
Shire of Kalamunda

General Services Committee
Services Committee

Agenda for 14 February 2011

NOTICE OF MEETING GENERAL SERVICES COMMITTEE

Councillors

Notice is hereby given that the next meeting of the General Services Committee will be held in the Council Chambers, Administration Centre, 2 Railway Road, Kalamunda on:

Monday 14 February 2011 commencing at 6.30pm

For the benefit of Committee Members, staff and members of the public, attention is drawn to the following requirements as adopted by Council.

Open Committee Meetings – Procedures

1. Standing Committees are open to the public, except for Confidential Items listed on the Agenda.
2. Standing Committees have a membership of all 12 Councillors.
3. Unless otherwise advised a Committee makes recommendations only to Full Council (Held on the third Monday of each month at 6.30 pm).
4. Members of the public are able to ask questions at a Committee Meeting, however, the questions should be related to the functions of the Committee.
5. Members of the public wishing to make a comment on any Agenda item may request to do so by advising staff prior to commencement of the Committee Meeting.
6. Comment from members of the public on any item of the Agenda is usually limited to 3 minutes and should address the recommendations (at the conclusion of the report).
7. It would be appreciated if silence is observed in the gallery at all times except for Question Time.
8. All other arrangements are in general accordance with Council's Standing Orders, the Policies and decision of person Chairing the Committee Meeting.
9. Members of the public who are unfamiliar with meeting proceedings are invited to seek advice at the meeting by signalling to a staff member.

James Trail
Chief Executive Officer
9 February 2011

** Dinner will be served at 5.30pm **

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AGENDA

1.0 OFFICIAL OPENING

2.0 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

3.0 PUBLIC QUESTION TIME

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

4.0 PETITIONS/DEPUTATIONS

4.1 Lilian Road, Maida Vale – Proposed Footpath

Four letters received in favour.

Nine signatories have been received against.

A Report Item with reference to these letters is contained in this Agenda.

5.0 APPLICATIONS FOR LEAVE OF ABSENCE

6.0 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

6.1 That the Minutes of the General Services Committee Meeting held on Monday 13 December 2010 are confirmed as a true and correct record of the proceedings.

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 13 December 2010".

Moved:

Seconded:

Vote:

7.0 ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION

8.0 MATTERS FOR WHICH MEETING MAY BE CLOSED

8.1 Enterprise Agreement (2011-13) – CONFIDENTIAL ITEM – provided under separate cover.

Reason for Confidentiality

Section s5.23 (2)(a) *Local Government Act 1995*. "A matter affecting an employee or employees."

8.2 CEO Performance Review – CONFIDENTIAL ITEM – provided under separate cover.

Reason for Confidentiality

Section s5.23 (2)(a) *Local Government Act 1995*. "A matter affecting an employee or employees."

9.0 DISCLOSURE OF INTERESTS

9.1 Disclosure of Financial and Proximity Interests

a. Members must disclose the nature of their interest in matters to be discussed at the meeting. (Sections 5.60B and 5.65 of the *Local Government Act 1995*.)

b. Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Sections 5.70 and 5.71 of the *Local Government Act 1995*.)

9.2 Disclosure of Interest Affecting Impartiality

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

10.0 REPORT TO COUNCIL

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

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

1. Creditors' Accounts Paid During the Periods 1 December to 23 December 2010 and 5 January to 27 January 2011.

Previous Items	N/A
Responsible Officer	Acting Director Corporate Services
Service Area	Finance
File Reference	FI-CRS-002
Applicant	N/A
Owner	N/A
Attachment 1	Creditor Payments for the period 1 December to 23 December 2010
Attachment 2	Creditor Payments for the period 5 January to 27 January 2011

PURPOSE

1. To receive creditors' accounts paid during the periods 1 December to 23 December 2010 (Attachment 1) and 5 January to 27 January 2011 (Attachment 2).

BACKGROUND

2. It is a requirement of the *Local Government (Financial Management) Regulations 1996 (Regulation 12)* that a list of Creditors' Accounts Paid is compiled each month.
3. The report is required to show payee's name, the amount of the payment, the date of the payment, and sufficient information to identify the transaction.

DETAILS

4. Accordingly, the list of creditors paid during the periods 1 December to 23 December 2010 (Attachment 1) and 5 January to 27 January 2011 (Attachment 2).

STATUTORY AND LEGAL IMPLICATIONS

5. Local Government (Financial Management) Regulations 1996.

POLICY IMPLICATIONS

6. Nil.

PUBLIC CONSULTATION/COMMUNICATION

7. Nil.

FINANCIAL IMPLICATIONS

8. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

9. This report works toward achieving objective:
"5.5.2 Provide financial services to support Council's operations and to meet sustainability planning, reporting and accountability requirements."
of the Shire of Kalamunda Strategic Plan 2009-2014.

Sustainability Implications

Social implications

10. Nil.

Economic Implications

11. Nil.

Environmental Implications

12. Nil.

OFFICER COMMENT

13. Nil.

OFFICER RECOMMENDATION (GS 1/2011)

1. That the list of creditors paid during the periods 1 December to 23 December 2010 (GS 1/2011, Attachment 1) and 5 January to 27 January 2011 (GS 1/2011, Attachment 2) be received by Council in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996 (Regulation 12)*.

Moved:

Seconded:

Vote:

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

2. Monthly Financial Statements for the Period ending 30 November 2010

Previous Items	N/A
Responsible Officer	Acting Director Corporate Services
Service Area	Finance
File Reference	FI-SRR-006
Applicant	N/A
Owner	N/A
Attachment 1	Statement of Financial Activity for the period ending 30 November 2010

PURPOSE

1. To receive the draft monthly financial statement reports for the period ending 30 November 2010.

BACKGROUND

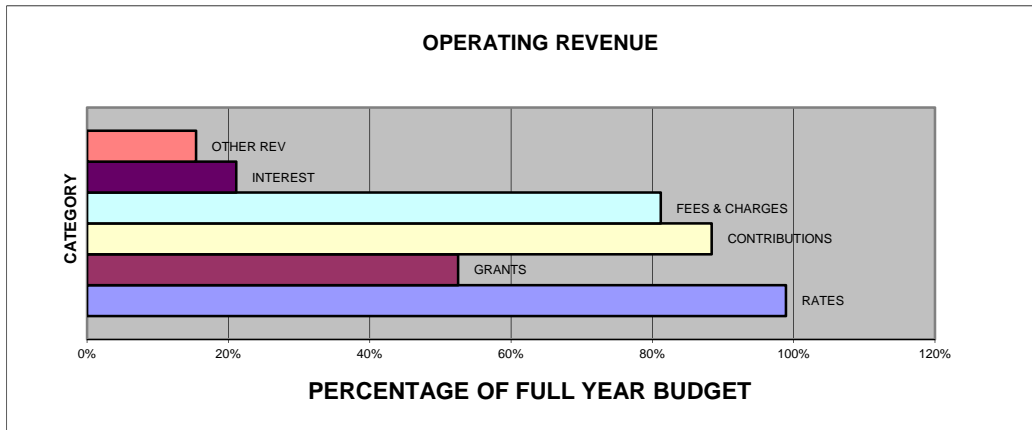
2. Attached is the monthly Rate Setting Statement and Statement of Comprehensive Income for the period ending 30 November 2010. These have been prepared in accordance with the requirements of *Local Government (Financial Management) Regulations 1996 (Section 34)*.
3. It is also a requirement of the Regulation that each financial year the local government adopts a percentage or value to be used in statements of financial activity for reporting material variances.

DETAILS

4. As part of the Budget adoption process, Council agreed to report variances of 5% or \$5,000, whichever is greater, within the monthly Financial Activity Statement.
5. Refer to the comments relating to the above mentioned variances in the report.
6. **Financial Commentary**
Operating Income:
 - a. OPERATING GRANTS - As expected according to year to date budgets, being largely comprised of Home and Community Care plus Federal Assistance operating funding.
 - b. FEES & CHARGES - Reflects as greater than 80% of annual budget with household refuse collection charges having been raised as part of

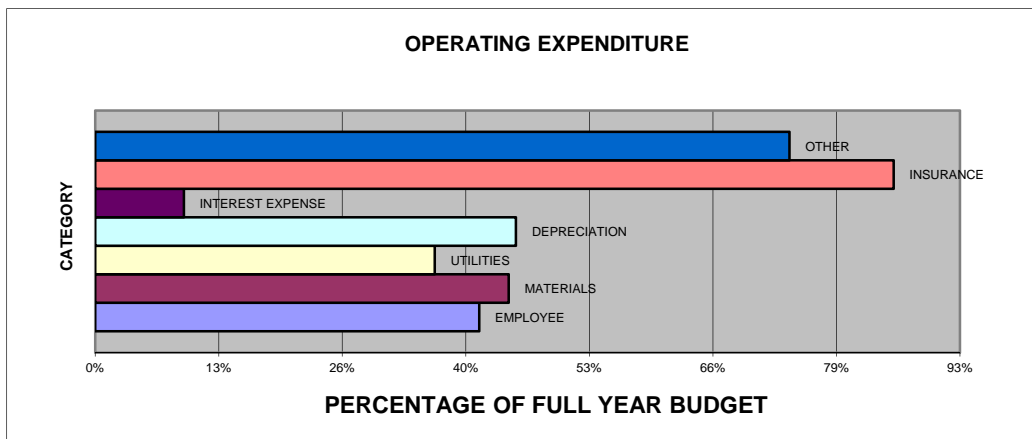
the annual rates notice issue.

- c. INTEREST - New term deposits established with rates income received, have commenced their first maturities, establishing interest earnings as per budgeted revenue.



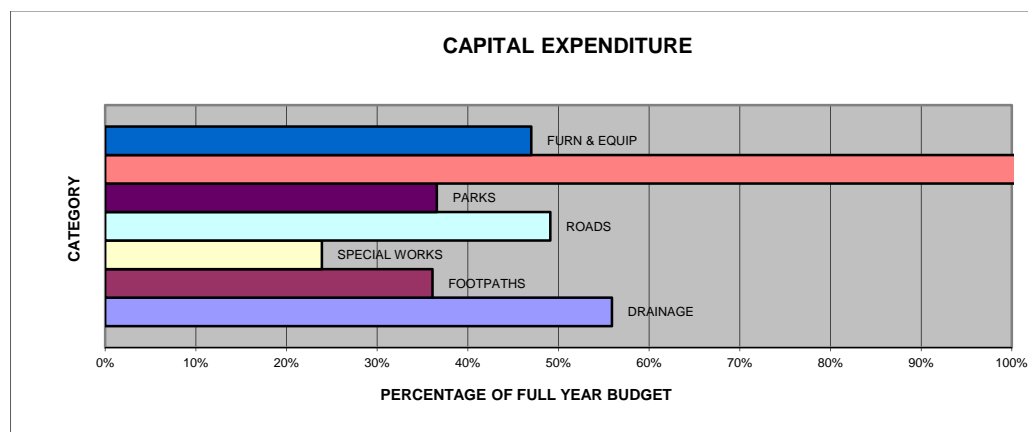
Operating Expenditure:

- a. INSURANCE - Second instalment for Property Insurance has been received with some minor policy premium invoices expected soon.
- b. OTHER - Comprising a small category of budgeted expenditure, this is largely affected by the previous payment of the Historical Society's operating grant.
- c. UTILITIES - Expenditure has increased significantly over last month due to the timing of invoices for local streetlighting.
- d. INTEREST EXPENSE - Although well under as a percentage of annual budget, this is affected by the timing of loan payments.



Wages & Salaries: Actual year to date salaries and wages costs are reporting 100% on track of year to date budget. Training expenditure has increased further to 83% of year to date budget with some service areas underspent comparatively. Superannuation expenditure is over budget, a result of more staff than budgeted salary sacrificing in order to receive a matching Shire contribution.

Capital Expenditure: The Engineering works program, on an expenditure measured basis, has increased by almost 50% on October’s cumulative total to 41% complete of annual budget. Plant replacement purchases exceed adopted budget amounts due to budget amendment items for previously planned to be leased equipment since purchased. The KHACC replacement bus to be funded from an approved Department of Health HACC reserve drawdown.



FINANCIAL RATIOS **2010/11** **2009/10**

Current Ratio 7.1:1 0.59:1

Calculated as follows:
$$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$$

The current ratio is used to evaluate the liquidity, or ability to meet short term debts.

Untied Cash to Trade Creditors Ratio 8.6:1 0.00:1

Calculated as follows:
$$\frac{\text{Untied cash}}{\text{Unpaid trade creditors}}$$

The untied cash to trade creditors ratio indicates the ability of the Council to pay its trade creditors, in accordance with normal trading terms and conditions, using untied / unrestricted funds. This is an indicator of the short term position of Council. A ratio of less than 1 would indicate insufficient funds to pay trade creditors.

Debt Ratio 2.69% 2.86%

Calculated as follows:
$$\frac{\text{Total liabilities}}{\text{Total assets}}$$

The debt ratio is a measure of the Council's liabilities as a percentage of its assets. Generally the lower the ratio the greater the capacity to borrow, though a local government must include infrastructure assets in this calculation, which should be considered in context.

Debt Service Ratio 0.67% 0.29%

Calculated as follows:
$$\text{Debt Service Cost (Principal \& Interest)}$$

Available operating revenue

The debt service ratio represents Council's ability to service debt out of uncommitted or general purpose funds available for operations. Self supporting loans should be taken into consideration when evaluating this ratio.

<u>Gross Debt to Revenue Ratio</u>	16.10%	10.29%
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Calculated as follows:

$$\frac{\text{Gross debt}}{\text{Total revenue}}$$

The gross debt to revenue ratio illustrates Council's ability to cover gross debt with its revenue in any given year. The lower the percentage the greater the ability to service borrowings. As debt is typically repaid over several years, this ratio is more of a guide for Council's future capacity to repay.

<u>Gross Debt to Economically Realisable Assets Ratio</u>	2.63%	2.04%
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Calculated as follows:

$$\frac{\text{Gross debt}}{\text{Economically realisable assets}}$$

The gross debt to economically realisable assets ratio relates actual borrowings directly to tangible assets (excludes infrastructure assets). It illustrates a Council's reliance on borrowings to fund new projects and gives an indication as to its future capacity. The lower the ratio the better placed a Council is.

<u>Rate Coverage Ratio</u>	51.50%	49.45%
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Calculated as follows:

$$\frac{\text{Net rate revenue}}{\text{Operating revenue}}$$

The rates coverage ratio measures Council's dependence on rate revenue to fund operations. It is considered that a higher ratio would indicate a higher controllable dependency on rates revenue and less of a dependency on government grants and other uncontrollable funding sources. Large grants or contributions of a once-off nature will affect this ratio.

<u>Outstanding Rates Ratio</u>	37.56%	3.97%
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Calculated as follows:

$$\frac{\text{Rates outstanding}}{\text{Rates collectable}}$$

The outstanding rates ratio helps to determine the effectiveness of Council's rate collection procedures. The lower the ratio the better the collection policy and procedures. This ratio ignores pensioner rates deferrals due to their nature. The ratio should be low as at 30 June each year.

STATUTORY AND LEGAL IMPLICATIONS

- Local Government (Financial Management) Regulations 1996.

POLICY IMPLICATIONS

- Nil.

PUBLIC CONSULTATION/COMMUNICATION

9. Nil.

FINANCIAL IMPLICATIONS

10. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

11. This report works toward achieving objective:
45.5.2 Provide financial services to support Council's operations and to meet sustainability planning, reporting and accountability requirements.
of the Shire of Kalamunda Strategic Plan 2009-2014.

Sustainability Implications

Social implications

12. Nil.

Economic Implications

13. Nil.

Environmental Implications

14. Nil.

OFFICER COMMENT

15. More detail is provided on various analyses in (Attachment 1).

OFFICER RECOMMENDATION (GS 2 /2011)

1. That the monthly financial statements which comprise the Statement of Financial Position, Statement of Comprehensive Income by Nature and Type, Statement of Comprehensive Income by Program, Rate Setting Statement, Cash Flow Statement, Notes to and Forming Part of the Financial Report and Operating Budget Variance Analysis for the period ending 30 November 2010 (Attachment 1) be received.

Moved:

Seconded:

Vote:

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

3. Monthly Financial Statements for the Period ending 31 December 2010

Previous Items	N/A.
Responsible Officer	Acting Director Corporate Services
Service Area	Finance
File Reference	FI-SRR-006
Applicant	N/A
Owner	N/A
Attachment 1	Statement of Financial Activity for the period ending 31 December 2010

PURPOSE

1. To receive the draft monthly financial statement reports for the period ending 31 December 2010.

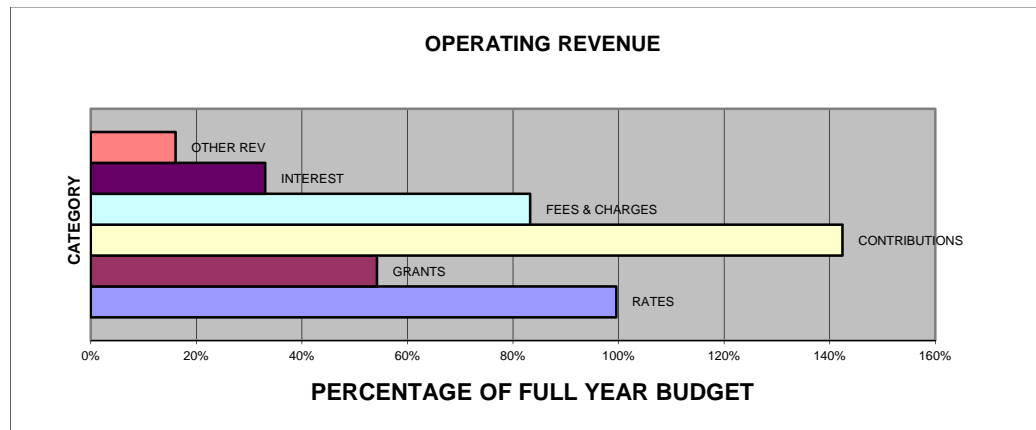
BACKGROUND

2. Attached is the monthly Rate Setting Statement and Statement of Comprehensive Income for the period ending 31 December 2010. These have been prepared in accordance with the requirements of *Local Government (Financial Management) Regulations 1996 (Section 34)*.
3. It is also a requirement of the Regulation that each financial year the local government adopts a percentage or value to be used in statements of financial activity for reporting material variances.

DETAILS

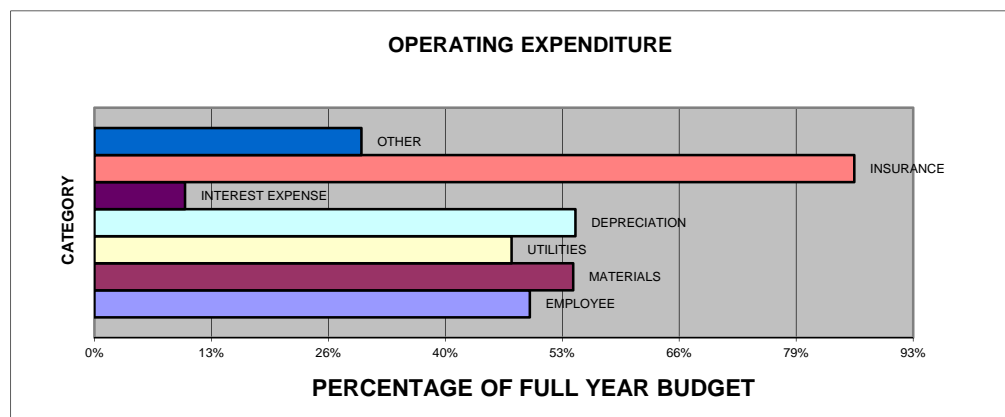
4. As part of the Budget adoption process, Council agreed to report variances of 5% or \$5,000, whichever is greater, within the monthly Financial Activity Statement.
5. Refer to the comments relating to the above mentioned variances in the report.
6. **Financial Commentary**
Operating Revenue:
 - a. RATES - Is at 99% of annual budget with the major item outstanding being cash in lieu of rates from Co-Operative Bulk Handling.
 - b. GRANTS - General purpose funding and Department of Health Home and Community Care funding are at year to date budget levels.

- c. INTEREST - Has increased over previous month as new term deposits mature, though expected income earnings will be reviewed at mid year.
- d. FEES & CHARGES - Exceeding 80% of annual budget due to waste collection charges levied with annual rates notice in August. Building and planning fees are at year to date budgeted amounts.

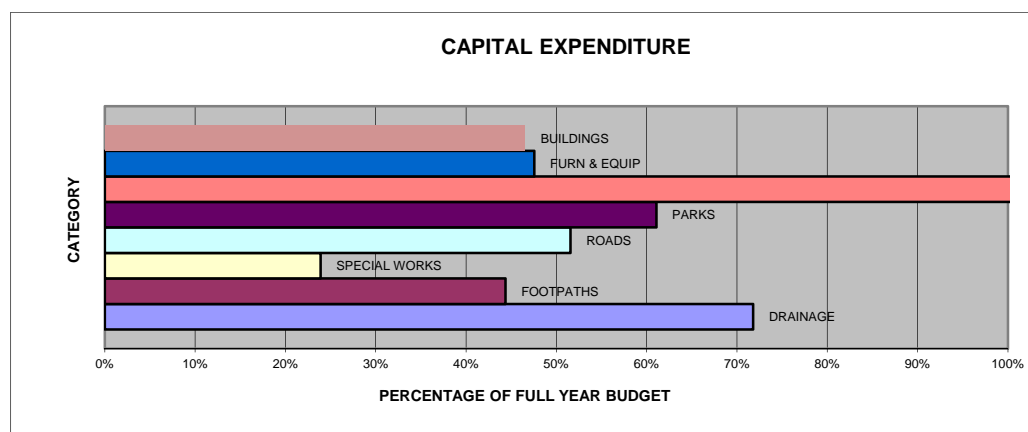


Operating Expenditure:

- a. MATERIALS - Overall expenditure is in line with budget, including waste contract amounts which account for \$5.6m. IT expenses are \$180k under year to date amounts which is offsetting building maintenance costs which are over by \$140k.
- b. INSURANCE - Most premiums having since been paid.
- c. OTHER - Comprising a small category of budgeted expenditure, this is largely affected by the payment of the Historical Societies operating grant of \$20,500 during the month.
- d. INTEREST EXPENSE- Although well under as a percentage of annual budget, this is affected by the timing of loan payments.



Salary and Wages: Actual year to date costs are reporting at 100% of year to date budget. Increased employment costs in some areas are being offset by vacancies and late appointments in others. Training expenditure has increased over last month along with full years allocation for workers compensation insurance having been processed.



FINANCIAL RATIOS	2010/11	2009/10
<u>Current Ratio</u>	5.8:1	0.59:1

Calculated as follows:

$$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$$

The current ratio is used to evaluate the liquidity, or ability to meet short term debts.

<u>Untied Cash to Trade Creditors Ratio</u>	6.8:1	0.00:1
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Calculated as follows:

$$\frac{\text{Untied cash}}{\text{Unpaid trade creditors}}$$

The untied cash to trade creditors ratio indicates the ability of the Council to pay its trade creditors, in accordance with normal trading terms and conditions, using untied / unrestricted funds. This is an indicator of the short term position of Council. A ratio of less than 1 would indicate insufficient funds to pay trade creditors.

<u>Debt Ratio</u>	2.72%	2.86%
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Calculated as follows:

$$\frac{\text{Total liabilities}}{\text{Total assets}}$$

The debt ratio is a measure of the Council's liabilities as a percentage of its assets. Generally the lower the ratio the greater the capacity to borrow, though a local government must include infrastructure assets in this calculation, which should be considered in context.

<u>Debt Service Ratio</u>	0.67%	0.29%
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Calculated as follows:

$$\frac{\text{Debt Service Cost (Principal \& Interest)}}{\text{Available operating revenue}}$$

Available operating revenue

The debt service ratio represents Council's ability to service debt out of uncommitted or general purpose funds available for operations. Self supporting loans should be taken into consideration when evaluating this ratio.

<u>Gross Debt to Revenue Ratio</u>	15.68%	10.29%
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Calculated as follows:		$\frac{\text{Gross debt}}{\text{Total revenue}}$
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The gross debt to revenue ratio illustrates Council's ability to cover gross debt with its revenue in any given year. The lower the percentage the greater the ability to service borrowings. As debt is typically repaid over several years, this ratio is more of a guide for Council's future capacity to repay.

<u>Gross Debt to Economically Realisable Assets Ratio</u>	2.66%	2.04%
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Calculated as follows:		$\frac{\text{Gross debt}}{\text{Economically realisable assets}}$
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The gross debt to economically realisable assets ratio relates actual borrowings directly to tangible assets (excludes infrastructure assets). It illustrates a Council's reliance on borrowings to fund new projects and gives an indication as to its future capacity. The lower the ratio the better placed a Council is.

Rate Coverage Ratio	51.25%	49.45%
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Calculated as follows:		$\frac{\text{Net rate revenue}}{\text{Operating revenue}}$
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The rates coverage ratio measures Council's dependence on rate revenue to fund operations. It is considered that a higher ratio would indicate a higher controllable dependency on rates revenue and less of a dependency on government grants and other uncontrollable funding sources. Large grants or contributions of a once-off nature will affect this ratio.

Outstanding Rates Ratio	31.30%	3.97%
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Calculated as follows:		$\frac{\text{Rates outstanding}}{\text{Rates collectable}}$
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The outstanding rates ratio helps to determine the effectiveness of Council's rate collection procedures. The lower the ratio the better the collection policy and procedures. This ratio ignores pensioner rates deferrals due to their nature. The ratio should be low as at 30 June each year.

STATUTORY AND LEGAL IMPLICATIONS

- Local Government (Financial Management) Regulations 1996.

POLICY IMPLICATIONS

- Nil.

PUBLIC CONSULTATION/COMMUNICATION

9. Nil.

FINANCIAL IMPLICATIONS

10. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

11. This report works toward achieving objective:

“5.5.2 Provide financial services to support Council’s operations and to meet sustainability planning, reporting and accountability requirements.”

of the Shire of Kalamunda Strategic Plan 2009-2014.

Sustainability Implications

Social implications

12. Nil.

Economic Implications

13. Nil.

Environmental Implications

14. Nil.

OFFICER COMMENT

15. Nil.

OFFICER RECOMMENDATION (GS 3/2011)

1. That the monthly financial statements which comprise the Statement of Financial Position, Statement of Comprehensive Income by Nature and Type, Statement of Comprehensive Income by Program, Rate Setting Statement, Cash Flow Statement, Notes to and Forming Part of the Financial Report and Operating Budget Variance Analysis for the period ending 31 December 2010 (Attachment 1) be received.

Moved:

Seconded:

Vote:

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

4. Monthly Financial Statements for the Period ending 31 January 2011

Previous Items	N/A.
Responsible Officer	Acting Director Corporate Services
Service Area	Finance
File Reference	FI-SRR-006
Applicant	N/A
Owner	N/A
Attachment 1	Statement of Financial Activity for the period ending 31 January 2011

PURPOSE

1. To receive the draft monthly financial statement reports for the period ending 31 January 2011.

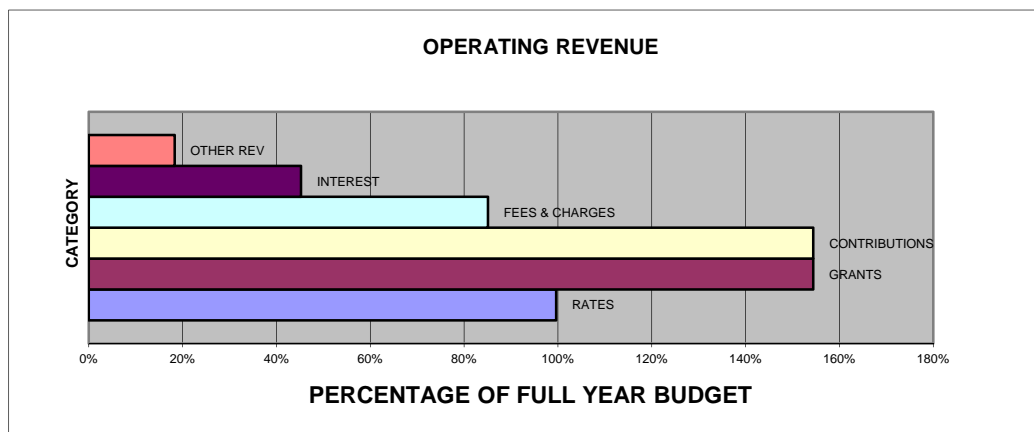
BACKGROUND

2. Attached is the monthly Rate Setting Statement and Statement of Comprehensive Income for the period ending 31 January 2011. These have been prepared in accordance with the requirements of *Local Government (Financial Management) Regulations 1996 (Section 34)*.
3. It is also a requirement of the Regulation that each financial year the local government adopts a percentage or value to be used in statements of financial activity for reporting material variances.

DETAILS

14. As part of the Budget adoption process, Council agreed to report variances of 5% or \$5,000, whichever is greater, within the monthly Financial Activity Statement.
15. Refer to the comments relating to the above mentioned variances in the report.
16. **Financial Commentary**
Operating Revenue:
 - (a) RATES - Cash in lieu of rates from Co-Operative Bulk Handling yet to be received. Further interim rating in second half of financial year expected.
 - (b) OPERATING GRANTS - Increased over previous month of \$576,000 being HACC third quarter funding.

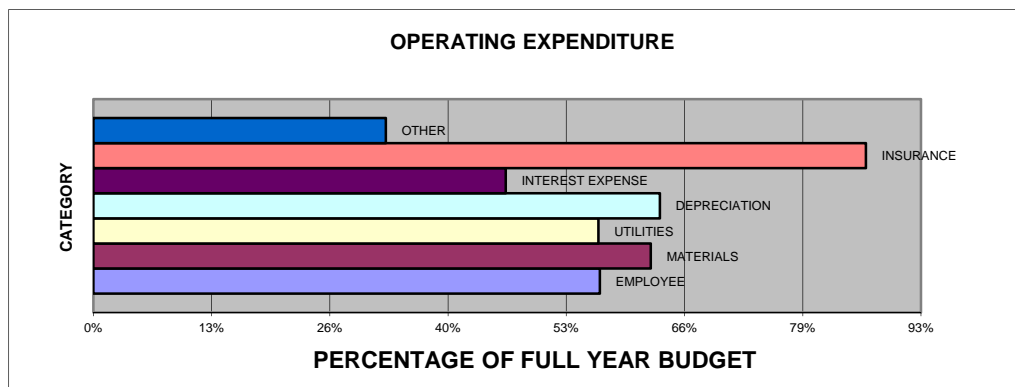
- (c) INTEREST - Recognised \$108,000 in earnings as with multiple term deposit maturities.
- (d) FEES & CHARGES - Excluding household waste collection charges levied, the monthly increase in fee revenue was \$108,000 with building and planning fees remaining at year to date budgeted amounts.



Operating Expenditure:

Categories are generally reporting on budget with savings offsetting over expenditures within the categories.

- (a) MATERIALS - Overall expenditure is in line with budget, including waste contract amounts currently at 55% of \$5.6m annual budget. IT equipment lease expenditures are under budget, though over in other areas.
- (b) INSURANCE - Most premiums having been paid.
- (c) OTHER - Comprising a small category of budgeted expenditure, this is largely affected by the payment of the Historical Societies operating grant of \$20,500 in the month.
- (d) INTEREST EXPENSE - Although well under as a percentage of annual budget, this is affected by the timing of loan payments.

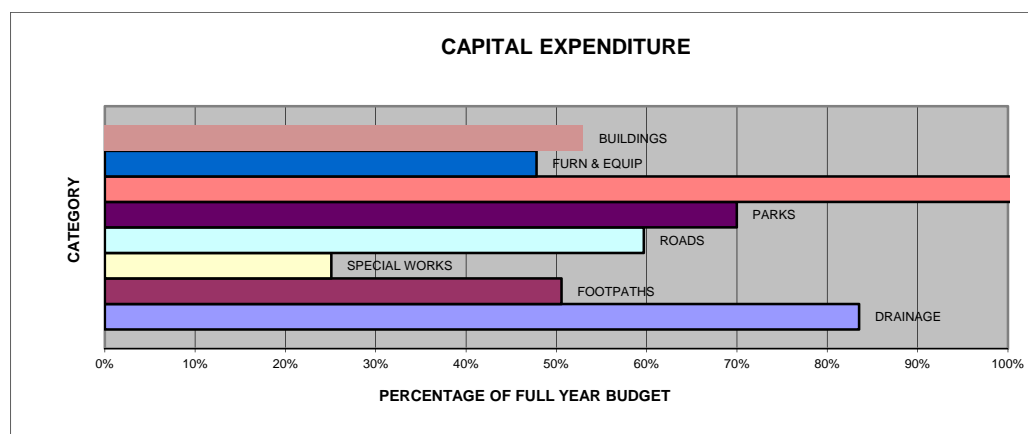


Salaries and Wages:

A monthly increase of just over one million dollars is inline with annual budget. As reported previously, increased employment costs in some areas continue to be offset by vacancies and late appointments in others. Training expenditure is reporting at only 64% of year to date budget though is offsetting recruitment costs which are above budget.

Capital Expenditure:

The Engineering works program is currently at 56% of budget based upon actual expenditure. Expenditure for the month was \$1.356m Building (being largely the Zig Zag Centre and Depot Operations Centre) and roadworks represent the bulk of the capital program and are reflecting as on target based upon expenditure. Plant replacement purchases exceed adopted budget amounts due in part to unbudgeted FESA supplied vehicle replacements and HACC bus replacement. Also heavy equipment intended to be leased as part of the original budget has since been purchased and is to be funded via a loan.



FINANCIAL RATIOS	2010/11	2009/10
<u>Current Ratio</u>	6.3:1	0.59:1
Calculated as follows:	$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$	
<i>The current ratio is used to evaluate the liquidity, or ability to meet short term debts.</i>		
<u>Untied Cash to Trade Creditors Ratio</u>	6.2:1	0.00:1
Calculated as follows:	$\frac{\text{Untied cash}}{\text{Unpaid trade creditors}}$	

The untied cash to trade creditors ratio indicates the ability of the Council to pay its trade creditors, in accordance with normal trading terms and conditions, using untied / unrestricted funds. This is an indicator of the short term position of Council. A ratio of less than 1 would indicate insufficient funds to pay trade creditors.

Debt Ratio 2.5% 2.86%

Calculated as follows:
$$\frac{\text{Total liabilities}}{\text{Total assets}}$$

The debt ratio is a measure of the Council's liabilities as a percentage of its assets. Generally the lower the ratio the greater the capacity to borrow, though a local government must include infrastructure assets in this calculation, which should be considered in context.

Debt Service Ratio 1.0% 0.29%

Calculated as follows:
$$\frac{\text{Debt Service Cost (Principal \& Interest)}}{\text{Available operating revenue}}$$

The debt service ratio represents Council's ability to service debt out of uncommitted or general purpose funds available for operations. Self supporting loans should be taken into consideration when evaluating this ratio.

Gross Debt to Revenue Ratio 15.10% 10.29%

Calculated as follows:
$$\frac{\text{Gross debt}}{\text{Total revenue}}$$

The gross debt to revenue ratio illustrates Council's ability to cover gross debt with its revenue in any given year. The lower the percentage the greater the ability to service borrowings. As debt is typically repaid over several years, this ratio is more of a guide for Council's future capacity to repay.

Gross Debt to Economically Realisable Assets Ratio 2.68% 2.04%

Calculated as follows:
$$\frac{\text{Gross debt}}{\text{Economically realisable assets}}$$

The gross debt to economically realisable assets ratio relates actual borrowings directly to tangible assets (excludes infrastructure assets). It illustrates a Council's reliance on borrowings to fund new projects and gives an indication as to its future capacity. The lower the ratio the better placed a Council is.

Rate Coverage Ratio 51.14% 49.45%

Calculated as follows:
$$\frac{\text{Net rate revenue}}{\text{Operating revenue}}$$

The rates coverage ratio measures Council's dependence on rate revenue to fund operations. It is considered that a higher ratio would indicate a higher controllable dependency on rates revenue and less of a dependency on government grants and other uncontrollable funding sources. Large grants or contributions of a once-off nature will affect this ratio.

Outstanding Rates Ratio 26.19% 3.97%

Calculated as follows:

Rates outstanding
Rates collectable

The outstanding rates ratio helps to determine the effectiveness of Council's rate collection procedures. The lower the ratio the better the collection policy and procedures. This ratio ignores pensioner rates deferrals due to their nature. The ratio should be low as at 30 June each year.

STATUTORY AND LEGAL IMPLICATIONS

17. Local Government (Financial Management) Regulations 1996.

POLICY IMPLICATIONS

18. Nil.

PUBLIC CONSULTATION/COMMUNICATION

19. Nil.

FINANCIAL IMPLICATIONS

20. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

21. This report works toward achieving objective:
 "5.5.2 Provide financial services to support Council's operations and to meet sustainability planning, reporting and accountability requirements."
 of the Shire of Kalamunda Strategic Plan 2009-2014.

Sustainability Implications

Social implications

22. Nil.

Economic Implications

23. Nil.

Environmental Implications

24. Nil.

OFFICER COMMENT

25. Nil.

OFFICER RECOMMENDATION (GS 4/2011)

1. That the monthly financial statements which comprise the Statement of Financial Position, Statement of Comprehensive Income by Nature and Type, Statement of Comprehensive Income by Program, Rate Setting Statement, Cash Flow Statement, Notes to and Forming Part of the Financial Report and Operating Budget Variance Analysis for the period ending 31 January 2011 (Attachment 1) be received.

Moved:

Seconded:

Vote:

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

5. Debtors and Creditors Reports for the Period ending 31 January 2011

Previous Items	N/A
Responsible Officer	Acting Director Corporate Services
Service Area	Finance
File Reference	FI-CRS-002
Applicant	N/A
Owner	N/A
Attachment 1	Summary of Debtors for the period ended 31 January 2011
Attachment 2	Summary of Creditors for the period ended 31 January 2011

PURPOSE

1. To receive a monthly report on debtors and creditors.

BACKGROUND

2. Attached are the reports detailing aged debtors (Attachment 1) and creditors (Attachment 2) as at 31 January 2011.
3. Council has requested reports detailing outstanding debtors and creditors on a monthly basis.

DETAILS

4. **Debtors**
The outstanding balance remains low comparative to previous months with only minor reductions in aged debt.
5. Outstanding debts to note:
 - a. Roger and Raimunda Townend (\$45,996) - This matter is being handled by the Shire's solicitors, McLeods, Barristers and Solicitors.
 - b. Forrestfield United Soccer Club (\$32,336) - again, no further progress towards repayment of outstanding loan invoice.
 - c. Kalamunda Wet'n'Wild (\$21,383) - has since been the subject of a Council resolution, writing of the debt. Processed in February.
 - d. Kalamunda Youth Theatre Company (\$1,561.25) - Pre-trial meeting dates for magistrates court being confirmed.

Creditors

6. The reduction in payment amount for January on the previous month reflects the shorter working month of December for invoices paid 30 days from the end of month, along with most business and contractors on 14 day terms being partly closed in January.
7. Invoices showing as outstanding greater than 60 and 90 days are the result of the original invoice documentation not being received by Finance.
8. All contractors, trades and suppliers are advised of the Shire's preference to pay by Electronic Funds Transfer (EFT) for efficiency and cost savings. Despite this, the percentage of cheque payments still being made to suppliers remains high (Attachment 2).

STATUTORY AND LEGAL IMPLICATIONS

9. Nil.

POLICY IMPLICATIONS

10. Nil.

PUBLIC CONSULTATION/COMMUNICATION

11. Nil.

FINANCIAL IMPLICATIONS

12. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS**Strategic Planning Implications**

13. This report works toward achieving objective:
"5.5.2 Provide financial services to support Council's operations and to meet sustainability planning, reporting and accountability requirements."
of the Shire of Kalamunda Strategic Plan 2009-2014.

Sustainability Implications**Social implications**

14. Nil.

Economic Implications

15. Nil.

Environmental Implications

16. Nil.

OFFICER COMMENT

17.

OFFICER RECOMMENDATION (GS 5/2011)

1. That the outstanding debtors (Attachment 1) and creditors (Attachment 2) reports as at 31 January 2011 be received.

Moved:

Seconded:

Vote:

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

6. Rates Debtors Report for the Period ending 31 January 2011

Previous Items	N/A
Responsible Officer	Acting Director Corporate Services
Service Area	Finance
File Reference	FI-DRS-004
Applicant	N/A
Owner	N/A

Attachment 1 Summary of Outstanding for the period ended 31 January 2011

PURPOSE

1. To receive a report on rates debtors as at 31 January 2011.

BACKGROUND

2. Attached is the report detailing rates debtors as at 31 January 2011 (Attachment 1).

DETAILS

3. Third instalment due date is 11 February 2011.
4. There are 22 ratepayers which have been referred for formal recovery procedures.

STATUTORY AND LEGAL IMPLICATIONS

5. Nil.

POLICY IMPLICATIONS

6. Nil.

PUBLIC CONSULTATION/COMMUNICATION

7. Nil.

FINANCIAL IMPLICATIONS

8. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

9. This report works toward achieving objective:

“5.5.2 Provide financial services to support Council’s operations and to meet sustainability planning, reporting and accountability requirements.”

of the Shire of Kalamunda Strategic Plan 2009-2014.

Sustainability Implications

Social implications

10. Nil.

Economic Implications

11. Nil.

Environmental Implications

12. Nil.

OFFICER COMMENT

13.

OFFICER RECOMMENDATION (GS 6/2011)

1. That the rates debtors report as at 31 January 2011 (Attachment 1) be received.

Moved:

Seconded:

Vote:

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

7. Budget Reallocation – Nature and Type and Program Classification

Previous Items	N/A
Responsible Officer	Acting Director Corporate Services
Service Area	Corporate
File Reference	
Applicant	N/A
Owner	N/A
Attachment 1	Statement of Comprehensive Income by Nature and Type
Attachment 2	Statement of Comprehensive Income by Program
Attachment 3	Rate Setting Statement
Attachment 4	Cash Flow Statement

PURPOSE

1. To reclassify the Shire of Kalamunda 2010-2011 adopted budget according to Nature and Type and Program classification definitions.

BACKGROUND

2. Western Australian local governments are required by Regulation 14 of the *Local Government (Financial Management) Regulations 1996* to disclose operating income and expenses by program in the Operating Statement and provide nature and type disclosure by note or statement accompanying the annual budget and the annual report.
3. The Shire of Kalamunda's future direction for both management and financial reporting will be more reliant on system based accounting software (Synergy Soft and CAMM's Budget Management Centre – BMC). In the process of transitioning from Excel spread sheets, a full review of account settings and defaults has been undertaken.
4. The result has been a reallocation across the categories and classifications within the adopted 2010/2011 budget financial statements.
5. This has not affected the budgeted year end position.

DETAILS

6. The proposed budget reclassification is to:
 - a. Include Public Open Space Funding of \$726,389 within the Statements of Comprehensive Income, as reflected on the adopted Rate Setting Statement.

-
- b. Reclassify revenues and expenses within the Statement of Comprehensive Income by Nature and Type. (Attachment 1)
 - c. Reclassify revenues and expenses within the Statement of Comprehensive Income by Program. (Attachment 2)
 - d. Reclassify revenues and expenses within the Rate Setting Statement. (Attachment 3)
 - e. Reclassify receipts and payments within the Cash Flow Statement. (Attachment 4)

STATUTORY AND LEGAL IMPLICATIONS

- 7. Amendments to the Shire's annual budget are to be authorised by resolution (*absolute majority required) Section 6.8 (b)(c) of the *Local Government Act 1995*.

POLICY IMPLICATIONS

- 8. Nil.

PUBLIC CONSULTATION/COMMUNICATION

- 9. Nil.

FINANCIAL IMPLICATIONS

- 10. Nil. The reallocation of revenues and expenses has not affected the budgeted year end position.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

- 11. Nil.

Sustainability Implications

Social implications

- 12. Nil.

Economic Implications

- 13. Nil.

Environmental Implications

14. Nil.

OFFICER COMMENT

15. The reallocation more accurately groups revenues and expenditures into their required categories and classifications, for improved budgeting and reporting purposes.

OFFICER RECOMMENDATION (GS 7/2011)

1. That Council approve the reallocation within the Shire of Kalamunda 2010/2011 Budget to:
 - a. Include Public Open Space Funding of \$726,389 within the Statements of Comprehensive Income, as reflected on the adopted Rate Setting Statement.
 - b. Reclassify revenues and expenses within the Statement of Comprehensive Income by Nature and Type. (Attachment 1)
 - c. Reclassify revenues and expenses within the Statement of Comprehensive Income by Program. (Attachment 2)
 - d. Reclassify revenues and expenses within the Rate Setting Statement. (Attachment 3)
 - e. Reclassify receipts and payments within the Cash Flow Statement. (Attachment 4)

Moved:

Seconded:

Absolute Majority Required:

Vote:

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

8. Budget Amendment – Road Construction New & Renewal

Previous Items	N/A
Responsible Officer	Acting Director Corporate Services Director Engineering Services
Service Area	Corporate Engineering
File Reference	
Applicant	N/A
Owner	N/A

PURPOSE

1. To amend the Shire of Kalamunda 2010-2011 budget to more accurately reflect expenditure towards new and renewal road works.

BACKGROUND

2. The actual jobs scheduled within the Construction Program for 2010/2011 have a higher spend on new roadworks rather than renewal as estimated in the early stages of budget's preparation. Subsequently, to better reflect this and more accurately report expenditure, it is proposed that \$571,650 of the \$2,887,650 2010-2011 Road Construction Renewal budget be allocated to the \$1,198,487 Road Construction New budget, creating a new total of \$1,770,437.

DETAILS

3. The proposed budget amendment is to:
 - a. Decrease expenditure in account 420914 from \$2,887,650 to \$2,315,700.
 - b. Increase expenditure in account 420904 from \$1,198,487 to \$1,770,437.

STATUTORY AND LEGAL IMPLICATIONS

4. Amendments to the Shire's annual budget are to be authorised by resolution (*absolute majority required) Section 6.8 (b)(c) of the *Local Government Act 1995*.

POLICY IMPLICATIONS

5. Nil.

PUBLIC CONSULTATION/COMMUNICATION

6. Nil.

FINANCIAL IMPLICATIONS

7. Nil. The increase in New Road Construction expenditure is offset by a decrease in Renewal Road Construction expenditure.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

8. Nil.

Sustainability Implications

Social implications

9. Nil.

Economic Implications

10. Nil.

Environmental Implications

11. Nil.

OFFICER COMMENT

12. The amendment reflects the reallocated funding from Road Construction Renewal to Road Construction New, for improved budgeting and reporting purposes.

OFFICER RECOMMENDATION (GS 8/2011)

1. That Council approve the amendment of the Shire of Kalamunda 2010/2011 Budget to:
 - a. Decrease expenditure in account 420914 from \$2,887,650 to \$2,315,700.
 - b. Increase expenditure in account 420904 from \$1,198,487 to \$1,770,437.

Moved:

Seconded:

Absolute Majority Required

Vote:

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.
9. Formal Proposal Dome Coffees Australia Pty Ltd – 31 (Lot 56) Canning Road Kalamunda (Kalamunda Police Station)

Previous Items	OCM 118/2010 15 November 2010
Responsible Officer	Acting Director Corporate Services
Service Area	Property and Procurement
File Reference	EI 1004
Applicant	N/A
Owner	N/A
Attachment 1 (Confidential)	Dome Formal Proposal <i>Reason for Confidentiality</i> Section 5.23 (iii) <i>Local Government Act 1995</i> . "A matter which if disclosed would reveal information about the business, professional, commercial or financial affairs of a person."

PURPOSE

- To provide Council with a report on the outcome of the Formal Proposal by Dome Coffees Australia Pty Ltd (Dome) for the lease of 31 (Lot 56) Canning Road Kalamunda.

BACKGROUND

- Expressions of interest were sought and responses presented to Council in November 2010 with Council resolving:

"That Dome Coffees be invited to submit a formal proposal for the use of 31 Canning Road Kalamunda for Council endorsement. "

DETAILS

- The proposal from Dome is consistent with the proposal presented to Council in their Expression of Interest Document and as presented to Councillors at a Forum held prior to the General Services Meeting on 8 November 2010.
- Lot 56 (31) Canning Road sits on Reserve 9050 which is vested in the Shire of Kalamunda for Public Purposes and an application has been made to the Department of Lands seeking Ministerial approval for the following:
 - Lease the Reserve for a period of 21 years with options available to extend the Lease for a further 2 terms of up to 10 years each.
 - Seek a change of use that will allow Commercial Enterprise as a permitted use on the Reserve.

Recent advice from the Department of Lands is for the possible excise of the land on which the building is situated and the sale of this area to the Shire of Kalamunda which would enable the land to be amalgamated with the adjoining freehold title (Toy Library).

-
5. The proposal requires there be appropriate connections to water, sewer and suitable power.
 6. Provision for a power upgrade is included in the building maintenance budget for this financial year. There is a standard water connection available at the site, however sewer is unavailable at this time.

STATUTORY AND LEGAL IMPLICATIONS

7. The site is currently identified as a Local Reserve – Public Purpose – Police Station under the Shire of Kalamunda Local Planning Scheme No.3. It will be necessary for the applicant to gain planning consent prior to occupation of the building. When considering an application for planning consent, the Council is required to have due regard to a number of matters, including the ultimate purpose intended for the Reserve.
8. All other statutory approvals including and not limited to Planning, Building, Health and Heritage Approvals remain the responsibility of Dome Coffees Australia Pty Ltd.
9. Disposal of the property will be in accordance with Section 3.58 of the *Local Government Act 1995*. This section of the Act is referring to disposal as including to sell, lease, or otherwise dispose of property whether absolutely or not.

POLICY IMPLICATIONS

10. The Lease or agreement will comply with Councils Lease and Licence Policy (FAC 12).

PUBLIC CONSULTATION/COMMUNICATION

11. The Expression of Interest as advertised in The West Australian Newspaper on 10 July 2010 and the Kalamunda Reporter on 13 July 2010.

FINANCIAL IMPLICATIONS

12. There will be some financial costs to the Shire of Kalamunda, in particular the requirement to provide sewer connection including DURE contributions (Dwelling Unit Reticulation Equivalent)
13. Initial estimates for the cost to make sewer available to Lot 10 Meade Street (Jack Healey Centre), Lot 56 Canning Road (Old Police Station – Dome Site), Lot 57 Canning Road (Toy Library) and Lot 59 RSL Building (condition of approval of sewer extension plan), is approximately \$320,000, less \$75,000 Water Corporation Contribution. The estimated cost to Council is \$245,000. On a pro rata basis for the three Shire of Kalamunda owned parcels of land,

the cost associated to Lot 56 Canning Road would be approximately \$81,000.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

14. Shire of Kalamunda Strategic Plan 2009-2014:
- 2.1.1 Develop and implement a policy and structure to ensure the effective management of Shire owned and managed land and buildings.
 - 2.3.2 Maintain, refurbish or upgrade existing infrastructure to encourage increased utilisation and extension of asset life.

Sustainability Implications

Social implications

15. Nil.

Economic Implications

16. This proposal would provide a tenant with the capacity to occupy the building for a considerable time. Having a tenant with the financial capacity to ensure the building and surrounds are maintained in good repair will provide some financial gain for the Shire of Kalamunda as well forming a part of the strategic development of the area.

Environmental Implications

17. A Commercial lease over the building will assist in ensuring the long term maintenance and welfare of the building is continued to ensure its Heritage interest is maintained and promoted.

OFFICER COMMENT

18. As it may take some time to obtain the necessary approvals and land acquisition from Department of Lands, an "Agreement to Lease" should be entered into to mitigate the Shire of Kalamunda from any risks should, for some reason the intent to lease by either party fail.
19. The Lease Terms outlined in the Formal Proposal (Confidential Attachment 1) are consistent with other heritage buildings and long term lease arrangements between Dome Coffees Australia Pty Ltd and other local government authorities and the rental to be negotiated should reflect fair market return over a long term lease for a Heritage Building.

-
20. The sewer extension of approximately 240 metres will extend from the southern boundary of the Toy Library building to the nearest connection point at 18 Canning Road. Costs include providing sewer availability to the RSL building, Toy Library building, Jack Healey Centre as well as 31 Canning Road and would be a cost associated with the future development of Council owned land within the “Super Block” Precinct.

OFFICER RECOMMENDATION (GS 9/2011)

1. That the Formal Proposal submitted by Dome Coffees Australia Pty Ltd be accepted.
2. That the Shire of Kalamunda advises Dome Coffees Australia Pty Ltd of its intention to enter into a “Lease Agreement” subject to successful land acquisition from Departments of Lands, and Planning and Building approvals being given.
3. That subject to the required approvals being forthcoming from the Department of Lands, Council approves the Chief Executive Officer finalising a lease agreement between the Shire of Kalamunda and Dome Coffees Australia Pty Ltd which incorporates the terms and conditions outlined in (Confidential GS 9/2011/Attachment 1).
4. That the cost for sewer extension be considered for inclusion in the 2010/2011 Budget during the current Budget Review process.

Moved:

Seconded:

Vote:

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

10. Application to Keep More Than Two Dogs – 21 Calluna Way, Forrestfield

Previous Items	N/A
Responsible Officer	Director Community Development
Service Area	Community Development
File Reference	RA-ANC-011: ICS-24547
Applicant	Viede Clohessy – 21 Calluna Way, Forrestfield
Owner	N/A

Attachment 1 Location Map

PURPOSE

- To consider an application for an exemption under section 26(3) of the *Dog Act 1976* to keep more than two dogs.

BACKGROUND

- The applicant at 21 Calluna Way, Forrrestfield has recently applied to Council requesting permission to keep more than two dogs on his property.
- Clause 3.2.(2) of the Shire of Kalamunda Dogs Local Law 2010 stipulates:
 “The limit on the number of dogs which may be kept on any premises is, for the purpose of section 26(4) of the *Dog Act 1976*, 2 dogs over the age of 3 months and the young of those dogs under that age.”

DETAILS

- The applicant is requesting the approval to keep the following dogs at the above property.

	Breed	Sex	Sterilised	Colour	Name	Registration Number	Age	Local Authority
1.	Siberian Husky	F	YES	Red/White	Zeeka	12-0996	4	Kalamunda
2.	Siberian Husky	M	YES	Black/White	Bandit	13-0297	11	Kalamunda
3.	Siberian Husky	F	Yet to be Obtained – Awaiting Permission					

- In considering the merit of the application an inspection was undertaken by Ranger and Emergency Services to ensure the premises are appropriately sized so as to be capable of effectively and comfortably housing three dogs and to confirm that the fences and gates are compliant with the *Dog Act 1976*.
- The property at 21 Calluna Way, Forrestfield is 700sqm and zoned Residential.

STATUTORY AND LEGAL IMPLICATIONS

7. The application for exemption to the Shire's Dogs Local Law 2010 is made under Section 26(3) of the *Dog Act 1976*.
8. Clause 3.2 of the Local Law reads:
"3.2 Limitation on the number of dogs
 1. This clause does not apply to premises which have been –
 - (a) licensed under part 4 as an approved kennel establishment; or
 - (b) granted an exemption under section 26(3) of the Dog Act, 2 dogs over the age of 3 months and the young of those dogs under that age."
9. If Council refuses to permit three dogs on this property, the applicant has the right to appeal the decision through the State Administrative Tribunal within 28 days of notification in writing by the Shire.

POLICY IMPLICATIONS

10. Nil.

PUBLIC CONSULTATION/COMMUNICATION

11. When applications are received by the Shire to keep more than two dogs, a Ranger will attend the properties immediately adjoining the applicant's property to ascertain if they have any objections. This process is undertaken by interview or if the resident is not home at the time, a standard letter is left in their letterbox advising of the application.
12. There are six adjoining properties within the vicinity of the applicant's property that may be directly affected (Attachment 1). The occupants of these properties have been contacted by the attending Ranger where three supported, one did not support and two did not reply regarding the application.

FINANCIAL IMPLICATIONS

13. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS**Strategic Planning Implications**

14. Nil.

Sustainability ImplicationsSocial Implications

15. Council needs to consider that having more than two dogs may create

excessive dog barking noise that can interfere with the peace, comfort or convenience of neighbours within the immediate vicinity of the property concerned.

Economic Implications

16. Nil.

Environmental Implications

17. Nil.

OFFICER COMMENT

18. In considering this application for exemption, the following two options are available:
- (a) Council may grant an exemption pursuant to Section 26(3) of the *Dog Act 1976* subject to conditions; or
 - (b) Council may refuse permission to keep more than two dogs.
19. As part of the decision making process, Officers have not recorded any issues regarding the dogs kept at this property. This has been further substantiated as part of the recent consultation process conducted by the Rangers on adjoining properties.
20. It is in the opinion of inspecting Ranger that the property is appropriately sized and capable of effectively and comfortably housing three dogs. The Ranger can also confirm that the fences and gates are compliant with the *Dog Act 1976*.
21. It is recommended that the application to keep more than two dogs is supported and is noted that this approval may be varied or revoked should any dog complaints be received which are considered reasonable.

OFFICER RECOMMENDATION (GS 10/2011)

1. That Council, pursuant to Clause 3.2 of the Shire of Kalamunda Dogs Local Law 2010 made under Section 26(3) of the *Dog Act 1976*, grant an exemption to the applicant of 21 Calluna Way, Forrestfield to keep a third dog on this property.

Moved:

Seconded:

Vote:

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

11. Application to Keep More Than Two Dogs – 56 Fagin Way, Forrestfield

Previous Items	N/A
Responsible Officer	Director Community Development
Service Area	Community Development
File Reference	RA-ANC-011: ICS-25909
Applicant	Charmaine Ellery – 56 Fagin Way, Forrestfield
Owner	N/A
 Attachment 1	 Location Map

PURPOSE

- To consider an application for an exemption under section 26(3) of the *Dog Act 1976* to keep more than two dogs.

BACKGROUND

- The applicant at 56 Fagin, Forrestfield has recently applied to Council requesting permission to keep more than two dogs on his property.
- Clause 3.2.(2) of the Shire of Kalamunda Dogs Local Law 2010 stipulates:
 “The limit on the number of dogs which may be kept on any premises is, for the purpose of section 26(4) of the *Dog Act 1976*, 2 dogs over the age of 3 months and the young of those dogs under that age.”

DETAILS

- The applicant is requesting the approval to keep the following dogs at the above property.

	Breed	Sex	Sterilised	Colour	Name	Registration Number	Age Years	Local Authority
1.	Labrador x Staffy	F	YES	Black	Savannah	13-2049	1.5	Kalamunda
2.	Labrador x Staffy	M	YES	Black	Bakkies	13-2050	1	Kalamunda
3.	Labrador x Staffy	M	N	Brindle	Jimmy		4mths	

- In considering the merit of the application an inspection was undertaken by Ranger and Emergency Services to ensure the premises are appropriately sized so as to be capable of effectively and comfortably housing three dogs and to confirm that the fences and gates are compliant with the *Dog Act 1976*.
- The property at 56 Fagin Way, Forrestfield is 708sqm and zoned Residential.

STATUTORY AND LEGAL IMPLICATIONS

7. The application for exemption to the Shire's Dogs Local Law 2010 is made under Section 26(3) of the *Dog Act 1976*.
8. Clause 3.2 of the Local Law reads:
"3.2 Limitation on the number of dogs
 2. This clause does not apply to premises which have been –
 - (a) licensed under part 4 as an approved kennel establishment; or
 - (b) granted an exemption under section 26(3) of the Dog Act, 2 dogs over the age of 3 months and the young of those dogs under that age."
9. If Council refuses to permit three dogs on this property, the applicant has the right to appeal the decision through the State Administrative Tribunal within 28 days of notification in writing by the Shire.

POLICY IMPLICATIONS

10. Nil.

PUBLIC CONSULTATION/COMMUNICATION

11. When applications are received by the Shire to keep more than two dogs, a Ranger will attend the properties immediately adjoining the applicant's property to ascertain if they have any objections. This process is undertaken by interview or if the resident is not home at the time, a standard letter is left in their letterbox advising of the application.
12. There are five adjoining properties within the vicinity of the applicant's property that may be directly affected (attachment 1). The occupants of these properties have been contacted by the attending Ranger where three supported and two did not reply regarding the application.

FINANCIAL IMPLICATIONS

13. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS**Strategic Planning Implications**

14. Nil.

Sustainability ImplicationsSocial Implications

15. Council needs to consider that having more than two dogs may create excessive dog barking noise that can interfere with the peace, comfort or

convenience of neighbours within the immediate vicinity of the property concerned.

Economic Implications

16. Nil.

Environmental Implications

17. Nil.

OFFICER COMMENT

18. In considering this application for exemption, the following two options are available:
- (a) Council may grant an exemption pursuant to Section 26(3) of the *Dog Act 1976* subject to conditions; or
 - (b) Council may refuse permission to keep more than two dogs.
19. As part of the decision making process, Officers have not recorded any issues regarding the dogs kept at this property. This has been further substantiated as part of the recent consultation process conducted by the Rangers on adjoining properties.
20. It is in the opinion of inspecting Ranger that the property is appropriately sized and capable of effectively and comfortably housing three dogs. The Ranger can also confirm that the fences and gates are compliant with the *Dog Act 1976*.
21. It is recommended that the application to keep more than two dogs is supported and is noted that this approval may be varied or revoked should any dog complaints be received which are considered reasonable.

OFFICER RECOMMENDATION (GS 11/2011)

1. That Council, pursuant to Clause 3.2 of the Shire of Kalamunda Dogs Local Law 2010 made under Section 26(3) of the *Dog Act 1976*, grant an exemption to the applicant of 56 Fagin Way, Forrestfield to keep a third dog on this property.

Moved:

Seconded:

Vote:

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

12. Falls Farm Management Committee – Nomination for Membership

Previous Items	N/A
Responsible Officer	Director Community Development
Service Area	Community Development
File Reference	CO-CCS-001
Applicant	N/A
Owner	N/A

PURPOSE

1. To consider the appointment of a Committee Member to the Falls Farm Management Committee.

BACKGROUND

2. The Lesmurdie Ratepayers Association have nominated Iris Jones to the Falls Farm Management Committee to replace their current member, John Everett, who has resigned.
3. The Terms of Reference for this Committee allow a membership of 12, Lesmurdie Rate Payers Association, The Lesmurdie Lions Club and the Hills Folk Club may each have two representatives.
4. The current membership is as follows:

Name	Representing
Cr Carol Everett	Councillor Delegate
Pauline Tonkin	Hills Folk Club
John Everett	Lesmurdie Ratepayers Association
John Kenny	Lions Club of Lesmurdie
Derek Winter	Lions Club of Lesmurdie
Brian Tee	Anglican Catholic Church
Geraldine Smailes	Soroptimist International Darling Range

DETAILS

5. Rules and guidelines for the Falls Farm Management Committee state that:

Membership

- 4.1 A total membership of up to 12 members, all of whom shall be appointed by Council for a term of up to 2 years unless Council elects to reappoint any or all members for a further term.
- 4.2 Membership may include two representatives each from the Lesmurdie Ratepayer's Association, the Lesmurdie Lions Club and the

Hills Folk Club.

- 4.3 Regular users shall have one representative each on the Management Committee."

STATUTORY AND LEGAL IMPLICATIONS

6. Appointments are made in accordance with Section 5.10 (1) of the *Local Government Act 1995*.

POLICY IMPLICATIONS

7. Nil.

PUBLIC CONSULTATION/COMMUNICATION

8. Nil.

FINANCIAL IMPLICATIONS

9. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

10. Shire of Kalamunda Strategic Plan 2009 -2014

"1.2.1 Strengthen the community spirit through the provision of cultural activities promoting participation and capacity building in partnership with community groups and networks."

Sustainability Implications

Social implications

11. Nil.

Economic Implications

12. Nil.

Environmental Implications

13. Nil.

OFFICER COMMENT

14. The Shire is currently undertaking a Management Committee Review to ensure committees remain relevant and that the time of community volunteers and staff is maximised.
15. Management Committee members are currently being provided with a final opportunity to provide feedback via a consultation questionnaire. All feedback provided will be reviewed and incorporated within a Management Committee Review Report, to be presented to Council in March 2011.
16. The appointment of Iris Jones will ensure representation from the Lesmurdie Ratepayer's Association is maintained on the Falls Farm Management Committee.

OFFICER RECOMMENDATION (GS 12/2011)

1. The Council accepts the resignation of John Everett.
2. That Council appoint the Lesmurdie Ratepayers Association Representative, Iris Jones, to the Falls Farm Management Committee.

Moved:

Seconded:

Absolute Majority Required

Vote:

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

13. Proposed Community Funding Policy

Previous Items	OCM 52-09
Responsible Officer	Director Community Development
Service Area	Community Development
File Reference	Fi-FAG-029
Applicant	Shire of Kalamunda
Owner	N/A
Attachment 1	Proposed Community Funding Policy
Attachment 2	Donations, Grants and Contributions Policy

PURPOSE

1. To consider adopting the proposed Community Funding Policy for the purposes of inviting public comment.

BACKGROUND

2. The Shire's Community Funding Programs provide a unique opportunity to leverage Council funds and provide an opportunity to inject economic, cultural and social benefits into the Shire of Kalamunda.
3. In recent times, Officers have experienced several issues in relation to the highly flexible nature of the current funding program structure. In particular, a lack of clear objectives, no defined funding rounds and limited overall return on investment for the Shire.
4. In September 2010, as part of a continuous improvement program, a review of the Shire's community funding program structure was undertaken to determine:
 - The most appropriate assessment process,
 - Types of funding programs,
 - Funding criteria,
 - Management practices,
 - Amounts of funding available.
5. Council is now presented with the Proposed Community Funding Policy (Attachment 1) for consideration.

DETAILS

6. The Shire currently provides the following community funded programs:
 - Donations – up to \$150.
 - Disaster Relief Assistance – up to \$1,000.
 - Financial assistance for community groups and schools up to \$750.
 - Community Initiative and Development Financial Assistance – up to \$1,500.
 - Annual School Awards – \$50 to each school participating.
 - State and National Contribution – State Representation \$150 and National \$300.

7. Should Council endorse the Proposed Community Funding Policy, the following community funding program structure would be implemented:
 - Sport & Recreation Development – up to \$1,000.
 - Community Development (Schools & Community Groups) – up to \$1,000.
 - Community Capital Grants Funding Program – up to \$50,000.
 - Long Term Planning Grants Funding Program – over \$50,001.
 - Student Citizenship Awards - \$50 book voucher per school/student.
 - Kalamunda Sports Star Awards – Junior (Under 18)/\$250 and Senior (18-25)/\$150.

8. It is important to note that the main objectives of the existing programs will be incorporated within the new funding program structure. Further to this, the main changes proposed to the Shire's community funding programs are as follows.

All programs will be subjected to the following:

9. Renaming and restructuring of all funding programs – to provide a greater level of consistency and streamline the Shire's funding programs.

10. Clearly defined funding objectives, priority projects and assessment criteria – this will ensure that all funded projects strongly align with the Shire's strategic plan objectives and ensure a greater level of accountability.

11. Clearly defined administration procedures to ensure the effective

management of the funding programs.

Specific program related changes are as follows:

Community Development (Schools & Community Groups) and Sport & Recreation Development

12. Disaster relief funding and donations to be accommodated within new community development funding program.
13. Streamlining of funding amounts for community development and sport/recreation funding to \$1,000.
14. Implementation of funding rounds – this will provide increased opportunities for the community to access funds as currently funds are allocated on a first come first served basis. Due to budgeted funds being expended, some clubs who are in off-season miss out on the opportunity to apply. Two funding rounds will occur in November and March.

Community Capital Grants funding capped at \$50,000

15. This will bring the maximum funding amounts in-line with CSRFF small grants funding conditions. This program will replace the current process for community non-recurrent budget requests of less than \$50,000. Council contributions will be considered as part of the annual budget deliberation process.

Long Term Planning Grants Funding - \$50,001 and above

16. A feasibility study or longer term planning process would need to be undertaken prior to any project being considered. This program will replace the current process for community non-recurrent budget requests of more than \$50,001. Council contributions will be considered as part of the annual budget process.

Student Citizenship Awards

17. \$50 cheque replaced by \$50 book voucher.

Kalamunda Sports Star Awards

18. State and National funding has been changed to acknowledge junior and senior applicants by providing \$250 to juniors and \$150 to seniors.

STATUTORY AND LEGAL IMPLICATIONS

19. Nil.

POLICY IMPLICATIONS

20. The Shire currently has a Donations, Grants and Contributions Policy (Attachment 2), to guide the delivery of the Shire's community funding programs.

PUBLIC CONSULTATION/COMMUNICATION

21. In determining the most appropriate model for the Shire's community funding programs, Officers liaised with other Local Government Authorities with similar programs, in particular the City of Joondalup, Wanneroo, Gosnells and Stirling.
22. The advice received from the other Local Government Authorities indicated that the percentage of overall budget funds allocated to community funding programs was higher than the Shire's current percentage allocation.

FINANCIAL IMPLICATIONS

23. Within the 2010/11 Budget, Council allocated \$22,500 towards the delivery of the Shire's community funding programs.
24. Any financial support provided in relation to the proposed community capital grants program shall form part of the annual budget deliberation process.
25. To further enhance the community funding programs through providing increased opportunities for the community to access funds, future budget allocation increases will need to be considered.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

26. Shire of Kalamunda Strategic Plan 2009-2014
- "1.2.1 Support a range of existing cultural activities and provide opportunities to establish new initiatives for cultural activities in partnership with community, arts groups and networks."
- "1.5.5 Continue to fund and expand funding to community groups where the needs are the greatest."

Sustainability Implications

Social implications

27. The Shire's community funding programs provide an opportunity to inject economic, cultural and social benefits into the Shire of Kalamunda community

and should be supported where relevant and feasible, in order to deliver outcomes as identified within the Shire's Strategic Plan.

Economic Implications

28. Nil.

Environmental Implications

29. Nil.

OFFICER COMMENT

30. In order to support and encourage individuals and community groups which make a positive contribution to the Shire of Kalamunda, Council has supported the provision of financial assistance donations.
31. Currently, the Shire's community funding program structure is highly flexible and provides limited direction to Officers in terms of the types of eligible projects or priorities. In addition, the current structure does not provide for designated funding rounds to be implemented.
32. The provision of funding rounds to the Shire's community funding programs will allow for applications to be assessed on merit and prioritised accordingly. Furthermore, it would allow the funds to be more easily accessible to groups/clubs which do not operate all year round.
33. Further opportunities also exist for the Shire to obtain a greater amount of positive exposure through stronger conditions being applied on grant recipients to ensure the Shire receives appropriate acknowledgement for investment.
34. The Proposed Community Funding Policy will aim to provide strategic direction and guidance to Officers for the effective management of the Shire's community funding programs. In addition, it will endeavour to assist in enhancing active participation of local residents, whilst promoting the image of the Shire within the community.
35. In terms of funding requirements, it is important to note that, both the Capital Community Grants and Long Term Planning Grants Programs will be subject to annual Council budget deliberation processes.
36. The Proposed Policy will further aim to maintain community opportunities to access funding, whilst balancing the need to ensure that the community funding programs achieve the Shire's strategic objectives.

37. In order to ensure that the Policy meets the needs of the broader community, it is recommended that the Draft Policy be provided for a three week period of public comment. Furthermore, that the results of the public comment period be presented to Council in May 2011, prior to final adoption of the Policy.

OFFICER RECOMMENDATION (GS 13/2011)

1. That Council adopts the Proposed Community Funding Policy (Attachment 1) for the purposes of advertising to seek public comment for a period of 21 days.

Moved:

Seconded:

Vote:

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

14. Kalamunda Home and Community Care - Revised Business Case (2010-2014)

Previous Items	OCM156/2010 October 2010
Responsible Officer	Director of Community Development
Service Area	Community Development
File Reference	CO-SPC-022
Applicant	N/A
Owner	N/A

Attachment 1 KHACC Services Business Case (2010-14)

PURPOSE

1. To consider adopting the Kalamunda Home and Community Care (KHACC) Service Business Case (2010-14) (Attachment 1).

BACKGROUND

2. Councillors were provided with information and a presentation at a Forum held on 13 December 2010.
3. The presentation at the Forum outlined the causes and effects of the recurrent and capital over expenditure in the 2009/10 Financial Year. Also presented was the basis for a clear and accurate evaluation of the services delivered and the financial capacity of the KHACC Service to manage this delivery within the funding sources available.
4. The KHACC Services Business Case (2010-14) (Attachment 1) has been prepared in accordance with the direction given by Council at the October 2010 Ordinary Council Meeting, Resolution number 156/2010:

"That the Home and Community Care Services provided be within the limits of the funding available and reviewed every quarter and reported to Council."

DETAILS

5. The Business Case document has been prepared to include updated financial and operational information as well as a review of staff functions undertaken in consultation with KHACC staff.

-
6. Several strategies have been put in place to improve the financial viability and effectiveness of the KHACC Services. The results of most of these are now reflected in the new Business Case and some are still subject to negotiations with the funding body.

Financial Strategies

- 7.
- a. A full analysis and reforecasting of the Shire of Kalamunda 2010/11 Budget estimates have taken place to determine costs of service delivery against funding availability.
 - b. The State Government Home and Community Care (HACC) funding body has requested that we submit revised Unit Cost estimates and service volumes that can be achieved for those costs. A change to the service contract will then be considered commencing 2011/12. The full effect of these changes will not be felt until the 2011/12 Financial Year.
 - c. As yet, official advice has not been received on the 2010/11 Growth Funding Application. However, the HACC Project Officer recommendation would see an improved financial position based on the minimum required volumes being delivered.
 - d. The change to Client Assessment roles allow for this funding to be retained and allocated towards meeting existing service delivery costs.

Workforce / Management Strategies

- 8.
- a. The KHACC staff restructure exercise has provided the opportunity to review each position and its relation to not only the KHACC Business Unit, but the whole organisation. The new structure provides for the partial deployment of the HACC Volunteer and Finance Coordinators capacity to add value to the Finance and Human Resources Business Units.
 - b. The transfer of the Client Assessment function to Regional Teams and natural attrition has allowed for gains in efficiency and the opportunity to redeploy staff to improve the effectiveness of service delivery together with savings in wages.
 - c. The full effect of these changes will not be realised until the 2011/12 financial year.
 - d. Recently approved Commonwealth Funded Community Aged Care Packages (CACP) will provide opportunity to have a multi-skilled employee with approximately 80% of duties allocated to CACP Coordination and 20% to implementing the new HACC Assessment Framework processes and protocols.
 - e. The full effect of these changes will not be realised until the 2011/12 financial year.

STATUTORY AND LEGAL IMPLICATIONS

9. There are currently two funding service agreements in place, one between the Shire of Kalamunda and the WA Department of Health and the other between the Shire of Kalamunda and Commonwealth Department of Health and Ageing.
10. The current WA Department of Health service agreement for the KHACC program commenced on 1 July 2010 and expires on 30 June 2014. The agreement includes a Service Specification Schedule stating the agreed funding and service provision levels and the various quality standards, reporting obligations, policies and outcomes for clients.
11. The current Department of Health and Ageing Service Agreement for Community Visitor Scheme (CVS) programme commenced on 1 July 2010 and expires on 30 June 2011. The aim of the program is to contribute to enhancing the quality of life of socially or culturally isolated residents of Commonwealth Government Subsidised Aged Care homes. The Shire of Kalamunda must deliver this program in accordance with the CVS program guidelines and the annual approved budget.

Service Provision Options

12. As mentioned in the KHACC Business Case (2010-2014), one of the financial recovery strategies considered was the establishment of an independent operating entity to run the KHACC Services.
13. There are generally two methods of setting up an Incorporated Association as the governing body (Board of Management), that is:
 - (a) Complete independence from the Shire would be established if members and employees of the Shire were to be precluded from becoming members of the incorporated association. There may well be practical difficulties with this, at least initially, because it would be necessary to find enough individuals who were willing and able to take on the heavy commitment involved in establishing and operating the incorporated association from its commencement.
 - (b) In many cases local governments have established incorporated associations where the members of the government body, and often some or all of the staff are drawn from the local government. This is generally seen as a way of exercising influence or control over an "independent" body. However, it is sometimes based on misunderstanding of the legal rights and obligations of a member of the governing body, or an employee, of an incorporated association in circumstances where that person is also a member or employee of the 'controlling' local government.

The legal position is clear, as members of the governing body, they are not “representatives” of the Council responsible for their nomination or appointment, nor are they ‘representatives’ of the local government.

14. Another option for the Shire would be to find an existing organisation that was willing to take over the Shire’s HACC functions. Of course, that organisation would also need to be suitable to the State Government which is responsible for the approval and funding of HACC services in WA.
15. Both of these options could be explored further. However, the KHACC Business Case (2010-2014) is based on the contracted services continuing to be delivered through the staffing structure of the Shire. Following discussions with KHACC staff, neither of these options is recommended

POLICY IMPLICATIONS

16. Nil.

PUBLIC CONSULTATION/COMMUNICATION

17. KHAAC staff
Councillor’s
HAAC Project Manager
Director Community Development
Manager Human Resources
CEO
Principal Consultant Risk ID

FINANCIAL IMPLICATIONS

18. Indications received to date are that \$157,000 of our 2010/11 Growth Funding Application has been recommended for approval, therefore 50% of this income has been included in the 2010/11 Budget estimates.
19. At this stage it is uncertain as to when the Shire’s CACP will commence operation in 2010/11. Following the appointment of a Coordinator who will establish the programme and assess eligible clients, the Shire will be in a better position to determine when these care packages will be taken up.
20. CACP income and expenditure estimates have been included commencing in the 2011/12 Financial Year, based on the take up of the full 20 CACPs by 31 December 2014.
21. The value of the contribution of volunteers is now required to be recognised in the financial statements. These figures are based on the hours of service multiplied by an hourly rate.
22. Following the full analysis and re-forecasting of the 2010/11 Budget estimates, the following significant variations have been realised:

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- a. Increase in revenue of \$139,000 mainly due to growth funding and profit on sale of asset disposals.
 - b. Reduction in expenditure of \$112,000, mainly due to removal of corporate service fees for HR and IT and Management/Accounting.
23. The removal of the Corporate Service Fees would deliver a balanced budget for the KHACC program as at 30 June 2011.
 24. For the remainder of the HACC Contract Service Agreement period (2011/12 to 2013/14) this financial situation has stabilised, mainly due to the implementation of the workforce/management strategies previously advised in this report.
 25. Financial projections for the 2011/12 to 2013/14 period are shown in the Business Case (Attachment 1) at Page 19.
 26. The anticipated deficits can be mainly attributed to the Shire of Kalamunda Enterprise Bargaining Agreement increases during the term of the Agreement.
 27. The Meals on Wheels programme continues to operate at a deficit of between \$40,000-\$50,000 per annum. The annual service fees have not been removed as this is only a small amount due to the program being run by one part-time employee and volunteers.
 28. It is recommended that a separate Feasibility Study on the operation of the Meals on Wheels service be carried out over the next 12 months to determine the best service delivery model and the financial impacts of the service on the Shire of Kalamunda.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

29. Shire of Kalamunda Strategic Plan 2009 – 2014:
 - "1.1.3 Expand home support and community care services so that remaining at home as independently as possible is a realistic option for most aged and disabled."
30. Shire of Kalamunda Aged Accommodation Strategy 2008:
 - "6.2 A substantial expansion in existing levels of home and community care services will be required to meet not only current demand, but also to match expanding demand as the population ages over time. This will need to occur across all service areas, with a high priority given to transport, home modification and maintenance, and domestic assistance."

Sustainability Implications

Social implications

31. Shire of Kalamunda Aged Accommodation Strategy 2008:

- “6.1 A strong desire to ‘age in place’ is now the well established preference for older people and is a key theme that underlies Commonwealth and State Government policy and programs. This encompasses being able to continue to live in the familiar surroundings of the home and local environment as independently as possible, and with support services if required.”

Economic Implications

32. Nil.

Environmental Implications

33. Nil.

OFFICER COMMENT

34. The KHACC Business Case (2010-14) demonstrates that the services being delivered cannot be provided within the limits of the available funding.

35. To bring the service delivery costs within the funding available in 2010/2011 Council would have to subsidise the KHACC programme by providing in kind support for the annual service fees incurred. The 2009/10 service fees were written back.

36. Based on our financial estimates and assumptions, it is envisaged this service will require some level of on-going Council support in subsequent years as shown in the KHACC Business Case (2010–14).

37. The KHACC Business Case (2010-14) and KHACC Staff Restructure (2011) provided a clear framework for the financial recovery of the KHACC Service, though Council would be required to underwrite the service with in kind support.

38. The implementation of the strategies and regular review periods to ensure our service costs do not exceed the available Budget funding, will be the focus for all coordinator level staff of the KHACC Services.

39. The level of Council support for the service can now be clearly demonstrated in subsequent Budget, so that full transparency is shown.

OFFICER RECOMMENDATION (GS 14/2011)

1. That Council accepts the Kalamunda Home and Community Care Business Case (2010-2014) (Attachment 1).
2. That the Kalamunda Home and Community Care Services continue to be delivered as a Shire of Kalamunda Community Service.
3. That a separate Feasibility Study on the operation of the Meals on Wheels service be carried out over the next 12 months to determine the best service delivery model and the financial impacts of the service on the Shire of Kalamunda.

Moved:

Seconded:

Vote:

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

15. Adoption of Asbestos Management Policy – HR16

Previous Items	OCM 177/2010
Responsible Officer	Director Engineering Services
Service Area	Engineering Services
File Reference	LE-ACT-008
Applicant	N/A
Owner	N/A
Attachment 1	Asbestos Management Plan Policy – HR16
Attachment 2	Asbestos Register

PURPOSE

1. To consider the adoption of an Asbestos Management Plan Policy – HR16 (“Policy”), as shown at (Attachment 1), to implement safe work practices in relation to Asbestos Containing Materials (“ACM”), within the Shire of Kalamunda work places.

BACKGROUND

2. Council resolved, at its December 2010 Ordinary Council Meeting, the following:

“That the adoption of the Asbestos Management Plan Policy HR16, as shown in (Attachment 1), be deferred until February 2011 and subject to further clarification of the financial implications being provided.”
3. Accordingly, the item was referred back to staff to provide further information.
4. The Shire undertook an audit of all its properties and compiled a register detailing the location of ACM, to comply with the following legislation:
 - a. Code of Practice for the Safe Removal of Asbestos 2nd Edition (NOHSC: 2002 /2005), which sets out the general requirements for the removal of ACM.
 - b. *The Occupational Safety and Health Regulations 1996.*
5. The Asbestos Register is presented at (Attachment 2).
6. Effective from 1 June 2010, operators removing more than 10sqm of non-friable asbestos are required to hold a licence, issued by WorkSafe Western Australia.
7. All Shire staff and contractors must be made aware of the location of ACM

within the Shire owned and occupied buildings.

DETAILS

8. The Policy will provide guidance to the Shire of Kalamunda, its employees and contractors, with regards to the health and safety implications of working with and within an environment where ACM can be found.

STATUTORY AND LEGAL IMPLICATIONS

9. a. Code of Practice for the Safe Removal of Asbestos 2nd Edition (NOHSC: 2002 /2005), which sets out the general requirements for the removal of ACM.
- b. The *Occupational Safety and Health Regulations 1996*.

POLICY IMPLICATIONS

10. The adoption of this new policy will provide guidance to the Shire of Kalamunda, its employees and contractors, with regards to the health and safety implications of working with and within, an environment where Asbestos Containing Materials ("ACM") can be found.

PUBLIC CONSULTATION/COMMUNICATION

11. Nil.

FINANCIAL IMPLICATIONS

12. The current financial year's budget contains an allocation of \$120,000 to remove asbestos from a number of Shire buildings. Further removal will be determined in conjunction with Asset Management Plans and funding allocations will be recommended accordingly.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

13. Nil.

Sustainability Implications

Social implications

14. The Policy will meet obligations and responsibilities in managing ACM within the workplace, as per the current regulations and set a benchmark for residents within the community.

Economic Implications

15. The policy will result in a requirement for an annual allocation of funds until all ACM is removed from Shire of Kalamunda buildings.

Environmental Implications

16. The policy will assist with maintaining a healthy workplace and environment for all residents and employees within the Shire of Kalamunda.

OFFICER COMMENT

17. There is no existing policy or formal procedure within the Shire of Kalamunda for the safe removal of ACM from Shire buildings. Accordingly, the proposed Policy will assist with the future management of ACM within Shire buildings and additionally will improve any future education programmes, intended to address issues of ACM within the community as a whole.
18. A programme for the removal of asbestos from Shire buildings will be developed, in conjunction with Asset Management outcomes, based on risk factors for each building. Appropriate management procedures will also be implemented in all Shire buildings containing asbestos.

OFFICER RECOMMENDATION (GS 15/2011)

1. That Council adopts the Asbestos Management Policy HR16, as shown at (, Attachment 1).

Moved:

Seconded:

Vote:

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

16. Lilian Road, Maida Vale - Proposed Footpath

Previous Items	N/A
Responsible Officer	Director Engineering Services
Service Area	Engineering Services
File Reference	EG-CMP-007
Applicant	N/A
Owner	N/A
Attachment 1	Location Map Proposed Footpath

PURPOSE

1. To consider letters of objection and support, regarding the construction of a footpath in Lilian Road, Maida Vale tabled at the General Services Committee on 14 February 2011.

BACKGROUND

2. Common letters received, signed by nine residents in total, have been tabled at the February 2011 General Services Committee Meeting.

DETAILS

3. The objections list the following concerns:
 - Removal of natural vegetation from the verge, in particular Christmas and Grass Trees,
 - Trail bike and skate board riders use the road and believe this would encourage them to use the path also,
 - A footpath will lessen the space for cars to park who are attending the Church,
 - Traffic speeds.
4. The project to construct a 1.5 km concrete path in Lilian Road, Maida Vale, from Hawtin Road through to Norwood Road is included in the 2010/11 Works Programme. The location of the path is shown at (Attachment 1).
5. Priority for the construction of new paths is determined based upon criteria which take into account vehicular traffic in the street, proximity to bus stops, schools and shops, recreational use and the residential density of the area.
6. Pedestrians utilise Lilian Road to access Hawtin Road and Kalamunda Road, which is also a route to other amenities.

STATUTORY AND LEGAL IMPLICATIONS

7. Nil.

POLICY IMPLICATIONS

8. Nil.

PUBLIC CONSULTATION/COMMUNICATION

9. A notice to construct the path in Lilian Road was sent to the residents of Lilian Road.
10. There are a total of thirty five properties in Lilian Road. Objections to the construction of the footpath were received from nine residents, who are requesting the path construction be removed from the Works Programme.
11. Four residents wrote in support of the construction.

FINANCIAL IMPLICATIONS

12. \$80,600 has been included in the 2010/11 Budget for this project.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

13. Progressive development of an efficient path network will assist the Shire to achieve its outcomes under Goal 2 of the Strategic Plan 2009-2014:
"An integrated built environment".

Sustainability Implications

Social implications

14. The path provides a safe route for pedestrians to access local amenities.

Economic Implications

15. Nil.

Environmental Implications

16. Encourages residents to walk rather than drive.

OFFICER COMMENT

17. Lilian Road forms a strategic link providing a connection between the pedestrian generator (businesses at the intersection of Kalamunda and Hawtin Roads) and the residential area to the south east of the intersection.
18. Various points raised in the objection letters have been considered, however, the path will provide more advantages than disadvantages. These include the safety of pedestrians, particularly children of a young age. Every effort will be made to minimise the impact on Christmas and Grass Trees in the area.

OFFICER RECOMMENDATION (GS 16/2011)

1. That a footpath on Lilian Road, from Norwood Road to Hawtin Road, Maida Vale, be constructed, as provided in the 2010/11 Works Programme.

Moved:

Seconded:

Vote:

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.
17. Kalamunda Water Park Refurbishment

Previous Items	OCM 60/2010
Responsible Officer	Director Engineering Services
Service Area	Engineering Services
File Reference	CL_11/038
Applicant	N/A
Owner	N/A
Attachment 1	YMCA List of Maintenance Items
Attachment 2 (Confidential)	Detailed Cost Estimates <u>Reason for Confidentiality</u> Section 5.23 (iii) <i>Local Government Act 1995</i> . "A matter which if disclosed would reveal information about the business, professional, commercial or financial affairs of a person."
Attachment 3 (Confidential)	YMCA Annual Operating Budget <u>Reason for Confidentiality</u> Section 5.23 (iii) <i>Local Government Act 1995</i> . "A matter which if disclosed would reveal information about the business, professional, commercial or financial affairs of a person."

PURPOSE

1. To consider current and future works at the Kalamunda Water Park Centre.

BACKGROUND

2. Reference is made to Agenda Item 60 of the June 2010 Ordinary Council Meeting, where the following was resolved:
 - "1. That the Tender for Stage 2 of the Upgrade to the Kalamunda Aquatic Centre not be awarded and the programmed works for the Stage 2 Upgrade are cancelled.
 2. That the following work is programmed in lieu of the Stage 2 Upgrade:
 - Return to pool lines, including repairs to main pool spine.
 - Retiling and repainting as required.
 - Upgrade of power supply and rewiring."
3. Accordingly, the remaining project funding of \$646,575 was carried forward to the current financial year's budget, to complete the above works, along with the remainder of the 'Stage 1' committed works.

DETAILS

4. Following on from Resolution Number 60 of the June 2010 Ordinary Council Meeting, staff reduced the scope of works and re-advertised the Tender. The

results of which were presented to Council in September 2010.

5. The majority of the works to repair the main pool and the junior pool have now been completed with the only outstanding item being the replacement of the diving boards at the main pool and some re-tiling. The estimated cost of these works is \$374,000.
6. The electrical works are also in progress at an estimated cost of \$160,000.
7. Additionally, in October 2010, a list of 66 faults was provided by the Young Men's Christian Association (YMCA) the new operator of the facility. This list is based upon a recommendation from Glenn Osmond, who was employed by the previous Lessee and has now joined the YMCA to manage the facility. This list appears at (Attachment 1).
8. A significant fault identified in the attached list, is the leak that had developed in the spa pool towards the end of the last season and was not reported earlier. The cost to locate and repair the leak and install a new filtration system is estimated at \$111,000.
9. While attempting to investigate the leak it was discovered that only a fraction of the water that circulated the slides and spa was being filtered, resulting in a very poor quality of water.
10. It is therefore now imperative that the water filtration system for the slides is changed, if the slides are to be opened for public use.
11. The cost of these works along with other associated works is detailed in the Financial Implications section of this report.

STATUTORY AND LEGAL IMPLICATIONS

12. The filtration system and water quality is required to comply with the *Health Act* and associated regulations.
13. The facility also needs to comply with building regulations and disability access regulations.

POLICY IMPLICATIONS

14. Nil.

PUBLIC CONSULTATION/COMMUNICATION

15. No public consultation has been carried out. However, a press release was placed in the media, advising closure of the pool for the current summer season. Appropriate information signage was also placed at the facility.

16. There have been a number of letters and press articles expressing concerns over the closure of the facility. A member of the public also asked questions, at the December 2010 Ordinary Council Meeting, in respect to expenditure on the pool and the closure of the facility.

FINANCIAL IMPLICATIONS

17. \$646,575 was carried over from the previous year, of which approximately \$125,000 has been used to complete the grandstand seating and shade canopy work, from the 2009/10 financial year.
18. Another \$20,000 may be required for settlement with the previous operator, which is subject to a separate item.
19. Accordingly, \$501,575 is available to carry out works proposed in the current year.
20. The estimated cost of works required at the facility, including additional work identified by the YMCA, is as follows:

Additional Works	Work Required to open the facility with slides	To be programmed in future years
Main Pool and Junior Pools	374,000	0
Main Plant Room	163,000	88,000
Slides Plant Room	406,000	0
Slides	407,000	1,461,000
Spa	111,000	0
Other Misc. works	24,000	520,000
Electrical Works	160,000	150,000
Ancillary Works	100,000	650,000
Contingency	266,000	574,000
Total	2,011,000	3,443,000

21. Detailed estimates are provided at (Confidential Attachment 2.)
22. Accordingly, if the pool is opened along with the slides and spa, there is a shortfall of \$1.51M which needs to be funded during the current and next financial year (2010/11 & 2011/12).
23. Additionally, \$3.44M will need to be programmed within the following one to five years, to replace tube slides, the speed slide, upgrade and replace various buildings, land scaping and other miscellaneous work. Whilst this will not provide a new facility, the works will bring the facility to a desired standard.

-
24. An option exists, to de-commission the slides and spa, which will save significant expenditure in the order of \$924,000 and \$1,461,000 respectively. However, it will reduce the patronage of the facility, which will result in reduced revenue and potentially make the facility unviable. According to the initial proposed operating budget, submitted by the YMCA, 70% of the total income ie \$403,000 is generated by the water slides (Confidential Attachment 3).
25. It is recommended that a loan of \$1.5 million is raised to fund the expenditure required in the 2010/11 and 2011/12 financial years. The interest cost of this loan over 10 year period is estimated at \$542,000 with an annual principal and interest payment of \$102,100.
26. Alternatively Council may choose to sell a number of properties from its portfolio either to directly fund the required expenditure or payback the loan.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

27. Outcome: 2.1

Improve asset management to meet the community needs today and into the future.

Sustainability Implications

Social implications

28. The facility is very popular amongst the local community and used by many public schools for swimming carnivals.

Economic Implications

29. This facility is one of the attractions which promote tourism in the area.

Environmental Implications

30. Being an existing facility, there is no impact on the environment.

OFFICER COMMENT

31. Most recently the facility operated under a completed '21 year plus 1' lease arrangement, trading as 'Kalamunda Wet 'n Wild'. The facility appears to have been poorly maintained by a succession of lessees, during the lease period. Furthermore, there does not appear to have been any form of structured inspection regime in place, which would have highlighted the various lessees' failure to adequately maintain the facility.

-
32. There are hydraulic and water quality systems on site, that are in poor condition affecting the ability to maintain water quality to high standard.
33. An example of plant in this condition is the slides and spa water-handling system:
- a. The spa was run on predominantly contaminated water, as it was fed from the run-out pool of the tube slides;
 - b. Less than 10% of the water passing through the spa, slides and run-out pools, was actually filtered at any time and there was no effective system in place to agitate or filter the spa water;
 - c. The other 90% of the total slides water continued to be recycled up to the slides, back down to the run-out pool, off through the spa, back to the slides plant room and back to the slides, etc.
 - d. One small (2.5 inch or 65mm) pump was the dedicated filter and backwash pump, whilst two 225mm pumps fed the tube slides. Two additional 50mm pumps fed the quad slide and the speed slide.
34. The inadequacy of this system meant that the water quality could not be maintained, in that most of the water in the system was not filtered. Chlorine levels could not be accurately maintained and pH level fluctuated significantly.
35. We are advised that the operators of the plan were manually dosing chemical, in an attempt to address the fluctuating water quality.
36. Previously, Council decided against carrying out any major works. However, as a result of the failure of the spa pool, the inadequacy of the water quality and filtration system of the slides has come to light. Therefore, unless a new filtration system is installed, none of the slides may operate due to the water quality not complying with health standards.
37. It should also be noted that the estimates provided in the report are based upon current available information and prior to engaging respective consultants to carry out design of various hydraulic, mechanical and structural systems. The detailed design of these systems may identify further issues, hence additional costs. It is expected that contingency provisions in the estimates should cover such additional costs
38. If the slides and the spa are to be commissioned, for the next season, the work will need to commence in April 2011.
-

OFFICER RECOMMENDATION (GS 17/2011)

That Council:

1. Notes the condition of Kalamunda Water Park and status of the current project.
2. Authorises additional works required to commission the slides and spa at an estimated additional cost of \$1.51M expended over two years (2010/11 and 2011/12).
3. Considers the programming of additional works estimated at \$3.5M, in future budgets between 2012/13 and 2015/16 financial years.
4. Borrows \$1.5M to fund the costs of refurbishment of the facility.

Moved:

Seconded:

Absolute Majority Required

Vote:

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

18. Quarterly Progress Report

Previous Items	N/A
Responsible Officer	Chief Executive Officer
Service Area	Office of CEO
File Reference	OR-CMA-009
Applicant	N/A
Owner	N/A

Attachment 1 Quarterly Progress Report October - December 2010

PURPOSE

1. To report to Council on the Shire's progress towards achieving its strategic goals.

BACKGROUND

2. In July 2009, the Shire implemented an integrated planning software package, "Interplan". Interplan links the actions that each staff member works on within their business unit to the Strategic Plan. This ensures that each employee is working towards achieving the strategic direction of the Council.
3. Projects that have been assessed and planned in the associated Integrated Project Manager module are also linked to Interplan as actions, and the entire system ties in with the performance review module, the Personnel Evaluation System. This allows projects to be monitored on an ongoing basis, and provides improved accountability.
4. The person responsible for an action is required to update that action each month, giving an indication of how the action is progressing. Key Performance Indicators (KPIs) are also updated. This information is collected by Interplan to provide an overview of how the organisation is performing.

DETAILS

5. The Quarterly Progress Report for the period October to December 2010, is presented at (Attachment 1). This Report shows the progress of certain major projects and capital works for 2010/2011, budget summaries; KPI performance; and the progress of the Shire against the five goals set out in the Strategic Plan.

Quarterly Progress Against Goals

6. Each business unit in the Shire has a business plan, which contains the actions to be achieved in the 2010/11 year. Each of these actions is linked to

a strategy, outcome and goal in the Strategic Plan adopted by Council.

7. All goals are progressing well. On average, the actions related to the five goals are at 95% or more of their target. Of the 593 actions monitored across the organisation, only 30 (or 5%) are at less than 70% of their target.

Key Performance Indicators

8. Performance against the Shire's corporate KPIs is shown. Of the 14 KPIs presented, seven are at or exceeding their target, two are within 5% of their target, and five are below 5% of their target. It should be noted that high targets have been set (for example 98% of all incoming correspondence is to be responded to and completed within five working days). These KPIs are monitored and reported on monthly.

Major Projects

9. The progress of a number of major projects for 2010/11 is shown. With one exception, all projects are at 90% or more of their progress target for the year to date. The remaining project, which relates to the expansion of the Forrestfield / High Wycombe Industrial Area, is currently at 83% of its progress target. More detailed comments regarding the progress of each project are shown following the summary page.

Divisional Summary

10. A summary of progress for the quarter is presented for each of the Directorates.

Directorate Budgets

11. The actual and budgeted year-to-date figures are shown for each Directorate.

Financial Report – Organisational Summary Graph

12. The actual and budgeted year-to-date expenditure figures are shown for the Shire as a whole. Expenditure is currently above budget.

Financial Report – Organisational Summary Table

13. Actual and budgeted income and expenditure is shown for each business unit. The variance is also shown. Income – expenditure is shown at the bottom of the table ("Overall Net"). For the period July – December 2010, the budgeted income was \$33,483,064.64 and the actual income \$34,227,443.54. The budgeted expenditure was \$30,219,671.37 and the actual expenditure \$31,793,442.12. This is an overall net figure of \$3,263.393 budgeted and \$2,434,001 actual.

Engineering Financial Summary

14. The major engineering projects for 2010/11 are shown in a table, following the budget summary graph. Budgeted and actual amounts, and the variance, are shown for each of the projects. Where the variance is a negative figure, the actual year to date expenditure is less than the budgeted amount. A positive variance indicates that the actual year to date expenditure is higher than the budgeted amount.

Asset Financial Summary

15. The major asset-related projects for 2010/11 are shown in a table, following the budget summary graph. Budgeted and actual amounts, and the variance, are shown for each of the projects. A more detailed list, outlining the progress of each project, follows the table.

Capital Works

16. A graph showing budgeted and actual expenditure on capital works is shown. Expenditure is currently below budget. Following the graph, a table of the major capital works projects for 2010/11 is presented, showing budgeted and actual amounts, and the variance, for each project. A summary of the progress of these projects follows, and then a more detailed list including progress comments.

STATUTORY AND LEGAL IMPLICATIONS

17. Nil.

POLICY IMPLICATIONS

18. Nil.

PUBLIC CONSULTATION/COMMUNICATION

19. Nil.

FINANCIAL IMPLICATIONS

20. Nil. The Interplan system allows expenditure to be monitored continuously through the year.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS**Strategic Planning Implications**

21. All actions within Interplan are linked to the Strategic Plan. This ensures that all projects and tasks that are carried out are done so with the strategic direction of Council in mind.

Sustainability Implications

Social implications

22. Nil.

Economic Implications

23. Nil.

Environmental Implications

24. Nil.

OFFICER COMMENT

Highlights for the half-year, 1 July 2010 – 31 December 2010

25. The Shire has performed well in regard to its corporate KPIs. The response rate to customer requests has been above 90% responded to within five working days every month, ranging from 93.7% to 99.5%.
26. The response rate to incoming correspondence has been a little lower, due to the volume that is received, but has still been at 88% or more for the six month period.
27. Staff have recorded that all Councillor enquiries have been actioned within two working days.
28. Each business unit is now required to record its budget performance, in terms of revenue and expenditure as a percentage of the budgeted value, each month. This will ensure that management reports are monitored by each business unit manager on an ongoing basis.
29. Building and development applications are recorded in accordance with the Shire's commitment set out in the Structural Reform Report.
30. The Shire has undertaken many major projects so far in 2010/2011. Of the 15 projects detailed in the Quarterly Progress Report, all but one are under budget, and all are at 80% or more of their completion target to date.
31. These projects include the refurbishment of the Kalamunda Water Park, the upgrade of Kalamunda Road, the construction of the Zig Zag Community Centre and the development of various community plans.
32. Actions which contain "IPM" in their title are also recorded in the Shire's Integrated Project Manager software, which allows another level of monitoring and reporting on project progress. It is expected that this module

will play a significant role in assisting Council to determine non-recurrent budget priorities in future years.

33. Revenue for the six month period July – December is 2.2% more than budgeted, and expenditure is 5.2% more than the budgeted amount. However, revenue is still exceeding expenditure.

OFFICER RECOMMENDATION (GS 18/2011)

1. That Council endorses the Quarterly Progress Report for October – December 2010 and notes the significant progress that has been made on the actions and KPIs.

Moved:

Seconded:

Vote:

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

19. Business Plan for a Major Land Transaction – 1 Cygnet Court and 21 Edney Road, High Wycombe

Previous Items	N/A
Responsible Officer	Chief Executive Officer
Service Area	Office of the CEO
File Reference	N/A
Applicant	N/A
Owner	N/A

Attachment 1 Business Plan for a Major Land Transaction – 1 Cygnet Court and 21 Edney Road, High Wycombe

PURPOSE

1. To consider comments received (if any) to the Business Plan (Attachment 1) that has been prepared for the Major Land Transaction 1 Cygnet Court and 21 Edney Road, High Wycombe and formally adopt the Business Plan.

BACKGROUND

2. At its Ordinary Council Meeting on 15 November 2010, Council adopted the Draft Business Plan for the purpose of advertising for public comment as required by Section 3.59 of the *Local Government Act 1995*.

DETAILS

3. The Business Plan provides details of the proposed subdivision of approximately 6,675sqm of the Shire of Kalamunda's landholding of 1 Cygnet Court and 21 Edney Road, High Wycombe for R20 Residential single housing lots and R40 Residential group housing lots.

STATUTORY AND LEGAL IMPLICATIONS

4. Section 3.59 of the *Local Government Act 1995* requires that submissions about the proposed undertaking of transaction may be made to the Local Government before a day to be specified in the notice, being a day that is not less than six weeks after the notice is given

POLICY IMPLICATIONS

5. There are no policy implications.

PUBLIC CONSULTATION/COMMUNICATION

6. The notice was published in the West Australian newspaper on 17 November 2010 and the Echo newspaper and Hills Gazette on 20 November with

submissions closing at 5.00pm Tuesday 11 January 2011. No submissions have been received.

FINANCIAL IMPLICATIONS

7. Financial costs and benefits are detailed within the Business Plan.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

8. The subdivision, development and sale of the land assists Council in addressing its strategic goal to effectively plan for future community needs by providing single and high density group housing. It also addresses the anticipated increase in population identified in "*Directions 2031 and Beyond*" prepared by the Western Australian Planning Commission and included in the "*Draft Local Planning Strategy 2010*" prepared by the Shire.

Sustainability Implications

Social implications

9. Nil.

Economic Implications

10. The funds received from the development will assist Council in addressing Goal 2 of the Strategic Plan:

"BUILT ENVIRONMENT – Sustainably manage the built environment and to effectively plan for future community needs and population growth."

Environmental Implications

11. Environmental, Heritage and Cultural issues are detailed within the Business Plan.

OFFICER COMMENT

12. The development of 1 Cygnet Court and 21 Edney Road provides greater utilisation of an asset belonging to, and under control of, the Shire. It dovetails with "*Direction 2031 and Beyond*" prepared by the Western Australian Planning Commission and the "*Draft Local Planning Strategy 2010*" prepared by the Shire of Kalamunda on the future growth of the metropolitan region and the Shire. The proposal is a viable business activity which provides additional net income of between \$1.6 million and \$2.8 million from the sale of land and an increase in long term revenue from rates.

OFFICER RECOMMENDATION (GS 19/2011)

1. That the Business Plan as presented in (Attachment 1) be adopted.
2. That the acquisition of 1 Cygnet Court by either land swap or purchase at 5% of unimproved value be negotiated with Department of Lands.
3. On completion of the acquisition process, an application for Approval of Freehold Subdivision be made to Western Australian Planning Commission for all that land comprising 1 Cygnet Court and 21 Edney Road in accordance with Subdivision Concept Option 9 of the Business Plan.
4. That cost of Land Purchase and Subdivision be provided for in the 2011/2012 Budget process.

Moved:

Seconded:

Vote:

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

20. Attendance at the 2011 National General Assembly of Local Government in Canberra by the Chief Executive Officer and Shire President

Previous Items	N/A
Responsible Officer	Chief Executive Officer
Service Area	Office of the CEO
File Reference	
Applicant	N/A
Owner	N/A
Attachment 1	NALGA Conference – Provisional Program
Attachment 2	ADM6: Conferences - Attendance by Elected Members or Employees, and Payment of Expenses

PURPOSE

1. To seek endorsement from Council for the Shire President to attend the 2010 National General Assembly of Local Government Conference in Canberra, from 19 to 22 June 2011.

BACKGROUND

2. The Chief Executive Officer will be attending the National General Assembly of Local Government Conference to be held at the National Convention Centre in Canberra from 19 to 22 June. The Conference will focus on the key priorities facing local government. The theme for this year's assembly is "Growing With Our Community – Place, Position, Partnership", which will enable local governments to focus on some of the most topical and important national issues (Attachment 1).
3. The Chief Executive Officer and Shire President attended the National General Assembly of Local Government Conference in June 2010.

DETAILS

4. The 2011 National General Assembly of Local Government Conference offers the opportunity to learn, hear, participate and communicate in an interactive environment.
5. There will be keynote sessions by national prominent leaders. The assembly sessions will offer a valuable opportunity for local government to explore and develop policies on a wide range of topics including:
 - Sustainable population strategy.
 - Local and regional impacts of reform.
 - Climate change.

- Infrastructure investment.
- Social inclusion.
- Improved intergovernmental relations.

STATUTORY AND LEGAL IMPLICATIONS

6. Nil.

POLICY IMPLICATIONS

7. ADM 6 Conferences – Attendance by Elected Members or Employees, and Payment of Expenses (Attachment 2).

PUBLIC CONSULTATION/COMMUNICATION

8. Nil.

FINANCIAL IMPLICATIONS

9. The official programme runs from 19 to 22 June 2011. The estimated total cost involved in attending the conference is \$3,500.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

10. Nil.

Sustainability Implications

Social implications

11. Nil.

Economic Implications

12. Nil.

Environmental Implications

13. Nil.

OFFICER COMMENT

14. The Chief Executive Officer and Shire President intend to request meetings with Ministers during the Conference.

OFFICER RECOMMENDATION (GS 20/2011)

1. That attendance to the 2011 National General Assembly of Local Government conference by the Shire President, Cr Donald McKechnie, be endorsed.

Moved:

Seconded:

Vote:

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

21. Enterprise Agreement 2011 to 2013

Reason for confidentiality

Local Government Act s 5.23(2)(a). A matter affecting an employee or employees.

This Report will be considered under Item 15 of this Agenda.

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

22. CEO Performance Review

Reason for confidentiality

Local Government Act s 5.23(2)(a). A matter affecting an employee or employees.

This Report will be considered under Item 15 of this Agenda.

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

23. Expressions of Interest for a Proposed Major Land Transaction – Lots 7, 8 and 4255 Lewis Road, Wattle Grove

Previous Items	N/A
Responsible Officer	Chief Executive Officer
Service Area	Office of the CEO
File Reference	LW04/029A, LW04/025 & LW04/021
Applicant	N/A
Owner	N/A
Attachment 1	Expression of Interest Document

PURPOSE

1. To obtain Council approval to advertise for Expressions of Interest for the development of lots 7, 8 and 4255 Lewis Road Wattle Grove in accordance with the proposals outlined within the EOI Document.
2. The Expressions of Interest received will allow Council to consider options that are available for the future development and methods of disposal of these parcels of land.

BACKGROUND

3. In 2008 the Shire completed an Aged Accommodation Strategy to provide a framework for addressing the current and future housing, residential, and home and community care needs for the older people living in the Shire. The Strategy identified that the older people residing within its boundaries had doubled in the past 10 years and by 2030 one in every three people living within the Shire would be 55 years old with over half of this population being over 70 years of age. Residential properties within the Shire comprises of 94% of separate houses designed for families with a growing need for aged accommodation.

DETAILS

4. Wattle Grove is one of several areas within the Shire of Kalamunda having potential for increased residential development to accommodate the expected high growth in population identified in *Directions 2031 and Beyond* prepared by the Western Australian Department of Planning and incorporated in the Shire's Draft Local Planning Strategy. The Strategy identified Wattle Grove for future consideration as an urban investigation area due to its proximity to the urban front and employment opportunities around the airport.
5. The North West boundary of the three lots subject to the proposal adjoins the Hartfield Golf Club with an attractive outlook creating the opportunity for a

small residential development overlooking the golf course.

6. There is a small residential home on Lot 8 Lewis currently under a residential lease that expires in February 2011. The building is old and in need of major expenditure for it to remain a rental property. The proposal is to demolish the house as part of the redevelopment of the three blocks.
7. Lots 7 and 8 are zoned special rural and Lot 4255 is zoned local reserve-hall under Local Planning Scheme No 3 (LPS 3). Any change in intended use will require these lots to be rezoned.
8. A botanists report prepared by Coterra Environment has identified Declared Rare Flora specie, *Conospermum undulatum* (Smoke Bush) on a portion of Lot 7 and Lot 4255 Lewis Road.
9. To protect the declared rare species, the preferred option would be to relocate the plants to a suitable location. It is understood that this particular specie may be difficult to relocate and application to relocate the specie will be required before permission is granted to transfer the endangered plants to another location. If permission to relocate is not granted, then the building envelope will need to be constructed around the endangered plants.
10. The concept drawings included with this document are based on two possible uses of the three blocks of land. One being to develop the whole area covered by the three lots for development and lease of the land for aged care, community and public housing with a combination of uses including a special use aged care precinct, special use senior community housing and independent living R40. The second, using part of the land area for residential development and sale, and a portion for aged care, community and public housing for development and lease.

STATUTORY AND LEGAL IMPLICATIONS

11. The *Local Government Act 1995* ("the Act"), and accompanying legislation places great emphasis upon the accountability of local government. Section 3.59 of the Act requires local governments that enter into a major land transaction either by means of disposal of land by lease or sale to prepare a business plan.
12. The EOI process will provide the preferred development option prior to a Business Plan being developed.

POLICY IMPLICATIONS

13. Nil.

PUBLIC CONSULTATION/COMMUNICATION

14. Public Consultation will take place at the Business Plan advertising stage.

FINANCIAL IMPLICATIONS

15. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

16. Goal 1: Community Development – Outcome 1.1
Enhanced quality of life for the aged and disabled
- Goal 2: Built Environment – Outcome 2.1
Meeting community needs today and into the future, and to effectively plan for future community needs and population growth

Sustainability Implications

Social implications

17. The concepts outlined within the EOI document is for the development of the afore said lots as it provides an opportunity for an aged care, community/public housing project close to shopping, transport and HACC services.

Economic Implications

18. As above.

Environmental Implications

19. A Flora and Fauna Survey has been undertaken on the whole of the site.

OFFICER COMMENT

20. The development of this site could provide a sustainable mix of over 55's accommodation and ageing in place services, which is what our ageing population is seeking.
21. The site is close to existing aged care facilities at Donovan Village, as well as a range of health services and retail outlets provided by Forrestfield Forum and Edinburgh Road shopping centres.
22. Public transport is also available by Perth Transit Bus services.

OFFICER RECOMMENDATION (GS 23/2011)

2. 24. That Council approve advertising of the EOI proposal for Lots 7, 8 and
 4255
 25. Lewis Road Wattle Grove (Attachment 1), to facilitate selection of a
 preferred
 26. development option for inclusion in the Business Plan required by Section
 27. 3.59 of the *Local Government Act 1995*.

3. 28. That the EOI be advertised for a minimum period of 28 days to ensure
 29. respondents have sufficient time to provide a detailed and well researched
 30. response.

Moved:

Seconded:

Vote:

- 11.0** **MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**
- 12.0** **QUESTIONS BY MEMBERS WITHOUT NOTICE**
- 13.0** **QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**
- 14.0** **URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION**
- 15.0** **MEETING CLOSED TO THE PUBLIC**
- 15.1 Enterprise Agreement 2011 to 2012 – CONFIDENTIAL ITEM - Provided under separate cover.
Reason for confidentiality
Local Government Act s 5.23(2)(a). A matter affecting an employee or employees.
- 15.2 CEO Performance Review – CONFIDENTIAL ITEM – Provided under separate cover.
Reason for confidentiality
Local Government Act s 5.23(2)(a). A matter affecting an employee or employees.
- 16.0** **CLOSURE**