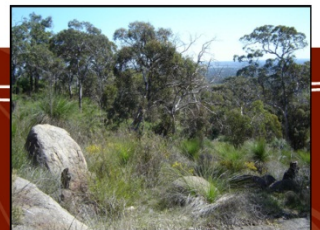


Ordinary Council Meeting

Agenda for Monday 25 May 2015



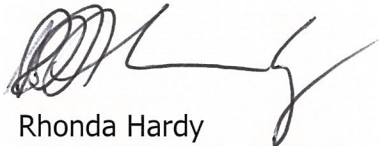
**shire of
kalamunda**

NOTICE OF MEETING ORDINARY COUNCIL MEETING

Dear Councillors

Notice is hereby given that the next meeting of the Ordinary Council Meeting will be held in the Council Chambers, Administration Centre, 2 Railway Road, Kalamunda on **Monday 25 May 2015 at 6.30pm.**

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



Rhonda Hardy
Chief Executive Officer
21 May 2015

Our Vision and Our Values

Our Vision

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

Our Core Values

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

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

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

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

Our Aspirational Values

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

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

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

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

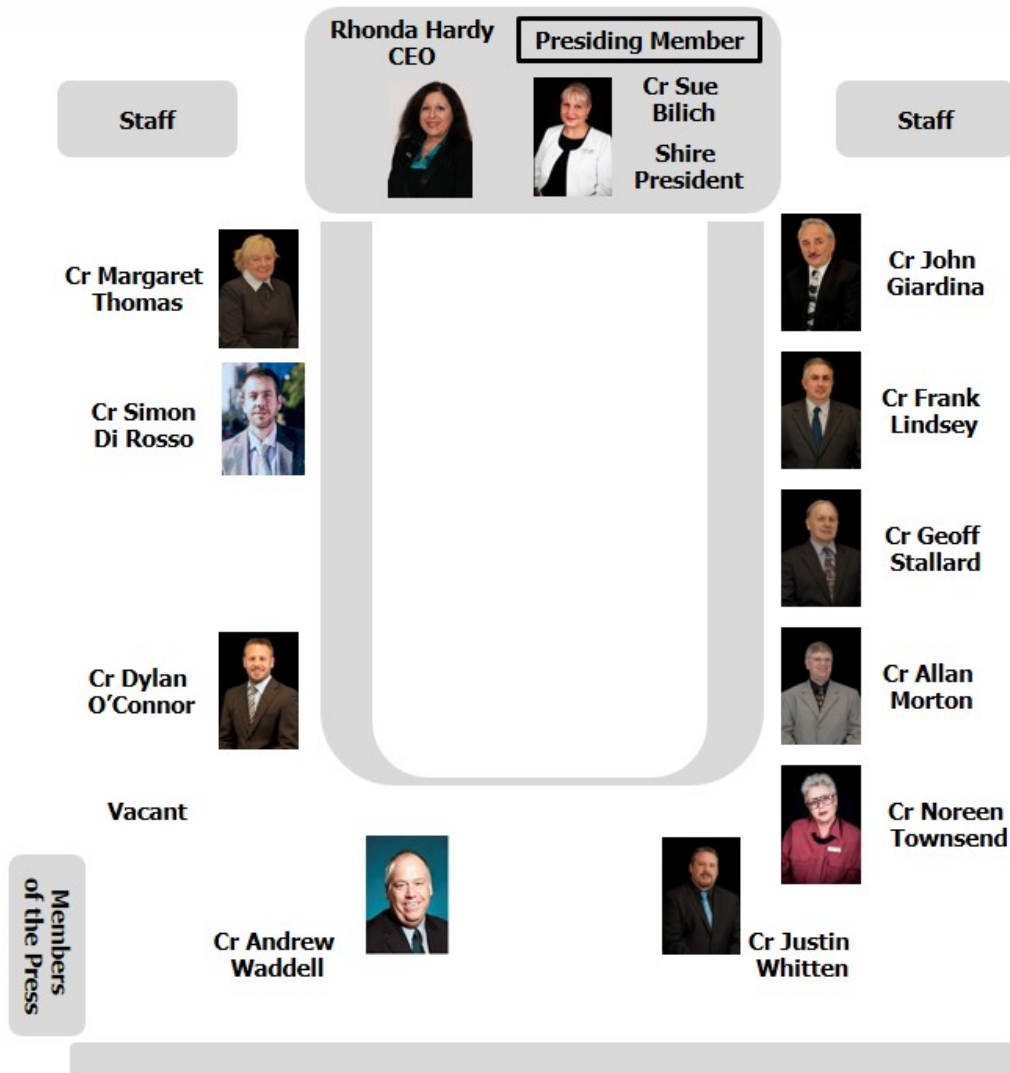


INFORMATION FOR THE PUBLIC ATTENDING COUNCIL MEETINGS

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

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

Council Chambers – Seating Layout



Public Gallery



Ordinary Council Meetings – Procedures

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

Emergency Procedures

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

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

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

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

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AGENDA

1.0 OFFICIAL OPENING

2.0 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

3.0 PUBLIC QUESTION TIME

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

The following questions were asked at the Ordinary Council Meeting held on **Tuesday 28 April 2015**.

3.1 Caroline Babbage, Carmel – Representing Kalamunda Chamber of Commerce with reference to 10.2.4 C&C 10 Change of Land Use – Rating Methodology

- Q1. Has the Shire of Kalamunda considered the implications of proposed changes to commercial rates on a fledgling tourism industry?
- Q2. Has the Shire, as stated in the Memorandum of Understanding with the Kalamunda Chamber of Commerce consulted and engaged on issues that relate to the commercial or economic environment in the area to include strategic planning, tourist and strategies relating to economic development using the Chamber of Commerce as its vehicle?

A1&2 The Shire of Kalamunda will ensure that it considers all the implications of proposed changes to commercial rates on the tourism industry. The Shire is committed to consulting with the Chamber of Commerce on any proposed changes to commercial rates which may affect their members.

Tim Colegate, Carmel – Wilkins Road, Kalamunda

- Q1. What was the justification for specifically including the development of an integrated aged care facility on Reserve 30314, Wilkins Road in the Shire's strategic plan, when it appears that there has been no strategic assessment of the potential sites for aged care facilities in the Shire?
- A1. The site has been identified as being potentially suitable for aged persons' accommodation in the Shire's Local Planning Strategy (2010). Prior to this the Shire commissioned an *Aged Accommodation Strategy (2008)* which amongst other matters, set out locational criteria for these uses, which were used when considering the subject site.
- Q2. Page 1 of the MRS amendment report for Lot 59 Wilkins Road Kalamunda, states that "The Shire advises that its investigations have shown that the site can viably be used for aged person's accommodation". What investigations is this report referring to?

- A2. The MRS amendment report states that this site was identified in the Local Planning Strategy as mentioned above.
- Q3. In the agenda of today's meeting, the response to my question regarding the whereabouts of documentation showing that Reserve 30314 is a suitable site for an integrated aged care facility refers to the MRS and EPBC processes as "further informing the suitability of the site". Prior to initiating these processes, what information did the Shire possess to inform it that Reserve 30314 was a suitable site for an integrated aged care facility?
- A3. This was determined based on the *Aged Accommodation Strategy (2008)* locational criteria, servicing reports and discussions with industry representatives.
- Q4. Regardless of whether the Shire would be the eventual developer of an integrated aged care facility on Wilkins Road, it would make sense to prepare an example business case to test if such a facility would be financially viable at that location. Did the Shire develop such a business case prior to spending ratepayer's money on the rezoning process for Reserve 30314?
- A4. No business case was developed.
- Q5. On 27 October 2014, I asked the Shire: "Does Reserve 30314 or the adjacent reserves contain dieback?" The response to my question, written in the Agenda of the meeting on 24 November 2014, states that: "This reserve on Wilkins Road has not been assessed for dieback, therefore its dieback presence is unknown." However, the letter dated 13 December 2013, from Darren Walsh, Strategen Environmental Consultants, to Mr Con Voutas, Department of the Environment, states that the entire site was found to be impacted by dieback. This letter was cc'd to the Shire of Kalamunda. Why did the Shire not reference this letter in its response to my question?
- A5. This was an oversight on the Shire's behalf.
- Q6. Given that the Shire is aware about dieback on Reserve 30314, will the Shire assess the risk of the dieback spreading to adjacent reserves, which are in the Middle Helena Water Catchment, through disturbance of the site?
- A6. This matter will be considered within the environmental advice sought from the Shire's environmental consultants. This will be included at the Structure Plan stage in accordance with best practices.
- Q7. I refer to the response to the Department of Environment's "request for additional information", which describes a proposed offset re-vegetation of Black Cockatoo habitat, being Reserve 50554 – Jorgensen Park. The stated legal mechanism proposed to protect this area is the current zoning as Parks and Recreation. Given that this is also the current legal mechanism to protect Reserve 30314 on Wilkins Road, which the Shire is currently attempting to rezone for

development, how will the legal mechanism protect the proposed offset in Jorgenson Park from future rezoning and development by the Shire?

A7. This will be determined based on advice and requirements of both the state and federal governments.

Q8. What is the estimated cost of the proposed off-site revegetation activities?

A8. This is to be determined.

Q9. Will the costs of the proposed off-site revegetation come from the Shire budget, or will it be recouped from a third party?

A9. The cost would be borne by the developer of the site.

Q10. The revised development concept plan in the response to the "request for additional information" shows a 20 metre setback fire buffer. Is this buffer consistent with the preliminary advice on the Bushfire Assessment obtained by the Shire?

A10. The development plan is conceptual only, however further development plans will incorporate the required fire buffers.

4.0 PETITIONS/DEPUTATIONS

5.0 APPLICATIONS FOR LEAVE OF ABSENCE

6.0 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

6.1 That the Minutes of the Ordinary Council Meeting held on 28 April 2015, as published and circulated, are confirmed as a true and accurate record of the proceedings.

Moved:

Seconded:

Vote:

Statement by Presiding Member

"On the basis of the above Motion, I now sign the Minutes as a true and accurate record of the meeting of 28 April 2015".

7.0 ANNOUNCEMENTS BY THE MEMBER PRESIDING WITHOUT DISCUSSION

8.0 MATTERS FOR WHICH MEETING MAY BE CLOSED

- 8.1 **10.3.3 CONFIDENTIAL REPORT – Consideration of Tenders – Kostera Oval Reserve Re-Development Project (RFT1504)**
under separate cover
Reason for Confidentiality *Local Government Act 1995* S5.23 (d) (c) – “a contract entered into, or which may be entered into, by the local government which relates to a matter to be discussed at the meeting.”

9.0 DISCLOSURE OF INTERESTS

9.1 Disclosure of Financial and Proximity Interests

- a. Members must disclose the nature of their interest in matters to be discussed at the meeting. (Section 5.65 of the *Local Government Act 1995*.)
- b. Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Sections 5.70 of the *Local Government Act 1995*.)

9.2 Disclosure of Interest Affecting Impartiality

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

10.0 REPORTS TO COUNCIL

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

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

10.1 Development & Infrastructure Services Committee Report

10.1.1 Adoption of Development & Infrastructure Services Committee Report

Voting Requirements: Simple Majority

That recommendations D&I 20 to D&I 23 inclusive, contained in the Development & Infrastructure Services Committee Report of 11 May, 2015.

Moved:

Seconded:

Vote:

10.1.2 D&I 20 Amendment to Local Planning Scheme No. 3 – Additional Use (Animal Establishment) – Lot 201 (234) Stanhope Road, Walliston

COMMITTEE RECOMMENDATION TO COUNCIL (D&I 20/2015)

That Council:

1. Initiates the amendment to Local Planning Scheme No. 3, in accordance with the following:

PLANNING AND DEVELOPMENT ACT 2005
RESOLUTION DECIDING TO AMEND A LOCAL PLANNING SCHEME
SHIRE OF KALAMUNDA
LOCAL PLANNING SCHEME NO. 3
AMENDMENT NO.

Resolved that Council in pursuance of Part 5 of the *Planning and Development Act 2005*, amends the above Local Planning Scheme as follows:

- (a) Amending Schedule 2 (Additional Uses) by including the following provision:

DESCRIPTION OF LAND	ADDITIONAL USE	CONDITIONS
Lot 201 (234) Stanhope Road, Walliston	Animal Establishment	The uses are not permitted unless approval is granted by the Local Government ("D")

The amendment documents being adopted by Council and the Amendment being formally advertised for 42 days in accordance with the provisions of the *Town Planning Regulations 1967*, without reference to the Western Australian Planning Commission.

10.1.3 D&I 21 Review of Planning, Building and Council Policies

COMMITTEE RECOMMENDATION TO COUNCIL (D&I 21/2015)

That Council:

1. Pursuant to clause 2.2 and 2.4.2 of Local Planning Scheme No. 3, authorises the Chief Executive Officer to advertise the following proposed policies for a period of 21 days:
 - Draft Planning Policy – Outbuildings in Rural and Residential Areas;
 - Draft Planning Policy – Public Notification of Planning Proposals;
2. Pursuant to section 2.7 of the *Local Government Act 1995*, authorises the Chief Executive Officer to advertise the following proposed policies for a period of 21 days:
 - Draft Council Policy – Neighbour Mediation;
 - Draft Council Policy – Refunding, Waiving and Reducing Planning and Building Fees;
 - Draft Building Policy – Pergolas;
 - Draft Building Policy – Use and Removal of Asbestos; and
 - Draft Building Policy – Earthworks.

10.1.4 D&I 22 Annual Caravan Park Licence Renewals

COMMITTEE RECOMMENDATION TO COUNCIL (D&I 22/2015)

That Council:

1. Approves the renewal of the caravan park licences, subject to receipt of the required licence fees, for:
 - Discovery Holiday Park, 186 Hale Road Forrestfield.
 - Forrestfield Caravan N Park Home Village, 353 Hawtin Road Forrestfield.
 - Hillview Lifestyle Village, 597 Kalamunda Road High Wycombe.
 - Advent Park, 345 Kalamunda Road Maida Vale.

10.1.5 D&I 23 Wandoo Road – Footpath and Traffic Treatments

COMMITTEE RECOMMENDATION TO COUNCIL (D&I 20/2015)

That Council:

1. Supports the construction of footpath along Wandoo Road, Forrestfield to provide pathway connectivity in the area and the implementation of traffic treatments on Wandoo Road to reduce vehicular speeds and improve traffic safety.

2. Notes that an amount of \$20,000 has been included in the draft 2015/2016 Capital Works Program for the community consultation, monitoring of traffic speeds in June and December 2015, Council approval, design/documentation and Western Power design/quotation processes for the construction of a footpath and traffic treatments on Wandoo Road, Forrestfield.
3. Notes that an amount of \$425,000 has been included in the draft 2016/2017 Capital Works Program for the implementation of the approved works in Wandoo Road, noting that this amount may need to be amended when the detailed design and cost estimate are finalised.
4. Note that a separate report will be provided regarding a policy for the investigation and prioritisation of local area traffic management treatments on the Shire's roads.

10.2 Corporate & Community Services Committee Report

10.2.1 Adoption of Corporate & Community Services Committee Report

Voting Requirements: Simple Majority

That the recommendations C&C 17 to C&C 23 inclusive, contained in the Corporate & Community Services Committee Report of 18 May 2015, be adopted by Council en bloc.

Moved:

Seconded:

Vote:

10.2.2 C&C 17 Creditors' Accounts Paid During the Period ended 30 April 2015

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 17/2015)

That Council:

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

10.2.3 C&C 18 Rates Debtors Report for the Period Ended 30 April 2015

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 18/2015)

That Council:

1. Receives the rates debtors report for the period ended 30 April 2015 (Attachment 1).

10.2.4 C&C 19 Community Care Quarterly Report January - March 2015

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 19/2015)

That Council:

1. Receives the Community Care Quarterly Report, January to March 2015.

10.2.5 C&C 20 Appointment of Community Representatives to Scott Reserve Advisory Committee

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 20/2015)

That Council:

1. Appoints the nominee, Mr Neil Worsley, to the Scott Reserve Advisory Committee to represent High Wycombe Football Club.

10.2.6 C&C 21 Appointment of Community Representatives to Hartfield Park Advisory Committee

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 21/2015)

That Council:

1. Appoints the nominee, Mr Alex Minson, to the Hartfield Park Advisory Committee to represent Forrestfield Cricket Club.

10.2.7 C&C 22 Quarterly Progress Report – January - March 2015

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 22/2015)

That Council:

1. Receives the Quarterly Progress Report for January – March 2015.

10.2.8 C&C 23 Draft Monthly Financial Statements to 30 April 2015

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 23/2015)

That Council:

1. Receives the draft monthly statutory financial statements for the month to 30 April 2015, which comprises:
 - Statement of Financial Activity (Nature or Type).
 - Statement of Financial Activity (Statutory Reporting Program).
 - Net Current Funding Position, note to financial statement.

10.3 CHIEF EXECUTIVE OFFICER REPORTS

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

10.3.1 Review of Delegations for 2015

Previous Items	OCM 70/2014
Responsible Officer	Chief Executive Officer
Service Area	Governance
File Reference	LE-ACT-006
Applicant	N/A
Owner	N/A
Attachment 1	Draft Delegation Register

PURPOSE

1. For Council to review its delegations to the Chief Executive Officer (CEO) and other employees.

BACKGROUND

2. In order to carry out its functions efficiently and effectively, Council has the ability to delegate its powers and duties to the CEO (or to another staff member, in some cases).
3. Section 5.46 of the *Local Government Act 1995* (the Act) requires each Council to review its delegations at least once every financial year.
4. Council last reviewed its delegations on 26 May 2014. The current delegations must therefore be reviewed by 30 June 2015.

DETAILS

5. The review undertaken in preparation of this report has revealed that except for those delegations proposed to be revoked all of the others are appropriate and provide an effective framework for the efficient operation of the Shire through the responsible discharge of those powers and duties delegated by Council.
6. Specifically, there continues to be no issues which have arisen as a result of changes made to the delegations resulting from the forensic audit into the actions of the previous CEO. Additional targeted checks with respect to these delegations form part of the Internal Audit Program.
7. The following delegations were identified as being no longer appropriate or required and are to be revoked:
 - CPR1 – Caravan Parks and Camping Grounds – No Head of Power for delegation and matters covered are already included in the Authorisation provided to the Manager.
 - LGA16 – Tender – Development of 39 Maida Vale Road – this proposal did not proceed as the land was sold outright to the developer.

8. The revised delegations of Council are shown in the draft Delegations Register (Attachment 1).

STATUTORY AND LEGAL CONSIDERATIONS

9. Section 5.42 of the *Local Government Act 1995* states that:
- “A local government may delegate to the CEO the exercise of any of its powers or the discharge of any of its duties under this Act other than those referred to in Section 5.43.” (Absolute Majority required).
- Limits on delegations to CEOs – S.5.43.
- Requirement for review – S.5.46.
10. There are also similar delegation provisions in the *Building Act 2011*, *Local Planning Scheme No 3*, *Health Act 1911*, *Dog Act 1976* and *Cat Act 2011*.

POLICY CONSIDERATIONS

11. Where appropriate, Policies will reflect the principles and conditions included in any delegation.

COMMUNITY ENGAGEMENT REQUIREMENTS

12. Public consultation is not considered necessary with respect to this issue.

FINANCIAL CONSIDERATIONS

13. There are no direct financial implications associated with this issue.

STRATEGIC COMMUNITY PLAN

Strategic Planning Alignment

14. *Kalamunda Advancing: Strategic Community Plan to 2023*
- OBJECTIVE 6.3 - To lead, motivate and advance the Shire of Kalamunda.
- Strategy 6.3.3 Regularly review the organisation’s structure, policies and procedures in response to changing circumstances.

SUSTAINABILITY

Social Implications

15. Nil

Economic Implications

16. Nil

Environmental Implications

17. Nil

RISK MANAGEMENT CONSIDERATIONS

18.

Risk	Likelihood	Consequence	Rating	Action/Strategy
That Council does not continue to provide delegated authority to the CEO and other staff.	Unlikely	Major	Medium	Introduce processes that would assist Council with the additional decision workload.

OFFICER COMMENT

19. The Officer Recommendations reflect the outcome of the review of current delegations, and as such will continue to provide an effective framework for the efficient operation of the Shire through the responsible discharge of the those powers and duties delegated by Council.

Voting Requirements: Absolute Majority

OFFICER RECOMMENDATION (C&C/2014)

That Council:

1. Notes the review of the delegations.
2. Revokes the following delegations
 - CPR1 – Caravan Parks and Camping Grounds.
 - LGA16 – Tender – Development of 39 Maida Vale Road.
3. Adopts the delegations as detailed in the draft Delegations Register (Attachment 1).

Moved:

Seconded:

Vote:

Attachment 1

DRAFT Delegation Register

[Click HERE to go direct to the document](#)

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

10.3.2 Forrestfield Industrial Area Stage 1 – Adoption of Developer Contribution Rate and Proposal for Infrastructure Development

Previous Items	OCM 211/2013; OCM 21/2015
Responsible Officer	Director Development Services
Service Area	Development Services
File Reference	PG-STU-028
Applicant	N/A
Owner	Various
Attachment 1	Adopted Local Structure Plan – Stage 1
Attachment 2	Infrastructure Contribution Calculations
Attachment 3	Schedule 12 – Developer Contribution items
Attachment 4	Breakdown of Infrastructure Costs
Attachment 5	Developer Contribution Cost Schedule
Attachment 6	Projected Timeline for Infrastructure Works
Attachment 7	Land Acquisition Details

PURPOSE

1. To consider the adoption of a new Developer Contribution Rate for the Forrestfield Industrial Area (the Industrial Area) – Stage 1, to apply from 26 May 2015 and advise all landowners of the proposal.
2. To advise Council of a discrepancy found in the preliminary cost estimate which requires the Developer Contribution rate to be adjusted.

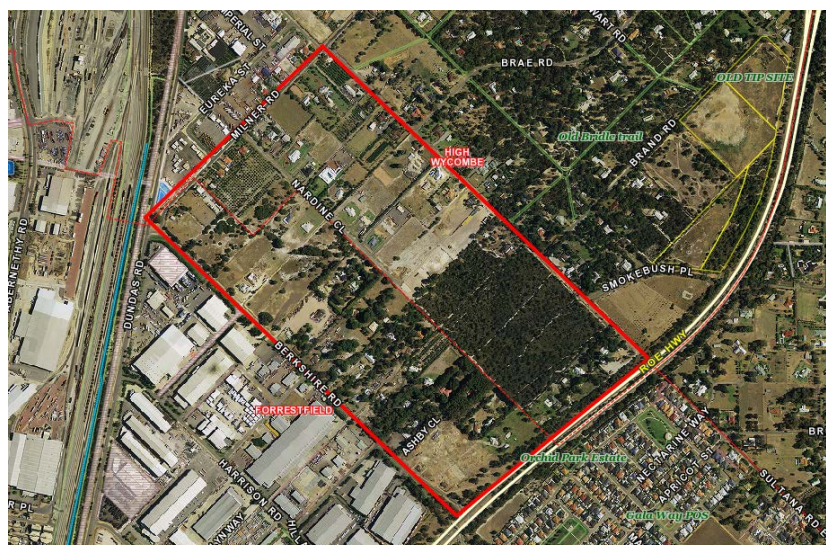
BACKGROUND

3. Land Details:

Local Planning Scheme Zone:	Industrial Development
Metropolitan Regional Scheme Zone:	Urban

Locality Plan

4.



5. In March 2015, Council resolved to adopt a Developer Contribution rate of \$29.34/m² for Stage 1 of the Forrestfield/High Wycombe Industrial Area.
6. Subsequent to Council adopting the developer contribution rate of \$29.34/m², a landowner queried the adopted rate believing there was a major discrepancy with the land acquisition costs to the amount of \$2,219,100, and that the rate should be \$33.03/m².
7. An investigation into the matter by the Shire revealed that the complainant was incorrect regarding the discrepancy amount. In response to the query raised however the Shire's consulting engineers reviewed all the land acquisition areas against the detailed design drawings, in doing so it was discovered that the land areas acquired by the Scheme to date for the amount of \$1,025,572, had not been included in the cost estimates.

DETAILS

8. Council is requested to consider adopting a new Developer Contribution rate for the Industrial Area of \$31.23/m².
9. The accounting position of the Scheme has been amended to reflect the discrepancy and is shown in (Attachment 2). The accounting information includes outstanding infrastructure costs which have been reviewed by the Shire's consulting engineers. A more detailed breakdown of these costs is provided in (Attachment 4). The total net outstanding costs to the Scheme, inclusive of all costs incurred to date is **\$18,780,822**. Based on the available land area of 601,401sqm, the new contribution rate is **\$31.23/m²**.
10. Attachment 7 details the land acquisition requirements for the Scheme.
11. Actual costs incurred by the Scheme to date is detailed below:

Land Purchased for Road Reserve	\$1,025,572
Scheme Infrastructure Works	\$59,047.65
Scheme Administration	\$36,781.07
Civil Engineering Fees	\$55,870
Total Expenditure	\$1,177,451
12. The infrastructure and administration items applicable to the Scheme are listed in (Attachment 3). The cost estimates for these items identified in (Attachment 4), include the following:
 - Land acquisition for all new roads, widening of roads and intersections where required.
 - The extension of Nadine Close through to Ashby Close.
 - The creation of a new road linking Nardine Close and Berkshire Road.
 - The creation of new roads extending off Ashby Close and Sultana Road West.
 - The upgrading of the Berkshire Road and Ashby Close intersection to allow for 'B' double vehicles to 27.5m length.

- The upgrading of the Milner Road and Nardine Close intersection to allow for 'B' double vehicles to 27.5m length.
 - The upgrading of the Milner Road and Sultana Road West Intersection to allow for 'B' double vehicles to 27.5m length.
 - The upgrading of the Berkshire and Dundas Road intersection.
 - Widening of the carriage way along Berkshire Road, Milner Road, Nadine Close and Sultana Road West.
 - Relocation of services such as power poles and underground services ie. fibre optics and gas.
 - The provision of drainage swales within all existing and proposed new roads and the relocation of the existing drainage pits.
 - Provision of pedestrian footpaths and dedicated cycle lanes where appropriate.
 - Provision of street trees to all existing and proposed new roads and the construction of two landscaped entry statements on Berkshire Road.
13. The cost estimates do not include the provision of utilities to the development area. Such costs will be met by developers.
14. The apportionment of the infrastructure costs on a per lot basis are shown on the Developer Contribution Cost Schedule (refer Attachment 5).
15. (Attachment 6) provides a graph illustrating projected total costs (shown in orange) against projected infrastructure costs (shown in blue). The projected timeline does not specify dates as to when the key infrastructure expenditure will occur as this is unknown. Ultimately expenditure of infrastructure costs will occur when the funds become available. For example, the construction and drainage of Nardine Close through to Ashby Close is identified as the first priority for the Scheme. This will occur when \$5.5m is available to the Scheme.

STATUTORY AND LEGAL CONSIDERATIONS

16. Amendment No. 48 of the Scheme has introduced provisions under Clause 6.5 (Development Contribution Areas) of the Scheme by which the Shire can administer the Scheme for Stage 1. The amendment has also introduced under Schedule 12 of the Scheme common infrastructure items which all landowners within the Development Control Area make a proportional contribution to the cost of the works.
17. State Planning Policy 3.6 Developer Contributions for Infrastructure establishes the principles and considerations that apply to development contributions for the provision of infrastructure in new and established urban areas.

POLICY CONSIDERATIONS

18. The Forrestfield Industrial Area has been identified as a strategically important light industrial area for both State and Local government. As such the area has been identified under the *Economic and Employment Lands Strategy – non heavy industry April 2012*.

COMMUNITY ENGAGEMENT REQUIREMENTS

19. Landowners will be notified of Council resolution regarding the adoption of the new developer contribution rate.

FINANCIAL CONSIDERATIONS

20. The Scheme for Stage 1 of the Industrial Area will be cost neutral to the Shire.
21. The cost to the Shire to administer the DCS is met through the developer contributions.
22. There is presently one outstanding landowner developer contribution invoice payment to the Scheme for the amount of \$249,047 which has been referred to the Shire's lawyers for the recovery of the debt.
23. As of 28 February 2015, the Scheme currently has a cash balance of \$1,327,335.34.

STRATEGIC COMMUNITY PLAN

Strategic Planning Alignment

24. *Kalamunda Advancing: Strategic Community Plan to 2023*
- Strategy 5.1.3 – Encourage new commercial development to locate in the Shire to provide local employment opportunities for knowledge workers living within the Shire.
- Strategy 5.1.4 – Promote the Shires new industrial land releases as a hub for high tech or resource sector investment.

SUSTAINABILITY

Social Implications

25. Infrastructure needs to be carefully designed, costed and ultimately delivered to ensure that social impacts.

Economic Implications

26. Annual reviews of the Scheme are essentially to ensure increased costs or changes to items of infrastructure are accounted for. If the new developer contribution rate is not adopted, this may result in insufficient income from developer contributions to meet infrastructure expenditure.

Environmental Implications

27. The cost estimates include the provision of new fencing along the Nadine Close extension and Sultana Road West frontages adjacent to the Bush Forever lots. The new fencing will afford the environmentally significant site a greater level of protection.

RISK MANAGEMENT CONSIDERATIONS

28.

Risk	Likelihood	Consequence	Rating	Action/Strategy
That Council does not endorse the new contribution rate.	Unlikely	Critical	High	Ensure Council is fully aware that adoption of the new rate is critical to ensure contributions received are sufficient to meet the expenditure associated with infrastructure and land acquisition costs.

OFFICER COMMENT

29. The increase in the developer contribution rate to \$31.23/m² is to reflect a discrepancy with the preliminary land acquisition costs which should have included an amount of \$1,025,572.
30. In response to the query raised concerning the adopted developer contribution rate, the Shire's consulting engineers have checked all the land acquisition areas against the detailed design drawings and found them to be correct. Importantly all land acquisition areas and costs acquired by the Scheme have been included in the preliminary cost estimates.
31. For the period between Council adopting the previous rate of \$29.34/m² and the adoption of the new rate of \$31.23/m², no developer contribution payment has been received at the rate of \$29.34/m².

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. Adopt the Developer Contribution Rate of \$31.23/m² for Stage 1 of the Forresterfield Industrial Area effective from 26 May 2015.
2. Request the Chief Executive Officer notify all landowners of the new adopted Developer Contribution Rate.

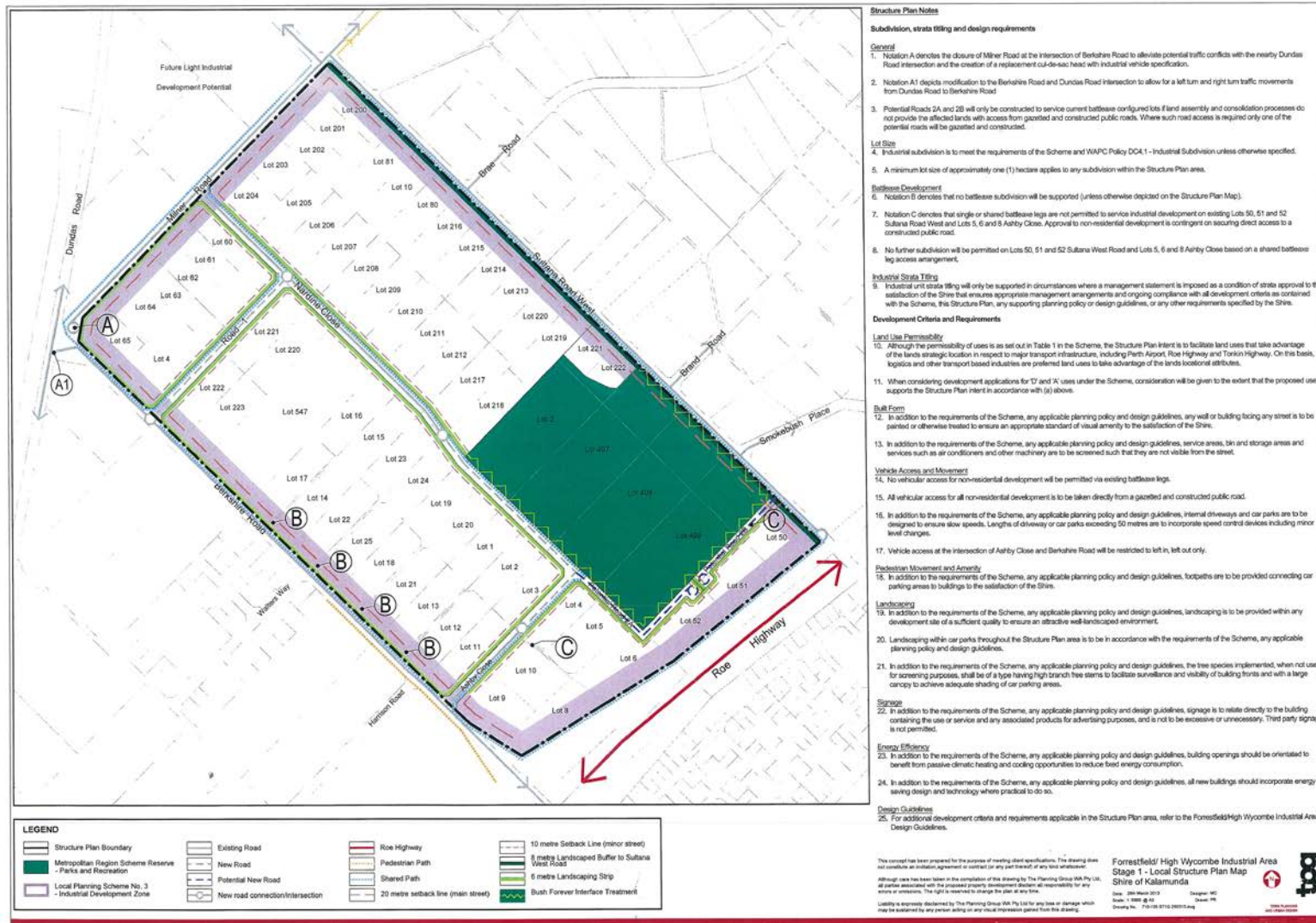
Moved:

Seconded:

Vote:

Attachment 1

Forrestfield/High Wycombe Industrial Area Stage 1 – Adoption of Developer Contribution Rate and Proposal for Infrastructure Development Adopted Local Structure Plan Stage 1



Attachment 2

Forrestfield/High Wycombe Industrial Area Stage 1 – Adoption of Developer Contribution Rate and Proposal for Infrastructure Development

Infrastructure Contribution Calculations

ACCOUNTING POSITION TO 28/2/15:

INCOME

Interest	\$17,176.97
Contributions Received less Reimbursements	\$1,461,857.09
Credit to the scheme in lieu of reimbursements	\$1,025,752.00
Total Income Received	\$2,504,786.06

EXPENSES

Land Acquisition Paid	\$1,025,752.00
Infrastructure Expenses	\$59,047.65
Scheme Administration Cost	\$36,781.07
Civil Engineering Fees	\$55,870.00
Consultancy Costs Associated with Development	\$0.00

Balance

Represented By:

Cash in Hand	\$1,327,335.34
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OUTSTANDING COSTS:

Land Acquisition	\$4,854,668.00
Estimated Infrastructure Cost	\$6,902,544
Civil Engineering Fees	\$69,130
Consultancy Costs Associated with Development	\$150,000
Contingency to Accommodate Service Relocations	\$5,623,273
Estimated Scheme Administration Cost	\$332,525
Contingency (12%)	\$2,293,151
	\$20,225,291
Less Projected Interest Income	-\$117,133.11
Less Cash in Hand	-\$1,327,335.34
Net Outstanding Costs	\$18,780,822.38

SCHEME INFORMATION:

Total Lot Area	690,481
Lota Area Created	89,121.53
Remaining Lot Area	601,359
Current Contribution Rate	\$31.23

Attachment 3

Forrestfield/High Wycombe Industrial Area Stage 1 – Adoption of Developer Contribution Rate and Proposal for Infrastructure Development
 Schedule 12 – Developer Contribution Items

Ref No.	DCA1
Area:	Forrestfield Light Industrial Area- Stage 1 (Area bounded by Berkshire Road, Milner Road, Sultana Road West and Roe Highway)
Relationship to other planning instruments	The development contribution plan generally conforms to the Strategic Community Plan to 2022 (Draft)
Infrastructure and Administrative items to be funded	<p>All landowners within DCA1 shall make a proportional contribution to the cost of common infrastructure.</p> <p>The proportional contribution is to be determined in accordance with the provisions clause 6.5 of the Scheme.</p> <p>Contributions shall be made towards the following items:</p> <ul style="list-style-type: none"> a) 50% to the widening and upgrading of Berkshire Road between Dundas Road and Roe Highway, including the cycling lanes; b) Any required modifications to Milner Road, including the closure procedure and installation of a cul-de-sac at the intersection point with Berkshire Road; c) Upgrading of Nardine Close and Ashby Close; d) Upgrading of the Berkshire Road and Dundas Road intersection; e) Upgrading of the Berkshire Road and Ashby Close intersection; f) 50% of any required modifications to Sultana Road West, including the cycling lane which will form part of the dual use path depicted on the applicable Forrestfield/High Wycombe Industrial Area Structure Plan; g) Acquisition of land required for the section of road linking Ashby Close to Nardine Close and the new section of road linking Nardine Close with Berkshire Road. h) Land required for the construction and drainage for all internal roads- Water Sensitive Urban Design principles to be incorporated as per the adopted Drainage Strategy; i) Full earthworks associated with road and drainage construction; j) Dual use paths as depicted on the applicable Forrestfield/High Wycombe Industrial Area Structure Plan; k) Landscaping of verges and entry statements including maintenance; l) Fencing treatment for Bush Forever site; m) Servicing infrastructure relocation where necessary; n) Costs associated with the preparation of the development area framework to meet the statutory requirements and obligations including the local water management strategy and monitoring, structure plan design and report, drainage strategy and development contribution costings.

	<p>o) Costs to prepare and administer cost sharing arrangements – preliminary engineering drainage design and costings, valuations, annual or more frequent reviews and audits (where identified as appropriate at the discretion of the local government) and administrative costs; and</p> <p>p) Costs for the repayment of any loans raised by the local government for the purchase of any land for road reserves or any of the abovementioned works.</p>
<p>Method for Calculating Contributions</p>	<p>All landowners within DCA1 shall make a proportional contribution to the cost of common infrastructure and administrative items based on net lot areas.</p> <p>The contributions will be in accordance with the Cost Contribution Schedule adopted by the local government for DCA1 which will be reviewed annually.</p> <p>owner's cost contribution = net lot area (m²) x contribution rate</p> <p>where</p> $\text{contribution rate} = \frac{\text{cost of infrastructure items} + \text{cost of administrative items}}{\text{total area of DCA (m}^2\text{)}}$ <p>net lot area = lot area (m²) - area of road reserve (m²)</p> <p>The contributions will be in accordance with the Cost Contribution Schedule adopted by the local government for DCA1 which will be reviewed annually.</p>
<p>Period of Operation</p>	<p>10 years</p>
<p>Priority and timing of infrastructure</p>	<p>The timing of the provision of infrastructure will be developer driven and subject to market demand for land. Infrastructure is generally to be provided within the 10 year operating period for the DCP.</p>
<p>Review Process</p>	<p>The plan will be reviewed when considered appropriate, though not exceeding a period of five years duration, having regard to the rate of subsequent development in the development contribution area since the last review and the degree of development potential still existing.</p> <p>The estimated infrastructure costs will be reviewed at least annually to reflect changes in funding and revenue sources and indexed based on the Building Cost index or other appropriate index as approved by the qualified person undertaking the certification of costs.</p>

Attachment 4

Forrestfield/High Wycombe Industrial Area Stage 1 – Adoption of Developer Contribution-Rate and Proposal for Infrastructure Development

Breakdown of Infrastructure Costs

Road	Preliminary Improvement Cost Estimate	Actual Costs To Date	Outstanding Improvement Cost Estimate	Development Area (m2)
Berkshire Road	\$697,734	\$2,636	\$695,098	
Dundas Road	\$353,883	\$4,763	\$349,120	
Milner Road	\$650,246	\$2,636	\$647,610	
Nardine Close	\$1,367,203	\$19,488	\$1,347,715	
Road 1 (Nardine to Berkshire)	\$589,331	\$2,636	\$586,695	
Ashby Close	\$956,501	\$19,488	\$937,013	
Sultana Road West	\$1,649,437	\$4,763	\$1,644,673	
New Road 2A/2B	\$619,661	\$2,636	\$617,025	
Bush Forever Lots	\$77,595	\$0	\$77,595	
Civil Engineering Fees	\$125,000	\$55,870	\$69,130	
Consultancy costs associated with development of the Industrial Area framework	\$150,000	\$0.00	\$150,000	
Provisional Sum to accommodate service relocations	\$5,623,273	\$0	\$5,623,273	
Land Acquisition Costs	\$5,880,420	\$1,025,752	\$4,854,668	
Scheme Management Fees	\$369,306	\$36,781	\$332,525	
Contingency (12%)	\$2,293,150.88	\$0	\$2,293,151	
Total	\$21,402,742	\$1,177,451	\$20,225,291	
Less Projected Interest Income	\$117,133			
Less Cash in Hand	\$1,327,335			
Less Contribution in Grants	\$0			
Net Outstanding Costs	\$18,780,822			
Gross Lot Area less Bush forever lots				690,481
Gross Lot Area less Bush forever lots minus equivalent land area/contribution received				601,359
Contribution Rate \$/m2 (Gross Lot Area) minus equivalent land area/contribution received	\$31.23			

2.11.2. Berkshire Road

Berkshire Road Length (m) = 1300
 Dundas Road to Roe Highway

Description	Projected Amount	Actual
Preliminaries	\$55,050.00	
Survey Control and Testing	\$8,100.00	\$2,636.25
Clearing and Demolition	\$55,105.10	
Earthworks	\$37,525.00	
Roadworks	\$341,072.50	
Drainage	\$54,700.00	
Miscellaneous	\$134,518.50	
SUB TOTAL	\$686,071.10	
Fees		
BCITF Levy	\$1,372.14	
Council 1.5%	\$10,291.07	
TOTAL	\$697,734.31	\$2,636.25
Scheme Management 2.0%	\$13,954.69	\$4,397.89

2.11.3. Dundas Road

Dundas Road Length (m) = 350
 Berkshire Road intersection

Description	Amount	Actual
Preliminaries	\$43,134.98	\$2,126.91
Survey Control and Testing	\$8,700.00	\$2,636.25
Clearing and Demolition	\$17,795.20	
Earthworks	\$58,350.00	
Roadworks	\$88,487.50	
Drainage	\$14,000.00	
Miscellaneous	\$117,500.00	
SUB TOTAL	\$347,967.68	
Fees		
BCITF Levy	\$695.94	
Council 1.5%	\$5,219.52	
TOTAL	\$353,883.13	\$4,763.16
Scheme Management 2.0%	\$7,077.66	\$4,397.89

2.11.4. Milner Road

Milner Road Length (m) = 750
 Berkshire Road to Sultana Road
 West

Description	Amount	Actual
Preliminaries	\$40,337.65	
Survey Control and Testing	\$12,900.00	\$2,636.25
Clearing and Demolition	\$66,370.60	
Earthworks	\$65,724.60	
Roadworks	\$336,030.00	
Drainage	\$48,900.00	
Miscellaneous	\$69,113.75	
SUB TOTAL	\$639,376.60	
Fees		
BCITF Levy	\$1,278.75	
Council 1.5%	\$9,590.65	
TOTAL	\$650,246.01	\$2,636.25
Scheme Management 2.0%	\$13,004.92	\$4,397.89

2.11.5. Nardine Close

Nardine Close Length (m) = 1000
 Milner Road to Ashby Close

Description	Amount	Actual
Preliminaries	\$63,500.00	\$2,126.91
Survey Control and Testing	\$19,000.00	\$2,636.25
Clearing and Demolition	\$50,581.35	\$14,725.00
Earthworks	\$147,200.50	
Roadworks	\$717,037.50	
Drainage	\$10,000.00	
Miscellaneous	\$337,030.00	
Land Acquisition	\$1,888,120.00	
SUB TOTAL	\$1,344,349.35	
Fees		
BCITF Levy	\$2,688.70	
Council 1.5%	\$20,165.24	
TOTAL	\$1,367,203.29	\$19,488.16
Scheme Management 2.0%	\$27,344.07	\$4,397.89

2.11.6. Ashby Close

Ashby Close Length (m) = 350
 Nardine Close to Berkshire Road

Description	Amount	Actual
Preliminaries	\$33,900.00	\$2,126.91
Survey Control and Testing	\$11,400.00	\$2,636.25
Clearing and Demolition	\$50,151.50	\$14,725.00
Earthworks	\$102,264.00	
Roadworks	\$529,714.50	
Drainage	\$31,200.00	
Miscellaneous	\$181,882	
Land Acquisition	\$683,020.00	
SUB TOTAL	\$940,512.25	
Fees		
BCITF Levy	\$1,881.02	
Council 1.5%	\$14,107.68	
TOTAL	\$956,500.96	\$19,488.16
Scheme Management 2.0%	\$19,130.02	\$4,397.89

2.11.7. Road 1

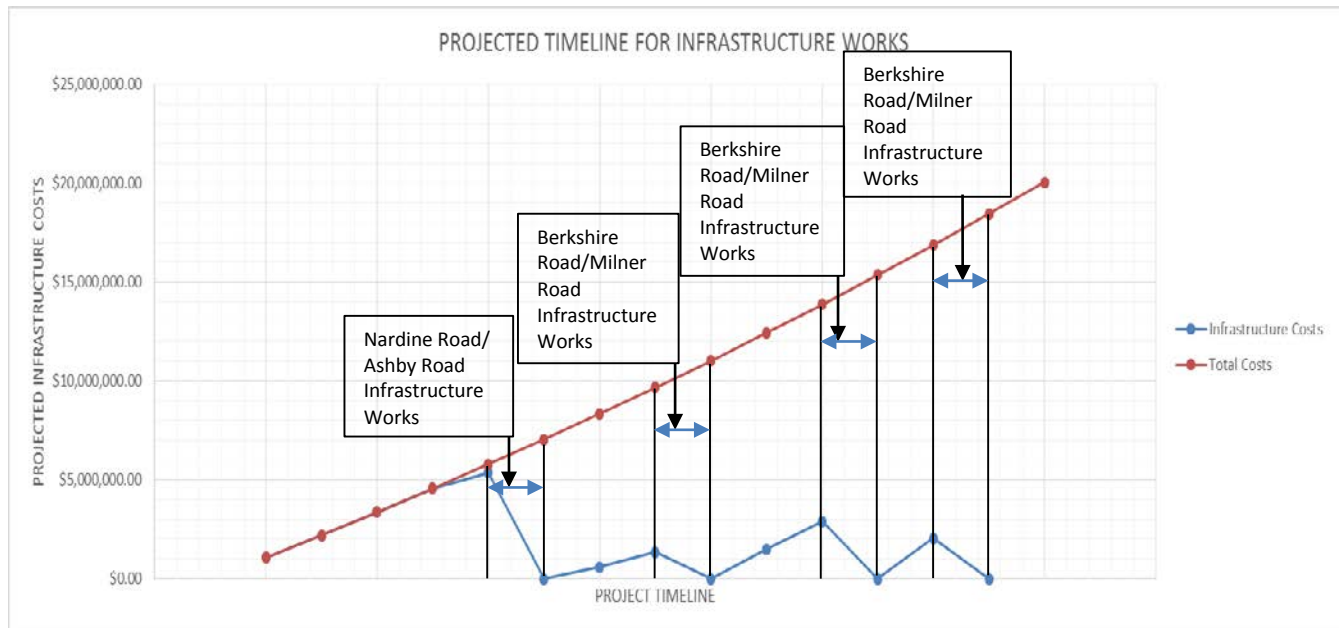
New Road Length (m) = 350
 Nardine Close to Berkshire Road

Description	Amount	Actual
Preliminaries	\$30,000.00	
Survey Control and Testing	\$13,700.00	\$2,636.25
Clearing and Demolition	\$6,031.60	
Earthworks	\$74,872.00	
Roadworks	\$328,777.50	
Drainage	\$0.00	
Miscellaneous	\$126,098.75	
Land Acquisition	\$1,944,540.00	\$1,025,752.00
SUB TOTAL	\$579,479.85	
Fees		
BCITF Levy	\$1,158.96	
Council 1.5%	\$8,692.20	
TOTAL	\$589,331.01	\$1,028,388.25
Scheme Management 2.0%	\$11,786.62	\$4,397.89

Attachment 6

Forrestfield/High Wycombe Industrial Area Stage 1 – Adoption of Developer Contribution-Rate and Proposal for Infrastructure Development

Projected Timeline for Infrastructure Works



Attachment 7

Forrestfield/High Wycombe Industrial Area Stage 1 – Adoption of Developer Contribution-Rate and Proposal for Infrastructure Development

Land Acquisition Details

ROAD NAMES	LAND ACQUISITION AREA (m2)	LAND ACQUISITION COSTS	ACTUALS	BALANCE
Ashby Close	2,627	\$683,020		\$683,020
Sultana Road West	20	\$5,200		\$5,200
Nardine Close	7,262	\$1,888,120		\$1,888,120
Road 1	7,479	\$1,944,540	\$1,025,752	\$918,788
Road 2A	5,229	\$1,359,540		\$1,359,540
TOTAL	22,617	\$5,880,420		\$4,854,668.00

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

10.3.3 Budget 2015/2016 – Differential Rates

Previous Items	Nil
Responsible Officer	Director Corporate Services
Service Area	Financial Services
File Reference	FI-CRS-002
Applicant	N/A
Owner	N/A
Attachment 1	Detailed Sample of Properties based on Scenario 3

PURPOSE

1. To consider the level at which to set and advertise differential rates as part of the 2015/16 Budget process.

BACKGROUND

2. Differential Rates has now been part of the Budget for some years, with modifications to categories introduced over time to assist in spreading the rate burden and providing opportunities for increases in overall rate income.
3. A specific strategy has been to increase the gap between Gross Rental Value (GRV) Categories – General, and the Commercial and Industrial/Light Industry categories. The proposal for 2015/16 is to merge the Industrial and Commercial categories. The changes is considered desirable as:
 - it simplifies administration;
 - the margin in the differentials between the two categories have started becoming smaller; and
 - the two categories make up only 589 out of a total of 22,418. Properties representing 2.6% of the total rate base.
4. It should be noted that based on the updated Unimproved Value categories, Landgate have determined an overall decrease in values averaging 1.3%. This is significantly different to last year, where all properties were subject to a GRV resulting in significant shifts in property values.
5. The Council has asked the Shire to look at rolling the waste charges into the rates so that the Pensioner Rebate currently being provided by the Shire can be transferred to the State Government as part of the rebates that it provides.
6. A sample extraction of properties shows the different categories and their proposed and future rates (Attachment 1). Considering that the State Government is moving away from the current formula of 50% of rates and emergency services levy (ESL) (no capping) for pensioners to a capped amount of \$550 commencing in 2016/17, this strategy will not derive the results intended.

7. It is also interesting to note that although the valuation for GRV Vacant category has dropped on the whole, this is primarily attributed to the reclassification of these properties from Vacant to others, i.e. General, Industrial or Commercial as they are developed. The number of properties in the GRV Vacant category dropped from 881 in 2013/14 to 685 in 2014/15, a difference of 198 or 22% reduction in the last two years. The Council's strategy has encouraged additional development in the Shire.
8. Advice received from other metropolitan local governments indicate the following proposed rate changes for the 2015/16 year.

Local Government	% Increase
City of Armadale	5.9
City of Gosnells	4.5
Shire of Mundaring	>6
City of Swan	3.25*
City of Belmont	2.5**
City of Perth	7.7
City of Canning	10
City of Rockingham	10

*The rate provided is unconfirmed as to whether growth is included or not.

**Unconfirmed as to whether rates growth is included and also need to take into account significant ex-gratia rates that this Council receives.

9. Councillors were briefed on 18 May 2015 on three scenarios with separate options in each.
- Scenario 1 showed the options with a 0%, 4% and 5% flat increase across the categories, except for GRV Vacant and the merged Industrial and Commercial categories. The 0% option to show what the Shire would earn if it left the rate in \$ and minimums as is. The result showed an increase in revenue by 0.9% which is regarded as the growth.
 - Scenario 2 showed the options with UV and GRV General with a 4% increase and the balance raised from the other categories giving an overall rate increase of 4% and 5%. This model showed that GRV Industrial/Commercial would be heavily skewed and bearing an unacceptably higher rate of 7%, see table in point 9 below.
 - Scenario 3 showed the options whereby the bin charges were merged with rates which covered the bin costs and a 4% or 5% increase in rates. This option has significant adverse effects on the industrial and commercial categories (see confidential attachment 1) and is not recommended further.
 - All scenarios had similar minimum rates increases with UV and GRV General except GRV Vacant at \$840 and the Industrial and Commercial categories at \$980. GRV Vacant minimum had to be revised downwards to \$695. This is to avoid breaching the 50% rule explained further below.

- In all scenarios, the GRV Vacant category is slightly altered between 7.2 and 7.35 cents in the dollar. Any significant changes in the rate would result in the Shire breaching the *Local Government Act 1995, s 6.35*

(2) A minimum payment is to be a general minimum but, subject to subsection (3), a lesser minimum may be imposed in respect of any portion of the district

(3) In applying subsection (2) the local government is to ensure the general minimum is imposed on not less than —

- (a) 50% of the total number of separately rated properties in the district; or*
- (b) 50% of the number of properties in each category referred to in subsection (6),*

(6) For the purposes of this section a minimum payment is to be applied separately, in accordance with the principles set forth in subsections (2), (3) and (4) in respect of each of the following categories —

- (a) to land rated on gross rental value; and*
- (b) to land rated on unimproved value; and*
- (c) to each differential rating category where a differential general rate is imposed.*

10.

The following tables reflects these options:

Scenario 1 Flat Increase	Number of Properties	Option 1 0% (Growth)	Option 2 4%	Option 3 5%
GRV General	20,845	22,987,038	23,476,071	23,680,877
General UV	231	482,183	498,810	503,700
GRV Industrial/ Commercial	589	6,341,478	6,554,957	6,636,343
Commercial UV	68	153,849	152,742	154,371
Vacant GRV*	685	920,319	903,212	909,538
	22,418	30,540,906	31,585,794	31,884,831

Scenario 2 Variable Rates	Number of Properties	4%	Variable Rate for Other Categories	TOTAL 5% Increase
GRV General	20,847	23,476,071		
General UV	232	498,811		
GRV Industrial/ Commercial	589		6,833,200	
Commercial UV	67		158,302	
Vacant GRV*	685		918,398	
	22,418	23,974,882	7,909,900	31,884,782

Scenario 3 Bins rolled in	Number of Properties	Option 1 4%	Option 2 5%
GRV General	20,845	30,928,049	31,224,487
General UV	231	636,114	642,230
GRV Industrial/ Commercial	589	9,399,483	6,542,191
Commercial UV	68	162,863	180,056
Vacant GRV*	685	1,184,576	1,193,988
	22,418	42,311,085	42,730,528

11.

	Number of Properties	Scenario 1 Option 3	Scenario 2 Variable Rates	Variance \$	Variance %
GRV General	20,845	23,680,877	23,476,071	204,806	0.86
General UV	231	503,700	498,811	4,899	0.97
GRV Industrial/ Commercial	589	6,636,343	6,833,200	(196,857)	(2.9)
Commercial UV	68	154,371	158,302	(3,931)	(2.5)
Vacant GRV	685	909,538	918,398	(8,860)	(0.97)
	22,418	31,884,831	31,884,781	57	

The above table compares the impact on the various categories, Scenario 1 being a flat 5% model, whereas Scenario 2 is a variable model but keeping the General UV & GRV category fixed at a 4% rise in rates.

It shows that that the GRV Industrial and Commercial categories would be heavily affected, in excess of 7%. In light of the current economic conditions prevailing in the State, it will be difficult to justify this model.

12. This report seeks to ratify the levels at which the Shire will advertise differential rates for the 2015/16 financial year.

DETAILS

13. The Budget will be framed on the current principles of the proposed rolling ten year Long Term Financial Plan (LTFP) (2015-25). The LTFP is an integral part of the Integrated Planning Framework and designed to provide local governments with a clear focus on robust financial planning and management. The ten year plan assumes a 5% increase in the rate in the dollar for residential properties for the 2015/16 year. Information recently received from Western Australian Local Government Association indicates that the majority of Metropolitan Local Governments anticipate that residential rates will increase between 2.5% and 10%.

14. A comparison was done with our neighbouring local governments, City of Armadale, Shire of Mundaring, City of Canning, City of Swan, City of Belmont and City of Gosnells which shows that our rates will remain competitive against the adjoining local government authorities. It should be noted that the rates reflected for the other local governments are proposed rates and could change as they are also in budget consideration process.

The City of Belmont is difficult to compare as they receive a significant amount of money as ex-gratia rates. The 2013/14 financial statements show this amount comprising 19.5% of total rates raised, worth \$37.9m.

15. At the Councillor briefings, the preferred option chosen for the 2015/16 Differential Rates is:

- GRV and UV categories except vacant category increase by 5%, this includes a growth factor of 0.9%;
- Minimum rate of \$840 for General GRV/UV and \$980 for the merged Industrial and Commercial GRV/UV categories; and
- Vacant GRV with a Rate in the dollar of \$0.0725 and a Minimum Rate of \$695.

16. The Shire also recommends that a levy that was implemented in 2013/14 to address the long term remediation issues being experienced at closed landfill sites within the Shire is continued. The Department of Environment and Conservation is applying stringent control over monitoring and rehabilitation required and the Shire is expending an average of \$116,000 a year to deal with the issue. In recognition of the impost the State Government introduced a *Waste and Resource Recovery Act* in 2007 which allows for local governments to charge a levy to cover the cost of ongoing monitoring of closed land fill sites.

17. The proposed rate for 2015/16 is \$0.000204, to raise just over \$116,000 to apply against remedial works on identified contaminated sites.

STATUTORY AND LEGAL IMPLICATIONS

18. Rates are levied on all rateable properties within the boundaries of the Shire of Kalamunda in accordance with the *Local Government Act 1995*. The overall objective of the proposed rates and charges in the 2015/16 Budget is to provide for the net funding requirements of the Council's activities and works programs as outlined in the ten year Long Term Financial Plan 2015-25.

19. In accordance with Section 6.36 of the *Local Government Act 1995*, the Shire is required to ensure that a notice is published in sufficient time to allow submissions to be made by an elector or a ratepayer in respect of the proposed rate within 21 days of the publication of the notice.

POLICY IMPLICATIONS

20. The retention of differential rating continues the existing policy except for one change and that is to merge the Industrial and Commercial GRV categories into one renaming it as Industrial/Commercial GRV Category.

21. The Shire is deemed not to be restricted by this direction if it required to raise specific funds to re-develop specific town sites which would benefit the commercial category alone. The monies required would be able to be raised from the affected properties via issuance of a special area rates notice, if required.

PUBLIC CONSULTATION/COMMUNICATION

22. Subject to the approval of the recommendation of this report public consultation will be sought by the publication of a public notice and the request for submissions in line with the requirements of the *Local Government Act 1995*.

FINANCIAL IMPLICATIONS

23. The raising of rates will enable the Shire to maintain sustainable operations. The Shire is faced with significant increases in relation to State Government related costs in excess of the national CPI. In addition to the above, the Bushfire Act which is commencing 1 November 2015 will bring a significant impost estimated at 2% of rates raised to ensure that the Shire is compliant.

STRATEGIC COMMUNITY PLAN

Strategic Planning Implications

24. *Shire of Kalamunda Strategic Community Plan to 2023*
- Strategy 6.8.1 Develop and regularly review the Long Term Financial Plan for the Shire
- Strategy 6.8.4 Provide effective financial services to support the Shire's Operations and to meet sustainability planning, reporting and accountability requirements.

SUSTAINABILITY

Social Implications

25. Increasing rates will generally have an adverse impact on low income home owners.

Economic Implications

26. The proposal to continue with and increase differential rating to commercial and industrial ratepayer may have an adverse impact on small businesses. As such, Scenario 2 is not recommended.

Environmental Implications

27. Nil.

RISK MANAGEMENT CONSIDERATIONS

28.

Risk	Likelihood	Consequence	Rating	Action / Strategy
Rates not approved by Council in time for rates notices to be issued by 1 July 2016.	Possible	Extreme	Extreme	Ensure that Council consensus is achieved by continuous briefing and updates on the budgets and rates modelling.

OFFICER COMMENT

29. This report is submitted in order that Council provide direction on the levels of rate increase and differential rate to be advertised for public comment as part of the 2015/2016 Budget process.

Voting Requirements: Simple Majority

RECOMMENDATION

That Council:

1. In line with the ten year Long Term Financial Plan, approve that the rate in the dollar and minimum rates advertised in the public notice for the rating categories will be as follows:

Category/Levy	Rate in \$	Min Rate \$
General GRV	0.055235	840
Industrial/Commercial GRV	0.056660	980
Vacant GRV	0.072500	695
General UV	0.003090	840
Commercial UV	0.003390	980
Waste Avoidance and Resource Recovery Levy (All Categories)	0.000204	N/A

Moved:

Seconded:

Vote:

Attachment 1

Detailed Sample of Properties based on Scenario 3

Code	Address	Rate Levied	Rate Levied	Last Year	Increase	L/Y
GRV Ind	11 IMPERIAL STREET	1,447	1,447	1007.69	439	43.60%
GRV Ind	10 LAURENCE ROAD	1,416	1,416	986.14	430	43.60%
GRV Ind	9 WHARTON ROAD	1,596	1,596	1111.09	484	43.60%
GRV Commercial	15 CENTRAL ROAD	268,472	268,472	166873.37	101,599	60.88%
GRV Commercial	105 WATSONIA ROAD	4,284	4,284	2159.66	2,125	98.39%
GRV Commercial	130 WITTENOOM ROAD	8,441	8,441	4551.71	3,889	85.45%
GRV Commercial	108 HALE ROAD	1,855	1,855	1152.98	702	60.88%
GRV Commercial	53 NEWBURN ROAD	1,578	1,578	981.04	597	60.88%
GRV Commercial	63 CANNING ROAD	3,256	3,256	2023.74	1,232	60.88%
GRV Commercial	61 CANNING ROAD	3,256	3,256	2023.74	1,232	60.88%

10.3.4 CONFIDENTIAL REPORT – Consideration of Tenders – Kostera Oval Reserve Re-Development Project (RFT1504)

Reason for Confidentiality *Local Government Act 1995 S5.23 (d) (c) – “a contract entered into, or which may be entered into, by the local government which relates to a matter to be discussed at the meeting.”*

Previous Items	Nil
Responsible Officer	Director Infrastructure Services
Service Area	Infrastructure Operations
File Reference	RFT1504
Applicant	N/A
Owner	N/A
Attachment 1	Schedule Plan
Confidential	Confidential Attachment – Tender Evaluation Report
Attachment 2	<u>Reason for Confidentiality</u> <i>Local Government Act 1995 S5.23 (d) (c) – “a contract entered into, or which may be entered into, by the local government which relates to a matter to be discussed at the meeting.”</i>

This item to be discussed under point 15 of this Agenda, a hard copy of this report and attachments has been circulated to Councillors under separate cover.

- 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 PRESIDING MEMBER OR BY
 DECISION**

- 15.0 MEETING CLOSED TO THE PUBLIC**

- 16.0 CLOSURE**