the City's responses to each submission.
34. Comments were received regarding the suitability of the proposal in respect to the planning framework and impact on surrounding centres. Detailed responses to the submissions can be viewed in Attachment 1 and expert advice in Attachment 4.

FINANCIAL CONSIDERATIONS

35. The City has outsourced the preparation of the Amendment documents, bushfire and land use assessment. Should the Amendment progress, the WAPC may determine that additional technical studies are required before the Amendment can be determined. These costs would need to be met by the City and budgeted for accordingly.

SUSTAINABILITY

36. **Social**
The Amendment will contribute to meeting the current and future demands of the City's population by creating opportunities to address identified shortfalls in health services, shop retail and showroom retail land uses.

Economic

The amendment will create job opportunities in both the construction and operational phase of the future development(s) on-site, contributing to employment self-sufficiency.

Environmental

The subject site has been historically cleared, however mature native and non-native trees (mostly planted) exist throughout the subject site, within and adjacent to existing car parking areas and Hale Road. These trees provide both amenity and fauna habitat value.

It is the City's intent to appropriately retain vegetation and provide opportunities for improved new landscape outcomes, wherever possible. Consideration of tree retention and re-vegetation through landscape outcomes will be considered, in detail, at subsequent phases of the planning process.

The City is undertaking rehabilitation works along Woodlupine Brook which will reintroduce suitable habitat for ground dwelling fauna, including small reptiles and mammals such as Quenda.

RISK MANAGEMENT

37.	Risk: Amendment 109 may be perceived to give rise to additional commercial/shop floorspace that directly competes with the retail core of the existing District Centre and adjacent commercial developments.		
	Consequence	Likelihood	Rating
	Significant	Possible	High
	Action/Strategy		
	Ensure any potential development for commercial/shop uses on the subject site is accompanied by a Needs Assessment.		

CONCLUSION

- 38. The Amendment follows a Land Use Assessment that was undertaken in 2021 to determine the highest and best use of the City owner asset.
- 39. Specifically, the Amendment seeks to rezone the subject site to District Centre under the City's LPS3 which would consolidate the existing activity centre uses and recognise the site as being within the logical confines of the DAC. Furthermore, the Amendment will enable the whole site to be developed with a mix of uses consisting of an integrated health / community hub and separate showroom development fronting Hale Road which addresses identified shortfalls in the local market demand both current and future.
- 40. Amendment 109 consolidates the existing activity centre uses (both existing and proposed) and recognise the site as being within the logical confines of the Forrestfield District Centre, corresponding to its role and definition under SPP4.2.
- 41. The Amendment has been considered against the State and local planning frameworks and is considered consistent with the applicable instruments.
- 42. Having regard to the above, it is recommended that Council adopts Amendment 109 subject to minor modification to address Bushfire vegetation categorisation.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. NOTE the submission received during advertising of Amendment 109 to City of Kalamunda Local Planning Scheme No. 3.
2. CONSIDER proposed Scheme Amendment No. 109 to Local Planning Scheme No.3 as a Standard amendment under Clause 35(2) of the Planning and Development (Local Planning Schemes) Regulations 2015 for the following reasons.
 - a) An amendment that is consistent with a local planning strategy for the scheme that has been endorsed by the Commission;
 - b) An amendment to the scheme map that is consistent with a structure plan or local development plan that has been approved under the scheme for the land to which the amendment relates if the scheme does not currently include zones of all the types that are outlined in the plan;
 - c) An amendment that would have minimal impact on land in the scheme area that is not the subject of the amendment; and
 - d) An amendment that does not result in any significant environmental, social, economic or governance impacts on land in the scheme area.
3. SUPPORT Amendment 109 to City of Kalamunda Local Planning Scheme No. 3, in accordance with Attachment 2 & 3 pursuant to Regulation 50(3)(b), of the Planning and Development (Local Planning Schemes) Regulations 2015.
4. NOTE the Amendment document may undergo minor formatting and administrative updates to ensure consistency with model requirements, prior to being referred to the Western Australian Planning Commission.
5. FORWARD Amendment 109 to the Western Australian Planning Commission pursuant to Regulation 53 (Standard) of the *Planning and Development (Local Planning Schemes) Regulations 2015*.

10.2. Asset Services Reports

No reports presented.

10.3. Corporate Services Reports

No reports presented.

10.4. Community Engagement Reports

10.4.1. Advocacy Strategy

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

Previous
Items
Directorate Community Engagement
Business Unit
File Reference
Applicant
Owner

Attachments {attachment-list-do-not-remove}

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 1: Kalamunda Cares and Interacts

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

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

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

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

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

EXECUTIVE SUMMARY

1. The purpose of this report is consider Kalamunda Advocates 2023-2028, the City of Kalamunda's (City) advocacy strategy.
2. Advocacy is a tool to influence the political, social and economic environment to maximise benefits for member Councils and their communities.
3. The recommendation is to approve Kalamunda Advocates 2023-2028.

BACKGROUND

4. Advocacy is the pursuit of influencing outcomes. It is a continuous process of gathering, organising and formulating information into key messages to be communicated to targeted audiences, for a specific purpose such as policy or legislative change; development of programs; or the allocation of resources.
5. Kalamunda Advocates was last reviewed and adopted in 2019.
6. The aim was to attract an increased share of investment to the City by implementing a framework that facilitated consistent, professional and effective advocacy.

DETAILS AND ANALYSIS

7. The City acts on behalf of its community to facilitate and create sustainable and liveable communities.
8. The importance placed on this advocacy role is reflected in the City's Strategic Community Plan which identifies undertaking advocacy activities on issues of priority as an important strategy of good governance.
9. Four areas for focus have been identified that provide objectives and the related action needed to deliver an effective advocacy program. There are:
 1. Priorities and Messages
 2. Target Audience
 3. Tools and Processes
 4. Roles and Skilling
10. Effective advocacy can ensure the City of Kalamunda:
 - a) has an early awareness of proposed legislative or policy changes that may impact upon all member their communities;
 - b) can more effectively attempt to influence policy and legislative changes;
 - c) has its voice heard on matters that will affect the City and the community;
 - d) develops and maintains valuable contacts and networks that can be utilised to support the City's goals and objectives and advance the interests of the City and its community;
 - e) can rapidly mobilise an effective and targeted response to opportunities and issues as they arise;
 - f) can ensure relevant stakeholders and decision makers have a clear understanding of the issues and outcomes that are a priority for the City; and
 - g) can ensure the City is considered favourably for investment, program and development opportunities.
11. Formalising the City of Kalamunda' s advocacy role through the development of the Advocacy Strategy enable's advocacy activities to be founded upon:
 - a) A framework agreed by the Council;
 - b) A clear understanding of the long-term priorities and issues supported by the Council and the community;
 - c) The internal resources to contribute to the delivery of effective advocacy; and
 - d) Knowledge of the external organisations and individuals that can provide positive benefits and outcomes for the City of Kalamunda.

12. Guiding Principles of the draft Advocacy Strategy are:
- a) Advocacy effort is focused on issues that are of significance and will create positive benefits and long term sustainability for the City of Kalamunda and its community.
 - b) Advocacy campaigns will be conducted with integrity, respect and accountability.
 - c) Advocacy campaigns will raise the profile of and promote the opportunities offered by City of Kalamunda.
 - d) The advocacy framework will be flexible enough to respond to emerging issues and opportunities.
 - e) Advocacy effort will engage and involve staff and people from diverse backgrounds and interests and support our people to become excellent advocates for the City.
 - f) Advocacy effort will seek to mobilise new and non-traditional partners in response to City issues
13. Goals of the Draft Advocacy Strategy are:
- a) Identify and commit to regional long and short term advocacy issues that will be persuaded by sound strategy and targeted action.
 - b) Identify and build ongoing relationships with stakeholders that can influence decision making and provide
 - c) the desired benefits for the City.
 - d) Ensure that the City has the capacity to achieve its advocacy program while allowing for flexibility and capability to quickly respond to emerging issues that may bring great benefit to the City.
 - e) Develop the resources and collateral needed that best demonstrates the image desired for the City of Kalamunda.
 - f) Provide advocacy leadership, expertise and guidance for Councillors, staff and community leaders' advocacy efforts on issues of local significance to fully realise the economic, social and environmental potential of the City of Kalamunda.

APPLICABLE LAW

14. *Local Government Act 1995.*

APPLICABLE POLICY

15. Service 5: Communication and Engagement

STAKEHOLDER ENGAGEMENT

16. The City of Kalamunda regularly engages with stakeholders in regards to its Advocacy, working with community members, representatives from sporting and community groups and elected members.

FINANCIAL CONSIDERATIONS

- 17. The implementation of the strategy is undertaken within the parameters of the approved budget.

SUSTAINABILITY

- 18. N/A

RISK MANAGEMENT

19.	Risk: The City of Kalamunda does not have an Advocacy Strategy, resulting in lost opportunities for the City.		
	Consequence	Likelihood	Rating
	Significant	Low	Moderate
	Action/Strategy		
	Ensure an advocacy strategy is developed, approved and implemented.		

CONCLUSION

- 20. The adoption an Advocacy Strategy sets the framework for the City of Kalamunda’s future advocacy work and ensures clear objectivities, timeframes and requirements for advocacy activities.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

- 1. ADOPT the Kalamunda Advocates 2023 – 2028 advocacy strategy
- 2. NOTE The City of Kalamunda’s successful advocacy activities to date.

10.4.2. Reserve 26843 (portion of), 38 Collins Road, Kalamunda - Expression of Interest Lease of Building

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

Previous Items	N/A
Directorate	Community Engagement
Business Unit	Economic & Cultural Services
File Reference	
Applicant	
Owner	City of Kalamunda
Attachments	{attachment-list-do-not-remove}
Confidential Attachments	<ol style="list-style-type: none"> 1. Rollerama Proposal – Final – Andros 2. Chorus Peppercorn Lease Proposal 3. Expression of Interest Rollerama Hills Creative 4. Conditions to enter into Commercial Lease Negotiations

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

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 1: Kalamunda Cares and Interacts

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

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

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

Strategy 1.1.3 - Facilitate opportunity to pursue learning.

Priority 1: Kalamunda Cares and Interacts

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

Strategy - 1.2.1 Facilitate a safe community environment.

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

Priority 1: Kalamunda Cares and Interacts

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

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

Priority 3: Kalamunda Develops

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

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

Priority 3: Kalamunda Develops

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

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

Strategy 3.3.2 - Attract and enable new investment opportunities.

Priority 3: Kalamunda Develops

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

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

Priority 4: Kalamunda Leads

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

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

EXECUTIVE SUMMARY

1. The purpose of this report is to consider three Expressions of Interest for the lease of the building located at 38 Collins Road Kalamunda (site).
2. The site is located on a portion of Reserve 26843 and contains a building with a footprint of approximately 1,352 m² of building floor space which the City proposes to lease on an “as is” basis.
3. It is recommended that Council accepts the Expression of Interest received from Sarah Lee Andros for the lease of the site for a period of two years with a further two years option to extend, solely at the discretion of the Lessor.

BACKGROUND

4. The site is located on Reserve 26843 and is owned by the State of Western Australia with the land subject to a management order vested in the City of Kalamunda. The City is responsible for the care and control of the Reserve.
5. Originally, the vesting order to the City was for the purpose of Recreation (Swimming Centre and Roller Skating Rink) and was changed to Recreation, in September 2002.
6. The site was leased to a local gymnastics club from June 2006 until 30 June 2022 at which time the tenant vacated the building. Since June 2022, the building has remained vacant.
7. The City has undertaken a review of its community facilities and services giving rise to an updated Strategic Community Facilities Plan (SCFP) which was considered by Council for the purposes of community engagement. Part of the updated SCFP makes comment on the potential future uses for this site.

DETAILS AND ANALYSIS

8. The City advertised for Expressions of Interest (EOI) in regard to entering into a lease of the building on the site in the West Australian Newspaper on the 25 June 2022 and the Echo Newspaper on 1 July. In addition, the EOI was advertised on the City's Engage Portal, with a closing date of 25 July 2022.

9. The EOI process undertaken by the City was aimed at:
- a) Gaining an understanding regarding the level of leasing interest for the building.
 - b) Understanding how interested parties proposed to use the building.
 - c) Assessing the potential financial returns available to the City arising from the lease of the building.
 - d) Receiving comparable information from interested parties in order to fairly assess the suitability of potential lease proposals.
10. The EOI required respondents to address the following criteria:
- a) Demonstrated Understanding – what the proposed purpose is for the intended building use.
 - b) Methodology – how to engage the community and market regarding the proposed use .
 - c) Relevant Experience – demonstrated experience in providing the same of similar services.
 - d) Key Personnel – key personnel and professional skills.
 - e) Viability – expected financial return to be provided to the City, including lease term.
11. The City did not receive any Expressions of Interest from the advertisements within the newspapers and the City's Engage Portal.
12. Following the closure date for the formal EOI process, the City has subsequently received three EOI's for the lease of the site. Attachments 1 – 4 contain details of the EOIs received.

APPLICABLE LAW

13. Local Government Act 1995 Section 3.58

APPLICABLE POLICY

14. Service 09 Community Group Leases.

STAKEHOLDER ENGAGEMENT

15. An expression of interest was undertaken to canvas potential organisations who may wish to lease the site. The EOI was advertised and open to all.

FINANCIAL CONSIDERATIONS

16. Income will be generated as a part of the Lease agreement.

SUSTAINABILITY

17. All EOIs as presented appear to offer the ability to fulfil the needs of current generations without compromising the needs of future generations, ensuring a balance between economic growth and social well-being.

RISK MANAGEMENT

18.	Risk: The Lessee is unable to maintain their financial obligations to the City resulting in the building being closed again.		
	Consequence	Likelihood	Rating
	Moderate	Unlikely	Low
	Action/Strategy		
	Ensure the City maintains close contact with lessee regarding their financial capacity. In the event of default by the Lessee, the City can reissue an EOI to identify options for the use of the site.		

19.	Risk: That the City ceases as management body of Reserve 26840.		
	Consequence	Likelihood	Rating
	Moderate	Possible	Low
	Action/Strategy		
	Any lease offered should be no longer that 5 years.		

CONCLUSION

20. Each EOI identified valuable offerings to the local community and are thus beneficial.

21. The Sarah Lee Andros proposal would see the reinstatement of a Roller-skating Rink facility to provide an intergenerational sporting venue, community space and tourism activator.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. SUPPORT the expression of interest from “Sarah Lee Andros” to enter into a Commercial Lease with the City to lease the Building on the portion of Reserve 26840, 38 Collins Road, Kalamunda, subject to conditions in Confidential Attachment 4.
2. NOTE that the support of the Expression of Interest contained in this resolution is given by Council in its capacity as management body of Reserve 26840.

10.5. Office of the CEO Reports

No reports presented.

10.6. Chief Executive Officer Reports

10.6.1. Monthly Financial Statements to 28 February 2023

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

Previous Items	N/A
Directorate	Corporate Services
Business Unit	Financial Services
File Reference	FIR-SRR-006
Applicant	N/A
Owner	N/A

Attachments	1. Statement of Financial Activity for the period ended 28 February 2023 [10.6.1.1 - 1 page]
	2. Statement of Net Current Funding Position as at 28 February 2023 [10.6.1.2 - 1 page]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

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

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with the Statutory Financial Statements for the period ended 28 February 2023.
2. The Statutory Financial Statements report on the activity of the City of Kalamunda (City) with the comparison of the period's performance against the first term budget review adopted by the Council on 25 November 2022 for the 2022/2023 financial year.
3. It is recommended Council receives the draft Monthly Statutory Financial Statements for the period ended 28 February 2023, which comprise:
 - a) Statement of Financial Activity (Nature or Type) for the period ended 28 February 2023;
 - b) Net Current Funding Position, note to financial report as of 28 February 2023;

BACKGROUND

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

DETAILS AND ANALYSIS

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

FINANCIAL COMMENTARY

Draft Statement of Financial Activity by Nature and Type for the period ended 28 February 2023

7. This Statement reveals a net result surplus of \$21,500,268 compared to the budget for the same period of \$10,067,578.

Operating Revenue

8. Total Revenue excluding rates is over budget by \$1,990,957. This is made up as follows:
- a) Operating Grants, Subsidies and Contributions are over budget by \$588,534. The variance is mainly attributable to the employee workers compensation & other insurance claims that raised \$399,229 to date.
 - b) Fees and Charges are over budget by \$665,775. The variance is mainly attributable to higher legal fees recovered through rates of which \$160,616 and income from planning and building applications are higher than the budgeted income.
 - c) Interest income is over budget by \$857,038. The variance is mainly due to the higher interest income received from investments. Interest income is higher due to the favourable interest rates prevailing in the current market.
 - d) Other Revenue is under budget by \$128,545. The variance is mainly due to the revised enforcement process of fire infringement and rangers' fines.

Operating Expenditure

9. Total expenditure is under budget by \$4,151,301. The significant variances within the individual categories are as follows:
- a) Employment Costs are under budget by \$1,917,225, which is primarily due to the vacant positions and the aggregate result of minor variances in several business units.
 - b) Materials and Contracts are under budget by \$954,385. The variance is mainly due to the timing of building maintenance costs and infrastructure maintenance costs.
 - c) Utilities are under budget by \$32,522, the variance is mainly due to the aggregate result of minor variances in several business units.
 - d) Depreciation, although a non-cash cost, is tracking under budget, reporting a variance of \$1,283,310.
 - e) Interest and Insurance expenses are tracking below the reportable variance threshold.

- f) Other expenditure is over budget by \$45,785. The variance is primarily due to the timing of donations given to the community groups.

Investing Activities

Non-operating Grants and Contributions

- 10. The non-operating grants and contributions are under budget by \$123,098. The variance is mainly due to the timing of receiving grant funding related to various roads capital projects.

Capital Expenditure

- 11. The total Capital Expenditure on Property, Plant, Equipment, and Infrastructure Assets (excluding Capital Work in Progress) is under budget by \$6,194,291. This is considered to be a timing issue.
- 12. Capital works-in-progress expenditure of \$6,276 represents the costs expended on Forrestfield Industrial Area Scheme Stage 1 and CELL 9 Wattle Grove development. The relevant expenditure is funded by the Forrestfield Industrial Area Scheme Stage 1 reserve account and the CELL 9 trust account. These assets once constructed will be passed over to the City for management.

Financing Activities

- 13. The amounts attributable to financing activities show a variance of \$294,445 which is mainly due to the developer contributions and reserve transfers.

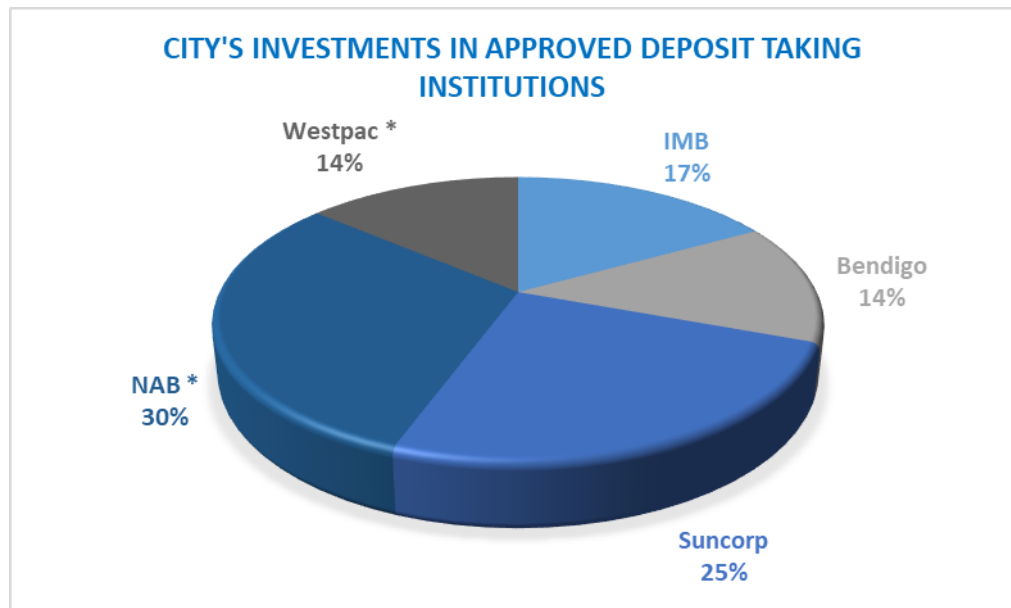
Rates Revenues

- 14. Rates generation is over budget with a variance of \$203,626.

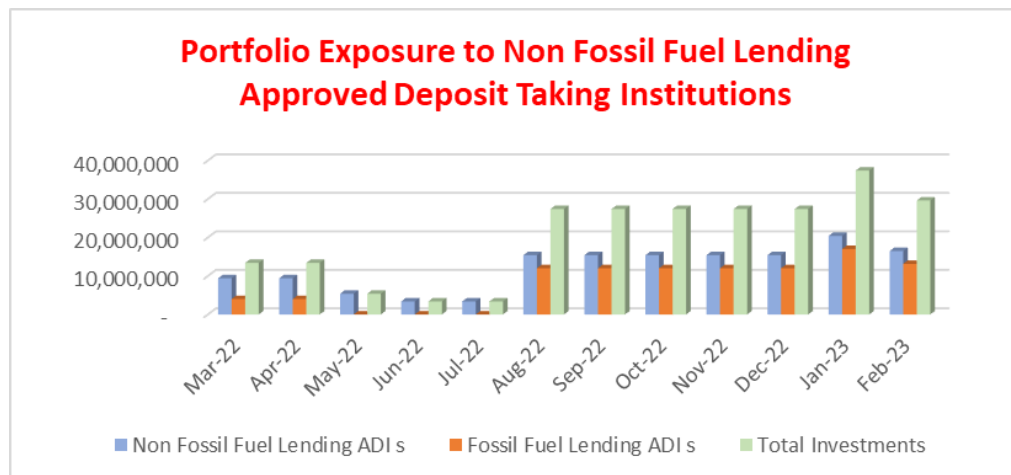
Statement of Net Current Funding Position as of 28 February 2023

- 15. The commentary on the net current funding position is based on a comparison of February 2023 to the February 2022 actuals.
- 16. Net Current Assets (Current Assets less Current Liabilities) total \$42 million. The restricted cash position is \$24.4 million which is lower than the previous year's balance of \$24.5 million. The variance is mainly due to the timing of fund release from unexpended capital works and the specific purpose grants reserve.

17. The following graph indicates the financial institutions where the City has investments as of 28 February 2023;



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



19. Trade and other receivables outstanding comprise rates and sundry debtors totalling \$3.5 million.
20. Sundry debtors have decreased from \$615,110 to \$234,385, of which \$26,200 consists of current debt due within 30 days. Details are contained in the Debtors and Creditors Report to Council.
21. Receivables Other represents \$2.6 million including:
 a) Emergency Service Levy receivables \$0.5 million;
 b) Receivables sanitation \$0.7 million

22. Provisions for annual and long service leave have increased by \$0.1 million to \$2.3 million when compared to the previous year.

APPLICABLE LAW

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

APPLICABLE POLICY

24. Nil.

STAKEHOLDER ENGAGEMENT

Internal Referrals

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

External Referrals

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

FINANCIAL CONSIDERATIONS

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

SUSTAINABILITY

Social Implications

28. Nil.

Economic Implications

29. Nil.

Environmental Implications

30. Nil.

RISK MANAGEMENT

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

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

CONCLUSION

33. The City’s Financial Statements as at 28 February 2023 demonstrate the City has managed its budget and financial resources effectively.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council RECEIVE the Monthly Statutory Financial Statements for the period ended 28 February 2023 which comprises:

- a) Statement of Financial Activity (Nature or Type) for the period ended 28 February 2023;
- b) Net Current Funding Position, note to financial report as of 28 February 2023;

10.6.2. Debtors and Creditors Report for the period ended 28 February 2023

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

Previous Items	N/A
Directorate	Corporate Services
Business Unit	Financial Services
File Reference	FI-CRS-002
Applicant	N/A
Owner	N/A
Attachments	<ol style="list-style-type: none"> 1. Summary of Debtors for the month of February 2023 [10.6.2.1 - 2 pages] 2. Summary of Creditors for the month of February 2023 [10.6.2.2 - 1 page] 3. Creditor Payments for the period ended 28 February 2023 [10.6.2.3 - 29 pages]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with the list of payments made from Municipal and Trust Fund Accounts in February 2023, in

accordance with the requirements of the *Local Government (Financial Management) Regulations 1996* (Regulation 13).

2. The Debtors and Creditors report provides Council with payments made from Municipal and Trust accounts together with outstanding debtors for the month of February 2023.
3. It is recommended that Council:
 - a) Receive the list of payments made from the Municipal and Trust Fund Accounts in February 2023 in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996* (Regulation 13); and
 - b) Receive the outstanding debtors and creditors report for the month of February 2023.

BACKGROUND

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

DETAILS AND ANALYSIS

Debtors

6. Sundry debtors as of 28 February 2023 were \$234,385. This includes \$26,267 of current debts and \$715 unallocated credits (excess or overpayments).
7. Invoices over 30 days total \$26,200 debts of significance:
 - a) Municipal Workcare, \$21,220, Workers Compensation reimbursement.
8. Invoices over 60 days total \$75,808, debts of significance:
 - a) Satterley Property Group, \$63,338, Works Bond;
 - b) Forrestfield United Football Club, \$6,102, Loan 214 reimbursement; and
 - c) Municipal Workcare, \$5,488, Workers Compensation reimbursement;
9. Invoices over 90 days total \$106,826 debts of significance:
 - a) Education Department, \$41,244, Kostera Oval shared facility reimbursement;
 - b) Municipal Workcare, \$31,941, Workers Compensation reimbursement;
 - c) Private Citizen, \$9,281, Fire Break – Reimbursement;
 - d) Forrestfield United Football Club, \$6,850, Utilities / Players Fees;
 - e) Optus, \$5,296, Telecommunications Tower – Lease;

- f) Shire of York, \$4,170, Long Service Leave reimbursement; and
- g) Private Citizen, \$4,070, Fire Break – Reimbursement.

Creditors

- 10. Payments totalling \$3,575,445 were made during the month of February 2023.
Standard payment terms are 30 days from the end of the month, with local businesses and contractors on 14-day terms.
- 11. Significant Municipal payments (GST inclusive – where applicable) made in the month were:

Supplier	Purpose	\$
Australian Tax Office	PAYG payments	409,046.84
Eastern Metropolitan Regional Council (EMRC)	Domestic waste charges – disposal fees	404,462.12
Cleanaway	Waste/recycling and bulk bin disposal services	393,761.79
Insight Enterprises Australia Pty	Microsoft Licensing software for 350 users	248,334.54
Synergy	Power charges – various locations	130,368.92
McKay Earthmoving Pty Ltd	Plant equipment and operator hire for various locations	99,965.48
AWARE Super Pty Ltd	Superannuation contributions	97,118.80
360 Environmental Pty Ltd	Dawson Park primary school oval and pioneer park contaminated sites work – progress claim	95,254.06
AMPAC Debt Recovery (WA)	Debt collection fees for outstanding rates and charges	79,270.60
Kalamunda Electrics	Electric repairs and maintenance work – various locations	68,938.49

These payments total \$2,026,521.64 and represent 57% of all payments for the month.

Payroll

12. Salaries are paid in fortnightly cycles. A total of \$1,227,337.92 was paid in net salaries for the month of February 2023.
13. Details are provided in (Attachment 1) after the creditor's payment listing.

Trust Account Payments

14. The Trust Accounts maintained by the City of Kalamunda (City) relate to the following types:
 - a) CELL 9 Trust;
 - b) Public Open Space funds;
 - c) NBN Tower Pickering Brook Trust
15. There were no payments made from trust accounts during February 2023.

APPLICABLE LAW

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

APPLICABLE POLICY

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

STAKEHOLDER ENGAGEMENT

Internal Referrals

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

External Referrals

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

FINANCIAL CONSIDERATIONS

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

SUSTAINABILITY

23. Nil.

RISK MANAGEMENT

Debtors

24.

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

Creditors

25.

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

CONCLUSION

26. Creditor payments are within the normal trend range.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

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

10.6.3. Rates Debtors Report for the Period Ended 28 February 2023

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

Previous Items	N/A
Directorate	Corporate Services
Business Unit	Financial Services
File Reference	FI-DRS-004
Applicant	N/A
Owner	N/A
Attachments	1. Rates Report February 2023 [10.6.3.1 - 1 page]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

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

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with information on the rates collection percentage and the status of recovery actions.
2. The City of Kalamunda (City) levied rates for 2022/2023 on 1 July 2022 totalling \$41,664,711. As of 28 February 2023, \$40,630,620 has been collected for current and prior year outstanding rates for the February 2023 period.
3. It is recommended that Council receive the Rates Debtors Report for the month of February 2023 (Attachment 1).

BACKGROUND

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

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

DETAILS AND ANALYSIS

5. A total of 23,828 notices were issued on 15 July 2022. This consisted of 20,773 mailed rate notices, and 3,055 eRates notices. Rates Levied and Collectable for the 2022/2023 Financial Year currently total \$44,671,250.
6. As of 28 February 2023, a total of \$40,630,620 has been collected since Rates Notices were released, representing a collection rate of 92.91%.

7. A total of 8,130 ratepayers have taken up an instalment option. This is an increase from 2021/2022 where 7,576 chose an instalment option. The first due date was 19 August 2022. A total of 350 ratepayers have chosen to pay via direct debit, a significant increase from 156 in 2021/2022. Refer to the table below:

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

8. Interim rating has now commenced for 2022/2023. To 28 February 2023 \$392,969 has been raised for interim rating revenue.
9. Call recording software has been utilised in the Rates Department since 2015, primarily for customer service purposes, as it allows calls to be reviewed for training and process improvement purposes. For the period 1 February 2023 to 28 February 2023, there was a total of 292 incoming calls and 173 outgoing calls, equating to 16.19 hours call time.

APPLICABLE LAW

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

APPLICABLE POLICY

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

STAKEHOLDER ENGAGEMENT

Internal Referrals

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

External Referrals

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

FINANCIAL CONSIDERATIONS

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

SUSTAINABILITY

Social Implications

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

Economic Implications

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

Environmental Implications

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

RISK MANAGEMENT

- 20.

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

CONCLUSION

21. With a current collection rate for the financial year of 92.91% (compared to 88.28% last year), the City continues to effectively implement its rate collection strategy and recognises more ratepayers have chosen to pay their rates via instalments and direct debit options.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council RECEIVE the Rates Debtors Report for the Period ended 28 February 2023 (Attachment 1).

10.6.4. Budget Review for Eight Months to February 2023

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

Previous Items	N/A
Directorate	Corporate Services
Business Unit	Financial Services
File Reference	
Applicant	N/A
Owner	N/A
Attachments	<ol style="list-style-type: none"> 1. Budget Review Financial Activity Statement Nature or Type [10.6.4.1 - 1 page] 2. Budget Review Cash Backed Reserves [10.6.4.2 - 1 page] 3. Budget Review Composition of Net Current Assets [10.6.4.3 - 1 page] 4. Budget Review Summary of Changes [10.6.4.4 - 3 pages]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

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

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to consider and approve amendments to the 2022/2023 Adopted Budget as identified in the 2022/2023 Statutory Mid Term budget review.
2. It is recommended that Council:
 - a) Notes the 2022/2023 Mid Term Budget Review Explanation and Summary (Attachment 4).
 - b) Amends the 2022/2023 current budget to reflect the changes summarised in the Amended Financial Activity Statement (Attachment 1), pursuant to section 6.8 (1) (b) of the *Local Government Act 1995*.
 - c) Adopts the new Fees applying to 2022/2023 not included as part of the Fees and Charges schedule as part of the budget adoption on 27 June 2022 Pursuant to Section 6.16 (3) of the *Local Government Act 1995*. The public will be given notice of these fees Pursuant to Section 6.19 of the *Local Government Act 1995*.
 - d) Amend, Pursuant to Section 6.11 (2) (b) of the *Local Government Act 1995*, the transfers to and from reserves (Attachment 2).

BACKGROUND

3. 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 January and 31 March.
4. In pursuit of improved fiscal management and accountability, the City of Kalamunda undertakes an additional first term budget review which was approved by Council in October 2022. The Mid Term Budget Review is the statutory review and was conducted covering the eight months to February 2023.
5. The primary objective of regular budget reviews is to ensure that the City is closely monitoring its revenue and expenditure to mitigate the risk of the City posting a deficit at the end of this financial year.

6. In December 2022 Council adopted Local Planning Policy 33 Tree Retention which includes fees for tree replacement. Pursuant to Section 6.16 (3) of the *Local Government Act 1995* fees not included as part of the Fees and Charges schedule as part of the budget adoption on 27 June 2022 need to be adopted.

DETAILS AND ANALYSIS

Closing Surplus position (Attachment 1)

7.

Summary of Movements from the Amended Financial Activity Statement			
Description	First Term Budget Review \$	Proposed Revised Budget \$	Variance \$
Opening Surplus Position	3,595,066	2,979,901	(615,165)
Operating Revenue Excluding Rates	21,868,702	23,534,146	1,665,444
Operating Expenditure	(68,050,562)	(69,054,654)	(1,004,092)
Non-Cash Movements to Operating Expenditure	13,324,423	13,362,731	38,308
Investing Activities	(21,584,156)	(22,013,753)	(429,597)
Financing Activities	9,063,236	9,270,881	207,645
Rates Revenue	41,806,941	41,969,598	162,657
Closing Surplus Position	23,649	48,850	25,200

8. A brief synopsis of the budget variances (Attachment 4) are as follows:

Operating Revenue:

Operating Revenue excluding rates is higher than the revised budget by \$1.66M. Areas of significant increase are:

- a) Operating grants, subsidies and contributions are higher than budget by \$571K due to workers compensation reimbursement and other insurance reimbursements of \$417K.
- b) Fees and Charges are higher than budget by \$326K including \$145K for increased building applications and \$152K of legal fees recovered through Rates.

- c) Interest earnings are higher than budget by \$911K due to the recent interest rate increases.
- d) Other Revenue lower than budget by \$206K mainly due to a \$220K reduction in estimated fines revenue due to the revised enforcement process of fire infringement and rangers' fines.
- e) Ex-Gratia Rates are higher than the budget estimate of \$63K, based on actual interim rates raised to date.

Operating Expenditure:

Operating Expenditure is higher than the revised budget by \$1.0M. Areas of significant changes are as follows:

- a) Employee costs lower than the budget by \$432K mainly due to:
 - i. \$808K salary savings due to vacancies, some of which has been reallocated to contractors.
 - ii. \$100K worker's compensation reserving increase required for existing claims.
 - iii. \$230K for worker's compensation salaries paid, noting these are reimbursed by the insurer when a claim is settled.
- b) Materials and contracts expenditure is higher than budget by \$1.37M mainly due to:
 - i. \$152K increase in legal fees expenses relating to rates offset by recovery through fees and charges.
 - ii. \$75K increase in other legal fees.
 - iii. \$246K increase for the Kalamunda water park subsidy and purchase of inflatables due to slide closure.
 - iv. \$212K increased contractor costs for waste, drainage and asset planning, noting an equivalent savings in employment costs to offset.
 - v. \$263K increase for consultants for specified asset drainage data collection partially offset by a reduction in development and traffic engineering works now postponed.
 - vi. \$154K increase for contaminated sites contractor works funded by reserve.
- c) The rest of the expenditure types are within the budget thresholds of 10%.
- d) Non-cash movements increased by \$38K as compared to the first term budget review, due to the recognition of loss on asset disposals.

Investing activities:

- e) Investing activities exceeds budget by \$430K. The significant changes were:

- i. Non-operating grants income decreased by \$916K mainly due to alignment of the income to grant related expenditure where works will be completed in 2023/2024.
 - ii. Capital developer contributions increased by \$791K to fund the works for Woodlupine Brook environmental upgrade CELL 9 Stage 3.
 - iii. Purchase property, plant and equipment decreased by \$3.98M due to \$2.11M deferred works relating to the Hartfield Park Stage 2 master plan (delays in grant release) and Information Communication Technology overall decrease of \$407K for the Enterprise Resource Planning (ERP) project due to commence 2023/2024.
 - iv. Purchase and construction of infrastructure increase of \$2.70M, mainly due to Magnolia Reserve all abilities playground works brought forward \$1.14M (due to new grant), Central Mall works finalisation \$420K, Lewis Road new cul-de-sac increase \$250K (escalation beyond budgeted – cost sharing with Department of Biodiversity Conservations and Attractions (DBCA))
 - v. Recent cost escalation in various areas, notably buildings and road construction predicated that some projects would need to be deferred for review in 2023/2024. Tendering will be undertaken later in the year to cater for up-to-date pre-tender estimates. It is noted that robust planning for the 2023/2024 program will factor reasonably foreseeable cost escalation factors. Noteworthy changes to capital works are detailed (Attachment 4).
 - vi. Non-cash movements are higher than budget by \$1.74M mainly due to an accounting adjustment for grant income received in advance.
- f) Financing activities are higher than budget by \$208K mainly due to the following items:
- i. An increase in transfers to reserves of \$1.82M due to a transfer of \$810K to the EDP - IT Equipment Reserve for future works and an additional \$350K to the Long Service Leave Reserve to meet the City's liability.
 - ii. An overall increase in transfer from reserves of \$2.03M including a further \$1.37M funds released from the Unexpended reserve.
- g) Rates revenue is higher than budget as a result of general as well as interim rates processed during the financial year to the value of \$163K.

9. The City's is expected to end the year on a closing surplus position of \$48,850. The expected closing balance for Reserves on 30 June 2023 will be \$15.81M (Attachment 2).
10. The City will continue to closely monitor income and expenditure budgets to ensure a surplus is in place at 30 June 2023 to strengthen the City's financial capacity and cash reserves.
11. In light of this Budget Review, all future Financial Reports presented to Council for adoption will include adjustments to the current Budget.

APPLICABLE LAW

12. Section 6.8 (1)(b) of the *Local Government Act 1995* requires an absolute majority decision by the Council for any budget amendments.
13. Section 6.16(3) (b) of the *Local Government Act 1995*, fees and charges may be amended from time to time during a financial year.

APPLICABLE POLICY

14. Nil.

STAKEHOLDER ENGAGEMENT

Internal Referrals

15. During this period the executive closely reviewed the integrity of budget projections, with the results now available for Council consideration in March 2023.

External Referrals

16. A briefing to Council was held on the 21st of March 2023.

FINANCIAL CONSIDERATIONS

17. The Amended Financial Activity Statement shows the City is projected to be in a surplus position at the end of the financial year.

SUSTAINABILITY

Social Implications

18. Nil.

Economic Implications

19. Nil.

Environmental Implications

20. Nil.

RISK MANAGEMENT

21.	<p>Risk: Expenditure exceeds budgeted allocation resulting in negative impact on closing funds position.</p>						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Consequence</th> <th style="width: 33%;">Likelihood</th> <th style="width: 33%;">Rating</th> </tr> </thead> <tbody> <tr> <td>Moderate</td> <td>Possible</td> <td>Medium</td> </tr> </tbody> </table>	Consequence	Likelihood	Rating	Moderate	Possible	Medium
Consequence	Likelihood	Rating					
Moderate	Possible	Medium					
	<p>Action/Strategy</p> <ul style="list-style-type: none"> Monthly management reports are tracked by business unit managers to ensure that they are operating within budget parameters. Introduction of scalable reports which are scrutinised by Executive on a monthly basis. Budget reviews and forecasting of expenditures against potential revenues are monitored closely. 						

22.	<p>Risk: Funds spent without a budget allocation</p>						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Consequence</th> <th style="width: 33%;">Likelihood</th> <th style="width: 33%;">Rating</th> </tr> </thead> <tbody> <tr> <td>Significant</td> <td>Unlikely</td> <td>Medium</td> </tr> </tbody> </table>	Consequence	Likelihood	Rating	Significant	Unlikely	Medium
Consequence	Likelihood	Rating					
Significant	Unlikely	Medium					
	<p>Action/Strategy</p> <ul style="list-style-type: none"> Electronic purchasing system in place which tracks and allows authorisation of purchase orders only if a budget is available. Increased segregation of duties between purchasing business unit with responsibility for the issue of purchasing orders now with Finance basically centralizing compliance aspect of purchasing. 						

CONCLUSION

23. The amended Financial Activity Statement following the Mid-Term budget review in Column E (Attachment 1) reveals a balanced budget estimate for 30 June 2023 with a surplus of \$48,850.
24. It should be noted that the Reserves overall are still maintained at a high level with an amount of \$15.81M as shown in (Attachment 2).

- 25. The key to pro-actively managing the City's finances will be to diversify its revenue streams and continuing to monitor closely revenues and expenditure against allocated budgets. The City will also continue to monitor service delivery to align resources with strategic priorities.
- 26. It is critical that the Council is committed to this strategy in order to meet service level and management requirements in a financially sustainable manner.
- 27. The City is focused on sound financial management practices and is constantly looking at improving its financial sustainability.
- 28. In December 2022 Council adopted Local Planning Policy 33 Tree Retention which includes fees for tree replacement. These new Fees applying to 2022/2023 not included as part of the Fees and Charges schedule as part of the budget adoption on 27 June 2022 have been included.

Voting Requirements: Absolute Majority

RECOMMENDATION

That Council:

- 1. NOTE the 2022/2023 Mid Term Budget Review Explanation and Summary (Attachment 4).
- 2. AMEND the 2022/2023 current budget to reflect the changes summarised in the Amended Rates Setting Statement (Attachment 1), pursuant to Section 6.8 (1) (b) of the *Local Government Act 1995*.
- 3. Pursuant to Section 6.16 (3) of the Local Government Act 1995, ADOPT the following Fees applying to 2022/2023 not included as part of the Fees and Charges schedule as part of the budget adoption on 27 June 2022. Fees to be included in City's 2022/2023 Schedule of Fees and Charges.

Fee description	To be imposed when:	Basis of charge	Amount incl GST
Tree removal offset fee	The City approves the removal of a "tree worthy of retention" (as defined under Local Planning Policy 33) on private land and requires an offset payment for	Per replacement tree	\$600

	<p>replacement tree planting and maintenance; or,</p> <p>Unauthorised removal of a “tree worthy of retention” occurs on private land and the City requires an offset payment for replacement tree planting and maintenance.</p>		
Street tree removal fee	<p>The City approves the removal of a “tree worthy of retention” on public land and requires an offset payment for the loss of amenity and environmental value, and for replacement tree planting and maintenance; or,</p> <p>Unauthorised removal of a “tree worthy of retention” occurs on public land and the City requires an offset payment for replacement tree planting and maintenance.</p>	Per tree removed	To be calculated by the City of Kalamunda in accordance with Local Planning Policy 33- Tree Retention

4. Pursuant to Section 6.11 (2) (b) of the *Local Government Act 1995*, AUTHORISES the transfers to and from Reserves as detailed in (Attachment 2).

10.6.5. Election to Fill Councillor Vacancy

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

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

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.

Strategy 4.1.1 - Provide good governance.

EXECUTIVE SUMMARY

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

2. Councillor Andrew Osenton (North Ward) has submitted his resignation effective 24 February 2023. It is open to Council to determine to hold an extraordinary election to fill the vacancy or decide to leave the position unfilled until the 2023 Local Government Elections to be held on 21 October 2023.
3. It is recommended the Council determine subject to the approval of the Western Australian Electoral Commissioner, the vacant position to remain unfilled until the 2023 Local Government Elections.

BACKGROUND

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

DETAILS AND ANALYSIS

7. Councillor Andrew Osenton submitted his resignations as a Councillor effective 24 February 2023.
8. As Councillor Ostenton's term expire in 2025, Council can decide to hold an extraordinary election to fill the vacant positions. s4.9 of the *Local Government Act 1995* ('Act') provides for the manner of fixing of a date for an extraordinary election.
9. Practically speaking, the earliest an extraordinary election could be held is 6 June 2023.
10. As an alternative to compliance with s4.9 of the Act, as 2023 is an election year, s4.16 and s4.17 of the Act provide the parameters to allow a vacancy to remain unfilled until the Ordinary Council Elections on 21 October 2023.

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

APPLICABLE LAW

19. *Local Government Act 1995*

APPLICABLE POLICY

20. N/A

STAKEHOLDER ENGAGEMENT

21. Community consultation is not required.

FINANCIAL CONSIDERATIONS

22. It is estimated there will be savings of \$9,120 in councillor fees and allowances should the vacant position be held over to the 2023 Local Government Elections.

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

SUSTAINABILITY

24. N/A

RISK MANAGEMENT

25.	Risk: Council is open to criticism for allowing vacancies not to be filled at the earliest opportunity		
	Consequence	Likelihood	Rating
	Moderate	Unlikely	Low
	Action/Strategy		
	Responses detail the practical timeframe of holding an extraordinary election to fill vacancies compared to the October 2023 election date and limited benefits of holding the extraordinary election.		

CONCLUSION

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

Voting Requirements: Absolute Majority

RECOMMENDATION

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

10.6.7. South West Native Title Settlement - City of Kalamunda Comments on Land Base Consultation - Land List 1499

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

Previous Items	OCM 31/2021; OCM 184/2022; OCM 24/2023
Directorate	Community Engagement
Business Unit	Economic & Cultural Services
File Reference	3.000738
Applicant	Department of Planning, Lands & Heritage
Owner	State of Western Australia
Attachments	1. Response Table - Land List 1499 [10.6.7.1 - 3 pages]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 3: Kalamunda Develops

Objective 3.2 - To connect community to quality amenities.

Strategy 3.2.1 - Optimal management of all assets.

EXECUTIVE SUMMARY

- The purpose of this report is to consider the City of Kalamunda (City)'s response to the Department of Planning, Lands and Heritage (DPLH) regarding land identified by the State Government (State) for possible transfer to the Noongar People as part of the South West Native Title Settlement (Settlement).

2. The following parcels of land within the City have been identified:
 - a) 8 Cephalotus Road, Walliston;
 - b) No Street Address (PIN 213992);
 - c) 15 Grove Road, Walliston; and
 - d) 36 Schofield Road, Wattle Grove.

3. It is recommended Council note the request for information on the proposed transfer of the subject sites to the Noongar People and Council advise the DPLH of constraints and community values associated with the sites for the DPLH's further consideration.

BACKGROUND

4. The Settlement is a landmark native title agreement reached between the State and the six Noongar Agreement Groups. The six requisite Indigenous Land Use Agreements (ILUAs) were conclusively registered, leading to the Settlement commencing on 25 February 2021 after some years of delay. The Settlement recognises the Agreement Groups as the Traditional Owners of the south west of Western Australia, while resolving native title in exchange for a negotiated package of benefits.

5. A key negotiated benefit is the delivery of a 320,000 hectare Noongar Land Estate, in accordance with the Noongar Land Base Strategy. The Noongar Land Estate will contain up to 300,000 hectares of land transferred in reserve or leasehold, and up to 20,000 hectares of land transferred in freehold. The Landholding Body for all land transferred is the Noongar Boodja Land Sub Pty Ltd, which will hold and manage the land in the Noongar Land Estate in consultation with the soon to be established Noongar Regional Corporations. All land will be used and managed in line with Noongar cultural, social and economic aspirations for the benefit of generations to come.

6. Over the next five years, the DPLH will progress selected land parcels through to transfer under the Settlement, subject to all necessary consultation and approvals with stakeholders. Land eligible for inclusion in the Noongar Land Estate includes:
 - a) unallocated Crown land;
 - b) unmanaged reserves;
 - c) land owned or held by the Aboriginal Lands Trust / Aboriginal Affairs Planning Authority; and
 - d) land owned or held by State agencies or Local Government Authorities, at the discretion of the State agency or Local Government Authority.

7. A key part of the process being followed by the DPLH involves the referral of land under consideration for inclusion in the Noongar Land Estate to relevant State agencies and Local Government Authorities.
8. On 6 February 2023, the City received email correspondence from the DPLH requesting comment on the proposed transfer of four sites within the City to the Noongar People as part of the Settlement.
9. All the subject sites are Crown land. The City does not own or manage any of the parcels of land.
10. The questions the DPLH has asked the City in respect of each land parcel are:
 - a) Is the City supportive of the transfer of this land to the Noongar People under the Settlement?
 - b) Does the City have any interest in the land?
 - c) Does the City have existing or planned infrastructure within the land parcel that requires protection? If yes, please provide details and advise if access to this infrastructure will need to be maintained.
 - d) Is the land parcel subject to any mandatory connection to services?
 - e) Are any future proposals for the land identified? Please provide detail of what is proposed and in what timeframe?
 - f) Are there any future proposals for adjoining land that may affect the land identified in the spreadsheet? If so, in what timeframe?
 - g) Please advise of any proposed planning scheme amendments that may affect the zoning of this land at a State or Local government level. If a scheme amendment is to occur, what is the change proposed and when will it come into effect?
 - h) Please advise of any known land management issues such as site contamination, hazards, debris or rubbish dumping, unauthorised land use and environmental considerations (such as inundation or similar site constraints).
 - i) Please provide any additional comments on the proposed transfer of this land as part of the Settlement.
11. The City was requested to provide its comments by 20 March 2023. The City has received a short extension until 31 March 2023, to enable the matter to be referred to the March 2023 Ordinary Council Meeting.

DETAILS AND ANALYSIS

Strategic Planning Comments

12. It is noted:
- a) The subject sites are considered to contain values that contribute towards the amenity of adjoining and nearby residents;
 - b) The vegetation on the subject sites appears to be native and is significantly established, and may be perceived by the community to constitute a form of pseudo-public open space;
 - c) The City has identified potential environmental values on the subject sites;
 - d) Clearing of the subject sites for development purposes would not be consistent with the objectives of the City's draft Urban Forest Strategy;
 - e) Any proposed use or development would be subject to community consultation and Council determination; and
 - f) The City has a preference to have the sites reserved to Parks and Recreation under the Metropolitan Region Scheme.

Asset Management Comments

13. In respect of PIN 213992, it is not suitable for development as it is landlocked.

Environmental Comments

14. In respect of PIN 213992, the site is mapped within Regional Ecological Linkage (WALGA 2008) and is a threatened fauna habitat (black cockatoo). The City notes the value of retaining contiguous bushland.
15. In respect of 36 Schofield Road, Wattle Grove, the site is mapped as Forrestfield Vegetation complex most likely to contain TEC-Banksia Woodland of Swan Coastal plain and protected under the *Environment Protection and Biodiversity Conservation Act 1999* (Cth). The site is mapped as containing several threatened and priority flora and is identified as Bush Forever Site No. 50. The site is mapped within Regional Ecological Linkage (WALGA 2008) and is a threatened fauna habitat (black cockatoo). A large power easement is mapped through the majority of the block. The sum of these factors indicates the block is best suited to the conservation of Threatened Species and communities.

Health Comments

16. Records of known Contaminated Sites are maintained on the City's mapping system. The subject sites are not listed as being classified under the *Contaminated Sites Act 2003* (WA) on this system. Please note, the Department of Water and Environmental Regulation (DWER) is the Authority for determining all Contaminated Sites classifications.

Community Development Comments

17. In respect of PIN 213992, a well utilised trail known as the 'Spring Road to Rocky Pool Trail' intersects through this land parcel. Ongoing public access to and maintenance of the trail by the City and its volunteers is required.

DPLH Queries

18. The City's proposed responses to the DPLH questions in respect of the subject sites are contained in the Response Table (Attachment 1).

APPLICABLE LAW

19. *Noongar (Koorah, Nitja, Boordahwan) (Past, Present, Future) Recognition Act 2016* (WA).
20. *Land Administration Act 1997* (WA).
21. *Local Government Act 1995* (WA).
22. *Environment Protection and Biodiversity Conservation Act 1999* (Cth).

APPLICABLE POLICY

23. Urban Forest Strategy (Draft).
24. Local Biodiversity Strategy (Draft).

STAKEHOLDER ENGAGEMENT

25. No public consultation has been undertaken by the DPLH in relation to the identification of the subject sites for possible transfer under the Settlement.
26. The City has been asked for comment with a short deadline and is providing as much information as possible to assist with the request in the allocated time period.

FINANCIAL CONSIDERATIONS

27. The sites are currently non-rateable.

SUSTAINABILITY

- 28. The City has identified environmental values on the subject sites.
- 29. If the sites are transferred to the Noongar People, the sites may be developed in accordance with the zoning and residential density under the City’s Local Planning Scheme, which would likely result in vegetation being cleared from the sites.
- 30. Should these lots transfer ownership, then the City’s Fire Hazard Reduction Notice may take effect.

RISK MANAGEMENT

31.	<p>Risk: Reputational damage to the City if the City provides support to the proposal and the sites are perceived by the community to constitute a form of pseudo-public open space, noting that there has been no opportunity for community consultation.</p>						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;">Consequence</th> <th style="text-align: left; padding: 2px;">Likelihood</th> <th style="text-align: left; padding: 2px;">Rating</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">Significant</td> <td style="padding: 2px;">Likely</td> <td style="padding: 2px;">High</td> </tr> </tbody> </table>	Consequence	Likelihood	Rating	Significant	Likely	High
Consequence	Likelihood	Rating					
Significant	Likely	High					
	<p>Action/Strategy</p> <p>Council note the request and advise the DPLH of constraints and community values associated with the sites for the DPLH’s further consideration.</p>						

CONCLUSION

32. It is recommended that Council NOTE the request for information on the transfer of the subject sites to the Noongar People and that Council advise the DPLH of constraints and community values associated with the sites for the DPLH’s further consideration.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. NOTE the request for information on the following sites from the Department of Planning, Lands & Heritage:
 - a) 8 Cephalotus Road, Walliston;
 - b) No Street Address (PIN 213992);
 - c) 15 Grove Road, Walliston; and
 - d) 36 Schofield Road, Wattle Grove.

2. ADVISE the Department of Planning, Lands & Heritage of the following requests should the transfer of land proceed:
 - a) In respect of No Street Address (PIN 213992), ongoing public access to and maintenance of the trail is required. The City notes the value of retaining contiguous bushland; and
 - b) In respect of 36 Schofield Road, Wattle Grove, the City notes the subject site should be vested for conservation.

3. REQUEST the Department of Planning, Lands & Heritage ensure the Noongar People are made aware of the following potential constraints to the possible future development and/or use of the subject sites:
 - a) The subject sites are considered to contain values that contribute towards the amenity of adjoining and nearby residents;
 - b) The vegetation on the subject sites appears to be native and is significantly established, and may be perceived by the community to constitute a form of pseudo-public open space;
 - c) The City has identified potential environmental values on the subject sites;
 - d) Clearing of the subject sites for development purposes would not be consistent with the objectives of the City of Kalamunda's draft Urban Forest Strategy;
 - e) Any proposed use or development would be subject to community consultation and Council determination; and
 - f) A Council preference to have the sites reserved to Parks and Recreation under the Metropolitan Region Scheme.

4. NOTE the proposed responses to be provided to the Department of Planning, Lands & Heritage questions about the subject sites, which are contained in the attached table (Attachment 1).

10.6.8. Draft Terms of Reference - Hockey - Teeball Advisory Committee

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

Previous Items	OCM 130/2022 and OCM 15/2017
Directorate	Community Engagement
Business Unit	Community Development
File Reference	
Applicant	City of Kalamunda
Owner	City of Kalamunda
Attachments	1. HaTBAC Terms of Reference March 2023 [10.6.8.1 - 5 pages]

TYPE OF REPORT

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

STRATEGIC PLANNING ALIGNMENT

Kalamunda Advancing Strategic Community Plan to 2031

Priority 1: Kalamunda Cares and Interacts

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

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

Priority 1: Kalamunda Cares and Interacts

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

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

Priority 4: Kalamunda Leads

Objective 4.1 - To provide leadership through transparent governance.
Strategy 4.1.1 - Provide good governance.

Priority 4: Kalamunda Leads

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

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

EXECUTIVE SUMMARY

1. The purpose of this report is for Council to adopt the draft Terms of Reference (TOR) for the Hockey and Tee Ball Advisory Committee (HaTBAC) for the shared facility located at 62 Hartfield Road, Forrestfield (the Facility) and for Council to appoint a representative as Presiding Member and Deputy Presiding Member for April 2023 to April 2025.
2. The HTBAC is proposed to be established to assist the Kalamunda and Districts Hockey Club (KDHC) and Forrestfield Tee/Base/Soft Ball Association (FTBSBA) to work considerately and collaboratively, so as to transition towards becoming a predominately Club managed shared facility in line with the terms of the shared Seasonal Lease Agreement.
3. It is recommended that Council endorse the draft TOR for the HTBAC and appoint a Councillor as Presiding Member and a Deputy Councillor.

BACKGROUND

4. At the 27 September 2022, OCM (130/2022), Council adopted the following:
 1. *APPROVE the City entering into a seasonal lease agreement for the facility located at 62 Hartfield Road, Forrestfield, between KDHC and FTBSBA.*
 2. *APPROVE the lease agreement term being for a 12 month period, to align with the City's scheduled review of all commercial and community leases.*
 3. *APPROVE that in the event either KDHC and/or FTBSBA, determines not to enter into a seasonal lease agreement for the facility, by 31 December 2022, then they will need to hire the facility in line with the Community Group Leases Policy*
 4. *Note that a clause will be included within the lease terms, stipulating that the Management Model can be reviewed at such a time that KDHC prove that a synthetic hockey turf is needed, viable and sustainable.*
 5. *REQUEST the CEO to draft a Hockey and Tee Ball Advisory Committee (HaTBAC) Terms of Reference (TOR) that covers a two-year period for Council's consideration and adoption.*

5. In response to the Council Resolution (130/2022), the KDHC lodged an appeal to the decision through the State Administrative Tribunal (SAT). Following an initial hearing, the SAT advised in December 2022 that the KDHC had no right of appeal as the matter was not within the jurisdiction of the SAT. As a result of this appeal process, the implementation of the Council Resolution was delayed.
6. In January 2023, both KDHC and FTBSBA confirmed in writing their intent to enter into a seasonal lease agreement.
7. The City is currently in the process of finalising the seasonal lease agreement with both clubs, prior to seeking the Minister for Lands consent.

DETAILS AND ANALYSIS

8. Council has the ability, under the Local Government Act 1995, to establish Advisory Committees to assist in the provision of advice on various subject matters, such as the management of community facilities.
9. In preparing the TOR, both KDHC and FTBSBA provided feedback on the initial draft TOR.
10. The feedback received has predominately been supported by the City and incorporated into the final draft TOR, with exception to:
11. KDHC & FTBSBA comment: Improved flexibility in nominating Club Committee representatives, rather than stipulating the Club Committee positions.

City Response: Key Club decision makers as elected by their Club constitutions are required to be in attendance, to ensure appropriate negotiations, relationship building and decisions are reached.
12. KDHC comment: Requested that HaTBAC objectives consider future Club facility developments and improvements.

City Response: Whilst the HaTBAC, can provide guidance on such matters, the primary focus of the HaTBAC must be on sharing the facility in a considerate manner, developing positive working relationships and imbedding good working practices for the shared seasonal lease. This matter can be considered through the City's existing Capital Grants policy and Strategic Sport and Recreation Committee processes.

13. KDHC comment: Proposed communication approach via email to all Committee members to resolve matters in between meetings.
- City Response: Not opposed however such protocols will be determined by the HaTBAC once it is established and operational.
14. The final draft TOR for the proposed HaTBAC have been developed as per Attachment One.
15. The intended purpose of the proposed Advisory Committee is to work in conjunction with the seasonal lease agreement to assist KDHC and FTBSBA to work considerately and collaboratively together, during the initial transition and establishment phases of the management and operation of the Facility.
16. The key objectives and deliverables outlined in the draft TOR are to:
- a) Provide an opportunity for the key facility stakeholders to meet and discuss operational matters relative to the effective operation, management and usage of the Facility and Reserve.
 - b) Develop and implement a Club Shared Facility Use Agreement in line with any relevant City Policy's and the shared Seasonal Lease Agreement including (but not limited to):
 - i. A shared seasonal calendar of activities.
 - ii. Details relating to reasonable out of season use of the facility Reserve (as per the Sporting Reserve Usage Policy).
 - iii. Cost splitting arrangements.
 - c) Build a positive working relationship between all parties and encourage a cooperative attitude among all facility users so that the most effective use the Facility and Reserve is obtained.
17. It is proposed that the HaTBAC will meet on a quarterly basis for the next two years, with the opportunity for further meetings as required.
18. It is proposed that the HaTBAC shall comprise of the following Members:
- a) Two representatives from KDHC being the President and Treasurer;
 - b) Two Treasurer;
 - c) One representative from the City being a Council appointed Councillor to be Presiding Member; and
 - d) Two representatives from the City's Community Engagement Directorate as appointed by the Chief Executive Officer.
representatives from FTBSBA being the President and

19. It is proposed that the HaTBAC shall comprise of the following Deputy Members:
- a) One representative from KDHC’s Executive Committee ;
 - b) One representative from FTBSBA’s Executive Committee ;
 - c) One representative from the City being a Council appointed Councillor to be Deputy Presiding Member.

APPLICABLE LAW

20. Local Government Act 1995 - Part 5 – Administration, Division Two - Council meeting, committees and their meetings and electors meetings.
- City of Kalamunda – Code of Conduct – Elected Members, Committee Members and Candidates.

APPLICABLE POLICY

21. Service 9: Community Group Leases Policy
22. Service 12: Sporting Reserve Usage Policy
23. Governance 13: Appointment of Community Members to Advisory Committees and Reference Groups.

STAKEHOLDER ENGAGEMENT

24. KDHC and FTBSBA were consulted on the draft TOR.

FINANCIAL CONSIDERATIONS

25. The establishment of any Advisory Committee requires the commitment of existing City Officer time to both attend and provide administrative support.
26. As a guide, the cost to administering an Advisory Committee has previously been estimated to be in the order of \$5,000 to \$6,000 per meeting. This can vary depending on requirements of the Committee such as (but not limited to):

Meeting agenda preparation	2 hours/meeting	\$ 400
Briefing Papers prepared and research	8 hours/meeting	\$ 1,600
Meeting attendance x 3 staff	2 hours/meeting	\$ 1,200
Minutes	2 hours/meeting	\$ 400
Senior Officers review and signoff	3 hours/meeting	\$ 900
Ongoing Liaison	2 hours/meeting	\$ 400
Reporting to council	4 hours/meeting	\$ 800

Total estimate

\$ 5,700

27. As part of the State Government’s Local Government reform changes it is currently proposed that “Independent Members” on Advisory Committees be financially compensated. The City is awaiting further details on this reform to be released by the State Government in order to appropriately advise Council on the financial implications.

SUSTAINABILITY

28. N/A

RISK MANAGEMENT

29.	Risk: That the HaTBAC is unable to achieve its objectives and that shared usage of the Facility and Reserve is not possible and relationships deteriorate.		
	Consequence	Likelihood	Rating
	Moderate	Unlikely	Low
	Action/Strategy		
	A draft TOR has been developed to govern the proposed HaTBAC. The draft TOR has clearly defined objectives and deliverables that focus on building relationships and reaching decisions by a consensus approach. Councillors will be kept informed of the progress of the key objectives and deliverables.		

CONCLUSION

30. Council has the ability, under the Local Government Act 1995, to establish Advisory Committees to assist in the provision of advice on various subject matters, such as the management of community facilities.
31. The intended purpose of the proposed HaTBAC is to work in conjunction with the seasonal lease agreement to assist KDHC and FTBSBA to work considerately and collaboratively together, during the initial transition and establishment phases of the management and operation of the Facility.
32. It is recommended that Council endorse the final draft TOR for the proposed HaTBAC as per Attachment One.

Voting Requirements: Absolute Majority

RECOMMENDATION

That Council:

1. APPROVE the draft Terms of Reference for the Hockey and Tee Ball Advisory Committee (as per Attachment One).
2. APPOINT Cr as the Council appointed representative and Presiding Member of the Hockey and Tee Ball Advisory Committee.
3. APPOINT Cr as the Deputy Council appointed representative of the Hockey and Tee Ball Advisory Committee.
4. APPOINT the President and Treasurer from the Kalamunda Districts Hockey Club and the President and Treasurer from the Forrestfield Tee/Base/Soft Ball Association as the members of the committee.
5. NOTE Kalamunda Districts Hockey Club and the Forrestfield Tee/Base/Soft Ball Association will appoint a deputy to the Advisory Committee from their Executive.

10.7. Audit and Risk Committee

10.7.1. Audit and Risk Committee Recommendations 21 March 2023

Voting Requirements: Simple Majority

That Council ADOPT the recommendations of reports Audit & Risk Committee held on 21 March 2023, inclusive, en bloc.

10.7.2. A&R9.3.1 Internal Audit Report March 2023

Voting Requirements: Simple Majority

That Council RECEIVE the details of the Internal Audit Review of Asset Management (Confidential Attachment 1) and General Financial Controls (Confidential Attachment 2).

10.7.3. A&R9.5.1 2022 Compliance Audit Return

Voting Requirements: Simple Majority

That Council ADOPT the Compliance Audit Return for the year ending 31 December 2022 (Attachment 1).

11. Motions of Which Previous Notice has been Given

11.1. High Wycombe South Development Contribution Plan

Voting Requirements: Simple Majority

That Council:

1. REQUEST the A/Chief Executive Officer to present the draft High Wycombe South Development Contribution Plan Report and Scheme Amendment document to the Public Agenda Briefing session and the Ordinary Council Meeting of April 2023.
2. REQUEST the A/Chief Executive Officer, prior to the Public Agenda Briefing agenda being published, notify the residents and landowners in the High Wycombe South Residential Precinct of the intention to table the report to Council during April 2023.
3. NOTE that the report to Council is for the purposes of forwarding the Development Contribution Plan Scheme Amendment to the Western Australian Planning Commission seeking consent to commence public advertising.

Moved: **Cr Dylan O'Connor**

Seconded: **Cr Lisa Cooper**

Rationale:

1. The City has invested a significant amount of time and resources in preparing the Draft High Wycombe South Residential Precinct Development Contribution Plan (DCP).
2. The residents and landowners of High Wycombe South Precinct (HW South) have been patient over the years, yet they require certainty around the timing of the delivery of the DCP report.

Officer Comment:

1. In April 2022, the City issued a report to Council with an information update on the status of the investigations into the draft High Wycombe South DCP.

2. Since this time, the City has been progressing the relevant investigations to finalise the draft High Wycombe South DCP. This has included engagement with relevant stakeholders including the Department of Planning, Lands and Heritage.
3. The City is actively working towards releasing the draft High Wycombe South DCP, Scheme Amendment and associated reporting for the April 2023 Public Agenda Briefing and Ordinary Council Meeting.
4. Notwithstanding the City's commitment to the April 2023 timeframe, the draft reporting is still under review for finalisation. Unforeseen circumstances or information requirements may arise given the breadth of information required to prepare a Development Contribution Plan. These unforeseen circumstances may prevent meeting the April 2023 timeframe.
5. It is important for Council and the community to be aware that unforeseen circumstances may prevent the City meeting this definitive timeframe and to ensure expectations are managed accordingly.
6. The City is committed to finalising a draft Development Contribution Plan for High Wycombe South to provide the community, landowners and industry certainty as to the arrangements required to coordinate infrastructure delivery to facilitate the implementation of the High Wycombe South Residential Precinct Local Structure Plan.

12. Questions by Members Without Notice

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

13.1 Absolute Majority Requirements (Cr Ritchie)

- Q. Now one councillor has resigned does this affect the number of votes required for an absolute majority?
- A. There is no change to the number of votes that constitute an absolute majority. Section 1.4 of the *Local Government Act 1995* defines an absolute majority of council as meaning *a majority comprising enough of the members for the time being of the council for their number to be more than 50% of the number of offices (whether vacant or not) of member of the council.*

- 14. Urgent Business Approved by the Presiding Member or by Decision**
- 15. Meeting Closed to the Public**
- 16. Tabled Documents**
 - KAAC Minutes January 2023
 - LEMC Minutes - 23 February 2023 – Draft
 - Public Agenda Briefing Forum - Notes - 14 March 2023
- 17. Closure**